

Scatchet Head Water District

SCATCHET HEAD WATER DISTRICT (SHWD)  
ISLAND COUNTY WASHINGTON

Minutes for March 18, 2021 - Regular Meeting, 7:00 PM

MEETING PLACE

Online Meeting on Zoom because of Corona virus outbreak and Governor Inslee Proclamation.

IN ATTENDANCE:

Commissioner Carr  
Commissioner Lipoti  
Commissioner Mullins

ABSENT:

None

ALSO PRESENT:

Sandra Bodamer – King Water Company  
Brenda Bosman – King Water Company  
Shellie Klink - Enduris

COMMUNITY MEMBERS IN ATTENDANCE:

Customers were invited to attend by Zoom through email.  
David White  
Kirk Horton

The meeting was called to order at 7:05 PM by Commissioner Mullins.

Commissioner Lipoti motioned that the prior meeting minutes from the February 18, 2021 meeting be approved. Commissioner Mullins seconded the motion. (*Motion carried, unanimously approved and passed.*).

Enduris Presentation

Shellie Klink from Enduris, the district insurance company, was present to discuss the insurance policy. She noted that she sent the commissioners a 45-minute online presentation for their review.

- Enduris is a government risk pool audited by the state auditor.
- 536 members; 61 are water & sewer districts, across Washington State.
- Governed by an elected Board of Directors.
- Member benefits & Memorandum of Coverage is attached.
- \$20,000,000 liability coverage; employment practices, Errors & Omissions covered – \$20,000,000 aggregate – protects elected officials, employees, and volunteers.
- Deductible: \$1,000.00.
- Property coverage: guaranteed replacement costs; costs to build it today.

Meeting minutes

## Scatchet Head Water District

- Earthquake and flood insurance.
- Employee theft coverage.
- Cyber liability.
- Pollution coverage.
- Underground piping not covered in earthquake – FEMA will cover essential services.
- Free, online classes available through Enduris website for employees.

### Audience Participation

David White commented that the last full system flushing sessions was handled extraordinarily well. Nathan from King Water Company ensured that water was flushed to the proper channels. Water quality improved after the flush. Kirk Horton suggested that an email notice be sent a day before the flush as a reminder. Commissioner Carr suggested that 4 signs be placed at entry points to the community noting “Flushing Today”; Sandra will order the signs.

### Financial Report

The vouchers for the month were reviewed and Sandra from King Water Company gave the bookkeeper report. A motion was made by Commissioner Lipoti that Maintenance vouchers (03) - 1 through (03) – 15 in the amount of \$16,798.30 plus EFT vouchers (03) 1 and (03) 2 in the amount of \$326.41 for a total of \$17,124.71 be approved. Commissioner Mullins seconded the motion. (*Motion carried, unanimously approved and passed.*)

Financial reports were reviewed. Cash in the Operating Fund at February 28, 2021 was \$72,391.63, the Reserve fund was \$100.00 and the Emergency fund was \$100,912.79, of which \$99,000.00 is invested. The balance due on water bills was \$42,858.81, which includes past due accounts of \$17,556.25 (1 account for \$692.66 has been locked off, and three accounts for \$11,183.91 have had the meters removed or locked with liens filed).

### Manager/Operations Report

Sandra reviewed the Monthly Operations Report with the Commissioners.

- Hilton has not made his payment of \$2,000.00 as promised. The commissioners agreed to send a letter giving him 30 days to pay in full or the meter on lot 10 will be removed and he will be required to pay hook-ups fees at such time he wants water to the property.
- L & I coverage is available for volunteers.
- Iron & Manganese test results look good after the adjustment to the backwash.
- New booster pump has been dropped off at the pump house – will be used to replace #3 pump. Pump will be installed next week.
- Centrifugal switch – cost \$100.00 – King Water will replace. The commissioners agreed that small repairs like this should not wait.
- Water loss – 17%; reported flushing for December was 600,000 gallons, should be 200,000 gallons. A correction will be made to the volumetrics spreadsheet.
- Quarterly Arsenic results: 10.2 Parts Per Billion (PPB), slightly over the Maximum Contaminant Level (MCL) set by the state. Average for 2020: 8.4

Meeting minutes

## Scatchet Head Water District

PPB. An investigative sample will be taken to check levels again, and then another routine.

- Meter reader hire: Commissioner Lipoti will look at training offered by the insurance company for the trainee. She will also write up a short description of the job components to include 12 hours work each quarter, and will write a “help wanted” ad. Pay: \$20.00 per hour; job will be posted at the clubhouse (if ok’d by the Scatchet head Community Club “SHCC”), the website, and the SHCC newsletter.
- King Water contract to be signed – Brenda will send a copy with the vouchers.
- Golf cart: SHWD may want to purchase for meter reading.
- Island County has asked that water system components in the right of way be cleared.
- Short-term asset inventory: Commissioner Carr will pass on the list to Sandra; she will make changes.

### Old Business/Pending

- Action Items:
  1. Cottage Glen meter: Commissioner Mullins motioned to replace the 1” meter for \$250.00. Seconded by Commissioner Lipoti. (*Motion carried, unanimously approved and passed.*).
  2. Fidalgo slide: no word yet from the county.
  3. New booster pump – replace #3.
  4. Mag starter – aok to replace.
  5. Jerry Beck – misunderstood job – Guemes estimate: \$8,600.00; pressure sensor/digital readout level in tank.
  6. Potelco claim: Sandra left another message – no response.
  7. Water Rights Transfer: SHWD lawyer speaking with DOE to clarify transfer.
  8. PRV: no issues with pressure readings – work order lists the inlet/outlet pressures per station.
  9. Geological Inspection: set up for Tuesday but was cancelled. Commissioner Carr will reschedule.
  10. 25 meters ordered; expected delivery date is April 12. Commissioner Carr has the list of addresses where the meters will be replaced.
  11. Insurance update: completed at this month’s meeting.

Scatchet Head Sewer District: Commissioner Mullins discussed the sewer district and their request to use SHWD meter readings to bill their customers. He discussed the issue with the attorney, who suggested that an agreement outlining the routine be drawn up. SHWD may want to charge the Sewer District for the meter readings each quarter. Sandra noted that King Water Company could handle their billing, if requested. Also discussed was the possibility of the sewer customers passing on the meter readings from their water bills each quarter. Commissioner Mullins motioned to charge \$75.00 per quarter to the sewer district for the meter reading spreadsheet to be prepared by King Water Company with the readings for the sewer district customers. Seconded by Commissioner Lipoti. (*Motion carried, unanimously approved and passed.*).

Meeting minutes

Scatchet Head Water District

**New Business**

None.

Commissioner Mullins motioned to close the meeting at 8:52 PM.

Commissioner Carr seconded the motion. (*Motion carried, unanimously approved and passed*).

\_\_\_\_\_  
Commissioner Mullins, President

\_\_\_\_\_  
Jill Lipoti - Secretary

\_\_\_\_\_  
Commissioner Carr – V.P.

Meeting minutes

**Scatchet Head Water District**

County Expenditure - 2021

County #

**7090095000**

**524900**

To: Island County Auditor  
Subject: Vouchers for month of: March

(03)

Voucher #	Vendor	Vendor #	Amount
(03) 1	Jerry Beck & Company Inc	5002113	\$ 561.81
(03) 2	Benshoof, William	5005634	\$ 554.10
(03) 3	Carr, Scott	5010050	\$ 297.57
(03) 4	Davido Consulting Group	5001083	\$ 430.60
(03) 5	Drayton Archaeology	5005464	\$ 5,675.00
(03) 6	Inslee, Best, Doezie & Ryder, PS	5001958	\$ 69.00
(03) 7	Island County Treasurer	5009999	\$ 78.26
(03) 8	King Water Company	5002245	\$ 7,273.42
(03) 9	Lipoti, Jill	4000038	\$ 128.00
(03) 10	Mullins, David	5001077	\$ 128.00
(03) 11	Law Office of Thomas M Pors	5010268	\$ 385.00
(03) 12	Puget Sound Energy	5002726	\$ 991.97
(03) 13	Utilities Underground Location	5003650	\$ 7.70
(03) 14	Whidbey Island Water Systems Assn	5003935	\$ 200.00
(03) 15	Whidbey Telephone	5003941	\$ 17.87

Sub Total \$ 16,798.30

EFT Voucher #

(03) 1	United States Treasury	\$ 91.80
(03) 2	Department of Revenue	\$ 234.61

Sub Total \$ 326.41

**Total** \$ 17,124.71

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered, or the labor performed as described herein, and that the claims are just due, and unpaid obligations against Scatchet Head Water District and that I am authorized to authenticate and certify said claims.

\_\_\_\_\_  
Auditing Officer

\_\_\_\_\_  
Date

As of this date, the Commissioners, by a majority vote, do hereby approve for payment those vouchers included in the above list bearing Voucher no's (03) 1 through (03) 15, plus EFT Vouchers (03) 1 and (03) 2.

\_\_\_\_\_  
Commissioner Lipoti

\_\_\_\_\_  
Commissioner Mullins

\_\_\_\_\_  
Commissioner Carr

\_\_\_\_\_  
Date



Scatchet Head Financial Statement February 28, 2021

	2/28/2021	2/29/2020	\$ Change
<b>ASSETS</b>			
Current Assets			
Checking/Savings			
Operating	72,391.63	16,237.78	56,153.85
Reserve	100.00	27,500.00	-27,400.00
Emergency	100,912.79	99,993.88	918.91
Total Checking/Savings	173,404.42	143,731.66	29,672.76
Accounts Receivable	67,670.35	49,269.38	18,400.97
Total Current Assets	241,074.77	193,001.04	48,073.73
<b>TOTAL ASSETS</b>	241,074.77	193,001.04	48,073.73
<b>LIABILITIES &amp; EQUITY</b>			
Liabilities			
Current Liabilities			
Accounts Payable	8,379.94	6,542.23	1,837.71
Payroll Liabilities	-30.74	-39.86	9.12
Interim Loan			
USDA Loan			
Total Current Liabilities	8,349.20	6,502.37	1,846.83
Total Liabilities	8,349.20	6,502.37	1,846.83
<b>RETAINED EARNINGS</b>	188,081.00	152,171.31	35,909.69
<b>NET INCOME</b>	-14,645.84	-8,399.79	-6,246.05
<b>TOTAL LIABILITIES &amp; NET WORTH</b>	173,435.16	143,771.52	29,663.64

Scatchel Head Operating Account - 709  
**Balance Sheet Prev Year Comparison**  
As of February 28, 2021

2

	Feb 28, 21	Feb 29, 20	\$ Change
<b>ASSETS</b>			
Current Assets			
Checking/Savings			
BANK - Cash	72,391.63	16,237.78	56,153.85
Total Checking/Savings	72,391.63	16,237.78	56,153.85
Total Current Assets	72,391.63	16,237.78	56,153.85
<b>TOTAL ASSETS</b>	<b>72,391.63</b>	<b>16,237.78</b>	<b>56,153.85</b>
<b>LIABILITIES &amp; EQUITY</b>			
Liabilities			
Current Liabilities			
Other Current Liabilities			
Payroll Liabilities	-30.74	-39.86	9.12
Total Other Current Liabilities	-30.74	-39.86	9.12
Total Current Liabilities	-30.74	-39.86	9.12
Total Liabilities	-30.74	-39.86	9.12
Equity			
Opening Bal Equity	29,021.80	29,021.80	0.00
Retained Earnings	58,155.30	-4,055.42	62,210.72
Net Income	-14,754.73	-8,688.74	-6,065.99
Total Equity	72,422.37	16,277.64	56,144.73
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>72,391.63</b>	<b>16,237.78</b>	<b>56,153.85</b>

Scatchel Head Operating Account - 709  
Profit & Loss Prev Year Comparison  
February 2021

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	Feb 21	Feb 20	\$ Change
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
<b>INCOME</b>			
Water Fees	4,665.22	8,870.03	-4,204.81
Late Fees	0.00	428.47	-428.47
Reimbursed Expenses	0.00	360.00	-360.00
<b>Total INCOME</b>	<b>4,665.22</b>	<b>9,658.50</b>	<b>-4,993.28</b>
<b>Total Income</b>	<b>4,665.22</b>	<b>9,658.50</b>	<b>-4,993.28</b>
<b>Expense</b>			
<b>EXPENSES</b>			
<b>DIRECT SALARIES &amp; WAGES</b>			
Managers Salary	600.00	600.00	0.00
Commissioners Pay	768.00	640.00	128.00
Payroll Expenses	47.42	47.42	0.00
<b>Total DIRECT SALARIES &amp; WAGES</b>	<b>1,415.42</b>	<b>1,287.42</b>	<b>128.00</b>
<b>WATER MAINTENANCE</b>			
Water Management	1,131.00	1,131.00	0.00
Water Repairs & Maintenance	1,104.80	40.31	1,064.49
Water Testing	30.00	30.00	0.00
Chlorine and Chemicals	209.84	104.92	104.92
Supplies/Parts	82.68	29.34	53.34
<b>Total WATER MAINTENANCE</b>	<b>2,558.32</b>	<b>1,335.57</b>	<b>1,222.75</b>
<b>Utilities</b>			
Telephone	17.87	17.87	0.00
Propane	337.41	0.00	337.41
Electric	996.09	1,157.05	-160.96
<b>Total Utilities</b>	<b>1,351.37</b>	<b>1,174.92</b>	<b>176.45</b>
<b>GENERAL &amp; ADMINISTRATIVE</b>			
Office	62.46	0.00	62.46
Billing Statements & Postage	76.42	0.00	76.42
Certified Letter Fees	0.00	733.73	-733.73
Lien & Recording Fees	0.00	113.59	-113.59
Training			
Travel	0.00	110.34	-110.34
<b>Total Training</b>	<b>0.00</b>	<b>110.34</b>	<b>-110.34</b>
Taxes			
State Utility Tax	238.97	286.18	-47.21
<b>Total Taxes</b>	<b>238.97</b>	<b>286.18</b>	<b>-47.21</b>
<b>Total GENERAL &amp; ADMINISTRATIVE</b>	<b>377.85</b>	<b>1,243.84</b>	<b>-865.99</b>
<b>PROFESSIONAL SERVICES</b>			
Engineering	1,806.50	0.00	1,806.50
Accounting	872.00	872.00	0.00
Legal Fees	0.00	630.00	-630.00
<b>Total PROFESSIONAL SERVICES</b>	<b>2,678.50</b>	<b>1,502.00</b>	<b>1,176.50</b>



Scatchnet Head Operating Account - 709  
**Profit & Loss Prev Year Comparison**  
February 2021

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	<u>Feb 21</u>	<u>Feb 20</u>	<u>\$ Change</u>
<b>Total EXPENSES</b>	8,381.46	6,543.75	1,837.71
<b>Total Expense</b>	8,381.46	6,543.75	1,837.71
<b>Net Ordinary Income</b>	-3,716.24	3,114.75	-6,830.99
<b>Net Income</b>	-3,716.24	3,114.75	-6,830.99

**Scatchnet Head Operating Account - 709**  
**Profit & Loss Prev Year Comparison**  
January through February 2021



	Jan - Feb 21	Jan - Feb 20	\$ Change
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
<b>INCOME</b>			
Water Fees	9,417.13	14,560.66	-5,143.53
Late Fees	0.00	483.72	-483.72
Reimbursed Expenses	0.00	639.18	-639.18
<b>Total INCOME</b>	<u>9,417.13</u>	<u>15,683.56</u>	<u>-6,266.43</u>
<b>Total Income</b>	9,417.13	15,683.56	-6,266.43
<b>Expense</b>			
<b>EXPENSES</b>			
<b>DIRECT SALARIES &amp; WAGES</b>			
Managers Salary	1,200.00	1,200.00	0.00
Commissioners Pay	1,920.00	1,024.00	896.00
Payroll Expenses	197.03	217.12	-20.09
<b>Total DIRECT SALARIES &amp; WAGES</b>	<u>3,317.03</u>	<u>2,441.12</u>	<u>875.91</u>
<b>WATER MAINTENANCE</b>			
Water Management	2,262.00	2,231.00	31.00
Water Repairs & Maintenance	4,223.88	2,581.00	1,642.88
Water Testing	500.00	1,290.00	-790.00
Chlorine and Chemicals	209.84	419.68	-209.84
Supplies/Parts	82.68	841.99	-759.31
<b>Total WATER MAINTENANCE</b>	<u>7,278.40</u>	<u>7,363.67</u>	<u>-85.27</u>
<b>Utilities</b>			
Telephone	35.74	35.74	0.00
Propane	337.41	0.00	337.41
Electric	1,990.76	2,312.09	-321.33
<b>Total Utilities</b>	<u>2,363.91</u>	<u>2,347.83</u>	<u>16.08</u>
<b>GENERAL &amp; ADMINISTRATIVE</b>			
Liability Insurance	0.00	5,536.00	-5,536.00
Dues and Subscriptions	2,484.80	232.40	2,252.40
Licenses and Permits	0.00	1,206.00	-1,206.00
Office	62.46	0.00	62.46
Billing Statements & Postage	76.42	0.00	76.42
Certified Letter Fees	0.00	733.73	-733.73
Mailings	0.00	20.22	-20.22
Lien & Recording Fees	0.00	113.59	-113.59
Election Costs	0.00	183.19	-183.19
Training			
Travel	0.00	110.34	-110.34
<b>Total Training</b>	<u>0.00</u>	<u>110.34</u>	<u>-110.34</u>
<b>Taxes</b>			
State Utility Tax	2,416.34	1,694.22	722.12
<b>Total Taxes</b>	<u>2,416.34</u>	<u>1,694.22</u>	<u>722.12</u>
<b>Total GENERAL &amp; ADMINISTRATIVE</b>	<u>5,040.02</u>	<u>9,829.69</u>	<u>-4,789.67</u>

Scatchet Head Operating Account - 709  
Profit & Loss Prev Year Comparison  
January through February 2021

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	<u>Jan - Feb 21</u>	<u>Jan - Feb 20</u>	<u>\$ Change</u>
<b>PROFESSIONAL SERVICES</b>			
Engineering	4,428.50	0.00	4,428.50
Accounting	1,744.00	1,720.00	24.00
Legal Fees	0.00	630.00	-630.00
<b>Total PROFESSIONAL SERVICES</b>	<u>6,172.50</u>	<u>2,350.00</u>	<u>3,822.50</u>
Miscellaneous	0.00	39.99	-39.99
<b>Total EXPENSES</b>	<u>24,171.86</u>	<u>24,372.30</u>	<u>-200.44</u>
<b>Total Expense</b>	<u>24,171.86</u>	<u>24,372.30</u>	<u>-200.44</u>
<b>Net Ordinary Income</b>	<u>-14,754.73</u>	<u>-8,688.74</u>	<u>-6,065.99</u>
<b>Net Income</b>	<u><u>-14,754.73</u></u>	<u><u>-8,688.74</u></u>	<u><u>-6,065.99</u></u>

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**Scatchet Head Water District - Fund 718/Reserve  
Reconciliation Summary**

	<u>February 28, 2021</u>
<b>Beginning Balance 2/1/21</b>	100.00
<b>Checks and Payments</b>	0.00
<b>Deposits and Credits</b>	0.00
<b>Register Balance as of 2/28/21</b>	<u>100.00</u>
<b>Ending Balance</b>	<u><u>100.00</u></u>

**Scatchet Head Water District - Fund 764/Emergency  
Reconciliation Summary**

	<u>February 28, 2021</u>
<b>Beginning Balance</b>	100,803.90
<b>Deposits and Credits</b>	53.59 January Interest
<b>Deposits and Credits</b>	55.30 February Interest
<b>Register Balance 2/28/21</b>	<u>100,912.79</u>
<b>Ending Balance</b>	<u>100,912.79</u> \$99,000.00 Invested

Scatchet Head Water District

March 18, 2021

Accounts Receivable

Current Total Balance Owing: \$42,858.81

Past Due: \$17,556.25

Locked Meters: 1 at \$692.66

3 Meters Removed/Locked & Lien Filed: \$11,183.91

March 12, 2020: Total Balance Owing: \$33,324.00

Past Due \$13,692.00

Locked Meters: 3 at \$5794.00

2 Meters Removed/Lien Filed: \$8,300.28

No late fees or lock-offs allowed until April 30, 2021 per Governor Inslee's Covid Proclamation.

**Scatchett Head WD**

Monthly Operations -

February

2021

Water pumped:

	Cu. Ft. Start	Cu. Ft. End	Cu. Ft. Month	Gals. Month
Well # 2	3,052,840	3,196,940	144,100	1,077,868
Well # 3	7,246,550	7,274,330	27,780	207,794
<b>Total</b>			<b>171,880</b>	<b>1,285,662</b>

Treatment Meter:

	56,348,700	56,528,800	180,100	1,347,148
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Difference

	-8,220	-61,486
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Backwash

	4,790,800	4,813,700	22,900
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Backwash %

13.3%

Cottage Glen reservoir

				Gallons
Inlet meter (Cu. Ft)	6,303,240	6,352,200	48,960	366,221
Outlet meter (gallons)	1,745,010	2,100,850	355,840	355,840

Difference

10,381

Booster Pumps:

#1	9,423	9,515	92
#2	9,014	9,062	48
#3	11,618	11,658	40
#4	8,933	8,975	42

222

Booster gals/hr.

Flushing	Cu Ft	Gallons
<b>2017</b>		
March - full system flush		145,000
<b>2018</b>		
January - Guemes reservoir under construction through April		
April - full system flushes		100,000
		150,000
May - several full system & spot flushes		600,000
August - full system flush		200,000
<b>2019</b>		
March - full system flush		100,000
<b>2020</b>		
February - spot flushing		50,000
March - full system flush		100,000
June - full system flush		200,000
Sept - full system flush		100,000
Dec - full system flush		100,000

## Scatchet Head Water District meeting March 19, 2021

### Action Items

1. Flushing went well, but need to remind people that flushing will occur. Three methods of notification: 1) email from Brenda the day before; 2) Two sandwich boards on Mortland and Blakely with 4 signs (back and front); 3) website notice
2. Arsenic reading was above MCL. Sandra to take investigative sample for analysis and email results to Commissioners. Based on result, another compliance sample will be taken and entered into the record.
3. Sandra –find out a price on a 1 inch meter for the Cottage Glen Reservoir - \$250. Commission votes to proceed to buy and install. Item will be considered complete when installed.
4. Monitoring - Fidalgo slide – our insurance company says that SHWD is not responsible – any word from the County?
5. Sandra – status of new booster pump to replace #3 – received pump. This item will be considered complete when it is installed.
6. Sandra – repair of booster pump #1 Mag starter switch replacement – commission votes to proceed
7. Scott – follow up with Jerry on the price for a pressure sensor on the tank at Guemes to alert King and Commissioners to tank depletion – initial estimate was \$7000 and was not what we wanted. Another estimate has been requested.
8. Sandra – follow up with PSE or Patelco regarding claims – no change.
9. Sandra – continue to follow up on our Transfer of Water Rights
10. Sandra/Scott – PRV – taking pressure readings 2/20/21- Sandra sending Scott the readings from the work order
11. Scott – geologic inspection of area near well building which is sliding – need new date for inspection
12. Scott/Sandra – order 25 new water meters for replacing the ones that are losing accuracy – ordered. To be delivered on or about April 12. Will be installed in the locations identified by Scott/Bill during last meter reading
13. Scott to pass the asset list to Sandra for additions/ corrections. This is considered a “living document” to be updated as items are replaced.
14. Jill – write up a short job description for the meter reader. Calling this a “trainee”. \$20/hour at 12 hours/quarter. Advertise at state unemployment office and in SHCC newsletter. Candidate will be asked to take relevant training courses for harassment and ethics that are on-line and available from our insurance carrier.
15. Dave – continue to work with SHSD on cost for supplying water meter readings for billing purposes.



# Scatchet Head Water District

7906 Guemes Ave

Clinton WA 98236

360-678-5336

## SHWD Meeting Notice

**When: Thursday March 18, 2021 – 7:00pm**

**Where: <https://zoom.us/>**

**Meeting ID: 824 1297 6969**

**Passcode: 245864**

Contact Brenda at [brenda@kingwater.com](mailto:brenda@kingwater.com)  
for more information