

# **Whidbey Island Water Systems Association**

## **General Membership Meeting Minutes**

**June 18, 2021**

### **I. Call to Order**

John Lovie called to order the regular meeting of the Whidbey Island Water System Association General Membership Meeting at 5:00 pm on June 18, 2021 online via zoom.

### **II. Quorum Call and Introductions**

Confirmation of a quorum was made. Panelist introduced themselves. Present: WIWSA-John Lovie, Randi Perry, Bethel Hart, Joe Grogan, and Culley Lehman. State Department of Health Office of Drinking Water – Jennifer Kropack, Kitsap PUD-Bob Hunter, Barbara Summers-NW Natural/Cascadia Water, Jeff Johnson- Regional Water Cooperative of Pierce County, Reg Hearn, Grays Harbor Co. Water District #2.

### **III. Approval of Agenda**

Lovie presented the agenda. Zoom poll launched, agenda approved unanimously.

### **IV. Approval of Minutes**

Perry presented minutes for January 2021 General Membership meeting. Zoom poll launched, minutes approved unanimously.

### **V. Treasurer's Report**

Hart presented the Treasurer's Report. Bank account balance is \$22,990.20, \$2092.46 in expenses primarily for insurance. \$21,666.88 ending balance. Perry made motion to approve the Treasurer's Report. Second made by Lehman. Zoom poll launched, Treasurer's Report approved unanimously.

### **VI. Special Announcements**

- a) Advertisement preparation underway for the apprentice scholarship. A candidate has been identified; a report will be given at Septembers quarterly.
- b) Asset management spreadsheet and webinars have been posted on the website. We understand there may still be issues in evaluating systems inventory. If systems are still having issue it is recommended, they contact an engineer.
- c) Next meeting will be held September 16<sup>th</sup> via Zoom. Poll launched to determine if in person meeting is desired. 91% in favor, discussion about a hybrid model for presenters and the possibility of remote attendance for participants was discussed.

### **VII. Meeting Program**

**Joe Grogan, Town of Coupeville-Municipal Water System** – Coupeville is a small rural water system. The water system is managed by full time staff, overseen by Town Council. Citizen within town limits have input to town council and can vote for their representation, out of town can make comment but cannot vote. Coupeville contends with staffing issues and fully funding capital projects.

**Bethel Hart, Bayview Meadow-HOA** Operation and Maintenance are funded through dues. Recently installed a manganese water treatment system, this was funded by reserves and an assessment. The system ran into unanticipated costs due to aging infrastructure. The operations are contracted to King Water for 2 days per week and Bethel samples chlorine residual 3 days per week. Bayview Meadows has 16 connections.

**Reg Hearn, Grays Harbor Water District #2 – Water district** – Reg founded NW Water and now represents Grays Harbor Water District. A water district only focuses on water. They are run by a 3 commissioner and adhere to more regulation, answer to the Office of Drinking Water and the State Auditor to assure water quality and that public funds are utilized properly. The district is professionally managed with dedicated water staff. The commissioners are elected and subject to open meetings act. Rates are determined through the budget process, and they are more closely compared to a PUD than a municipality.

**Bob Hunter, Kitsap PUD-** Public Utility District – The Kitsap PUD started with 8 water systems serving 2300 people with 6 staff. They have grown to serve 16,000 people with 69 staff. The PUD is run by 3 commissioners with 2 year staggered terms. The PUD is established by a petition (10% of the voter participation in the previous general election). A PUD then could be established. When Kitsap takes on a new system they work with the State and manage the system for a 2-year period. Then they work to consolidate. Issues within they system are addressed and funding through SRF or other is established, the state can forgive 50%, the other 50% is paid by the benefitting system. In order for a PUD to be effective, scale is needed.

**Jeff Johnson-** Regional Water Cooperative of Pierce County- Mutual Cooperative- Co-ops are ½ way between government and private systems. Board of Directors is elected by members, and property owners get the vote.

Minutes submitted by: Randi Perry

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Operation is determined by by-laws, and they are not regulated by the UTC. Board of Directors establishes policy, sets rates and fees, and oversees manager. Manager directs employees. They do not have to pay prevailing wage like a municipality does, there are no open meeting requirements and no state audit obligations. They have an independent accountant and financial info, capital improvement plan, rates and budget are discussed at an annual meeting. Even though customers pay utility tax, they cannot draw from the Public Works Assistant Account, they have limited ability to change zoning.

**Barbara Summers- Cascadia Water/Northwest Natural-investor owned-** Northwest Natural is a natural gas company out of Portland OR. They manage 20,000 miles of pipe. They are familiar with operations and regulatory compliance and can fill industrial need. They have the capital to address aging infrastructure. Contrary to public perception, they cannot make a profit, there is no allowable margin on expenses. They can finance and recover investment over the full life of an asset. They have acquired utilities in OR, WA, ID and TX mostly HOA's and Districts. Many folks are reluctant to forfeit system assets or management control. Barbara is working on a Community Partnership Program. They will provide planning, maintenance, operations and invest capital into a water system but the system would remain under the current ownership with the ability to terminate the contract. They will operate under the prepared system master plan and use it to guide investment. The expectation is to take care of the customer. They will make rate recommendations to the board or through the UTC this would be a hybrid regulatory structure. Whidbey systems would be managed by Cascadia.

**Floor opened for discussion.**

**Adjournment** John Lovie adjourned the meeting at 7:15pm