

**DUCK LAKE WATER ASSOCIATION, INC.
PO Box 1624, Omak, WA 98841-1624**

ANNUAL MEETING MINUTES

The Annual Meeting was held, Tuesday, **September 12, 2023**, at 6:00pm, located at Omak City Hall.

BOARD MEMBERS PRESENT

Floyd Covey, President
Wayne Wells, Vice President
Dave Munding, Director
Megan Azzano, Director
Talana Lay, Director/Secretary/Treasurer

ALSO PRESENT

Charlotte Covey, Member
Mary Friend, 313 Riverside Cutoff Road – Tex and Donna Sutton’s renter
Devon Curry, 313 Riverside Cutoff Road – Tex and Donna Sutton’s renter
Jim Miller, Member
Janet Miller, Member
Dave Sleder, Member
Barb Shackette, Member
Jeremi Judd, Johnson Creek Water Users President
Duane Hammer, Johnson Creek Water Users Member

CALL TO ORDER

Vice President Wayne Wells called the meeting to order at 6:08pm. A quorum was present.

Proof of Notice of Meeting was presented by President Floyd Covey.

APPROVAL OF MINUTES

A motion made by Wayne and seconded by Dave to approve the July 10, 2023, July 31, 2023 and August 24, 2023 minutes. Motion carried.

ELECTION OF DIRECTORS – TWO DIRECTORS ARE NEEDED

Those nominated:

Jim Miller
Jeremi Judd
Duane Hammer

Jim Miller received two (2) votes.
Jeremi Judd received six (6) votes.
Duane Hammer received (5) votes.

There being no other nominations, a motion was made by Talana and seconded by Megan to elect Jeremi Judd for one of the director’s positions. Motion carried.

A motion was made by Dave and seconded by Talana to elect Duane Hammer for one of the director’s positions. Motion carried.

A motion was made by Dave and seconded by Megan to keep the current officers:

Floyd Covey, President

Wayne Wells, Vice President

Talana Lay, Secretary/Treasurer

DISCUSSIONS -

Consolidation Agreement:

The consolidation agreement prepared by Attorney Marc Marquis was distributed and read by the board. Notary Public, Tammy Watkins witnessed and notarized the signing. Those signing the agreement for the Duck Lake Water Association were President Floyd Covey, Vice President Wayne Wells, Director/Sec/Treas Talana Lay, and Director Megan Azzano. Those signing for the Johnson Creek Water Users Association were President Jeremi Judd and Member Duane Hammer. A motion was made by Talana and seconded by Megan to adopt the signed agreement.

Washington Federal Bank:

Signatories for account numbers 3397001979, 3399001340 and 3397030036 at Washington Federal Bank were discussed. It was decided to keep Duane Hammer as a signatory and add Secretary/Treasurer Talana Lay as a signatory. According to the associations' by-laws, any individual withdrawal in excess of \$2,500 shall require the signature of two directors, aka trustees. Attorney Marquis says that the consolidation agreement should be presented at the bank. The consolidation agreement should be enough to add Talana Lay as signatory and remove Kristina Shiles and Johns Andrist as signatories. A motion was made by Dave and seconded by Jeremi to keep Duane Hammer as signatory, add Talana Lay as signatory, and remove Kristina Shiles and John Andrist as signatories. Motion carried.

Statement of Work – Grants and Loan Audit:

A Statement of Work from Clifton, Larson and Allen (CLA) to do an audit of both grants and the loan was presented to the board and discussed. The audit is required by the Department of Health when \$750,000 and more is awarded to an organization in a fiscal. The fee for the audit is \$18,900. The contract with CLA will be signed by Floyd, Wayne and Talana. A motion was made by Dave and seconded by Talana to have Clifton, Larson and Allen do the audit for \$18,900. Motion carried.

Financial:

Talana distributed financial reports to the board:

Bank Registers for all accounts, including Johnson Creek

Profit and Loss – Fiscal Year

Balance Sheet – as of September 12, 2023

USDA Loan Schedule - \$32,422.94 owing as of August 2023 – Inherited from Johnson Creek

The reports were discussed. It looks like we will need to raise the rates in the near future. According to the profit and loss statement, we had a net income of only \$163.43. A motion was made by Megan and seconded by Dave to approve the financial reports. Motion carried.

Meter Damage and Obstructed Meters:

It was brought to the board's attention by Wayne that some meters are inaccessible due to debris, landscaping and a variety of obstacles. Not to mention snow during most winters. If the meter cannot be found to turn off the water after a pipe in the home breaks, water damage to the home can be extensive and costly to the homeowner. Wayne is requesting the board approve a charge to the member for time and materials to find and uncover the meter. A metal fence

post may need to be placed next to the meter to help with locating it. The meter and meter box are the property of the Duck Lake Water Association and it is located in the county's road right of way. If a member's landscaping or lawn obstructs the view of the meter box and if they do not remedy the situation, then Duck Lake Water is obligated to charge for time and materials to uncover the meter box. A motion was made by Dave and seconded by Duane to charge a time and materials fee for meter obstruction remedies. Motion carried.

It was brought to the board's attention by Wayne that some meters and meter boxes are being damaged or broken due to being run over by vehicles. Wayne is requesting the board approve a charge to the member for the cost of the meter and meter box, plus the cost of installation. A metal fence post may need to be placed next to the meter to keep it from being damaged or broken. A motion was made by Dave and seconded by Duane to charge the member for the cost of the damaged or broken meter and meter box, plus the cost of installation. Motion carried.

Delinquent Accounts:

Talana stated that a finance charge is assessed on accounts that are delinquent and 60+ days past due. When the account is 60+ days past due, a delinquent letter is sent with the statement. Talana is requesting that the board approve a \$20 charge to the member when a delinquency letter is generated. A motion was made by Megan and seconded by Dave to approve the \$20 charge. Motion carried.

Disconnect Notices:

Talana stated that at 90+ days past due, a disconnect notice is sent to the member. According to the by-laws, a disconnect notice must be sent certified with a return receipt. The member has 15 days from the date of the disconnect notice to bring the account current. Talana is requesting that the board approve a \$50 charge to the member when a disconnect notice must be generated and sent. A motion was made by Dave and seconded by Talana to approve the \$50 charge. Motion carried.

Zaragoza Refund:

A \$6,000 refund request was made by Efrain Zaragoza for a hookup that was purchased but could not be used due to county regulations. A home could not be placed on the property because there is arsenic in the soil. The property had once been an apple orchard. A motion was made by Talana and seconded by Duane to refund the \$6,000. Motion carried.

Consumer Confidence Report:

A nicely formatted \$200/year Consumer Confidence Report (CCR) was approved by the board at a prior meeting. In the meant time, the bill was received, and the charge was \$250. Talana asked the board if they still wanted the formatted CCR for \$250, or to go back to the plain format, which is no charge? A motion was made by Dave and seconded by Talana to go back to the plain format. Motion carried.

Credit Card Payments by Members:

A pay by credit card request was mailed to Talana. Talana asked the board if they want Duck Lake Water to accept payment by credit card? The board decided not to accept credit card payments at this time.

Riverside Cutoff Road Members:

A rate schedule for the members that live on the Riverside Cutoff Road was distributed and discussed. A motion was made by Megan and seconded by Dave to accept the rate schedule

and charge the rates listed. Motion carried.

Tex and Donna Sutton's disconnected hookup was discussed.

The Riverside Cutoff Road members' list was discussed. The members' accounts that are delinquent will be handled in accordance with the Duck Lake Water by-laws.

Pay Increase Request:

Now that the Duck Lake Water-Johnson Creek Water consolidation agreement was signed, the duties of the secretary/treasurer have increased. Talana is asking for a \$300 pay raise to compensate for the increased duties. A motion was made by Floyd and seconded by Megan to increase Talana's pay by \$300. Motion carried.

NEXT MEETING

TBD

ADJOURNMENT:

There being no further business, a motion was made by Megan and seconded by Dave to adjourn the meeting at 8:57pm. Motion carried.

Respectfully submitted,

Talana Lay, Secretary/Treasurer

Wayne Wells, Vice President

Duane Hammer, Director