

**HARTSTENE POINTE WATER-SEWER DISTRICT  
REGULAR MEETING  
CONDUCTED VIA TELECONFERENCE  
Per State of Emergency Declared in Washington State and Mason County  
April 1, 2021 1:00 P.M.**

**AGENDA**

1. Call to Order
2. Roll Call
3. Subscriber Remarks
4. Correspondence
5. Present Agenda
6. Minutes of the March 18, 2021 Regular Meeting (2-3)
7. Minutes of the March 27, 2021 Special Meeting (3-4)

**REPORTS:**

8. Commissioner Reports
9. Financial/Administrative Report:
  - Bills to Be Authorized:
    - Voucher 2021-13
  - Bills to Be Reviewed:
    - Voucher 2021-12
  - Monthly Financial Report (5-6)

**BUSINESS:**

10. Determine a Timeline for Filling Upcoming GM Vacancy and Decide whether to Hire Internally or Advertise
11. Create an Agenda for Upcoming Special Meeting (“Board Retreat”)

**As per the State of Emergency, the district's Open Public Meetings will be held via teleconference. Until further notice, meetings WILL NOT be held at the District office.**

**To join a meeting, follow the instructions below:**

- 1. Call (425) 436-6260 or (800) 719-6100**
- 2. Enter Access Code 535 9093 #**

If you have a webcam-enabled computer, you may try to connect to the meeting using the link below:

<https://hello.freeconference.com/conf/call/5359093>

*Note: Due to limited internet connection speeds at Hartstene Pointe, joining meetings via webcam may lead to reduced quality*

**HARTSTENE POINTE WATER-SEWER DISTRICT**  
**REGULAR MEETING of the BOARD OF COMMISSIONERS**  
**March 18, 2021**  
**Conducted Via Teleconference**  
**Per State of Emergency Declared in Washington State and Mason County**

**MINUTES**

**PRESENT:** President E. J. Anderson, Secretary S. Swart, Audit Commissioner A. Hospador, General Manager (GM) D. Carnahan, Project & Accounts Manager (PM) J. Sartori.

**CALL TO ORDER:** The meeting was called to order at 1:00 pm.

**SUBSCRIBER REMARKS:** PM read a letter from a subscriber, sent through the website contact form

**CORRESPONDENCE:** PM noted correspondence from the Mason County Auditor regarding the upcoming election

**PRESENT AGENDA:** *Commissioner Hospador moved to adopt the agenda. Commissioner Swart seconded.* PM requested to amend the Financial/Administrative Report: Voucher 2021-11 will be authorized and there will be no Voucher 2021-12. *Hearing 3 aye votes and 0 nay votes, the agenda was adopted with the amendment.*

**MINUTES:** The minutes of the March 4, 2021 regular meeting were presented. *Commissioner Hospador moved to approve the minutes as presented. Commissioner Swart seconded. Hearing 3 aye votes and 0 nay votes, the minutes were approved.*

**REPORTS:**

**Water Board Bible:** Commissioners reviewed and discussed chapter one.

**Commissioner Reports:**

- Commissioner Hospador noted that some sewer lines can be re-lined to repair and other methods of repair, including one method that seals with UV light
- Commissioner Swart attended the Water Works Workshop through AWWA and discussed how manganese affects water quality

**Financial/Administrative Report:**

- Bills to Be Authorized:
  - Voucher 2021-11, in the amount of \$25,426.17, was presented in full. *Commissioner Hospador moved to approve voucher 2021-11 in the amount of \$25,426.17. Commissioner Anderson seconded. Hearing 3 aye votes and 0 nay votes, the voucher was approved.*
- Monthly Financial Report:
  - PM presented the financial report for January 2021

**General Manager's Report:** GM presented his report on the current state of the district

**BUSINESS:**

**Approve Heavy Equipment Purchase:** GM presented an estimate for the purchase of a KX 12-3

excavator and accompanying trailer. Commissioners discussed the benefits and savings of purchasing this equipment. *Commissioner Anderson moved to approve the purchase of excavator and accompanying trailer at cost of estimate provided. Commissioner Hospador seconded. Hearing 3 aye votes and 0 nay votes, the motion is approved.*

**Discuss Human Resources and Personnel Needs:** GM notified the board of commissioners that he is resigning, effective May 31, 2021. Commissioner Anderson and GM discussed strategies for transitioning to a new general manager.

*Commissioner Hospador moved to adjourn the meeting. Commissioner Anderson seconded. Hearing 3 aye votes and 0 nay votes, the meeting adjourned at 2:45 pm.*

Respectfully Submitted By:

\_\_\_\_\_  
*Signature* Stacy Swart, Secretary, Commissioner #3  
\_\_\_\_\_  
*Name and Title*

Approved at the Regular Meeting of the Board on: 4-1-2021

**HARTSTENE POINTE WATER-SEWER DISTRICT  
SPECIAL MEETING of the BOARD OF COMMISSIONERS  
with HPMA  
March 27, 2021  
Conducted Via Teleconference  
Per State of Emergency Declared in Washington State and Mason County**

**MINUTES**

**PRESENT:** President E. J. Anderson, Secretary S. Swart, Audit Commissioner A. Hospador, General Manager (GM) D. Carnahan, Project & Accounts Manager (PM) J. Sartori, Hartstene Pointe Maintenance Association (HPMA) board of directors and general manager, 30 subscribers present.

**CALL TO ORDER:** The meeting was called to order at 1:04 pm.

**SUBSCRIBER REMARKS:** No subscriber remarks

**BUSINESS:**

**Overview of Joint Meetings Between HPWSD & HPMA:**

**Opening comments HPSWD:** Commissioner Anderson made an opening statement

**Opening comments HPMA:** HPMA board president made an opening statement

**Does each entity want to assign a liaison?:** Commissioner Anderson offered to act as a liaison with HPMA, in addition to General Manager

**Frequency of meetings – at least once a year, or as needed:** It was agreed that at least one joint meeting every year would be helpful and to schedule special meetings as needed

**Short-Term and Long-Term Plans:**

**Both entities share:**

- a. GM shared plans for needed infrastructure improvements
- b. HPMA's GM shared the challenges it is facing

**Impact of HPMA/HPWSD Growth:**

**W/S 532 lots, Approved for 498 Water Connections, Moratorium on Remaining Connections:** Commissioner Anderson and HPMA representatives shared concerns regarding new connections to water-sewer systems

**Timing of HPWSD Construction Projects:**

**Water mains and laterals 2023:** Commissioner Anderson and GM shared methods for replacing or refurbishing mains and laterals and fielded questions

**Sewer lateral replacement, Spring of 2021:** Progress updates will be given in monthly newsletters and meetings between entities will be held as needed

**What to Do About Roads:**

**HPMA to comment and share information from recent road report:** HPMA's GM shared data from road report. HPWSD & HPMA discussed items that might affect or relate to roads.

**Equipment Sharing Agreement:** Mini Excavator, Trucks & Trailers: HPWSD GM and HPMA GM discussed sharing list of equipment each entity maintains

**Understanding Demographics:** Population, Full Time vs. Part Time: Commissioner Anderson and HPMA board member shared perspectives on demographics

**Bathrooms & Cabanas, Unmetered Connections:** Docks, Marina water lines: HPWSD GM & HPMA GM shared insights into HPMA's water connections

**Regulatory Issues, HPWSD:**

- a. Nutrient Removal: GM noted the direction WA State Department of Ecology is headed

- b. Flow Violations Due to I&I: GM noted flow violations that were assessed due to Inflow and Infiltration
- c. Water Loss Curtailment: GM noted ways to curtail water loss
- d. HPMA GM noted regulatory issues HPMA must adhere to

**Subscriber Questions:**

1. Subscriber asked about the impact of vacation houses rented frequently
  - GM answered that the impact is low on District
2. Subscriber asked about a cost estimate to replace water and sewer lines
  - GM noted that an estimate is not yet available, but noted reasons to be optimistic
3. Subscriber asked about improvements to the “taste” of water
  - GM noted that upgrading the distribution system will help
4. Subscriber asked about timeline publication for replacements
  - GM noted that timelines will be published when available
5. Subscriber asked about current lateral repair and the impact
  - GM noted that laterals will be repaired or replaced one at a time, prioritizing laterals that are most in disrepair
6. Subscriber asked about limiting size of new construction
  - Commissioner Anderson indicated that there is no limitation
7. Subscriber asked about climate change and ocean rise
  - GM noted that this is a concern in considering the placement of the wastewater treatment facility
8. Subscriber asked about status of lift station generator projects
  - GM noted that the district owns a portable generator that can provide electricity in an emergency and that generator installations will be funded in the future
9. Subscriber asked about well contamination
  - GM noted that this is not viewed as a risk

***Commissioner Swart moved to adjourn the meeting. Commissioner Hospador seconded. Hearing 3 aye votes and 0 nay votes, the meeting adjourned at 2:40 pm.***

Respectfully Submitted By:

\_\_\_\_\_  
*Signature*

Stacy Swart, Secretary, Commissioner #3  
*Name and Title*

Approved at the Regular Meeting of the Board on: 4-1-2021

## Hartstene Pointe Water Sewer District Monthly Financial Report - Fund Activity

February 2021

	Beginning Balances	Payments & Transfers Out	Deposits & Transfers In	Ending Balances	Fund Balance Change
<b>Reserve Funds</b>					
030 - Ecology Reserve	40,515.90	-	4.56	40,520.46	4.56
050 - DWSRF Loan Reserve	27,211.68	-	6,780.94	33,992.62	6,780.94
060 - Bond Fund	0.00	-	-	0.00	-
070 - USDA Revenue Bond Reserve	34,119.40	-	331.58	34,450.98	331.58
<b>Total Reserve Funds</b>	101,846.98	-	7,117.08	108,964.06	7,117.08
<b>Unreserved Funds</b>					
EFT Account - Columbia Bank	32,010.21	(47,370.78)	68,245.33	52,884.76	20,874.55
Petty Cash Account	1,905.12	(186.34)	256.48	1,975.26	70.14
Xpress Deposit Account	5,844.54	(34,484.65)	40,413.56	11,773.45	5,928.91
<b>010 - Operating Fund</b>					
<i>Operating Investment Fund</i>	34,000.00	-	16,000.00	50,000.00	16,000.00
<i>010 - Operating Fund - Other</i>	40,985.70	(65,035.25)	72,979.65	48,930.10	7,944.40
<b>Total 010 - Operating Fund</b>	74,985.70	(65,035.25)	88,979.65	98,930.10	23,944.40
065 - Capital Project Account	0.00	-	-	0.00	-
<b>Total Unreserved Funds</b>	114,745.57	(147,077.02)	197,895.02	165,563.57	50,818.00
<b>Committed Funds</b>					
<b>020 - Water/Sewer Committed Fund</b>					
Asset Replacement Fund	48,540.00	-	-	48,540.00	-
Capital Improvement Fund					
<i>I&amp;I Repair</i>	80,617.25	-	-	80,617.25	-
<i>Reservoir Repair</i>	56,714.95	-	-	56,714.95	-
Total Capital Improvement Fund	137,332.20	-	-	137,332.20	-
Risk Management Fund	139,550.67	-	36.45	139,587.12	36.45
<b>Total 020 - Water/Sewer Committed Fund</b>	325,422.87	-	36.45	325,459.32	36.45
<b>Total Committed Funds</b>	325,422.87	-	36.45	325,459.32	36.45
<b>Total Funds</b>	542,015.42	(147,077.02)	205,048.55	599,986.95	57,971.53

I hereby certify that the above statement is true.

\_\_\_\_\_  
Project & Accounts Manager

\_\_\_\_\_  
Date

\_\_\_\_\_  
Audit Commissioner

\_\_\_\_\_  
Date

**Hartstene Pointe Water Sewer District  
 Profit & Loss Budget vs. Actual  
 January through February 2021**

	<u>Profit &amp; Loss</u>	<u>Budget v Actual</u>			
	<u>Feb 21</u>	<u>Jan - Feb '21 (16.6% of Yr)</u>	<u>Total 2021 Budget</u>	<u>\$ Over (Under) Budget</u>	<u>% of Total Budget</u>
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
<b>Non-Operating Revenue</b>	31,055.58	31,112.57	10,735.00	20,377.57	289.82%
<b>Operating Revenue</b>	69,402.48	135,338.49	846,186.00	-710,847.51	15.99%
<b>Total Income</b>	100,458.06	166,451.06	856,921.00	-690,469.94	19.42%
<b>Expense</b>					
<b>534 - Water Expenditures</b>	8,337.79	17,282.87	262,731.00	-245,448.13	6.58%
<b>535 - WW Treatment Expenditures</b>	12,343.88	35,674.49	311,827.00	-276,152.51	11.44%
<b>538 - Combined W/S Expenditures</b>	21,729.60	51,316.47	313,840.00	-262,523.53	16.35%
<b>Total Expense</b>	42,411.27	104,273.83	888,398.00	-784,124.17	11.74%
<b>Net Ordinary Income</b>	58,046.79	62,177.23	-31,477.00		
<b>Net Income</b>	<b>58,046.79</b>	<b>62,177.23</b>	<b>-31,477.00</b>		