

Westside Water Association

Standard Operating Procedures

APPROVED

December 23, 2022

STANDARD OPERATING PROCEDURES OF THE WESTSIDE WATER ASSOCIATION

CONTENTS

STANDARD OPERATING PROCEDURES OF THE WESTSIDE WATER ASSOCIATION	1
1. Standard Operating Procedures (SOPs) Definition	2
2. Water System Policy	2
3. Fiscal Policy	2
4. Membership.....	6
5. Share Sales Process (12/23/2022)	7
6. Board of Directors.....	12
7. Staff positions and duties	15
8. Annual Meetings.....	18
9. Voting.....	18
10. Service Contracts	19
11. Standalone Policy Statements	19
12. Association Memberships	23
13. Website	23
14. Emergency Response Plan.....	23

Westside Water Association

Standard Operating Procedures

APPROVED

December 23, 2022

1. Standard Operating Procedures (SOPs) Definition

- 1.1. SOPs are decisions made by the Board of Directors or Executive Committee that govern administrative procedures and policies in effect over the long term (that is, more than a one-time event).
- 1.2. SOPs are designated as such when enacted by the Presiding Officer at an officially called meeting of the Board of Directors. Any Director present at the meeting may call for a vote of the Board if he or she disagrees with the decision of the Presiding Officer.
- 1.3. SOPs serve to complement the Bylaws of the Association. As such, no SOP shall duplicate content specified in the Bylaws, nor countermand nor supersede a Bylaw.
- 1.4. Each SOP should be identified by a unique hierarchical number.
- 1.5. Each SOP should include the date enacted.
- 1.6. The SOPs shall be reviewed annually by the Board to ensure they are current and have not been superseded by policy changes.

2. Water System Policy

- 2.1. Owners are responsible for the entire line in from the meter assembly. (1/15/1981, wording updated 9/29/2016)
- 2.2. All repairs and extensions to the system shall conform to the Washington State DOH (WAC 246-290) and King County road standards. (5/9/1983)
- 2.3. System manager is not responsible for water problems originating on an owner's property. Manager may be available for private consultation and may be hired for such projects, but is not required to do so. (1/14/1987)
- 2.4. Any plan to extend WSW beyond its original boundary was retracted. (9/6/1993) *This policy was related to the Coordinated Water System Supply Act that had Westside on record as expanding to include a system to the south. This retraction ensured that WSW is not considered an expanding system by the DOH.*
- 2.5. All new meter connections will be located at the nearest public right of way. Existing meters will be relocated by specific Board action on a case by case basis when conditions justify. (11/2/1993)
- 2.6. Damage to home water system components, such as filtration systems, will be the responsibility of the member, not WWA. (11/12/2009)

3. Fiscal Policy

- 3.1. Fiscal Year: The WWA fiscal year begins on May 1 and ends on April 30.
- 3.2. Budget: An annual planning budget shall be passed by each Board to aid in strategic planning.
 - 3.2.1. By the board meeting prior to the Annual Meeting, the Fiscal Planning Committee shall draft a budget for the coming fiscal year.
 - 3.2.2. The budget draft shall be presented and voted upon by members at the Annual Meeting.
 - 3.2.3. Prior to the first board meeting following the Annual Meeting, the new Fiscal Planning Committee shall convene to review and update the Asset Replacement Schedule as detailed in sec. 5.2.1.

Westside Water Association

Standard Operating Procedures

APPROVED

December 23, 2022

3.3. Water rates: Primary source of WWA income is from base and use rates paid by members. Progressive rates are based on volume of water consumed after base volume has been delivered. (3/10/2016).

3.3.1. Current base rate (2022): All members pay to WWA a base rate of \$76.59. This includes the first 600 cf of water delivered.

3.3.2. Current use rate (2022): In addition to the base rate, all members pay usage rates to WWA per a tiered rate structure as follows:

Cubic feet of water delivered	Rate per cubic foot
>600	\$0.0215
>1000	\$0.0239
>2000	\$0.0367
>5000	\$0.0707
>10,000	\$0.1389
>19,000	\$0.1505

3.3.3. The consumption-based Washington State Public Utility Excise Tax of 5.029% is applied to member billing each cycle. (3/10/2016)

3.3.4. This overall rate structure will be re-evaluated by the board as needed. (3/10/16)

3.3.5. Rates are adjusted automatically, annually, after the annual meeting, to reflect the inflation rate of the previous 12 months. The inflation-based increases address the rising cost of doing business for WWA, and avoids major rate increases due to intermittent, stepwise rate adjustments. The inflation adjustment shall be based upon official census data found at https://data.bls.gov/timeseries/CUUR0000SA0?output_view=pct_12mths, which reports the monthly annualized inflation rate (for each month, the inflation rate is reported for the prior 12 months). The Board shall use the "all item" "All Urban Consumers" CPI, which includes food and energy prices, to establish the annual inflation adjustment, based on the April annualized rate of the previous year. (3/10/16)

3.4. Reserves: The Association shall maintain separate dedicated bank accounts as follows. (1/19/2016)

3.4.1. "CIP Lock Box" account shall be funded annually with \$30,000 in 2015 dollars. This account is to be used exclusively for funding scheduled Capital Improvement Planning expenditures identified in the Asset Replacement Schedule.

3.4.2. "Repairs Lock Box" account shall be funded annually with \$12,500 in 2015 dollars. This accounts is to be used exclusively for funding capital repairs not identified in the Asset Replacement Schedule.

3.4.3. "Emergency Reserve" account shall maintain a balance minimum of \$30,000 in 2017 dollars, or the amount equal to the replacement cost of the most expensive asset + 2 months operating costs, whichever is higher. (3/23/2017)

Westside Water Association

Standard Operating Procedures

APPROVED

December 23, 2022

- 3.5. Checks: All checks shall be issued by the Bookkeeper. For checks < \$1000, only one board member signature is required. For checks > \$1000, two board member signatures will be required.
- 3.6. Incidental expenses: The System Manager shall hold a WWA debit card for use in making small purchases on behalf of WWA. (1/9/2003)
- 3.7. Loans: Any loan secured by the assets of the Association shall be used solely to fund a specific capital project, to be identified at the time of loan application.
- 3.8. Insurance: Board shall maintain D&O coverage (11/12/2009).
- 3.9. Billing:
- 3.9.1. Payment notices shall be sent to members bimonthly, to the address specified by the member. Notice shall include the following info: Member name and mailing address; service address; account number; route #; meter #; current read date; previous meter reading; current meter reading, and total water used, all measured in cubic feet; assessments; past due charges, if any; payment due date; and payment amount.
- 3.9.2. Upon request, as a courtesy to the member, WWA will send a duplicate bill to the renter of a property. This duplicate bill shall not include any inserts meant for members, such as voting proxies or membership newsletters.
- 3.9.3. If the area around a water meter must be cleared in order to be read, then meter reader labor for clearing shall be billed to the customer by the Bookkeeper. (9/15/1982)
- 3.9.4. While per the bylaws the registered water share owner is responsible for all charges, assessments and dues, as a convenience to shareholders the Bookkeeper will bill renters directly and provide copies to the shareholder. (3/2/1993)
- 3.9.5. A fee of \$10 shall be charged for changing a billing name or address. (7/11/1995)
- 3.9.6. NSF checks: A \$15 charge plus any bank fees shall be charged for each bounced check by the Bookkeeper. (5/7/1996)
- 3.9.7. The consumption-based Washington State Public Utility Excise Tax (5.029% in 2016) will be applied to the total water charge by the Bookkeeper, starting with the May 2016 billing (reflecting usage from March and April). (3/10/16)
- 3.10. Delinquent Accounts
- 3.10.1. Members with past due accounts will be charged a penalty of 1.5% per month. (1/3/1995)
- 3.10.2. Members with accounts more than 60 days past due will be contacted by the bookkeeper, manager, and/or a board member. Accounts more than 90 days past due will have the water service disconnected. (4/21.2010).
- 3.10.3. The Manager may make payment arrangements on a case-by-case basis consistent with Board policy (4/21/2010).
- 3.10.4. Board approval is required for actual shutoff of water due to nonpayment (9/14/2005).
- 3.10.5. Responsibility for collecting on past due bills rests with the System Manager, Bookkeeper, and Treasurer (11/13/2014).
- 3.10.6. Cost to reconnect water service after shutoff shall be borne by the member.

Westside Water Association

Standard Operating Procedures

APPROVED

December 23, 2022

3.11. Leaks

3.11.1. WSW responsibility ends at the meter - the cost of repairing breaks in water lines on the customer's property is to be borne by the customer. (5/12/1992)

3.11.2. Customers shall be notified by the System Manager when any extraordinary water use is noted. (11/2/1993)

3.11.3. Bookkeeper and System Manager shall maintain records of bill adjustments due to leaks and report periodically to the Board. (3/11/2004)

3.11.4. Leak rate policy (1/1/2017)

3.11.4.1. To estimate what would have been normal usage for that billing period, the water bill for that billing period over the previous two years is averaged and charged to the member.

3.11.4.2. WWA shall also charge the lowest tier rate on the overage volume, up to a maximum of \$300. Therefore, the overage cost to the member will be the overage volume charged at the lowest tier or \$300, whichever is less.

3.12. Budget reporting: Line items in financial reports shall conform to standard categories so that budget may be more efficiently tracked over time. Standard categories to be used are:

3.13. Funding guidelines: The Board has two sources of project funding: cash reserves that accrue when member payments exceed costs, and special assessments to the membership, which may either accrue directly to a WWA savings vehicle or be used to repay a loan secured on the assets of the Association for a specific purpose. As specified in section 3.4, cash reserves are held in one of three specifically designated reserve accounts: one for funding scheduled CIP expenditures, one for unscheduled repairs, and one for emergencies such as a major system component failure not covered by the other two accounts. Temporary special assessments to the membership are imposed to cover costs on new capital projects, such as the opportunity for capacity building represented by the second Anderson well, which was funded by a low-interest loan repaid through member assessment. The board practices established in 2015 of developing an annual budget and CIP schedule are intended to minimize the risk of future assessments for infrastructure projects.

3.13.1. Capital projects: A capital project is new or improved infrastructure to serve the goals of the Association. Examples of new capital projects include the development of new sources, acquisition of new technology for water quality improvement, and the addition of a new storage device. Capital projects can also include planned improvement of existing structures through retrofitting or replacement. These projects may be funded through CIP planning, or through special assessments to the membership.

3.13.2. Capital projects up to \$50K shall be offered right of first refusal by our preferred contractor, IWM. Any project expected to cost more than \$50K shall be subject to an RFP and an open bidding process with at least 3 credible bids to consider. All capital projects shall, prior to start of work, be fully defined with a project plan and an identified project manager. Any contract with a provider of project work shall include a detailed project plan including a budget and detailed schedule of work, and a stipulation that the project manager

Westside Water Association

Standard Operating Procedures

APPROVED

December 23, 2022

provide the Board and System Manager with regular updates to project progress against the project plan's schedule and budget. (1/1/2016)

4. Membership

- 4.1. The current Westside Water Association district boundary is roughly defined by residences with driveway access to Cove Road to the south, McCormick Place to the north, driveway access to 115th Ave to the east, and west to Colvos Passage. This service area is approved by DOH. (03/28/2017)
- 4.2. Membership in WWA is limited to those property owners of Vashon Island with a residence in or adjacent to the approved service area above, and who are in possession of a certificate from the Westside Water Association confirming past purchase of a water share by them or transferred to them via receipt of the subject property.
- 4.3. Transferring ownership: This section describes the procedure of transferring a WWA share to a new property owner, including deed transfer and membership record updates.
 - 4.3.1. When a membership is transferred to a new owner, WWA shall send the new owner a packet to orient them to WWA, introduce the board, and request their contact information.
 - 4.3.2. Billing transfer: Upon transfer of property to a new owner, it is expected that the seller will contact Westside Water to discontinue the billing in their name. When this happens, Westside Water shall attempt to contact the new owner to establish their account information. If the seller does not notify WWA of an ownership transfer, which may happen if the seller continues in the property as a renter, we still want to record the new property owner as the WWA member.
 - 4.3.3. WWA shall monitor home sales within the district to maintain an accurate record of the rightful member of each property.
 - 4.3.4. Membership records
 - 4.3.4.1. Membership records are maintained by WWA to identify member service and billing addresses; owner contact information, such as telephone numbers and email addresses; contact preferences; system infrastructure details at the service address; and emergency contact information for any renters residing at the service property.
 - 4.3.4.2. Member records are available to board members, the System Manager, and the Bookkeeper.
 - 4.3.4.3. Individual member records are updated by the Bookkeeper, System Manager, and/or the Secretary.
- 4.4. Share policies
 - 4.4.1. All shareholders will be required to pay all assessments and the minimum water use billing. (10/5/1993)
 - 4.4.2. WWA provides the use of one standard 3/4 x 5/8th inch residential meter as per Bylaw Article VI, Section 5. If a shareholder requests a larger meter the shareholder will pay the cost above the standard meter. (12/23/2022)
 - 4.4.3. The policy was reinforced that only one connection is allowed per water share. (6/25/1996)

Westside Water Association

Standard Operating Procedures

APPROVED

December 23, 2022

4.4.4. Shareholders wishing to sell their shares back to WWA shall be reimbursed at the original share cost, or reasonable value determined by the Board. (11/5/1998)

5. Share Sales Process (12/23/2022)

- 5.1. If the WWA Board determines there is sufficient excess water production capacity to allow the sale of additional new water shares of a number (and ERU total) that does not create any foreseeable risk of compromising the mission, priorities and goals of the Westside Water Association, then the Board may, at its sole discretion, offer some or all of those new water shares to eligible, qualified prospective purchasers in the following order of priority as defined in Section 5.3, starting with "Tier I" applicants. Notwithstanding the above, the number of shares the Board releases for sale in a given 12-month share sales cycle shall not exceed the maximum number of shares allowed for release each year as defined by Article V Section 2 of the WWA Bylaws.
- 5.2. Each applicant may only apply for one share during each 12-month share sales cycle, regardless of how many eligible parcels of property or WWA votes the applicant may currently have. The candidate parcel number the share will be associated to must be designated on the application.
- 5.3. Each Share Sales Tier will complete prior to remaining shares being offered to the next tier.
- 5.4. Within a given Tier, if there are fewer available new shares than applicants, then the WWA shall conduct a lottery to determine which applicants within the Tier will be offered a share for purchase.
- 5.5. The entire sales process starts over when additional shares are released for sale (Note: there is no priority waiting list carried over from year to year).
- 5.6. Mainline extension cost estimate is the responsibility of applicant.
- 5.7. New share holder is responsible for connection costs.
- 5.8. New share holder is responsible for mainline extension costs if applicable.
- 5.9. Group Tiers
 - 5.9.1. Tier 1 Applicants are first in priority and include only current WWA members (who currently own one or more water shares). Tier 1 applicants may use any new share purchased for any lawful purpose consistent with WWA Bylaws, rules, policies and procedures.
 - 5.9.2. Tier 2 applicants are second in priority and include only existing real property parcel owners within the WWA service area, to be used to supply water to that parcel in a manner and for purposes consistent with WWA bylaws, rules, policies and procedures, and who:
 - 5.9.2.1. have an existing residence on their parcel;
 - 5.9.2.2. do not currently own a WWA water share;
 - 5.9.2.3. currently obtain water from another source;
 - 5.9.2.4. produce reasonable proof of a public health problem with their existing water supply.

Westside Water Association

Standard Operating Procedures

APPROVED

December 23, 2022

5.9.3. Tier 3 applicants are third in priority and include only existing real property parcel owners within the WWA district, to be used to supply water to that parcel in a manner and for purposes consistent with WWA Bylaws, rules, policies and procedures, and who:

- 5.9.3.1. have an existing residence on their parcel;
- 5.9.3.2. do not currently own a WWA water share;
- 5.9.3.3. currently obtain water from a well.

5.9.4. Tier 4 applicants are fourth in priority and include only existing real property parcel owners within the WWA district, to be used to supply water to that parcel in a manner and for purposes consistent with WWA Bylaws, rules, policies and procedures, and who:

- 5.9.4.1. do not have an existing residence on their parcel;
- 5.9.4.2. do not currently own a WWA water share;
- 5.9.4.3. currently obtain water from a well.

5.9.5. Tier 5 applicants are fifth and last in priority and include only existing real property parcel owners within the WWA district, to be used to supply water to that parcel in a manner and for purposes consistent with WWA Bylaws, rules, policies and procedures, and who:

- 5.9.5.1. do not have an existing residence on their parcel;
- 5.9.5.2. do not currently own a WWA water share;
- 5.9.5.3. do not have a current supply of potable water.

5.9.6. The WWA Board shall revoke any offer to sell a new water share if it is determined at any time that any of the conditions set forth above are not met.

Westside Water Association

Standard Operating Procedures

APPROVED

December 23, 2022

5.10. The WWA new water share sale process begins with reasonable written notice from the WWA to current WWA members (prospective **Tier 1** purchasers) only, using typical member correspondence methods (e.g. member email, U.S. Postal mailing addresses, alert notification system). There shall be a deadline of not less than 30 days from the WWA notice date for members to apply for an opportunity to purchase a new water share, with the date of the deadline clearly set for the WWA notice.

5.11. The WWA will provide an Application to Purchase Water Share to any prospective Tier 1 purchaser upon written request to the WWA. Applications shall be emailed to board@westsidewater.org and iwm.1@juno.com and/or mailed to:

PO Box 267
Vashon, WA 98070

on or before the 30-day deadline set forth in the WWA notice. WWA will not consider any application that is not post-marked or emailed on or before the deadline.

5.12. There shall be a \$100 (one hundred dollar) non-refundable application fee. If an applicant is not offered a share to purchase or decides to not proceed with purchase of a share then this application fee shall be forfeited by the applicant and retained by the WWA.

5.13. Within 14 days following the application deadline, the WWA will review all applications, will confirm each applicant's eligibility and qualifications for Tier 1 status, and will notify each Tier 1 applicant concerning if a mainline extension to the applicant's property is necessary.

5.14. If there are more available new shares than Tier 1 applicants, then the WWA shall provide written notice of application acceptance to each Tier 1 applicant and each Tier 1 applicant must complete their purchase within thirty days of acceptance.

5.15. Alternatively, if there are fewer available new shares than Tier 1 applicants, then the WWA shall conduct a lottery of Tier 1 applicants to determine Tier 1 applicant priority. Tier 1 lottery winners must complete their purchase within thirty days of notice of winning. The WWA shall determine, by lottery, the priority of remaining Tier 1 applicants for that year. If for any reason a Tier 1 lottery winner declines or fails to complete the new share purchase within 30 days of the WWA notice, the WWA may offer the new share sale to the lottery winner for that year who is next in priority, who shall be provided 30 days to complete the new share purchase. Priority of prospective Tier 1 applicants will not, under any circumstance, carry over from year to year.

5.16. If after sales to Tier 1 members described above are completed there remain no available new shares, the new shares sale process shall be concluded for the year. If new shares remain available, the WWA may, at the sole discretion of the WWA Board, initiate the process of offering the remaining new shares for sale to **Tier 2** applicants, using the same procedure above except as modified below.

Westside Water Association

Standard Operating Procedures

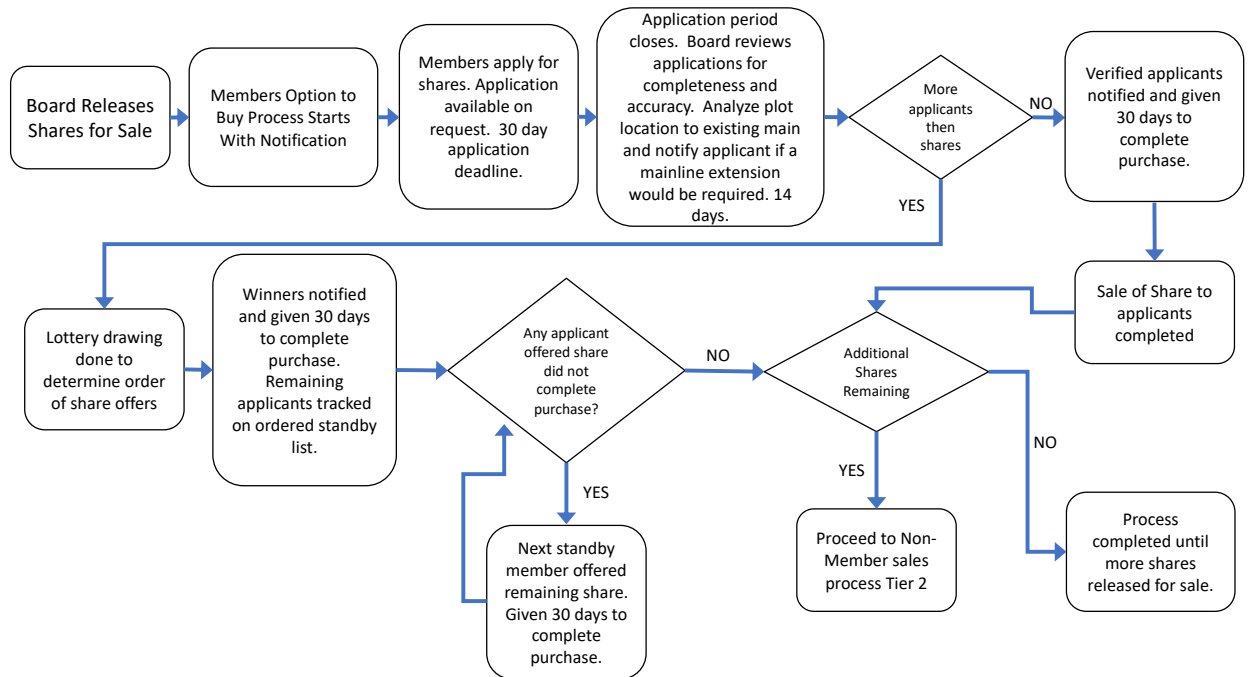
APPROVED

December 23, 2022

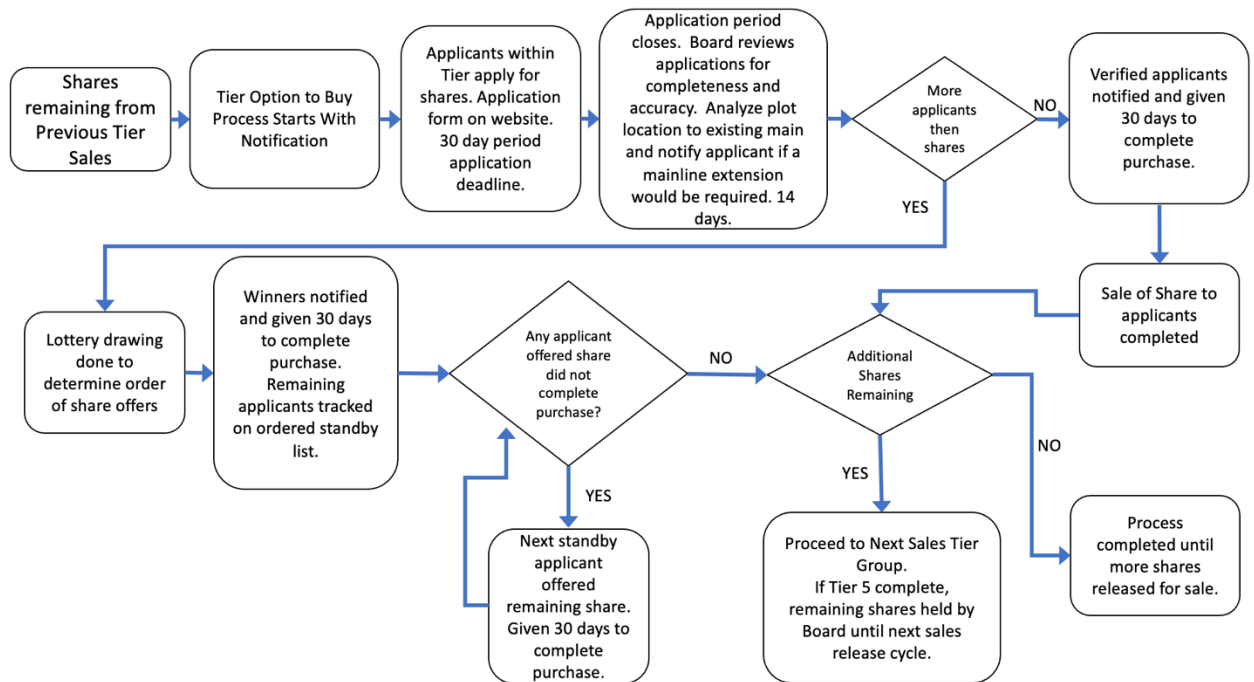
- 5.17. The WWA new water share Tier 2 sale process begins with reasonable public notice to potential Tier 2 applicants by posting to the WWA website and by signage at major intersections within the WWA geographic area, as determined at the discretion of the WWA Board. There shall be a deadline of not less than 30 days from the WWA notice date for members to apply for an opportunity to purchase a new water share, with the date of the deadline clearly set for the WWA notice. The procedure and deadlines shall then be the same as for Tier 1 applicants, described above.
- 5.18. If there remain new water shares available at the conclusion of the Tier 1 and Tier 2 process, the WWA may proceed with offering the new share for sale to **Tier 3** applicants, following the same procedure as for Tier 2 applicants.
- 5.19. If there remain new water shares available at the conclusion of the Tier 1, Tier 2 and Tier 3 process, the WWA may proceed with offering the new share for sale to **Tier 4** applicants, following the same procedure as for Tier 2 applicants.
- 5.20. If there remain new water shares available at the conclusion of the Tier 1, Tier 2, Tier 3 and Tier 4 process, the WWA may proceed with offering the new share for sale to **Tier 5** applicants, following the same procedure as for Tier 2 applicants.
- 5.21. If there remain new water shares available at the conclusion of the Tier 1, Tier 2, Tier 3, Tier 4 and Tier 5 process, there shall not be any further sales in that share sales release period and the remaining shares will be held by the Board until they start the next share sales release period.

Westside Water Association

5.22. Diagram of Tier 1 Sales Process



5.23. Diagram of Tier 2 – 5 Sales Process



Westside Water Association

Standard Operating Procedures

APPROVED

December 23, 2022

6. Board of Directors

All members of the Board of Directors shall be members of the Westside Water Association and must own property within the geographical boundary.

6.1. Duties of Officers

6.1.1. President

- 6.1.1.1. Carry out duties as specified in Bylaws.
- 6.1.1.2. The President shall fix the time and place for all Officers' meetings.
- 6.1.1.3. Provide all board members and committee chairs with copies of a contact list, bylaws, Standard Operating Procedures, and an annual calendar showing meetings and deadlines.
- 6.1.1.4. Appoint chairs and members of standing and ad hoc committees (with approval of Board of Directors).
- 6.1.1.5. Provide leadership in effecting the purposes of WWA and in fulfilling directives from the Board of Directors.
- 6.1.1.6. Provide a president's report to the annual meeting.
- 6.1.1.7. Oversee newsletter production for the Membership to include with bill mailings.
- 6.1.1.8. Ensure that WWA activities are carried out per the bylaws, the calendar deadlines, and the commitments made at board meetings.
- 6.1.1.9. Set up board meeting dates, times, and locations.
- 6.1.1.10. Put together agenda packet for all board meetings and send to board members (and any other members indicating interest in receiving such materials) in a timely manner.

6.1.2. Vice President

- 6.1.2.1. Carry out duties as specified in Bylaws.
- 6.1.2.2. Assume duties of president in his/her absence or in case of inability to serve.
- 6.1.2.3. Serve as member of the Financial Advisory Committee.
- 6.1.2.4. Prepare agenda for the Annual Membership Meeting.

6.1.3. Treasurer

- 6.1.3.1. Carry out duties as specified in Bylaws.
- 6.1.3.2. Chair the Financial Advisory Committee.
- 6.1.3.3. Ensure all authorizing signatures are kept current at all affected banking institutions.
- 6.1.3.4. Oversee the timely review, authorization, and mailing, of all payments to suppliers, contractors, and regulatory agencies.
- 6.1.3.5. Review monthly bank statements for appropriate activity and balances.
- 6.1.3.6. Request and review monthly financial reports. Provides the same reports to all board members monthly and for board meetings.
- 6.1.3.7. Secure any special financial reports as needed, for the board.

Westside Water Association

Standard Operating Procedures

APPROVED

December 23, 2022

- 6.1.3.8. Reconcile monthly cash flow net to difference between last two monthly total asset balances. Reconciliation is provided with financial reports to all board members.
- 6.1.3.9. Track all deposit accounts (savings, checking, CD's, etc.) and recommend reinvestment, as needed, to the board.
- 6.1.3.10. Communicate monthly with the Bookkeeper to retrieve expenditure data for reconciling between accounts, and for any notable or unusual transactions, trends, etc. that should be reported to the board.
- 6.1.3.11. Execute monthly transfers to reconcile expenditure classes to their designated accounts, per WWA fiscal policy.
- 6.1.3.12. Review and provide any external financial reporting to the board (State quarterly returns, etc.).
- 6.1.3.13. Revise the Financial Reports document to ensure ongoing financial reports are consistent in content and format and fulfill the needs of the Board.

6.1.4. Secretary

- 6.1.4.1. Prepare and preserve minutes of membership and officers' meetings within 30 days.
- 6.1.4.2. Maintain accurate membership roll and contact information.
- 6.1.4.3. Oversee integrity of the voting process for both board and membership votes.
- 6.1.4.4. Work with the webmaster to ensure the webpage is updated with relevant important information– meeting minutes, updates to bylaws and SOP. Post the Directory of leadership.
- 6.1.4.5. Serve as custodian of all association records, past and present. Ensure their completion, accuracy, and availability for review by the membership.
- 6.1.4.6. Provide incoming Board members with copies of the Bylaws and Standard Operating Procedures documents. (9/29/2016)

6.1.5. At Large

- 6.1.5.1. Serve as member of the Financial Advisory Committee.
- 6.1.5.2. Serve on ad hoc committees as directed by the President.

6.2. Board Committees

6.2.1. Fiscal Planning Committee

- 6.2.1.1. The charter of the Fiscal Planning committee is to update the expected life and current replacement value of each long-term asset listed in the Asset Replacement Schedule (also known as the "CIP" or Capital Improvement Plan) on an annual basis (11/12/2015). This document is a principal input to the development of an annual budget.
- 6.2.1.2. The Fiscal Planning Committee shall be composed of the President, Treasurer, and other board members as the President sees fit to include.

Westside Water Association

Standard Operating Procedures

APPROVED

December 23, 2022

6.2.1.3. The Fiscal Planning Committee shall solicit and accept expert input from the System Manager in developing the Schedule.

6.2.2. Rate Committee

6.2.2.1. The charter of the ad hoc Rate Committee shall be to articulate new rate structures annually, or as the Board determines the need.

6.2.2.2. The Rate Committee members shall be selected by the President.

6.3. Recruiting Board members

6.3.1. Board members shall be nominated and selected by and from the existing membership of WWA.

6.4. New Board orientation

6.4.1. Incoming Board members shall be provided copies of the Association Bylaws and Standard Operating Procedure which govern the activities of the Board, and shall read and abide by all directives therein.

6.4.2. They shall be introduced to the System Manager and Bookkeeper, and receive a facility tour from the System Manager to become familiar with the basics of the system infrastructure.

6.4.3. Each new Board Member shall be provided with access to any document storage area, whether tangible or electronic, wherein historic and current documents pertinent to Board business are stored. New Board Members are responsible for reviewing all pertinent documentation, including but not limited to the current Sanitary Survey and board meeting minutes from the previous year. (last sentence added 5/22/2019)

6.4.4. Any outgoing Board members shall pass to their successor(s) any access passwords, keys, or critical documents required to conduct the business of the Board.

6.4.5. The first meeting of a newly elected Board shall take place immediately following the Annual Meeting at which they were elected. The purpose of this Meeting is to determine officer roles of President, Vice President, Treasurer, and Secretary, with the fifth member occupying the non-officer role of At Large. Each Board Member shall execute the duties of the role they agree to occupy, as detailed in the Bylaws and this SOP document.

6.4.5.1. As the first order of business, a new Board Treasurer shall present themselves to the financial institution at which the Association does its banking, in order to assume fiduciary responsibility and control of the Association accounts.

6.4.5.2. The outgoing Secretary shall relinquish to the new Secretary all kept records of the Association. (whole of section 6.4.5 added 5/22/2019)

6.5. Board Meetings

6.5.1. Rules of Order

6.5.1.1. The rules contained in Roberts' Rules of Order shall determine the parliamentary practice of WWA in all cases to which they apply and when they are not inconsistent with the Association Bylaws.

Westside Water Association

Standard Operating Procedures

APPROVED

December 23, 2022

6.5.1.2. A Parliamentarian may be appointed by the President to determine and interpret the Rules of Order that govern the deliberations of WWA.

6.5.2. Reports to the Board

6.5.2.1. Any Report to the Board, including but not limited to the Treasury Report and the System Manager Report, must include a printed Report for Board review, to be included with the Minutes.

6.5.2.2. Any regular Board meeting shall include the following agenda items:

- 6.5.2.2.1. Review and approval of previous meeting minutes
- 6.5.2.2.2. President's Report
- 6.5.2.2.3. Treasury Report
- 6.5.2.2.4. System Manager's Report
- 6.5.2.2.5. Any special committee reports
- 6.5.2.2.6. New business

7. Staff positions and duties

7.1. System Manager

- 7.1.1. Perform management duties as specified in service contract.
- 7.1.2. Advise the Board on matters pertaining to the System.
- 7.1.3. Serve as a member of the Financial Advisory Committee.
- 7.1.4. Assist with administrative tasks as available and as requested by the Board, such as securing a meeting venue and helping to prepare mailings.
- 7.1.5. The System Manager shall attend regular board meetings in accordance with the duties specified above.
- 7.1.6. The Manager shall not participate in Board voting, nor assume any duties falling within the specific purview of the elected Board.

7.2. Bookkeeper

7.2.1. The primary duties of the Bookkeeper shall be to:

- 7.2.1.1. Pay all accounts due.
- 7.2.1.2. Be responsible for billing all customers.
- 7.2.1.3. Keep an accurate and legible record of accounts receivable and payable.

7.2.2. Detailed duties include:

7.2.2.1. DAILY during a billing cycle

- 7.2.2.1.1. Deposit payments at US Bank.
- 7.2.2.1.2. Pick up mail at WWA PO Box.

7.2.2.2. WEEKLY

- 7.2.2.2.1. Pay bills.

Westside Water Association

Standard Operating Procedures

APPROVED

December 23, 2022

7.2.2.2.2. File receipts.

7.2.2.2.3. Write checks, secure signatures, mail checks and other items as needed.

7.2.2.2.4. Pick up mail at WWA PO Box (outside of a billing cycle).

7.2.2.3. MONTHLY

7.2.2.3.1. Balance WWA bank accounts. Identify and correct any bank errors.

7.2.2.3.2. Notify Treasurer to perform any account transfers as required by WWA fiscal policy.

7.2.2.3.3. Execute payroll for contract services, including bookkeeper and manager.

7.2.2.3.4. Ensure that contractors provide a breakdown of services provided, as specified in contract.

Westside Water Association

Standard Operating Procedures

APPROVED

December 23, 2022

7.2.2.4. BIMONTHLY

7.2.2.4.1. Prepare bills:

7.2.2.4.1.1. Ensure customer accounts are up to date before processing billing: include changes in ownership, billing adjustments.

7.2.2.4.1.2. Print billing register and bills.

7.2.2.4.1.3. Print duplicate bills for renters and stamp them as duplicates.

7.2.2.4.1.4. Work with treasurer and manager to determine which accounts should receive shutoff letters, and print.

7.2.2.4.1.5. Stuff, stamp and mail.

7.2.2.4.2. Provide current data and/or financial reports for Board meetings as directed (1/11/2001):

7.2.2.4.2.1. Balance Sheet

7.2.2.4.2.2. Repair/Replace Actuals

7.2.2.4.2.3. New Capital Actuals

7.2.2.4.2.4. Operating Actuals

7.2.2.4.2.5. Water Usage

7.2.2.5. QUARTERLY

7.2.2.5.1. Prepare quarterly reports as required by the federal government for FICA, State Unemployment, Excise Tax, and Labor and Industries.

7.2.2.5.2. Send reports and payments as required by specified deadlines.

7.2.2.6. ANNUALLY

7.2.2.6.1. Prepare year-end reports.

7.2.2.6.2. Prepare and file tax returns, nonprofit status paperwork, and other documentation as required.

7.2.2.7. AS NEEDED

7.2.2.7.1. Maintain adequate office supplies necessary to perform duties.

7.2.2.7.2. Field customer questions, complaints, inquiries about billing.

7.2.2.7.3. Maintain customer database with current membership and contact information.

7.2.2.7.4. Generate occasional special reports, mailing labels, and other projects as directed by the Board.

7.2.2.7.5. Maintain expertise in the systems used for Association bookkeeping, including but not limited to accounting, billing, and metering software.

Westside Water Association

Standard Operating Procedures

APPROVED

December 23, 2022

8. Annual Meetings

- 8.1. In accordance with the Association Bylaws, the Annual Meeting takes place in May.
- 8.2. Each Annual Meeting shall serve as the venue to elect Board Members.
- 8.3. Any other matters subject to a membership vote may be moved and voted upon at the Annual Meeting, provided a quorum is present in person or by proxy, except for Bylaw amendments, as specified in the Bylaws.

9. Voting

- 9.1. Board Elections: Per the Bylaws of the Association, each Board Member serves a 2-year term, and may stand for re-election at the end of each term for a total of 3 consecutive terms. In alternating years, either 2 or 3 Board member positions will be up for election.
- 9.2. Each member is entitled to one vote per water share owned.
- 9.3. Off-cycle Member Voting: Proposals requiring a membership vote that occur outside of the regular annual meeting cycle shall be conducted as follows.
 - 9.3.1. The President shall send notice to the membership by mail that the Board plans to hold a special vote on an issue. The mailing shall include sufficient information about the issue such that each member may form an opinion.
 - 9.3.2. The Board shall hold a public forum informational meeting about the issue, so that interested members can ask questions and share their views and concerns with the Board and each other.
 - 9.3.3. The Board shall conduct the vote by mail-in ballot, with one ballot per water share account. Ballots shall be preprinted with account numbers, one ballot per water share account, with both printed name and signature lines. Ballots shall be sent to the Westside Water PO Box, to which only the Secretary and Bookkeeper hold keys.
 - 9.3.4. Secretary shall retrieve and count the ballots, with the assistance of Bookkeeper as needed, and announce the vote result at the next Board meeting. Vote result may be shared with the members in the next newsletter.
 - 9.3.5. Secretary shall archive the individual ballots in the event of a recount request, until the vote is recorded into the minutes of the next Annual Meeting.
- 9.4. Electronic Board Voting
 - 9.4.1. Routine and uncontroversial Board matters may be resolved by the Board via e-mail voting, as follows (9/10/2015).
 - 9.4.1.1. Any Board member wishing to advance a motion for the Board to vote upon may send an e-mail to the Board, stating clearly the proposal and intent to conduct a binding vote by e-mail. The question shall be stated in such fashion as to be clearly answered with either Yea or Nay.
 - 9.4.1.2. Another Board member shall second the motion.
 - 9.4.1.3. All Board members must respond with an email to clearly indicate their voting intent.

Westside Water Association

Standard Operating Procedures

APPROVED

December 23, 2022

9.4.1.4. The Secretary will verify that all Board members have cast a vote, will print the e-mail along with the motion and second, and gather them into a package for signature confirmation at the next Board meeting.

9.4.1.5. If the vote is unanimous, it does pass by e-mail. If not unanimous, it does not pass by e-mail. In the latter case, the proposal may be reintroduced at a regular Board Meeting for further consideration.

10. Service Contracts

10.1. WWA contracts with several service professionals to execute the business of running a rural water utility. Each of these contractors shall operate under a service contract with WWA detailing the terms of their service, duties, and/or deliverables. All service contracts shall be reviewed annually by the Board for assessment of performance and renewal of contract terms. Current contracts include:

10.1.1. Water system manager: Doug Dolstad, Island Water Management (IWM)

10.1.2. Bookkeeper: Ken Hicks

10.1.3. Billing software support: Jayhawk Software (discontinued as of January 2017)

11. Standalone Policy Statements

Certain policies have been drafted as standalone documents. These are included in this section.

11.1. Westside Water Cross Connection Control Policy (11/6/1997)

It has always been the practice of Westside Water to prohibit and prevent cross connections. To this end, WWA has adopted and will pursue the following cross-connection control program.

11.1.1. *Cross Connection Declared Unlawful.* Pursuant to WAC 248-54-490, the installation or maintenance of a cross-connection, unless protected by an approved backflow prevention device pursuant to WAC 248-54-285 is prohibited.

11.1.2. *Backflow Prevention Devices to be Installed.* Backflow prevention devices shall be installed at the service connection, and/or within any premises, and/or at any other location determined by the water purveyor when the nature and extent of activities on the premises or the material stored on the premises would present an immediate and dangerous hazard to health should a cross-connection occur, even though such cross-connection does not exist at the time the backflow prevention device is required to be installed. The determination of when and where the backflow prevention device or devices shall be required, shall be made by WWA upon its inspection of the premises. Said determination shall be made by WWA pursuant to WAC 248-54-85, and the American Water Works Association, Pacific Northwest Section's Second Edition of "Accepted Procedure and Practice in Cross-Connections Control". Backflow prevention devices required by this section shall be installed under the supervision and with the approval of WWA or its agents. The device shall be in an area approved by the WWA which is readily accessible for maintenance and testing and where no part of the device will be submerged.

Westside Water Association

Standard Operating Procedures

APPROVED

December 23, 2022

- 11.1.3. *Annual Testing of Backflow Prevention Devices.* Backflow prevention devices shall be inspected and tested by a certified tester annually, or more often where inspections indicate the necessity. The devices shall be repaired, overhauled or replaced whenever they are found defective by a certified tester. Inspection, scheduling of tests, record keeping and all costs incurred shall be the responsibility of the owner of the device. When any backflow prevention device is tested by a certified tester, and approved, it shall be tagged by the certified tester and in a form sufficient to allow WWA to determine when said test was performed and approved.
- 11.1.4. *Regulation of Water Supplies.* Use and operation of any water supply system when said system is connected in any way to the public water supply system is hereby prohibited, unless approved in writing by WWA.
- 11.1.5. *Adoption of Rules, Regulations and Procedures.* Rules and regulations of the Department of Health regarding public water supplies entitled, "Cross-Connection Control Regulation in Washington State", (WAC 248-54-285, and the 'American Water Works Association, Pacific Northwest Section's Second Edition of "Accepted Procedure and Practice in Cross-Connection Control" are hereby adopted and made a part of this policy.
- 11.1.6. *Inspection for Cross-Connections.* WWA will inspect premises periodically where potential hazards may exist. WWA will notify, in writing prior to inspection, the person whose name the water service was established. Failure to allow such an inspection within 10 days of the mailing of a notice of said inspection shall be grounds for the discontinuance of water service to the premises without further notice.
- 11.1.7. *Abatement of Unlawful Cross-Connections and Installation of Backflow Prevention Devices.*
- 11.1.7.1. If WWA or its agents determine that a cross connection does exist, written notice shall be sent to the person in whose name the water service is established in the records of WWA, or, alternatively, a copy of such written notice shall be posted on the premises served.
- 11.1.7.2. The notice shall fully describe the cross connections to be corrected and shall demand that the owner contact WWA in person, within 10 days from the date of said notice, to acknowledge receipt of the notice and to present to WWA a plan to correct the problem. The notice shall state that water service to the premises may be discontinued if the owner does not present a plan for the correction of the problem. The problems shall be corrected within 10 days of the presentation of the plan.
- 11.1.7.3. The plan shall include a statement of what the owner is going to do to correct the violations, the materials and parts to be used for the corrections, the name of the person or firm that will make the corrections and a time table for the completion of the corrections. WWA then shall either approve or disapprove the plan, in writing as follows:
- 11.1.7.3.1. If approved, corrections shall be carried out by the owner in accordance with his, "plan of correction". If the corrections are not made in accordance with

Westside Water Association

Standard Operating Procedures

APPROVED

December 23, 2022

the “plan of correction”, WWA shall discontinue water service to the premises.

11.1.7.3.2. If disapproved, WWA will notify the owner, in writing, that the plan is disapproved and the reasons for the disapproval. The owner will then be required to make the required corrections and resubmit the plan within 10 days. Failure to comply will be cause for discontinuance of water service to the premises.

11.1.7.3.3. WWA may require such interim measures be taken by the customer as it deems necessary to protect the public water supply until the violations are fully corrected.

11.1.7.3.4. In addition, if the problems present an immediate danger of contamination to the public water supply, WWA may terminate water service without further notice, provided, however, notice will be posted on the premises at the time service is discontinued.

11.1.8. *Miscellaneous Control Devices.* WWA reserves the right to require any premise to have installed, as a condition of water service, a pressure reducing valve, backflow prevention device, pressure relief valve, check valve or similar devices at such locations as WWA deems necessary to protect WWA’s facilities.

11.1.9. *Responsible Charge.* Island Water Management is responsible for implementing the cross-connection control program for WWA. The contact person is: Doug Dolstad, WDM 2, CCS.

11.2. Westside Water Association Arsenic Statement January 12, 2017

11.2.1. Background Information about Arsenic

Per the EPA's publication “Drinking Water Standard for Arsenic”¹:

11.2.1.1. Arsenic occurs naturally in rocks, soil, water, air, plants, and animals. It can be further released into the environment through natural activities (...) or through human actions. Levels are generally higher in the western States due to geologic conditions (...) Because of their contact with naturally occurring underground rock formations, ground waters tend to have higher levels of arsenic than surface waters (...) [Arsenic ingestion has been linked to a number of cancerous and non-cancerous health conditions].

11.2.1.2. Westside Water Association (WWA) sources are classified as ground water. WWA regularly tests all water sources for contaminants.

11.2.2. The EPA Water Quality Standard

11.2.2.1. EPA set the *arsenic health standard for drinking water at 10 ppb* (10 parts per billion). This health standard is intended to protect consumers from the

¹ <https://nepis.epa.gov/Exe/ZyPdf.cgi?Dockey=20001XXC.txt>

effects of long-term, chronic exposure to arsenic. All public water systems (though not necessarily private wells) have had to comply with this standard since 2006.

11.2.2.2. The EPA health standard was a compromise. The EPA initially requested a stricter standard, which was judged to be too costly to implement for too many water systems. Nevertheless, the *EPA arsenic goal is 0 ppb*. This “non-enforceable public health goal is the level of a contaminant in drinking water below which there is no known or expected risk to health.”

11.2.3. Water System Compliance with EPA Arsenic Health Standards

11.2.3.1. Enforcement and monitoring of public water systems’ compliance with the EPA health standard is tricky. The EPA realized that entire public water systems cannot be shut down when the arsenic standard is exceeded on a single day. Hence the EPA established compliance rules. The *EPA arsenic compliance rule states that arsenic in “the annual average of 4 quarterly water samples may not exceed 10 ppb.”*

11.2.4. Arsenic and Westside Water

11.2.4.1. WWA has never violated the EPA compliance rule, as there has never been a 4-quarter average that exceeded 10ppb. Demand for WWA water in the summers is high, which in the past required WWA temporary use of a high arsenic water source during that time of year. Individual WWA water samples in past summers have thus exceeded the EPA health standard. Notifications were always provided in the newsletter and immediately on the WWA web site. Past and present WWA boards explored a variety of measures to mitigate the arsenic load during the summers. These efforts included conservation alerts, filtration, and water source development.

11.2.4.2. With the development of the Anderson I well in 2015 and the Anderson II well in 2016, the WWA board anticipates that our water supply from now on will meet demand, even during summer months, without any water samples exceeding the health standard.

11.2.5. Westside Water Association Board Policy on Arsenic

The 2016 WWA Board seeks to provide water that does not exceed EPA health standards nor violate EPA compliance standards. The Board seeks to deliver to its members the cleanest drinking water possible, given the financial and source quality constraints of the organization.

11.3. Conflict of Interest policy

11.3.1. The standard of behavior at the Westside Water Association is that all staff, volunteers and board members scrupulously avoid any conflict of interest between the interests of WWA on one hand, and personal, professional, and business interests on the other. This includes avoiding actual conflicts of interest as well as perceptions of conflicts of interest.

Westside Water Association

Standard Operating Procedures

APPROVED

December 23, 2022

- 11.3.2. The purposes of this policy are to protect the integrity of WWA's decision-making process, to enable our constituencies to have confidence in our integrity and to protect the integrity and reputation of volunteers, staff and board members.
- 11.3.3. Upon or before election, hiring, or appointment, potential staff, volunteers and board members shall disclose any interests, relationships and holdings that could potentially result in a conflict of interest.
- 11.3.4. During meetings or activities, staff, volunteers and board members shall disclose any interest in a transaction or decision where they (including business or other nonprofit affiliation), family members, employers, or other close associates would receive benefit or gain. After disclosure, any attendees with a conflict may decline to participate in the discussion, and shall not vote on any question in which they have disclosed fundamental personal interest.

12. Association Memberships

- 12.1. Evergreen Rural Water of Washington (ERWOW) system membership (7/9/2015)

13. Website

- 13.1. The website of the Westside Water Association is maintained at westsidewater.org.
- 13.2. The westsidewater.org domain is owned by the Association and administered through the Hostica hosting service.
- 13.3. The website is developed on the Wordpress platform, which makes it easy for board members and the System Manager to maintain.
- 13.4. The purpose of the website is to provide helpful information for WWA members through general information pages and blog posts by the System Manager and Board.
- 13.5. Minutes of Annual Board Meetings shall be posted.
- 13.6. Minutes of Regular Board Meetings shall not be posted, due to privacy considerations. (9/9/2010)
- 13.7. No personally identifiable information about board or association members shall be posted.
- 13.8. Contents and structure of the website shall be backed up weekly using a cloud backup service.

14. Emergency Response Plan

- 14.1. Water System ID number: 949500
- 14.2. Location: West side of Vashon Island, Cove Road – Cedarhurst & McCormick Pl
- 14.3. Sources:
 - 14.3.1. Canyon Pump Station. East of 115th Ave SW & SW 156th ~ 2000' down steep service road. Parcel 1923039023
 - 14.3.2. Anderson Well I 15245 115th Ave SW, Parcel 2423029053
 - 14.3.3. Anderson Well II (details)

Westside Water Association

Standard Operating Procedures

APPROVED

December 23, 2022

14.4. Storage Facilities:

14.4.1. 11605 SW 156th, 156,000 gallon standpipe, bolted steel tank, Parcel 2423029095

14.4.2. West of: 12233 SW Cove Road, 100,000-gallon concrete tank + Booster pump station, Parcel 2523029161

14.5. There are three types of disasters that may affect the consumers of Westside Water Association: Bacteriological, Chemical, and Physical.

14.5.1. Bacteriological Emergency: Many public water systems will occasionally detect positive coliform samples, mainly because of minor contamination in distribution mains or sample taps, or improper bacteriological sampling techniques. Persistent detection of coliform in the water supply, particularly *E. coli* or fecal bacteria, may require issuing a public boil water notice to ensure the health and safety of the water customers.

14.5.2. Chemical Emergency: Chemical emergencies are those related to the introduction of toxic levels of chemical contaminants into the drinking water supply. These contaminants may be detected by routine testing but more likely will originate from some catastrophic accident such as a spill or vandalism or a naturally occurring act e.g. earthquake, volcanic eruption.

14.5.3. Physical Emergency: Physical emergencies are those related to failure of the infrastructure. Broken mains, damage to a storage facility, pump failures, and leaks all fall into this category. If you notice or suspect an infrastructure problem, please contact the System Manager immediately at 206-715-3805.

14.6. Communication protocol: In the event of any problem that may adversely affect water quality such that member safety is at risk, WWA will notify the membership as follows.

14.6.1. System Manager will contact:

14.6.1.1. Board President. If Board President is unavailable, Manager will contact any Board member.

14.6.1.2. Regional Engineer of the State Department of Health, Northwest Regional Office.

14.6.1.3. Any directly affected parties.

14.6.2. "Water Alert" or "Water Emergency" signs will be posted at:

14.6.2.1. 115th Ave SW & SW Cove Road

14.6.2.2. McCormick Pl & Cedarhurst Road

14.6.3. Voice message will be posted on WWA answering machine.

14.6.4. Write-up of incident will be posted on "Westside Water News" on westsidewater.org.

14.6.5. Follow-up messages to users will be posted as needed.