

Minutes from special membership meeting of Westside Water Association, Sunday June 24th 2012 4:30 pm at the Havurat building on West Side Highway on Vashon Island, Washington.

Attendees:

Board Members:

Denny Conner
Mary Margaret Briggs
Cynthia Pollock
John Candy (JC)
Pat Call

Manager:

Doug Dolstad

Shareholders:

Bill Morse (BM)
Greg Beardsley (GB)

The meeting was called to order at 4:40 pm by Denny Conner.

After introductions, Pat Call went through a short set of pages that explained the 6 year capital plan, simplified annual cash flow and proposed rate structure changes. The Board is proposing an increase in base rate from \$50 to \$57 and also incremental increases in $\$/\text{ft}^3$ for each of our 6 usage tiers.

Discussion followed.

GB: will rate increase lead to lower usage (Board explained that the risk of this is anticipated in the split between base increase and usage increase; separately experience of other small utilities has been that any usage behavior changes are usually short lived)

Discussion on exploration of other sources (springs, other wells). Nothing looks achievable in the short term.

BM: are we asking for enough of an increase? Perhaps base to \$60 rather than \$57? (Board explained that we are trying to estimate our capital projects conservatively and also anticipate increased costs due to regulatory compliance. It appears that the proposed rate increase will cover our needs but we will need to monitor on an annual basis and we cannot rule out additional increases in future years).

JC: raised the need to look at other risks (e.g. major earthquake damage) that might increase the reserve that we currently managing to.

Discussion of WWA water right. Currently 220 gallons per minute (~0.47 cfs). JC suggested that we compare this to the capacity of Shinglemill Creek basin (subsequent investigation shows the historical low flow is 2.1 cfs).

GB: personal experience suggests that when we bring the canyon well on-line we will need to continue to run it at some level to keep the media working properly. Not enough to back flush.

BM: have we considered installing bigger lines (6") for fire protection? Could pay for the increased cost with lower insurance premiums.

At 5:35 pm Denny Conner thanked the attendees for their participation and the meeting was adjourned.