

# Dockton Water Association

Board Meeting

Saturday, April 25, 2020

10AM

Online Meeting via Zoom:

[https://us02web.zoom.us/meeting/register/tZ0odeatrzsqHdViNX5QLLd2OzDjrBVc9ekL](https://us02web.zoom.us/join/https://us02web.zoom.us/meeting/register/tZ0odeatrzsqHdViNX5QLLd2OzDjrBVc9ekL)

- Meeting ID: 895-2351-0071
- Password: 111489

## Minutes

### CALL TO ORDER:

1. Present: Hooper, Todd, Tanya, Paul, Darton, Sheila (Kai joined late into the meeting)
2. Met required number of Directors present for quorum

### CONSENT ITEMS:

3. APPROVED: contents and order of the agenda
4. APPROVE: minutes of the March 28, 2020 meeting

### INFORMATION ITEMS:

5. Guest speaker: None
6. Member comments: None

### Manager Report:

7. Capital improvement projects: As it relates to CIP #8 (the 1<sup>st</sup> #8 on attached report), Dave received an estimate to replace the soffits/fascia/gutters, remove skirting and install cement pony wall with footing (elevating the building is not required). The footing will also help the building structurally. The CIP estimate is \$35K with some padding for overruns.
8. Emergency contract: Zellerhoff's "not to exceed" unit pricing needs to be incorporated into the contract, and the effective date needs to be updated to reflect the current month (12 month term). Dave to facilitate the execution of this agreement.
9. Water quality and flow: Nothing out of the ordinary is happening, no well heads are failing.

### President's Report

10. Office remodel progress: If all goes as planned, Dave should be able to move into the newly remodeled office the week after next. Hooper to contact James Clapperton about signage for office entry.
11. Office move in work party: If social distancing logistics can be accomplished, Hooper will send out a work party invite to the Board in the next week or two.

### Committee Reports

#### 12. Finance Committee

- a) March Report: Income was low for March (\$16,638). April income is expect to be below budget too. It seems we are continuing to sell less water than we had expected for this time of year, however, on a YTD basis, we are on track (99% of expected).

Operating costs are below budget, primarily due to not paying a Franchise Fee. Overall, costs are in line and being contained. We continue to collect on overdue accounts (net improvement of \$18k). Report attached.

- b) 2020-2021 Budget: The Board APPROVED the attached 2020-2021 budget.
- c) Budget for website: Todd increased the 2020-2021 business operating budget by \$1,000. These funds will be used to fix website bugs and move the website's content to a more user-friendly platform, so Dave and the Board can easily update the website. Hooper committed to maintaining the current website until we move to a different platform.

### 13. Water Production Committee

- a) Sandy Shores filtration: Dave to contact suppliers to get confirmed delivery date for essential parts. Dave to also reach out to Osborne & Gray to let them know we'd like to start the bid process ASAP (pending confirmed delivery dates for essential parts). If DWA acts now, construction will start in Fall. If we delay, then we get into the rainy season which could increase the risk for cost overruns.
- b) Five wells: Good development. Frank Zellerhoff, Sr. will sign an affidavit stating the five wells were installed in 1994. Paul to re-verify some facts before Duncan Greene drafts a response to King County.

### 14. CIP and Planning Committee

- a) CIP: If a low interest government loan is available next year to fund the Sandy Shores project, then the 94<sup>th</sup> to Pt. Piner improvement project (the 2<sup>nd</sup> #8 on attached report) can be accelerated. In addition, King County could possibly make an offer to DWA to purchase the development rights for DWA's parcel on 268<sup>th</sup>. This would provide another source of funds, if the sale of development rights is recommended by the Board and approved by the Shareholders.

### CARRYOVER ITEMS:

- 15. Update small system water plan, parts list and installation standards: No progress has been made.

### DISCUSSION ITEMS:

- 16. Candidate report: So far we have four candidates with a good mix of talents and passion for giving back to their community in a meaningful way! If we do not receive a fifth candidate, Paul said he would run for a 1-year term. Having one candidate with a 1-year term will reestablish the 4/3 Board member election rotation. Currently, the Board member election rotation is 5/2.
- 17. Remote meeting attendance: Because online meetings are commonly used to conduct business, the Board discussed whether a Board member who lived off island could regularly call in to meetings. The current bylaws are silent on what constitutes attendance (in person or remotely), it only addresses absences, however Duncan Green's proposed bylaws allow attendance by telephone.

Current bylaw language:

- 2.1.1. **By the Board**. Any director may be removed by the Board if it determines that such removal is in the best interest of the Dockton Water Association. Without limitation of the foregoing, two unexcused absences from two consecutive meetings may constitute

grounds for removal. Notice of the proposed removal, stating the grounds for removal, shall be given to said director not less than fifteen (15) days prior to the day of the meeting at which the proposed action will be taken. The director, at his option, may appear at said meeting and may present such witnesses and evidence as he may desire. Removal of any director shall be only by a majority of the entire Board.

Duncan Greene's proposed Bylaws:

2.13 **Meetings by Telephone:** Members of the corporation may participate in a meeting of members by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time. Participation by such means shall constitute presence in person at a meeting."

When Duncan's Bylaw recommendations go through Board review, this subject will be addressed at that time.

In the meantime, the Board APPROVED recording all future DWA Board meetings and making the recording available on DWA's website, so Shareholders can listen at their convenience. Dave to amend DWA's service agreement with Zoom to include cloud recording. Dave to work with Paul to create user guide to help facilitate Zoom video and cloud recording.

18. Share buy-back program / Director' Policies: Sheila to send edits to Todd for consideration (Todd's draft language attached). Language to be modified includes removing "convenience" and "reasonable," defining what the buyer/seller needs to provide with their request, and putting the onus on the Manager to confirm receipt of the request. Manager's job description will need updating to align with new policy. Job description currently reads:
  - o Maintain a list of customers that want to sell back water shares to the Association and issue new shares from the top of this list by revenue neutral exchange.
19. Potential Bylaw changes: Bylaw update will be postponed to 2021 ballot.
20. Countdown to annual meeting: Dave needs ballot and 2020-2021 budget by May 4. Darton will not likely attend the annual meeting. No decision made regarding whether the annual meeting will be held outdoors, online or in person. Board will discuss further at the May Board meeting.
21. Cross-connection control program: Dave and Kai to do some additional editing of the Cross-connection control documents. Sheila to incorporate the changes.
22. Use of DWA building for October Heritage Museum event: Board APPROVED use of DWA's building, contingent on the Heritage Museum providing a portable toilet.
23. Invite to Fire Chief to explain need for local volunteers: Board APPROVED extending an invitation to the Fire Chief.

## **OTHER BUSINESS:**

What did we decide?

- Board:
  - Approved inviting Fire Chief to annual meeting
  - Approved allowing Heritage Museum event to be held at DWA (if they provide portable toilet)
  - Approved 2020-2021 budget
  - Approved making audio recordings of DWA's Board meeting and making available on DWA's website
  - Approved amending Zoom service agreement to include cloud recording
- Dave:
  - Contact Osborne & Gray regarding starting the bid process and confirm delivery date of parts with suppliers
  - Coordinate execution of the Emergency Contract
  - Work with Kai on editing Cross Control Connection documents
  - Work with Paul on creating conference call guidelines
  - Amend Zoom service agreement to include cloud recording
  - Update small system water plan, parts list and installation standards
- Hooper:
  - Contact James Clapperton re: DWA signage
  - Send work party invite (if social distancing can be accommodated)
  - Advise Heritage Museum they can use DWA if they provide portable toilet
  - Invite Fire Chief to annual shareholder meeting
- Paul:
  - Provide James Clapperton's contact information to Hooper
  - Re-verify historical facts about the wells and provide to Duncan Greene
- Sheila:
  - Send waitlist language edits to Todd
  - Update Cross-Connection documents based on Kai and Dave's edits
  - Send Dave the ballot by May 4
- Todd:
  - Send Dave the 2020-2021 budget by May 4

Next board meeting: Saturday, May 23, 2020

**Dockton Water Association**  
**Profit & Loss Budget vs. Actual by Fund**  
 March 2020

04/20/20

	Operations		System Replacements		Capital Improvements		TOTAL	
	Mar 20	% of Budget	Mar 20	% of Budget	Mar 20	% of Budget	Mar 20	% of Budget
Ordinary Income/Expense								
Income								
Water Sales	16,820.82	88.3%	0.00	100.0%	1,301.67	100.0%	17,122.49	95.6%
Capital Charges	0.00		0.00	100.0%	5,640.00	100.0%	5,640.00	100.0%
State Utility Excise Tax	787.65	87.5%	0.00		0.00		787.65	87.5%
Interest Income	0.00		0.00		22.54		22.54	100.0%
Miscellaneous Income	30.00	120.0%	0.00		0.00		30.00	120.0%
<b>Total Income</b>	<b>16,638.47</b>	<b>88.3%</b>	<b>0.00</b>	<b>100.0%</b>	<b>6,964.21</b>	<b>100.0%</b>	<b>23,602.68</b>	<b>125.3%</b>
Gross Profit	16,638.47	88.3%	0.00	100.0%	6,964.21	100.0%	23,602.68	125.3%
Expense								
Staffing and Contract Svcs	8,686.93	101.2%	0.00		0.00		8,686.93	101.2%
Business Operations								
Legal Services	333.33	0.0%	0.00		0.00		333.33	0.0%
Banking & Accounting	64.95	56.5%	0.00		0.00		64.95	56.5%
Comms & IT	425.15	102.0%	0.00		0.00		425.15	102.0%
Insurance	100.00	16.0%	0.00		0.00		100.00	16.0%
Office Supplies and Services	102.15	81.7%	0.00		0.00		102.15	81.7%
Postage (incl. Meter Rental)	74.89	30.0%	0.00		0.00		74.89	30.0%
Other Admin Costs	0.00	0.0%	0.00		0.00		0.00	0.0%
<b>Total Business Operations</b>	<b>767.14</b>	<b>40.3%</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.0%</b>	<b>767.14</b>	<b>40.3%</b>
System Operations								
General Engineering	0.00	0.0%	0.00		0.00		0.00	0.0%
Water Quality Testing	238.30	158.9%	0.00		0.00		238.30	158.9%
Electricity & Propane	862.90	101.4%	0.00		0.00		862.90	101.4%
Water Treatment Chemicals	0.00	0.0%	0.00		0.00		0.00	0.0%
Shop Supplies & Parts	150.37	45.6%	0.00		0.00		150.37	45.6%
Unscheduled System Costs	133.80	10.7%	0.00		0.00		133.80	10.7%
Building & Grounds Maintenance	92.40	24.6%	0.00		0.00		92.40	24.6%
<b>Total System Operations</b>	<b>1,577.77</b>	<b>47.4%</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.0%</b>	<b>1,577.77</b>	<b>47.4%</b>
TAXES, LICENSES and FEES	697.44	32.0%	0.00		0.00		697.44	32.0%
PROJECTS								
Booster Station Generator	0.00		0.00		1,819.05		1,819.05	100.0%
Sandy Shores Filtration	0.00		0.00		1,463.60		1,463.60	100.0%
Office Remodel	0.00		0.00		12,905.53		12,905.53	100.0%
Office IT	0.00		108.59		0.00		108.59	100.0%
<b>Total PROJECTS</b>	<b>0.00</b>	<b></b>	<b>108.59</b>	<b>100.0%</b>	<b>16,188.18</b>	<b></b>	<b>16,296.77</b>	<b>100.0%</b>
<b>Total Expense</b>	<b>11,729.28</b>	<b>73.3%</b>	<b>108.59</b>	<b>100.0%</b>	<b>16,188.18</b>	<b>100.0%</b>	<b>28,026.05</b>	<b>175.2%</b>
Net Ordinary Income	4,909.19	172.7%	-108.59	100.0%	-9,225.97	100.0%	-4,423.37	-155.6%
Other Income/Expense	-4,167.00	100.0%	4,167.00	100.0%	0.00		0.00	0.0%
<b>Net Income</b>	<b>742.19</b>	<b>-56.1%</b>	<b>4,058.41</b>	<b>100.0%</b>	<b>-9,223.97</b>	<b>100.0%</b>	<b>-4,423.37</b>	<b>334.3%</b>

**Dockton Water Association**  
**Proposed Budget - 2020/2021 Fiscal Year (July through June)**  
**For Shareholder Review**

Dockton Water Association, Proposed Budget 2020/2021

	2019-20 Budget	2019-20 Forecast Actual <sup>1</sup>	2020-21 Proposed Budget
<b>OPERATING FUND</b>			
<b>BEGINNING FUND BALANCE</b>	19,500	15,221	5,020
INCOME: Water Sales (Active Shares), Taxes and Fees	226,100	220,370	221,100
<b>COSTS:</b>			
Staffing and Contract Services	(103,000)	(103,091)	(103,000)
Business Operations	(25,500)	(26,450)	(28,250)
System Operations	(40,500)	(37,350)	(42,500)
Taxes & Licenses	(15,500)	(13,680)	(15,900)
King County Franchise Fee (pending ruling)	(12,000)	-	(12,000)
Total Operating Costs	(196,500)	(180,571)	(201,650)
<b>Operating Profit (Loss)</b>	<b>29,600</b>	<b>39,799</b>	<b>19,450</b>
Total Available Funds: (Beg. Balance plus Operating Profit)	49,100	55,020	24,470
Transfer to Capital Funds	(50,000)	(50,000)	(30,000)
<b>ENDING FUND BALANCE</b>	<b>(900)</b>	<b>5,020</b>	<b>(5,530)</b>
<b>SYSTEM REPLACEMENT FUND</b>			
<b>BEGINNING FUND BALANCE</b>	<b>202,000</b>	<b>201,939</b>	<b>207,949</b>
INCOME: Transfer from Operating Fund	50,000	50,000	30,000
<b>INVESTMENTS:</b>			
Meter Replacement Program	(3,000)	(1,600)	(3,000)
Hake to Manzanita Connection	-	-	(30,000)
Office IT upgrade	(10,000)	(2,069)	-
Office and Board Room remodel	(15,000)	(35,130)	-
Historic Building Renovation	-	-	(35,000)
Unscheduled Replacement Costs	(9,000)	(5,191)	(9,000)
<b>TOTAL INVESTMENTS</b>	<b>(37,000)</b>	<b>(43,990)</b>	<b>(77,000)</b>
Net Change in Fund	13,000	6,010	(47,000)
<b>ENDING FUND BALANCE</b>	<b>215,000</b>	<b>207,949</b>	<b>160,949</b>
<b>CAPITAL IMPROVEMENT FUND</b>			
<b>BEGINNING FUND BALANCE</b>	<b>316,000</b>	<b>322,231</b>	<b>290,023</b>
INCOME: Reserve Shares and Capital Charges	85,080	86,250	85,080
Commercial Loan	-	-	200,000
State Loan Payments (Existing loan pay't: \$30k, New: \$20k)	(31,000)	(30,963)	(50,000)
<b>INVESTMENT:</b>			
Emergency Service	(10,000)	(1,152)	-
Booster Station Generator	(50,000)	(45,697)	-
Sandy Shores Filtration	(100,000)	(15,259)	(500,000)
Restoration of office/board room space	(15,000)	(23,569)	-
Convert Springs water tank to storage	(3,000)	-	(3,000)
Hake to Manzanita Connection	-	-	(22,500)
Unscheduled Improvement Costs	(3,000)	(1,818)	(3,000)
<b>TOTAL INVESTMENTS</b>	<b>(181,000)</b>	<b>(87,495)</b>	<b>(528,500)</b>
Net Change in Fund	(126,920)	(32,208)	(293,420)
<b>ENDING FUND BALANCE</b>	<b>189,080</b>	<b>290,023</b>	<b>(3,397)</b>
<b>CONTINGENCY RESERVES</b>			
<b>BEGINNING FUND BALANCE</b>	<b>78,400</b>	<b>78,400</b>	<b>78,400</b>
Net Change in Fund	-	-	-
<b>ENDING FUND BALANCE</b>	<b>78,400</b>	<b>78,400</b>	<b>78,400</b>
<b>TOTAL FUNDS</b>			
	<b>481,580</b>	<b>581,392</b>	<b>230,422</b>

<sup>1</sup> Includes actual results through March 2020. April-June is estimated

**NOTES:**

\* We manage our finances using four Funds. Each fund has inflows and outflows during the year. The total balance of all four funds at any time equals the total amount of cash we hold at the bank. (USBank and Chase, Vashon branches)

\* The **Operating Fund** is used to run the business on a day-to-day basis. This fund receives income from Active Shareholders ("base charge" and water usage plus taxes and fees) and pays out all operating expenses. We try to operate at break-even, after making an annual transfer to the System Replacement fund.

This year we are budgeting a slight loss, but often we do slightly better than budgeted. However, our cost structure is now permanently higher with full-time staff, insurance increased to current values, and soon more energy use (for the filtration plant) so we may need to consider billing rate increases in the coming year.

We continue to budget \$12,000 for the anticipated Franchise Fee payable to King County -- though our actual liability remains undetermined.

On a one-time basis we are reducing the annual transfer to the System Replacement fund from \$50,000 to \$30,000, primarily to hold off on an immediate rate increase.

\* **System Replacement Fund** holds our cash reserves for projects that replace existing pipes and equipment. We always budget to replace old meters (\$3k) and for unexpected replacements (\$15k). This year we'd also like to complete the connection between Hake and Manzanita and start the long overdue renovation of our historic building.

\* **Capital Improvement Fund** holds our reserves for projects where we upgrade/expand our system. It receives the income from the Capital Charges we all pay and the "base charge" paid by Reserve Shareholders. This year we plan to bring in additional funds through a commercial loan. This interim loan is for the Sandy Shores Filtration project.

The size of loan we can take is limited by the annual payments (debt load) we can support. During the year we will work to obtain a loan from the State of WA. At lower interest and longer term, this can be a larger loan that pays off the commercial loan and provides additional funds for planned capital projects in 2021/2022 and beyond.

\* **Contingency Fund** was originally a requirement of our State Loan. This can now be considered a "rainy day" fund.

\* **Total Funds** is the Ending Balance of all four funds. Budgeted Ending Total Funds of \$230,422 is less than recent years but still a very good financial position for us.

\* If you have questions or would like more details, please contact the Association's Treasurer:  
 Todd Currie, twcurrie@yahoo.com

**Capital Improvements Program  
Committee Recommendations 2020-21**

**Dockton Water Association**

CIP Project #	Priority Year	Projects	Category	Work Description	Linear Feet	From	To	Material Cost (Improvements)	Other Costs (Replacement)	TOTAL COST
1	2020	Office/ Board Room Restoration	Both					\$ 15,000	\$ 15,000	\$ 30,000
2	2020	Emergency Relief System	Improvement	Signage	650	Dockton Springs		\$ 10,000		\$ 10,000
3	2020	Booster Station Generator	Improvement	New Generator				\$ 50,000		\$ 50,000
4	2020	Convert Spings water tank to storage	Improvement	Repurpose water tank				\$ 3,000		\$ 3,000
5	2020	Sandy Shores Well Filtration	Improvement	Well Filter System	N/A			\$ 100,000		\$ 100,000
<b>Proposed Cost for 2020</b>										<b>\$ 193,000</b>
6	2021	Sandy Shores Well Filtration	Improvement	Well Filter System	N/A			\$ 500,000		\$ 500,000
7	2021	Hake-Manzanita Connection	Improvement	8" Connection	300	Hake Road Terminus	Ex. 6" extension from Manzanita	\$ 22,500	\$ 30,000	\$ 52,500
8	2021	DWA Buidling Improvements	Replacement	Improvements to ex. Building				\$ 35,000		\$ 35,000
<b>Proposed Cost for 2021</b>										<b>\$ 587,500</b>
8	2023	94th to Pt. Piner Connection	Improvement	8" Extension	1,110	94th Ave SW	Pt. Piner 6" stub	\$ 83,250	\$ 111,000	\$ 194,250
<b>Proposed Cost for 2023</b>										<b>\$ 194,250</b>
9	2025	Sandy Shores Dr	Replacement	8" Replacement	1,850	SW 275th St	Sandy Shores Dr SW Terminus	\$ 138,750	\$ 185,000	\$ 323,750
<b>Proposed Cost for 2025</b>										<b>\$ 323,750</b>
10	2027	275th	Replacement	8" Replacement	1,800	94th Ave SW	Sandy Shores Dr SW	\$ 135,000	\$ 180,000	\$ 315,000
<b>Proposed Cost for 2024</b>										<b>\$ 315,000</b>
11	2029	94th	Replacement	8" Replacement	1,700	Sandy Shore Well	94th-Summerhurst Connection	\$ 127,500	\$ 170,000	\$ 297,500
<b>Proposed Cost for 2025</b>										<b>\$ 297,500</b>
CIP Project #	Priority Year	Projects	Category	Work Description	Linear Feet	From	To	Material Cost (Improvements)	Other Costs (Replacement)	TOTAL COST
12	2032	274th and 90th	Replacement	8" Replacement	2,600	94th Ave SW	90th Ave SW	\$ 195,000	\$ 260,000	\$ 455,000
13	2034	Hake Road	Replacment	8" Replacement	2,950	SW 268th St Terminus	Hake Road	\$ 221,250	\$ 295,000	\$ 516,250
14	2037	99th	Replacement	8" Replacement	3,100	SW Windmill	SE 268th St	\$ 232,500	\$ 310,000	\$ 542,500
15	2038	265th	Replacement	8" Replacement	800	99th Ave SW	265th Terminus	\$ 60,000	\$ 80,000	\$ 140,000
16	2039	263rd	Replacement	8" Replacement	1,200	99th Ave SW	263rd Terminus	\$ 90,000	\$ 120,000	\$ 210,000
17	2040	264th	Replacement	8" Replacement	1,400	94th Ave SW	99th Ave SW	\$ 105,000	\$ 140,000	\$ 245,000
18	2041	262nd	Replacement	8" Replacement	800	99th Ave SW	262nd Terminus	\$ 60,000	\$ 80,000	\$ 140,000
19	2042	Summerhurst	Improvement	8" Extension	900	94th to Summerhurst Connection	Summerhurst to Sandy Shores Connection	\$ 67,500	\$ 90,000	\$ 157,500
20	2043	Summerhurst to Sandy Shores Connection	Improvement	8" Extension	1,000	Sandy Shores	Summerhurst	\$ 75,000	\$ 100,000	\$ 175,000
21	2045	Summerhurst Walk	Improvement	8" Extension	2,300	Summerhurst	Pt. Piner	\$ 172,500	\$ 230,000	\$ 402,500

**Capital Improvements Program  
Committee Recommendations 2020-21**

**Dockton Water Association**

22	2046	Point Pinner to 288th Connection	Improvement	8" Extension	1,800	Pt Piner	SW 288th St	\$ 135,000	\$ 180,000	\$ 315,000
23	2047	Manzanita to 288th Connection	Improvement	8" Extension	2,080	SW 288th St	Manzanita Beach Rd SW	\$ 156,000	\$ 208,000	\$ 364,000
24	2048	Hake -Reservior	Improvement	8" Extension	2,800			\$ 210,000	\$ 280,000	\$ 490,000
								Total		\$ 6,063,750
								Cost Mutpilliers (\$/LF)		\$ 75.00 \$ 100.00
								Capitl Improvement Funds without Loans		Per Month Per Year
								Capitall Charges		\$ 5,640.00 \$ 67,680.00
								Resserve Base Charges		\$ 1,452.00 \$ 17,424.00
								Transfer from Ops to System Replacements		\$ 4,166.67 \$ 50,000.00
								Available Budget		\$ 11,258.67 \$ 135,104.00
		2.50% Annual Infiltration								
<b>Year</b>	<b>Cost Increase</b>	<b>Yearly Income</b>	<b>Project Cost</b>	<b>Available Fund</b>	<b>Loan Required?</b>	<b>Remaining Funds</b>	<b>CIP Project Number</b>			
2019						\$ 518,000.00				
2020	0%	\$ 135,104.00	\$ 193,000.00	\$ 653,104.00	NO \$ -	\$ 460,104.00	1 through 5			
2021	2.50%	\$ 138,481.60	\$ 587,500.00	\$ 598,585.60	NO \$ -	\$ 11,085.60	5 throught 7			
2022	5.00%	\$ 141,859.20		\$ 152,944.80	NO \$ -	\$ 152,944.80				
2023	7.50%	\$ 145,236.80	\$ 194,250.00	\$ 298,181.60	NO \$ -	\$ 103,931.60	8			
2024	10.00%	\$ 148,614.40		\$ 252,546.00	NO \$ -	\$ 252,546.00				
2025	12.50%	\$ 151,992.00	\$ 323,750.00	\$ 404,538.00	NO \$ -	\$ 80,788.00	9			
2026	15.00%	\$ 155,369.60		\$ 236,157.60	NO \$ -	\$ 236,157.60				
2027	17.50%	\$ 158,747.20	\$ 315,000.00	\$ 394,904.80	NO \$ -	\$ 79,904.80	10			
2028	20.00%	\$ 162,124.80		\$ 242,029.60	NO \$ -	\$ 242,029.60				
2029	22.50%	\$ 165,502.40	\$ 297,500.00	\$ 407,532.00	NO \$ -	\$ 110,032.00	11			
2030	25.00%	\$ 168,880.00		\$ 278,912.00	NO \$ -	\$ 278,912.00				
2031	27.50%	\$ 172,257.60		\$ 451,169.60	NO \$ -	\$ 451,169.60				
2032	30.00%	\$ 175,635.20	\$ 455,000.00	\$ 626,804.80	NO \$ -	\$ 171,804.80	12			
2033	32.50%	\$ 179,012.80		\$ 350,817.60	NO \$ -	\$ 350,817.60				
2034	35.00%	\$ 182,390.40	\$ 516,250.00	\$ 533,208.00	NO \$ -	\$ 16,958.00	13			
2035	37.50%	\$ 185,768.00		\$ 202,726.00	NO \$ -	\$ 202,726.00				
2036	40.00%	\$ 189,145.60		\$ 391,871.60	NO \$ -	\$ 391,871.60				
2037	42.50%	\$ 192,523.20	\$ 542,500.00	\$ 584,394.80	NO \$ -	\$ 41,894.80	14			
2038	45.00%	\$ 195,900.80	\$ 140,000.00	\$ 237,795.60	NO \$ -	\$ 97,795.60	15			
2039	47.50%	\$ 199,278.40	\$ 210,000.00	\$ 297,074.00	NO \$ -	\$ 87,074.00	16			
2040	50.00%	\$ 202,656.00	\$ 245,000.00	\$ 289,730.00	NO \$ -	\$ 44,730.00	17			
2041	52.50%	\$ 206,033.60	\$ 140,000.00	\$ 250,763.60	NO \$ -	\$ 110,763.60	18			
2042	55.00%	\$ 209,411.20	\$ 157,500.00	\$ 320,174.80	NO \$ -	\$ 162,674.80	19			
2043	57.50%	\$ 212,788.80	\$ 175,000.00	\$ 375,463.60	NO \$ -	\$ 200,463.60	20			





## IX. WAITING LIST POLICY

### 1. Buyer's Waiting List

When all authorized water shares are sold, the Association will maintain a waiting list of those persons within the service area that desire access to a water share that becomes available in the future. The Buyer's Waiting List will be kept on a "first come, first served" basis. Each request for a share must be associated with a particular property within the service area and each building lot will be limited to a single share on the waiting list. The interested Buyer must make their request known to the Association via letter or email to the Operator/Manager and the Board President. It is up to the Buyer to confirm that their name is added to the Buyer's Waiting List maintained on the Association's website or other public posting.

In the event that a water share becomes available, it will be offered at the then existing rate to the person at the top of the Buyer's Waiting List. The Buyer must commit to purchasing the share by placing a refundable deposit of \$1000 within 15 days and complete purchase of the share within 30 days of the date of the offer. In the event that a person fails to act within the 15-day or 30-day window, the offer will be rescinded, the Buyer will be removed from the Buyer's Waiting List and the Association will extend an offer to the next person on the waiting list.

### 2. Seller's Waiting List

A shareholder that wants to sell their water share must notify the Association's Operator/Manager and the Board President of their desire to sell. The shareholder must confirm that their name is then added to the Seller's Waiting List that the Association will maintain on its website or other public posting. Sellers will be added to the list on a "first come, first served" basis.

When a person, meeting all requirements of the Association's ByLaws and Board Policies, requests to buy a water share, the Association will make reasonable efforts to contact the shareholder at the top of the Seller's Waiting List. The Association will offer to buy the Seller's share at the current membership fee less any billed charges owed to the Association by the Seller. If the Seller is not reachable, does not respond or does not accept the Association's offer within 15 days, the Association will reach out to the next Seller on the Seller's Waiting List and the shareholder at the top of the list will be removed from the list.

Once a Seller accepts the Association's offer, the Buyer must fully pay for the new share prior to the Association paying to repurchase the Seller's share.

The Association maintains these two Waiting Lists solely as a convenience for shareholders and Buyers. It provides no assurance that any Buyer or Seller will be available at any given time and the Board reserves the right to sell any not-yet-sold, state-authorized shares directly to Buyers, at its discretion, even if there are shareholders on the Seller's Waiting List.