

DRIFTWOOD HEIGHTS ASSOCIATION, INC.

370 N EAST CAMANO DRIVE, STE 5, PMB 219

CAMANO ISLAND, WA 98282-7279

<http://driftwood-heights-association.com>

email: driftwood_heights_association@yahoo.com



INCORPORATED 1970

MINUTES OF THE BOARD MEETING

Tuesday, Oct. 1, 2013, 7 P.M.

The meeting was called to order by Bob Larsen, President, at 7 P.M. Present were Bob Larsen, Steve Christian, Donna Groskopf, Eileen Teufel. Steve Casteel was available via phone for a portion of the meeting. Absent was Jill Vail.

PUMP HOUSE: Steve Casteel brought the board up to date regarding the issues in the pump house. We have been facing a challenge with leaky pipes that has been complicated by the recent failures of a pressure relief valve. These two problems are actually masking a much larger problem that must be addressed if we are to have a continual and reliable source of water. Supplying water to all of our Driftwood customers actually occurs with 2 separate systems or phases. Phase 1 consists of the Hawthorne customers and Phase 2 consists of everyone else. Phase 1 supplies water at a pressure of 90 psi and Phase 2 is at 60 psi. This does not allow us the flexibility to use one system as a backup to the other due to the pressure differences.

Steve is recommending that we proceed with having King Water purchase a third high pressure pump and 2 pressure reducing valves to drop the pressure to the lower system. When completed we would actually have 3 high pressure pumps instead of 5. Of the 3, 2 would be functional and the other would serve as a backup. Estimated costs are \$14,400. Completion of this project is estimated to provide at least 10 years of reliable service and most likely longer.

METERS: Steve Christian notified the board that there were still 5 meters on Vesper yet to be taken care of. Also, members who own property on Vesper will have to cut the brush away from their meter areas themselves or King Water will do it and bill them for it. Steve proposed that he send letters to those 5 on Vesper yet to be taken care of with their meters.

BUDGET FOR 2013: Eileen provided an update of our financial position and using a 20% cost overrun contingency she estimates the costs at \$17,280. As of 9/30/2013 we have an estimated year end cash reserve of \$55,842. This figure includes all the costs associated with the Vesper meter project and other King water bills to date.

Based on the above figures the board voted to authorize Steve Casteel to proceed with King Water to start the project described above. Donna made the motion and Eileen seconded. It is estimated that the work will begin in approximately 2 weeks.

Driftwood Heights Association 2013 Year End Budget Estimates

Current Balance:	\$67,600	(actual as of 9/30 \$60,242.10)
Estimated Year end expenses	11,600	(\$4400 minus King Water actual of \$7200)
Available Cash	\$56,000	(actual as of 9/30 \$55,842)
Retain a 10% reserve	\$5,600	
Available Cash	\$50,400	
Retain a 20% reserve	\$11,200	
Available Cash	\$44,800	

Based on these figures, I think we can go ahead with the pump house work, using the 20% reserve figure and as long as we get a pretty good estimate from King Water (including a high estimate and a possible overrun amount) and keep it within range a \$44,000 range (which I assume it will be).

Pump House Estimates:

As discussed, we have been over several permutations of the various ways to address this. As of now, and based on feedback from you, we are inclined to keep the big tank, have all the booster pumps provide water to the upper and lower system and have 2 pressure reducing valves in the piping to the lower system to drop the pressure down from about 95 psi to 60 psi (about what it is now). As a result, one benefit will be less pressure fluctuations to those living on the lower system.

Because the target is continually changing, and we have been fighting the booster pump problem, we have not had a chance to prepare a detailed design and, hence, we do not have a comprehensive parts list. Set out below is an approximation of what the costs might be:

- Cost of a third high pressure pump and 2 pressure reducing valves (4" and 2") to drop the pressure down for the lower system - \$6,900

- Labor to install approximately \$5,000.
- Rest of the parts needed to install above configuration and core drill wall - approximately \$2,500

Pump House Estimate:	\$14,400
20% Cost Over run	2,880
Total:	\$17,280

Submitted by: Eileen Teufel

ANNUAL BILLING: Bob suggested we notify King Water now regarding their taking over of the 2014 billing for our members. In order to ensure we have a good address list, Bob will send out a mass mailer to all our members that will outline to them the projects we have done or will be doing as well as a reminder that our 2014 dues billing will be coming up soon.

The meeting ended at 7:45 pm.

Steve Christian kindly took these minutes for us.

Submitted by Donna Groskopf, Secretary

