

CAMANO COOPERATIVE WATER & POWER COMPANY

994 S. Gary Lane
Camano Island, WA 98282
Tel: 360-387-7363
E-mail: camanocooperative@msn.com
www.camanocoop.org

October 2025

Fellow Shareholders,

The Annual Shareholder's Meeting of the Camano Cooperative Water & Power Company is on Saturday, November 15th at 10:00 a.m. In anticipation of our meeting, I offer these perspectives for your review.

Capital Projects

Kevin King, the board trustee serving as the Capital Projects Committee Chair, has continued to provide excellent oversight and visibility to the board. Kevin will review the projects at our annual meeting. That said, here are a few highlights:

Chapman Creek Culvert Main Replacement

The project was physically completed last October 2024, but we are keeping it open in order to receive the final as-built engineering drawings.

New Well (DWSRF)

The New Well project has taken a few turns as we work to nail down the final physical location of the well and consequent easements. We worked with a well drilling company to confirm viability for drilling equipment to access the chosen spot at the Brennick Reservoir Site. As of this writing, we are working to finalize the easements required for the Department of Health (DOH) to approve the well. AESI, the hydrologist leading the project, has worked with a contractor and completed the transfer of water rights required for the well. Once the easements are finalized, the bidding process will move forward, guided by the loan requirements of the Washington DOH Drinking Water State Revolving Fund (DWSRF).

Camano View / Rutland

Due to numerous leaks in the galvanized pipe main along Rutland Place, as per the recommendation of our operator, Water and Wastewater Services (WWS), the Board prioritized this project for immediate execution. As a result, the Cooperative self-funded the replacement of the main along Rutland Pl and Camano View down to SW Camano Dr. The work was completed this past summer.

Seamist

Preliminary work to survey the right of way on Seamist was completed earlier this year. Right of way adjustments to mains along SW Camano Dr were also identified and are in progress.

Kamstrup Meters

Last year, the Board approved an accelerated three-year roll-out plan to replace all current meters with Kamstrup meters equipped with both radio-read and infrastructure leak detection capabilities. Due to excellent operational results, the Board approved a further acceleration, and I am happy to report that as of this writing, the meter replacement process has been completed.

For reference, Kamstrup meters offer a significantly extended lifespan compared to the prior Sensus meters. Additionally, they provide digital accuracy and can be remotely read by our operations team by simply driving by. Many leaks have been identified, located, and fixed using the system's Leak Detection software. The frequent meter reading schedule in place has enabled the office staff to notify many shareholders of a leak in their property well before it was possible with the Sensus meters. We are especially thankful for the many shareholders who have diligently reported potential leaks. The team also worked to recycle the replaced Sensus meters, which brought in \$1,600.

Notably, one very large and hidden leak in a main line along Sandpiper Loop was located by the system as soon as meters were installed in that area. Fixing that one leak has reduced the overall water loss by nearly a million gallons per month, a factor of 4 reduction from the prior quarter! Many thanks to Board member Trent Lowe, Deb Howard, and especially, Sarah Cookston, for their efforts to make this happen on behalf of all of us.

Operations and Maintenance

W&WS

Our operator, Water and Wastewater Services, has maintained its exceptional performance throughout the year, ensuring the smooth operation of the system. Ryan and his team have successfully addressed a total of 20 leak repairs, demonstrating their timely and effective response to these issues. W&WS technicians have played a pivotal role in the installation of the new Kamstrup meters. The frequent drive-by readings of these meters have already resulted in significant water savings, potentially saving thousands of gallons.

Maps

Sarah Cookston, our Assistant Manager, has continued updating our online Cooperative infrastructure map on Google Maps as new information is surfaced (no pun intended). This map serves as a valuable resource for our Board Members, engineers, and operators, providing them with accurate information about the system's infrastructure. We appreciate Sarah's contributions! Similarly, Sarah and Deb have made ongoing timely updates to the Cooperative's website.

Finance

Rob Boucher, our Treasurer, has maximized interest received from cash on hand by leveraging FDIC-insured CDs. Rob has continued work on an Excel model to improve cash flow forecasting for our capital projects. This model has facilitated more informed decision-making regarding the utilization of interest-bearing financial instruments. As a result, the Cooperative has achieved \$23K in interest income this past fiscal year. Rob has also helped the office improve its IT equipment and software applications. Much appreciated, Rob!

Forest Management Plan

We received notice on October 28th that all logging activity for the project has completed! Chris Richards successfully guided the Forest Management Plan we created two years ago to comply with state requirements. The final steps of the plan call for re-planting operations to take place in the spring of 2026. The project has generated net income for the Cooperative and has enabled us to maintain the forest management exemption for tax purposes. Thank you, Chris!

Amendment to Bylaws

The Board recently voted to adjust the date of the Annual Shareholder's Meeting. Due to the time constraints imposed by the accounting firm preparing our financial statements, the Board approved a proposed change to the bylaws governing the annual meeting date. If approved by the shareholders at the annual meeting, future annual meetings will be held on the 3rd Saturday in January instead of the 3rd Saturday in November. This change is necessary to ensure that the accounting firm has sufficient time to prepare the financial statements, and the office team can review, make adjustments, and finalize the year-end journal entries. The goal is to present the financial statements at the annual meeting.

Thank You

The Cooperative is extremely fortunate to have excellent staff, water systems operator, engineer, and legal counsel. Our work to serve our shareholders is absolutely enabled by these partners. Additionally, I can't emphasize enough the value Board members bring to their various roles. Each is committed to working cooperatively and capably and is committed to the idea of giving back. If you would like to be a part of our board or to volunteer, please contact us.

If you have a question or an issue you wish to bring to the Board, please email Deb at the office. She and the Board will make every effort to see you get a timely response. As fellow shareholders, Board members aim to resolve any problems that may arise, and we welcome your input and suggestions.

Finally, if you cannot attend the meeting, please fill out, sign, and return your proxy vote. Proxies may be left in our locked drop box at the office, scanned/mailed, or mailed. Signed proxies ensure we can complete the business at the Annual Meeting.

We look forward to seeing you at the Annual Shareholders Meeting.

Sincerely,



Virgil Fernandez, Board President