

**ALWA Board of Directors
Meeting Minutes
June 12, 2007**

1.) Call to Order:

President Stuart Cohen called the meeting to order at 7:30 P.M. Present were board members Michael Bicak, Merlyn Blue, Stuart Cohen, and Glenn Wallace. Excused were board members Jeff Cook, Matthew Rodger and Perry Cole. Also present were John Hastig, P.E., of Gray & Osborne, Bob Pancoast, Hydrogeologist with Compass Geographics, Richard Jonson, attorney with Jonson & Jonson, Scott Hemingway, Operations Manager and Sharon Bakke, business office.

2.) Business From the Floor

None

3.) Minutes from May 8 and May 16, 2007 meetings were reviewed.

MOTION 06-12-07-01: Motion by Merlyn, seconded by Michael to approve minutes of May 8, 2007. Motion carried unanimously.

MOTION 06-12-07-02: Motion by Merlyn, seconded by Glenn to approve minutes of May 16, 2007. Motion carried unanimously

Stuart stated he would like to routinely insert an item at this point in the Agenda, Review of Action Items. He stated that an Action Item List could be attached to each set of minutes and be included in each board member's monthly packet of meeting materials. At this point, action items were reviewed:

OSHA Inspection is done, has some follow-up items. Scott reported that the inspection resulted in a list of hazards, some general and six serious. He will prepare a report for the board. Stuart wanted to know in what order the issues will be addressed and a proposed timeline for dealing with them.

Offer Letters – Scott will prepare drafts

Cost/Benefit analysis for 2nd field person – Scott will try to have ready by next meeting. Stuart stated this may be the first priority.

Telemetry – Glenn and Scott have met to discuss this, Glenn will prepare report and circulate to board, hopefully by next week.

Chart of Accounts – Last month Susan implemented suggested changes to date and forwarded to Matthew. Stuart will follow up with Matthew.

At this point, 7:40 P.M., board member Matthew Rodger phoned in to participate in the discussion regarding Account #984, Lobet. A letter had been sent to Mr. Lobet regarding the Board's decision after last month's meeting. Mr. Lobet had responded by requesting the payment plan be extended from six months to 12 and that the late fee amount of \$813.40 be waived. Discussion ensued with President Cohen recusing himself.

MOTION 06-12-07-03: Glenn moved that we extend the payment plan for Lobet from six months to 12; (i.e., he must pay for the lost water but granting 12 months instead of six months to pay), and to remove all late fees. Additionally, Mr. Lobet would be required to sign a payment agreement and make regular monthly payments. Matthew seconded the motion. Michael and Merlyn voted no, Motion failed.

MOTION 07-12-07-04: Michael moved that Mr. Lobet be given a 12 month payment plan requiring regular monthly payments with the \$813.40 late fee bundled in and that he be required to sign a payment plan. Motion passed unanimously.

Dick Jonson will prepare a letter and send to Mr. Lobet. The Board agreed that if members on a payment plan such as the one Mr. Lobet is on miss a payment, staff may immediately send a past due notice with door hanger notifying member of impending water shut-off.

Board Member Matthew Rodger left the meeting, hanging up at 8:00 P.M.

Action Items, continued...

Stuart stated that completed action items may be removed from the list once reported upon.

List of Procedure Documentation Status: Scott said that the office procedure documentation is further along than the field. Stuart requested staff provide the Board a list showing what order the documentation will be worked on and a corresponding timeline.

Michael reported on the recent water system tour, which took place on Saturday, May 26th. He thanked Scott for leading the tour, saying it was very “eye opening” and he was reassured that the system was in better shape than he had thought. Stuart commented that this was a tribute to Scott’s work. Glenn stated he wanted to go on the “make-up tour”.

4.) Financial Reports:

Action item: Stuart stated he would like to meet with Matthew and Susan to further refine financial report format.

a.) Check list

Action item: Please include known accounts payable items in future board packets (with the understanding that additional payables may be presented at the meeting).

MOTION 06-12-07-05: Glenn moved and Merlyn seconded motion to approve the check list. Motion carried unanimously.

b.) Membership List:

MOTION 06-12-07-06: Glenn moved and Merlyn seconded motion to approve membership list. Motion carried unanimously.

c.) Aging Accounts: Scott reported that there were 33 accounts on the list. Eighteen of them were not pursued because they appeared more overdue than they actually are because of shortening the billing cycle. Of the rest, four are on payment plans, three are in negotiation and eight shut-off notices were sent. All eight of those who were sent shut-off notices have paid. All three in negotiation (Ulrich, Funcannon and Lobet) are at

or nearing settlement. One of the four who are on a payment plan is slipping, case will be pursued.

5.) Old Business:

a.) Budget: Tabled until project with chart of accounts is complete. Some expenses for FYE07 may need to be re-categorized to aid in budget preparation.

Action Item: Stuart will work with Susan on which expenses need to be re-categorized.

b.) Telemetry Proposal: John had provided Board with a written report responding to design questions from last meeting. He said if his company doesn't get started on the project soon, they will not be able to do it within this calendar year. Discussion ensued about cost and what work Systems Interface could do.

Action Item: Glenn will prepare report on his discussion with Scott regarding telemetry priorities and circulate, hopefully by early next week.

c.) Tall Chiefs: Bob reported not much is new.

d.) Water System Plan Status: John reported they have a draft of first three chapters and are working with Bob on the conservation program. The new water efficiency rules in the municipal water law require us to develop conservation guidelines and conduct a public hearing regarding them. Bob said they could likely have the draft ready by the July Board meeting and information for the public hearing would not be ready before the August meeting.

Action Item: John and Bob present draft of first three chapters of water system plan at next board meeting

Action Item: Bob will work with Sharon on planning public hearing.

e.) Website: Materials have been sent to Matthew.

f.) Chart of Accounts: Previously discussed

g.) Safety Plan: Previously discussed

h.) Procedure Documentation Status: previously discussed

i.) Cost Benefit Analysis 2nd field person: previously discussed

j.) Public Service Program: Glenn plans to have something ready for the next board meeting.

6.) New Business

a.) Audit for FYE 4/30/07:

Action Item: Staff to solicit proposals

b.) Policy on new member fees:

MOTION: 06-12-07-07: Motion # 07-19-06-07 is superseded by the following: Merlyn moved and Michael seconded motion that it is ALWA policy to collect all membership and development fees in advance of issuing new memberships and to collect all

development fees prior to issuing a certificate of water availability to existing non-user and non-participating memberships. Motion carried unanimously.

Dick suggested our membership and development fees may be too low and that the Board review them.

Stuart suggested given the small size of our organization that the Board offer staff a “semi-formal” review process.

Action Item: Stuart will coordinate staff reviews, including salary and compensation reviews with a target date for completion of July 10.

John stated that the Association has exceeded their contract authorization for general engineering by approximately \$5000.00 paid thus far. The general engineering fund budget needs to be re-authorized.

MOTION 06-12-07-08: Glenn moved and Michael seconded authorization of an additional \$10,000.00 budget for general engineering services with Gray & Osborne.

Action Item: Staff prepare authorization letter for G & O.

7.) Management Reports

a.) Field – Scott handed out water production report. Consumption has not yet changed in response to rate increase, though it is early yet in the high water use season to see that trend. He said unaccounted for water is around 8%, which is well under the 10% threshold we want to stay under. He said numbers may vary slightly according to when meters are read but average over time evens it out.

Scott reported that during the past month he had completed the safety meeting, the construction project on 290th has started and the Consumer Confidence Reports are with the printer. He said water use went way up during the last couple of hot weekends we had and he plans to send out the summer watering schedule very soon. He said he installed two more sampling stations and the geotechnical studies on the new tanks were completed so we can hopefully get approval from the county and conclude those projects. Scott said he had worked with Bob on the vulnerability assessments for the Marshall well and the new Vista well (source 13) so Bob can prepare the new Wellhead Protection Plan. He said when work starts on the 16th Street project, there will be a period of time when members in the south end of the system may be without water or with reduced supply. He will send notification letters to those members advising them when that will occur. He will also notify local fire districts.

b.) Office - The board reviewed the written office report. Stuart asked how much time is actually saved by the new hand held devices for meter reading. Sharon estimated about eight hours and Scott estimated that re-reads had gone from about 15 per month to three or four, saving time in the field as well as office.

8.) Hydrogeologist Report

Bob stated that he and Scott worked on the vulnerability assessment on Marshall well and the new Vista well (source 13) and that the updated Wellhead Protection Plan will be included in the new Water System Plan with the Marshall well added.

9.) Member Calls and Letters

a.) # 95 – Roger Lillejord – the Board discussed the comments included in Mr. Lillejord’s memo and asked John to draft a response for their review.

Action Item: John draft response to Mr. Lillejord’s memo.

Action Item: Once John’s response is rec’d by the Board, Glenn will reply to Mr. Lillejord.

Action Item: Stuart requested an item be added to the meeting agenda ongoing, that new action items be reviewed before closing the meeting.

11.) Next meeting will be held July 10, 2007 at Association Business Office.

12.) Motion to Adjourn by Merlyn - 9:30 P.M.

Minutes taken by Sharon Bakke, Business Office.

Action Items
June 12, 2007

	Start Date	Action	Owner	Due Date	Status/Comments
	4/07	Offer letters	Scott	7/10	
	4/07	Cost benefit analysis of second field person	Scott	7/10	In process
	4/07	Reevaluate priority of safety projects & document	Scott	7/10	In process
	4/07	Report on telemetry priorities	Glenn	6/22	In process
	5/07	Chart of Accounts	Matthew & Stuart	7/10	
	5/07	Website	Matthew	8/14	
	5/07	Procedure Documentation (what order will it be worked and timeline)	Office & Field	7/10	Ongoing
	5/07	Public Service Program	Glenn	7/10	
	6/12	Refine financial report format	Stuart, Matthew Susan	7/10	
	6/12	Accts Payable report with board packets	Susan	7/10	
	6/12	Present Draft Water System Plan first 3 chapters	John & Bob	7/10	
	6/12	Plan public Meeting	Bob & Sharon	8/14	
	6/12	Solicit Audit Proposals	Office	7/10	
	6/12	Develop annual review process for staff	Stuart	7/10	
	6/12	Authorization letter for general engineering to G&O	Office	7/10	
	6/12	Response to Mr. Lillejord's memo	John	7/10	
	6/12	Reply to Mr. Lillejord	Glenn	August	