

**ALWA Board of Directors
Meeting Minutes
July 10, 2007**

1.) Call to Order:

President Stuart Cohen called the meeting to order at 7:30 P.M. Present were board members Stuart Cohen, Perry Cole, Jeff Cook and Matthew Rodger. Excused were board members Michael Bicak, Merlyn Blue and Glenn Wallace. 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 June 12, 2007 meeting were reviewed.

MOTION 07-10-07-01: Motion by Matthew, seconded by Jeff to approve minutes of June 12, 2007. Motion carried unanimously.

4.) Action Items: Stuart stated he would like only action items that come up at any given meeting listed at the end of the minutes. He would like action items being tracked over time in a separate document.

Deadlines were all shifted to next month's board meeting unless noted below:

4. Telemetry priority - Stuart suggested we refer to telemetry project as the "SCADA" project, as that term is more descriptive. Stuart and Scott worked on a spreadsheet showing project timeline, which they hope to expand on.

Action Item: Scott will prepare specific proposal for at least first one or two steps in the SCADA project.

Board discussed vulnerability assessment and intrusion risks.

5. Chart of Accounts – Discussion of availability to attend meeting re: this

6. Website - Matthew reported he sent out link for everyone to review and make suggestions. He said he would like to get a photo of Ames Lake to put up there. Perry stated he liked that it was simple and loaded quickly via his dialup connection. Stuart expressed some concern about photos of Ames Lake since only about 20% of our members live near the lake.

11. Water System Plan (WSP). John reported he had brought 3 copies of the draft to the meeting. Stuart requested soft copies be emailed to the board.

Action Item: John please forward soft copies of draft WSP to board and Dick Jonson.

Action Item – please add board meeting time to the agenda.

5.) Financial Reports:

Fury Construction has billed the Association \$104,000.00 for work to date on the Loop projects at NE 16th Street and 290th Ave. NE. Discussion ensued about transferring funds to cover payment to Fury.

Action Item: Susan please email board showing how much money is in Key Bank Savings Account and Schwab Account.

Loop Project was substantially complete on Friday June 29th. Still outstanding, County asked us to hold off on asphalt overlay on 16th for about 30 days, and Scott and John have a couple more small items to finalize.

a.) Check list

MOTION 07-10-07-02: Perry moved and Matthew seconded motion to approve the check list. Motion carried unanimously.

MOTION 07-10-07-03: Perry moved and Jeff seconded motion to sign and hold the check for Fury Construction until funds to cover it have been transferred. Transfer to SnoFalls up to \$100,000.00, first from Key Bank Savings and any remainder needed from the Schwab account. Motion carried unanimously.

Action Item: Perry coordinate transferring funds once amount to transfer is known.

Action Item: Susan please investigate what would be involved in transferring RDA loans from Key Bank to SnoFalls and report to Board on feasibility of doing that.

b.) Membership List:

MOTION 07-10-07-04: Perry moved and Matthew seconded motion to approve membership list. Motion carried unanimously.

c.) Aging Accounts: Scott reported there are 24 accounts on the list.

16 just went over 90 days

16 have paid

7 are on payment plan

- 488 Cubine is having trouble keeping up but has agreed to pay it off within the next 2 months.
- 481 Countryside – Susan researching who owns property.
- Lobet & Ulrich agreed to payment plans. Hoagland was on payment plan, has paid in full.

Stuart asked how much money the largest account on the list owes. Scott replied Csonaki owes over \$4000.00, but that is because he has some unanswered questions about a service installation, which we expect to clear up shortly. The next highest one owes around \$200.00.

Leak Adjustments: Stuart asked why we are considering adjusting Gibson's bill for two months. He stated it was the board's intent, when they wrote the leak adjustment policy,

that adjustments be limited to one month except for unusual situations. Scott read the section of the policy in question for the board and discussion ensued.

MOTION 07-10-07-05: Jeff moved and Perry seconded motion to change section 3.6 of the Water Loss Billing Adjustment Policy from “**Limitation on Period of Adjustment:** Billing adjustments are limited to no more than two sequential billing periods (two months), except under extremely unusual circumstances. The intent of the water loss adjustment policy is to encourage Members to make timely and permanent repaired to stop their water loss or overuse” to read “... Billing Adjustments are limited to not more than one month.” Effective 7/10/07. Motion carried unanimously.

MOTION 07-10-07-06: Jeff moved and Perry seconded motion to change section 3.2 of the Water Loss Billing Adjustment Policy from “**Water losses eligible for limited adjustment (once in any 36-month period):** When the meter registers excessive water consumption due to leakage in an irrigation system or unexplained/unintended use, only one billing adjustment per member/owner account shall be approved in any consecutive 36-month period.” to read “**Water losses eligible for limited adjustment (once in any seven (7) year period):** When the meter registers excessive water consumption due to leakage in an irrigation system or unexplained/unintended use, only one billing adjustment per member/owner account shall be approved in any consecutive seven (7) year period.” Effective 7/10/07. Motion carried unanimously.

Action Item: On ALWA Water Loss Relief Request Form, under section titled “Adjustment” please change column title that reads “Credit Due” to “Adjustment Due”.

6.) Old Business:

a.) Tall Chiefs: Nothing new

b.) Bank Signature Authority: Sharon stated that new board members Jeff and Matthew had indicated they would rather not have their names added to bank accounts as authorized signers. Matthew stated he felt having fewer people authorized to sign mitigates risk. Discussion ensued. Although all board members have been on bank accounts in the past, the By-Laws do not specifically require it. Dick said he didn’t see a problem with it, and that many organizations have only the Board Officers on the bank accounts. The board unanimously decided that directors who would rather not be on bank accounts were not required to.

7.) New Business

a.) Board Meeting Location: Staff had requested board consider holding their meetings in another location so there would be more room in the office for day to day operations. Specifically, staff wants to use the space that the board meeting table occupies. Stuart stated he thought meetings should be held in the office because we still need to access information in files here. After discussion, the board agreed that staff could go ahead and re-arrange furniture to suit their needs and simply set up the board meeting tables once a month for meetings.

b.) New Building: Jeff suggested the Board consider building an office on Vista property or View Point Lot. Discussion ensued. Stuart stated this topic had been discussed many times before and the chief barrier is financial. John suggested we may run into zoning

and permitting problems that would significantly increase the costs, esp. if the county required a conditional use permit.

c.) Easement from 290th to tree farm: Jeff inquired about the status of our easement across the property now owned by Gary Carroll that allows access across his property to Association facilities on the Port Blakely Tree Farm. Mr. Carroll is building a house on the property and has blocked the road where our easement exists. It appears Mr. Carroll intends to block access by the general public and Scott said he could access it if needed. Jeff was concerned the easement may be invalidated by adverse possession and felt we should re-establish our rights to access. Scott stated that the Association has facilities in the easement, so he did not expect problems maintaining our rights to access.

Action Item: Scott will look up easement document to assure Association access and advise the Board if any action needs to be taken.

d.) Petty Cash Allowance: Staff requested the board increase petty cash allowance from \$750.00 to \$1500.00 per month citing increased postage and other expenses.

MOTION: 07-10-07-07: Matthew moved and Jeff seconded motion to increase petty cash allowance to \$1500.00 per month. Motion approved unanimously.

7.) Management Reports

a.) Field – Scott handed out water production report and stated the system is generally running well. Consumption has not yet dramatically increased, though hot weather has arrived so the system will require a lot more day-to-day management. Year to date unaccounted-for water loss is 11%, which is a little bit high because of timing of customer meter reading. Discussion ensued about odd/even watering requirements and whether Scott needs more help in the field. Scott said customer usage on weekends is a real problem and he would like to slow down weekend use and smooth out demand over the course of the week.

Scott reported that a check valve at Vista 1 well is broken. He said the 290th & 16th street loop construction projects are substantially complete.

The Consumer Confidence Reports went out on time and he has had three calls regarding it – two on the arsenic and one about nitrates. He said he had received the expected official Notice of Violation from Washington State Dept. of Health regarding the arsenic levels at Marshall Well. John stated water from the Marshall Well represents approximately 1/10th of our total production. Scott said the deadline for resolving the issue is by the year 2011, and he expects to complete the project by the end of this year. He and John are working on a plan to resolve the problem. Scott said we need to mail MCL Violation notices to all members before the end of July and then mail one every calendar quarter we exceed the MCL. Scott suggested the Board sign the bilateral compliance agreement with the Department of Health, indicating our intent to respond to the notice of violation.

MOTION 07-10-07-08: Perry moved and Matthew seconded motion to sign the bilateral compliance agreement. Motion carried unanimously. Stuart signed the document.

Scott reported he is continuing to work on safety issues. He is also working on getting the new tank project completed and approved by the county. The geotechnical report

came in and is under review by the county. Then they will schedule the final tank inspections and hopefully we can close that project.

b.) Office - nothing

8.) Hydrogeologist Report

Bob said that he has been working on the Water System Plan (WSP) and updated the water protection zone plan and vulnerability assessment. Bob discussed well capacity issues and ideas for ways to obtain more water to meet anticipated needs going forward as development in the area continues. Discussed were pros and cons of re-starting the Ridgehaven well, drilling new wells and issues with intertie relationships with adjacent utilities. Bob explained a new kind of service area boundary that utilities are starting to describe called a “retail service area”, which is a concept where utilities could describe a boundary inside the larger service area that shows where the current infrastructure could actually practicably serve. This boundary is dynamic and could be revised as needed. Use of this model could better describe our actual ability to serve and outline parts of our service area that are not practical for us to serve.

Discussion started about project list, specifically SCADA and Lono well abandonment. Dick proposed the board consider increasing membership charges for new connections. Stuart requested this be added to agenda for next meeting.

9.) Member Calls and Letters - none

11.) Next meeting: August 14, 2007, Association Business Office, 7:30 P.M..

12.) Motion to Adjourn by Matthew - 9:20 P.M.

Minutes taken by Sharon Bakke, Business Office.

Action Items
July 10, 2007

#	Start Date	Action	Owner	Due Date	Status/Comments
7-1	7/10	Email soft copy of draft first 3 chapters of WSP to board and Dick Jonson	John	8/14	
7-2	7/10	Add meeting time to agenda	Sharon	8/14	
7-3	7/10	Email board how much money is in Key Bank Savings and Money Market Accts.	Susan	8/14	
7-4	7/10	Transfer funds from Schwab to SnoFalls checking	Perry	8/14	
7-5	7/10	Investigate moving RDA loan withdrawls from Key Bank to SnoFalls	Susan	8/14	
7-6	7/10	Change column heading on Water Loss Relief Request Form	Susan	8/14	
7-7	7/10	Look up easement re: access to tree farm	Scott	8/14	