

**ALWA Board of Directors
Meeting Minutes
January 22, 2008**

1.) Call to Order:

President Perry Cole called the meeting to order at 7:25 P.M. Present were board members Michael Bicak, Merlyn Blue, Perry Cole, Mike Hickey and Matthew Rodger. Also present were Scott Hemingway, Operations Manager, John Hastig, engineer with Gray & Osborne, Bob Pancoast, hydrogeologist with Compass Geographics, and Dick Jonson, counsel. Excused were board members Stuart Cohen and Jeff Cook.

2. Business from the Floor

Immediately prior to tonight's meeting, Bob Pancoast made a presentation at the ALWA Water Use Efficiency Public Hearing. ALWA is required to implement 5 WUE measures. Proposed goals are to:

- Maintain annual consumption level – measured in gpd/ERU or per capita.
- Maintain peak daily and peak monthly summer water use based on gpd/ERU
- Maintain low (<10%) lost and unaccounted-for water
- Maintain education and awareness program

Proposed measures are:

- Maintain residential water rates that encourage conservation
- Maintain commercial water rates that encourage conservation
- Consider new software to produce water bills showing consumption history and conservation messages – for both residential and commercial
- Consider water theft reduction program
- Offer education and outreach via speakers, printed information, web site, customer leak detection education.

MOTION 1-22-08-01 – Matthew moved and Merlyn seconded motion to adopt goals and measures as outlined above. Motion carried unanimously

a.) Presentation by Vine Dahlen representatives, Kim Fyfe and Lisa McKeirnen. They outlined new auditing standards that will apply to this fiscal year. ALWA needs to develop risk assessment for internal control. Auditors will evaluate and test controls. Vine Dahlen can perform as consultants to assist in the assessment and implementation of controls OR as the auditor, to test the controls, but not in both capacities. ALWA is not required by internal documents or the RDA to employ the services of an outside auditor.

* *Action Item* – Board will decide at the February board meeting whether to have Vine Dahlen perform audit for FYE 2008.

* *Action Item* – Scott to work with Vine Dahlen to determine what needs to be done

b.) Darla O'Connor, Rural Development, rescheduled to March board meeting.

3.) Minutes Approval

a.) **Board Meeting Minutes 9/25/07** – Tabled

b.) Board Meeting Minutes 12/18/07

MOTION 1-22-08-02 – Matthew moved and Merlyn seconded motion to approve minutes of Board meeting on 12/18/07. Motion carried unanimously.

4.) Action Items:

The Board tabled the review of the Action Item List

5.) Financial Reports:

The Board reviewed the Financial Reports.

a.) Check List

MOTION 01-22-08-03 Michael moved and Merlyn seconded motion to approve the check list for January. Motion carried unanimously.

b.) Membership list

MOTION 01-22-08-04 Merlyn moved and Matthew seconded motion to approve the Membership List for January. Motion carried unanimously

c.) Aging Accounts: Scott gave summary report of accounts receivable aging. He pointed out that, if late and penalty fees for members with whom we have lost contact were not considered, the over 90 amount would be reduced by almost \$14,000.

6. Old Business

a.) Moratorium – tabled

b.) Budget Update/Rates – tabled

c.) Marshall Well Approval & Treatment Plan – Scott reported that the media was delivered on Monday and will be changed out next week.

d.) Water System Plan – tabled

e.) Tall Chiefs – A meeting was held with Ecology, but water rights remain unclear. Bob remains hopefully positive.

f.) By-Law Review Committee – targeted completion before the next annual meeting . Perry has red-lined. Dick Jonson recommends comparison with Sallal's.

g.) SCADA – It was discovered that we have 2 call signs, so we had to install an extra radio. All are up and running and communicating.

h.) Second Field Person – tabled.

7. New Business

a.) Motion on Water Use Efficiency Program – see agenda item 2

b.) Audit FYE 2008 – moved to February, 2008 meeting agenda

8. Management Reports:

Scott reported that production reports show approximately 8% water loss and 64% of water rights were being utilized. Mr. Hastig noted that several of the wells could not produce their full allotment of water rights, but they were operating at their maximum capacity. The condition of the wells and rehabilitation options were discussed. Scott presented a budget for the final four months of FYE 2008.

MOTION 01-22-08-05 – Merlyn moved and Matthew seconded motion to approve budget as presented. Motion carried unanimously.

Scott proposed that, as he is now responsible for staff time, all requests that will require staff time be communicated to him for authorization, and that, as the General Manager reports to the Board as a whole, the requests should come from the Board as a whole or be authorized by motion. There was general concurrence with his statement.

9. Hydrogeologist:

a.) **Water Rights** – see agenda item 6e.

b.) **Regional Issues** – Mr. Pancoast reported that the legislature is in session and he reviewed several proposed bills, including 1) Authorization to collect & store rainwater for irrigation. 2) Bill for database for groundwater study; 3) Forming a study group regarding homes with in-house sprinklers. He also reviewed the pending Municipal Water Law suit – motions are being collected. Trial is set for May 23rd and will probably go to Supreme Court. There may be a decision by the end of 2009.

10.) Member Calls and Letters –

a.) **#984 McLain** – Scott reported that Ms. McLain sent partial payment along with a letter stating that she protested the denial of her request for an adjustment for a 2-month period, and that the payment was in settlement of the account. Scott replied to her letter and returned her payment as unacceptable for settlement. He offered the option of a payment plan. Ms. McLain has signed the payment plan agreement.

11.) Review of New Action Items - skipped

12.) Next meeting – follow-up meeting to discuss moratorium, budget update/rates, water system plan and second field person is scheduled for Saturday, January 26, 2008 at the home of Board President Perry Cole, starting at 3:00 pm.

The next regular monthly meeting is scheduled for February 26, 2008, Association Business Office, 7:30 P.M.

13.) Meeting Adjourned – 9:30 P.M.

Minutes taken by Susan Stevens, Business Office.

Action Items
January 22, 2008

#	Start Date	Action	Owner	Due Date	Status/Comments
801-1	01/22	Formal audit or not; to be decided at February 2008 meeting.	Board	2/26	
801-2	01/22	Determine action necessary to comply with new audit requirements.	Scott	2/26	