

**ALWA Board of Directors  
Meeting Minutes  
February 24, 2009**

**1.) Call to Order:**

President Perry Cole called the meeting to order at 7:00 P.M. Present were board members Michael Bicak, Merlyn Blue, Perry Cole, Mark Freeman, Mike Hickey, David Hoffman and Matthew Rodger. Also present were Scott Hemingway, General Manager, John Hastig, engineer with Gray & Osborne, Dick Jonson, counsel, Bob Pancoast, Hydrogeologist with Compass Geographics, and Sharon Bakke, Administrative Coordinator.

**2. Changes or Additions to Agenda**

None

**3. Business from Floor**

Member Gary Carroll arrived at 7:00 P.M. and gave a presentation to the Board requesting the Board consider exchanging him credit on his bill for an encroachment onto his property allegedly made by our driveway to the Marshall Well. Mr. Carroll left the meeting at 7:12 P.M. Matthew stated he has an existing business relationship with Mr. Carroll and would recuse himself from any decisions regarding the matter. The Board discussed the matter at length and decided to ask Scott to perform the following action items:

**90201 – Action Item:** Scott call or write to Mr. Carroll asking him to please wait one month until the Board has time to evaluate alternatives and offer a solution.

**90202 – Action Item:** Scott obtain estimate of cost to re-locate driveway in question.

**4.) Minutes**

**MOTION 02-24-09-01** – Michael Bicak moved and Matthew seconded motion to approve the meeting minutes from January 25, 2009 as amended. Motion carried unanimously.

**5.) Action Item Status Reports**

Scott reviewed the Action Items:

**90101** - Scott said the ING Direct account was open, he had transferred \$100.00 from Sno-Falls checking into it to open it. Some more paperwork needs to be filled out and a Board member who has signature authority on the Key Bank Money Market account will need to write a check for \$100,000.00 on that account to complete the transfer.

**90102** – Done

**90103** - Ongoing – Scott contacted consultant and is starting to send information to him.

**90104** – Done

**90105** – Ongoing, Scott talked with De-En Lang, who thought our prospects of getting a conditional use permit were reasonably good. Scott said we had had a septic design engineer look at the properties and he thought both sites could work.

**90106** – Scott said a new computer system for the office was purchased and implemented this month, and it includes a plan for off-site storage.

## **6. Financial Reports and Membership Count**

Scott reviewed the financial reports, saying the budget has been adjusted to account for increased income from higher than projected water consumption. Expenses for the Lora main extension were not reflected in the budget, so that is why the maintenance expense is higher than expected. The negative value under Interest Cash Assets reflects known losses in the Schwab investment account. He expects we may expect to see a negative cash flow as some of the planned projects begin. Specifically, the intertie project is waiting on Sammamish Plateau to approve the plans, after which work should begin. In addition to the cost of the main, there will be expenses related to the vault, meter, PRV, etc. Expenses for the SCADA system have been going up and down because Systems Interface works with us on the project as they can. The next big expense will be improvements to the booster station on 288<sup>th</sup>. Improvements there will greatly enhance our ability to move water in the summer. We have just started the engineering work on that project.

Scott then answered questions about the financial reports. Matthew asked about the one late payment penalty he noticed. Sharon explained that would sometimes happen with the current set-up of having checks signed only once a month.

**90203 Action Item:** Scott look into ways to avoid paying interest and penalties.

A credit from one of our suppliers was noted and Scott explained there were some supplies we didn't need so we returned them for credit.

There was a question about charges from the King County Office of Finance for \$450.00 and \$200.00. Scott explained that the \$450.00 is the fee we pay annually for our franchise agreement with the County. This allows us access to the County right-of-way when we need to access our facilities. The \$200.00 charge is the standard County fee for a dig permit, cost of which is passed to the member having the work done. Scott said the County also charges us \$150.00 per hour for inspection fees, with a minimum of 30 minutes. Those charges are also passed to the member getting the work done.

Matthew Rodger noted there is still a \$509.00 balance in the Schwab account, though he thought we had zeroed out the account and closed it. The Board would like the account closed.

**90204 Action Item:** Mike Hickey empty and close Schwab account, see that funds are transferred.

### **a.) Check List**

### **b.) Membership List**

**MOTION 02-24-09-02** – Merlyn moved and Mark seconded motion to approve the Check List and the Membership List. Motion carried unanimously.

**c.) Aging Accounts:** Scott said there were 13 accounts over 90 days and most had paid. He said one account of concern was #4 Loreto; that they typically use a little more than 10,000 gallons of water a month; ALWA has been told there are 8 people living in the house, they had not kept up with an agreed-to payment plan, not responded to our most recent letter and they have received a door hanger warning of imminent shut-off.

## **7. Old Business**

**a.) Tall Chief** – Bob said Tall Chief is basically in a holding pattern. Scott said he had spoken with De-En Lang, who thinks the company will be wanting a renewal of its

certificate of water availability by the end of next month for the 18 home project. Service to this project had been previously committed so that it does not fall under our moratorium, although, discussion of details ensued and conditions to be placed on the renewal certificate were discussed.

**90205 Action Item:** Scott coordinate renewal certificate of water availability for Tall Chief.

**b.) Moratorium** – Scott said he and Dick had met with Seattle Public Utilities regarding a supply contract; no progress on a wheeling agreement – we are waiting for Redmond; and we’re working on the intertie.

**c.) Auditor Selection** –Matthew said he had reviewed the proposal from Vine Dahlen and there is a cost increase but he thinks the proposal is acceptable. Discussion ensued. Matthew recommended the Board accept Vine Dahlen’s proposal.

**MOTION 02-24-09-03** – Matthew moved and Michael Bicak seconded a motion to accept the audit proposal from Vine Dahlen for the April 30, 2009 year end. Motion carried unanimously. Perry signed the agreement.

## **8. New Business**

None

**9. Management Report:** See written report.

## **10. Consultant Reports**

John reported Gray & Osborne plans to do a site visit at the end of this week. He said the intertie plans are nearly complete.

Bob reported that many water related legislative bills are being discussed in committee, but few are coming out of committee for consideration by the legislature. He said it looks like they’ll be looking to utilities to support installation of in-house sprinkler systems and that quite a few changes to proposed legislation are ongoing.

Dick – nothing to report.

## **11.) Member Calls and Letters** – .

**a.) 1005 Blakely Woods Homeowner’s Association** letter requesting to sell membership back to Association. The Board concluded it would be in the best interest of the Association to acquire the unused membership.

**MOTION 02-24-09-04** – Merlyn moved we purchase back membership #1005 per the policy for the amount a membership costs on the current fee schedule, which is \$2,000.00. Mark seconded the motion. Motion carried unanimously.

**b.) #1071 Ross Rongner letter.** The Board discussed Mr. Rongner’s letter and decided to keep with current policy and not grant his request for additional leak relief.

**90206 – Action Item:** Scott write letter to Mr. Rongner regarding Board’s decision.

Scott brought up the topic of changes to the Rules and Regulations, saying suggested changes had been emailed to everyone at some point and that he would email them again so the Board

can review and we can move forward on the project. Dick requested Scott include him on the email as well.

**12.) Action Item Review** – Perry reviewed the new action items for this meeting.

**12.) Next meeting** – March 24, 2009, 7:00 P.M. at Association Business office.

**13.) Meeting Adjourned** – 8:22: P.M.

Minutes taken by Sharon Bakke

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**Signed Approved, Michael Bicak, Board Secretary**

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**Date**

### This Meeting's Action Items

#**	Start Date	Action	Requester	Owner	Due Date	Status/Comments

\*\* First digit indicates year, second & third digits indicate month, third & fourth digits indicates number of action item in that month.

**ALWA Board of Directors  
Special Meeting Minutes  
February 26, 2009**

**The Board called this special meeting to deal specifically with the delinquent account of Christina Loreto, membership #4. Water was shut off at this account for non-payment on Wednesday February 25, 2009. General Manager Scott Hemingway told the member that once the water is shut off, policy requires payment in full before service is restored. Ms. Loreto contacted Board President Perry Cole to request the Board override Mr. Hemingway's decision and restore service after receipt of \$100.00 and payment arrangements. Mr. Cole convened the Board via phone and email to discuss the matter:**

**1.) Call to Order:**

President Perry Cole called the meeting to order at 11:00 A.M. Present were board members Michael Bicak, Merlyn Blue, Perry Cole, Mark Freeman, David Hoffman and Matthew Rodger. Also present were Scott Hemingway, General Manager, Susan Stevens and Sharon Bakke. Absent was board member Mike Hickey.

Scott reported he had told Ms. Loreto that we had entered into payment arrangements with her in the past that she had not adhered to. He said he told her the procedure is that once a delinquency is past the point of water shut off, the Association requires full payment of the bill before water service is resumed.

Ms. Loreto stated she could not pay the bill in full at this time and appealed to the Board, requesting the Association restore water service immediately and accept payment arrangements. She suggested the arrangement be \$100.00 cash this week, \$100.00 cash next week and at least \$75.00 per month over and above monthly usage thereafter. Sharon prepared an email outlining the recent history and Susan prepared a proposed specific payment agreement letter, which was forwarded to the Board.

**MOTION 02-26-09-01** - Matthew moved that we accept the member's payment plan and restore water service upon receipt of \$100.00 in cash and a signed payment agreement. David seconded the motion, discussion ensued.

Michael Bicak amended the motion to read: To accept the member's payment plan and restore water service upon receipt of \$100.00 in cash and a signed payment agreement. Payment plan agreement shall consist of \$100 to be paid on acceptance of the agreement, \$100 to be paid by March 6<sup>th</sup>, 2009, and future monthly payments to consist of, at a minimum, \$75.00 in addition to the payment of all current charges. The first time this account misses a scheduled payment or short pays the agreed upon amount, the agreement shall be terminated and the past due amount immediately becomes due and payable in full. David seconded the amended motion. Motion carried unanimously.

**13.) Meeting Adjourned** – 6:00 P.M.

Minutes taken by Sharon Bakke