

**ALWA Board of Directors
Meeting Minutes
April 28, 2009**

1.) Call to Order:

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

2. Changes or Additions to Agenda

None

3. Business from Floor

None

4.) Minutes

MOTION 04-28-09-01 – Matthew moved and Mike Hickey seconded motion to approve the meeting minutes from March 24, 2009. Motion carried unanimously.

6. Financial Reports and Membership Count

a.) Check List –

MOTION 04-28-09-02 - Merlyn moved and Mark seconded motion to approve the Check List. Motion Carried unanimously.

b.) Membership List

MOTION 04-28-09-03 – Merlyn moved and Matthew seconded motion to approve the Membership List. Motion carried unanimously.

c.) Aging Accounts: Scott referred the Board to his written report and explained how one of the delinquencies was resolved.

5.) Action Item Status Reports – Perry reviewed the Action Items, all of which are finished except for 80505, 80506, 90103, 90105, 90203, 90205 and 90302, all of which are in process.

7. Old Business

a.) Tall Chief – Executive Session: 7:06 P.M. Merlyn moved and Matthew seconded motion to move into executive session to discuss a contract negotiation. The Board came out of executive session at 8:27 P.M.

MOTION 04-28-09-04 - Merlyn moved to authorize Scott to advise Tall Chief that the Association could issue a Certificate of Water Availability to Tall Chief that would contain the following conditions to providing water supply:

- a.) the Association successfully obtaining a water service contract with Seattle Public Utilities,
- b.) the Association successfully contracting a means for that water to be delivered to the Association's service area, and

c.) execution of a Developer Extension Agreement for onsite and offsite facilities. In order to obtain the conditional certificate, an agreement with Tall Chief would be required that would allocate water supply procurement risks to Tall Chief, provide that connection fees would be charged based on the rate schedule in effect at the time they are due under a future Developer Extension Agreement, and upfront payment of an administrative fee which is non-refundable and non-creditable toward other Association fees. The Board also left it open for Tall Chief to choose the original offer the Association made to them. Mike Hickey seconded motion. Motion carried unanimously.

b.) Moratorium – nothing new

c.) Connection Charges – G & O has provided information needed by rate consultant. He is still evaluating the information and expects recommendation will be ready by next month.

d.) Water System Plan – Capital Spending – John reported that G & O has received comments on our Water System Plan back from the State. The Department of Health expressed concern about low pressure areas, but system improvements are in the Plan to address those problems. John went on to say that the State expects the Plan to be more than simply a recommendation by system engineers, but a commitment by the Board to execute it. He said they will track our progress. Josef is working on responding to comments made by the State. Responses are due back to the State by early June. The well approval documents for Marshall and Vista are in process and very close to being ready to submit. Dick Jonson stated that the comp plan needs to be revised to provide for an operational intertie with Sammamish Plateau, not just an emergency intertie.

8. New Business

a.) Budget – Scott presented his proposed budget, explained some details and his reasoning behind his expectations. He said our billing program, UBPro, does not allow us to control how payments are allocated, which skews some of our figures. He has budgeted funds to replace the billing system. Eventually, Scott hopes to install new member meters, and a new billing program will be required to support them. The fiscal year ends on April 30, 2009. Total income is projected to be \$950,000. Two loans were paid off this month, which should save on interest expense. Scott then reviewed the Capital Improvement Budget.

MOTION 04-28-09-05 – Merlyn moved to approve the proposed budget for fiscal year 5/1/09 to 4/30/10. Mike Hickey seconded. Motion carried unanimously.

b.) New Office/Shop – Scott presented a proposal for the Association to build a new combined Office and Shop building on the property owned by the Association next to the Vista Wells. Specifically, the proposal requested authorization to continue pursuit of a Conditional Use Permit with King County. Perry stated he thought the cost estimate in the proposal for the Permit was low. Discussion ensued regarding ADA concerns, use of the Vista site vs. the View Park site, proposed interior layout, etc. Perry said he thought the members should be involved in plans for the new building and that community input into their building is important.

MOTION 04-28-09-06 – Merlyn moved the Board authorize the staff to pursue a conditional use permit from King County to build an Office/Shop at the Vista site and approve up to \$50,000. for it. Mark seconded the motion. Motion carried with Matthew abstaining.

9. Management Report: Scott reported on the Loretto matter.

10. Consultant Reports

John said G & O is working on the emergency intertie with Sammamish Plateau, responding to some questions they presented about our plan. They are requiring a survey, which he expects to take place next week.

Bob and Dick stated they had nothing further.

11.) Member Calls and Letters – nothing new.

12.) Business from the Board – Perry stated his concern that capital improvement projects continue to move along as quickly as possible. Discussion ensued about various projects and the timeline for them, including SCADA, switching the controls at Vista, taking the Ridge Haven tank off-line and improvements to the booster station on 288th. The project sequence is specifically planned since some of them can't be done until other items are in place. Matthew requested a graphic project timeline for the Board so they can see the sequence and contingencies. Perry suggested the Association devise a method to keep the members apprised of progress on projects.

Action Item – Scott prepare a project timeline in graphic format for the Board and develop a plan to keep members apprised of progress on the capital improvement projects.

13.) Action Item Review – Sharon read action items from this meeting.

14.) Next meeting – May 26, 2009, 7:00 P.M. at Association Business office.

13.) Meeting Adjourned – 9:30 P.M.

Minutes taken by Sharon Bakke

Approved, Michael Bicak, Board Secretary

Date

This Meeting's Action Items

#**	Start Date	Action	Requester	Owner	Due Date	Status/Comments
90401	4/28	prepare a project timeline in graphic format for the Board and develop a plan to keep members apprised of progress on the capital improvement projects.	Board	Scott		

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