

**ALWA Board of Directors
Meeting Minutes
May 25, 2010**

1. Call to Order

Board Vice President David Hoffmann called the meeting to order at 7:05 pm. Present were Board members Michael Bicak, Mike Hickey, David Hoffmann, and Mark Freeman. Matthew Rodger joined by teleconference. Also present were Dick Jonson, Counsel ;Bob Pancoast, Hydrogeologist with Compass Geographics; Scott Hemingway, General Manager; and Susan Stevens, Office Manager. Absent were Board members Perry Cole and Merlyn Blue.

2. Changes or Additions to Agenda

Scott Hemingway requested that the ALWA annual meeting and the Gray & Osborne proposal be added to New Business.

3. Business from Floor

None

4. Minutes

Bob Pancoast recommended a change to the verbiage under item 10: Consultant Reports. The DOH has "proposed" new operating fees.

Motion 05-25-10-01 – Michael Bicak moved and Matthew Rodger seconded a motion to approve the minutes as amended. Motion carried unanimously. Mark signed the minutes.

5. Action Item Status Reports

Scott Hemingway reported on the status of the Action Items. Most items assigned at the last meeting have been completed. Discussion followed about the items dated in 2008. Some issues have resolved themselves and some have been delayed due to extenuating circumstances.

*Item # 2008-05-05: The issue has been resolved and the status has been reported in the annual Water Quality Report. Item to be removed.

*Item # 2008-05-06: Scott and Bob Pancoast will re-address the Vulnerability Assessment this summer.

6. Financial Reports and Membership Count

a. Check List –

Motion 05-25-10-02 – Mark Freeman moved and Mike Hickey seconded a motion to approve the check list. Motion carried unanimously.

b. Membership List –

Motion 05-25-10-03 – Matthew Rodger moved and Mark Freeman seconded a motion to approve the Membership List. Motion carried unanimously.

c. Aging Accounts - Scott briefly reviewed the status and activity of past due accounts on the Aging Accounts report as shown in the Board packet. .

d. Water Loss Billing Adjustments – Scott stated that there were two plumbing (unlimited) adjustments for \$257.16 and \$429.84, and one unexplained loss adjustment for \$671.72 in May.

7. Old Business

a. Budget – The draft budget for the fiscal year commencing May 1, 2010 was reviewed and discussed.

Motion 05-25-10-04 – Mike Hickey moved and Michael Bicak seconded a motion to approve the budget as proposed. Motion carried unanimously.

Scott requested authorization to purchase a 1-ton truck with work boxes having an approximate cost of \$60,000. He will solicit a minimum of 3 bids. The Board would like to see the bids before giving final approval.

**** Action Item 2010-05-01- Scott will get bids for a truck with boxes.**

b. Treasury Management – Scott requested Board approval to set up Treasury Management through Key Bank (without the lockbox feature). Cost will be in the neighborhood of \$250 per month. Recommendation was made to set up ACH direct debit for recurring bills, such as Puget Power and Tanner Electric. After discussion, Matthew recommended that we wait until we are set up to receive electronics payments from our customers before we activate the Treasury Management System and Scott and the other Board members agreed.

**** Action Item 2010-05-02 – Scott will provide a list of our current vendors with an analysis of options for payments.**

8. New Business

a. Annual Meeting – Scott reported that Vine Dahlen will be ready to start the audit in about the middle of June. Target for the Annual Meeting is mid-September.

***** Action Item 2010-05-03 – Scott will research room availability at the Lake Washington Administration Building.**

b. Gray & Osborne Proposal – Scott summarized the basic engineering changes to the Water System Plan as proposed by Gray & Osborne. He requested that the Board members review the proposal for consideration at the next Board meeting.

9. Management Report

Scott reported that the construction of the intertie has begun and is expected to be complete by the end of the week. Water quality tests will be conducted before the intertie is approved for use. There has been no movement yet from Sammamish Plateau regarding the wholesale water purchase agreement.

10. Consultant Reports

Richard Jonson reported that there is a class action suit against Charles Schwab and the handling of customer funds in the Yield Plus account previously used by the Association. No action is required by ALWA, however, ALWA may benefit from the settlement.

11. Member Calls and Letters

ALWA received an appreciation letter from a member.

12. Business from the Board

None

13. Action Item Review

There was a brief review of the new action items.

14. Next meeting – June 22nd, 2010, 7:00 pm at the Association business office

Scott will be absent at the June 22nd meeting and will also be on vacation on July 27th, the forecasted date for the July meeting. The Board members were asked to check their calendars for summer scheduling conflicts.

15. Meeting Adjourned – 8:25 pm.