

**ALWA Board of Directors
Meeting Minutes
March 22, 2011**

1. Call to Order

Board President Perry Cole called the meeting to order at 7:02 pm. Present were Board members David Hoffmann, Michael Bicak, Merlyn Blue, Mark Freeman, and Mike Hickey. Matthew Rodger joined by teleconference. Also present were Bob Pancoast, Hydrogeologist with Compass Geographics; Dick Jonson, Counsel; Scott Hemingway, General Manager; and Susan Stevens, Office Administrator.

2. Changes or Additions to Agenda

Scott requested that the 42nd Annual Meeting be added to New Business

3. Business from Floor

None

4. Minutes

Motion 03-22-11-01 – Matthew Rodger moved and Merlyn Blue seconded a motion to approve the minutes of the February 22, 2011 Board meeting as written. Motion carried unanimously.

5. Action Item Status Reports

Scott reviewed the status of the of the action items.

6. Financial Reports and Membership Count

a. Check List – postponed

b. Membership List – no new members

c. Aging Accounts – Scott reported on the status of overdue accounts.

d. Water Loss Billing Adjustments – Scott reported that there were 3 adjustments given in February that were calculated pursuant to the adopted leak adjustment policy. Two were unlimited, total credit \$14,959.07, and one was limited for \$507.41.

7. Old Business

a. FYE 2011 Audit – Vine Dahlen Letter of Engagement – The letter was reviewed and the proposed audit fee was discussed.

Motion 03-22-11-02 – Matthew Rodger moved and David Hoffmann seconded a motion to authorize Scott Hemingway to sign the letter of engagement with Vine Dahlen for the FYE 2011 audit. Motion carried unanimously.

8. New Business

a. Budget FYE 2012 - postponed

b. Request to sell back membership –

Motion 03-22-11-03 – Merlyn Blue moved and Mike Hickey seconded a motion to buy back the membership from William Scott Kertson. Motion carried unanimously.

c. Office Lease Renewal – A proposed one year lease extension was reviewed and discussed.

Motion 03-22-11-04 – Matthew Rodger moved and David Hoffmann seconded a motion to approve the one-year lease extension agreement with Glen & Rebecca Gordon for the existing office space. Motion carried unanimously.

- d. Whistleblower Policy** – Board to review in more detail for discussion at next Board meeting.
- e. Document Retention Policy** - Board to review in more detail for discussion at next Board meeting.
- f. Code of Ethics** - Board to review in more detail for discussion at next Board meeting.
- g. Leak Adjustment Policy, Sec 4.1** – included as advisory information regarding existing policy for notifying member of high water use.

6.a. Check List –

Motion 03-22-11-05 - Merlyn Blue moved and Mark Freeman seconded a motion to approve the check list. Motion carried unanimously.

9. Management Report

Scott reviewed the items in the Management Report.

10. Consultant Reports

Bob Pancoast reported that meetings on current legislation continue. He should have more detail to report at the next Board meeting.

Dick Jonson reported on the status of our case against Charles Schwab. Mediation is tentatively scheduled for May but expect adjustment. The ALWA Board will need to appoint a spokesperson to represent the Association in the mediation. Settlement parameters and designee(s) to be discussed at next Board meeting. Mr. Jonson next explained arbitration panel selection procedures and noted an option offered by FINRA to strike industry representatives from the panel. The Board unanimously authorized exercise of this option.

8.a. Budget FYE 2012 – The proposed budget for FYE 2012 was discussed.

Motion 03-22-11-06 - Mike Hickey moved and Merlyn Blue seconded a motion to accept the budget as presented. Mr. Cole recommended more austerity and then left the meeting at 8:45 pm. Mr. Hoffman took over as chair of the meeting. Further discussion ensued and the vote was taken. There were 4 nay votes and one abstention. Motion failed. By consensus, it was agreed that the Board needs to define the desired presentation format. The Board members will look at detail and the budget will be addressed at the next Board meeting.

11. Member Calls and Letters

None

12. Business from the Board

None

8.h. Annual Meeting – there was consensus from the Board that they would like the Annual meeting to be held closer to the year-end closing date, which is April 30th. The proposed date is June 14th, if the Audit can be completed, the LWSD room is available, and the necessary steps can be executed within this time frame.

13. Action Item Review

None

14. Next meeting – April 26, 2011 at 7:00 pm

15. Meeting Adjourned – 9:02 pm.

Minutes taken by Susan Stevens