

# ***ALWA Board of Directors***

## ***Meeting Minutes***

16 April 2012

a) **Call to Order**

**David Hoffmann** called to order the regular meeting of the **Ames Lake Water Association** at **7:02PM** on **April 16, 2012** in the Association's business office.

b) **Roll Call**

The following board members were present: David Hoffmann, Jack Praino, Mike Hickey, Merlyn Blue, Michael Bicak, and Mark Freeman. Matthew Rodger joined by teleconference. Also present were: Kristina Myers, ALWA office manager; Jeremy Reier, System Operator; Richard Jonson, Counsel; Bob Pancoast, Hydrogeologist with Compass Geographics; and Warren Perkins, Engineer with Gray and Osborne.

c) **Changes or Additions to Agenda**

None

d) **Business from the Floor**

None

e) **Approval of Minutes from Last Meeting**

Matthew moved to correct a spelling error in the minutes from 3/13/12; Mike seconded. All approved.

f) **Operations Report**

Jeremy proposed selling the generator at Daniels Ranch and replacing it with a system incorporating an automatic transfer switch. After discussion of the generator, the Board adopted an **action item**:

- Jeremy will create a summary of ALWA backup power systems.

After discussion of some older PVC installations, the Board adopted **action item**:

- Jeremy will check the material used in some of the older PVC pipe installations.

Jeremy presented a quote for new water meters. These have been previously budgeted and will be purchased, and more of the service area will be upgraded to wireless meter reading.

g) **Vista Project Update**

Warren gave an update of construction on the Vista project.

Upon removal of the Vista Well 1 pump, it was discovered the assumed bent well was relatively straight. Data from original well testing indicates the well could pump at a much higher level than the current pump's capability.

Warren recommended that steps be taken to upgrade Well 1 for extra pumping capacity, in case one of the other wells should fail. Jack moved to proceed with the following steps as recommended by Warren and Bob:

1. Perform a video inspection of Vista Well 1, at a cost of up to \$1000. If inspection indicates the well is in good condition, proceed to step (2).
  2. Perform electrical upgrades to allow well testing, at a cost of up to \$2500. Scrub the well and perform a production capacity test, at a cost of up to \$4000. If testing confirms higher pumping capability, proceed to step (3).
  3. Install a larger pump, with capacity of up to 150 gpm, at a cost of up to \$7500.
- Mike seconded. All approved.

**h) Overdale Water Association**

Bob presented a memorandum and summary of his investigation into ALWA acquiring water rights currently owned by Overdale Water Association. After investigating three options, it was concluded the cost of acquiring and utilizing these rights is prohibitive.

After discussing water requirements, the Board adopted the following **action items**:

- Bob and Warren will estimate the cost of generating an updated water requirements forecast.
- Kristina will retrieve records of the last motion for ALWA to come out of moratorium.

The Board directed Bob to draw up a letter to Overdale Water Association declining the opportunity to acquire their water rights.

**i) Financial and Membership Approvals**

Merlyn moved to approve the check list. Mike seconded. All approved.

Matthew moved to have \$50,000 moved from the ALWA ING account to the SnoFalls account. Jack seconded. All approved.

Mark moved to accept the membership transfers. Merlyn seconded. All approved.

**j) Miscellaneous Business**

Kristina approved one water loss adjustment for the month.

Warren left the meeting at 8:47.

Kristina presented the aging balance in a new 3-month format.

**k) Water System Manager**

The Water System Manager candidate was in the process of choosing between the offer by ALWA and one other water system.

Jeremy left at 9:05.

l) **Retail Lockbox Rollout**

Matthew noted that Retail Lockbox was up and running as of the day of the Board meeting. The next step will be to update printed bills, to allow fully automated payment processing. Following that, member ACH payments will be implemented. Matt is working on the paystation agreement which has been reviewed and commented upon by Jack and Richard.

m) **Management Update**

Kristina presented cost/benefit breakdown of upgrading software and hardware, including a new folding machine, to a new billing format to allow automated payment processing printing all billing in-house. Cost comparisons were reviewed. Matthew moved to authorize Kristina to spend up to \$4,035 to implement the new billing system, to allow Retail Lockbox to automate payment processing. Jack seconded. All approved.

Retail Lockbox is revising their ACH payment agreement.

A customer requested Kristina share with the Board his appreciation for Jeremy going “above and beyond” for him. This customer is very appreciative of Jeremy’s service.

Increasing health insurance rates will require changes to ALWA’s plan. Jack moved to increase the health care benefit from \$705 to \$905, pro-rated for part-time employees. Merlyn seconded. All approved.

Bob left the meeting at 9:45.

Kristina summarized problems fixed by the IT consultant. The Board adopted an **action item**:

- Kristina will find out how to validate the computer backup system.

n) **Accounting**

The accountant has recommended ALWA move from cash accounting to accrual basis. Matthew moved to change to accrual accounting for FY3013. Michael seconded. All but Merlyn approved, who voted no.

The Board adopted an **action item**:

- Have Lynn Jackson add accrual conversion to the proposed consulting services.

Jack moved to approve up to \$2,400 for Lynn Jackson to update the Chart of Accounts and perform accrual accounting conversion. Michael seconded. All but Merlyn approved, who voted no.

o) **Personnel**

Richard presented a Separation Agreement for a former ALWA employee. Michael moved to approve the Separation Agreement as presented subject to any final details that may be negotiated between counsel. Mike seconded. All approved.

**p) Next Meeting**

Next regular session: May 8, 2012, 7:00 PM.

**q) Adjournment**

**David Hoffmann** adjourned the meeting at **10:40 PM**.

Minutes taken by: Mark Freeman