

ALWA Board of Directors

Meeting Minutes

8 May 2012

a) **Call to Order**

David Hoffmann called to order the regular meeting of the **Ames Lake Water Association** at **7:03PM** on **May 8, 2012** in the Association's business office.

b) **Roll Call**

The following board members were present: David Hoffmann, Matthew Rodger, Mike Hickey, Merlyn Blue, Michael Bicak, and Mark Freeman. Jack Praino joined the meeting by teleconference. Also present were: Kristina Myers, ALWA office manager; 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 accept the minutes from 4/16/12; Michael seconded. All approved.

f) **Consultant Reports**

Engineer - Vista Project Update

Warren presented a brief update of construction on the Vista project. The project is on schedule. Pump testing for Vista Well 1 is planned for the following week.

Jack joined the meeting by telephone at 7:14.

Compass Geographics - Overdale Water Association

Bob sent letters to Overdale Homeowner Association and Sammamish Plateau Water and Sewer District, thanking them for working with ALWA in an attempt to transfer water rights, and explaining, unfortunately, none of the options are feasible.

Counsel Update

Richard reviewed ALWA's exit from moratorium, noting that out of 25 memberships released, 18 are still available. In time, options for additional memberships will need to be investigated.

- Action item: Next fall, Bob and Warren will review water use projections and present options to the Board.

He stated the settlement with Susan Stevens appears to be finalized and noted that Dave has signed the settlement agreement as previously authorized by the Board.

g) Financial Reports and Membership Count

Checklist

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

Membership Approval

None

Aging Accounts

Aging accounts were reviewed. The Board observed delinquent accounts appear to be decreasing.

Matthew noted there is a safety risk associated with handling cash in the office. He proposed changing ALWA policy to not accept cash payment. Michael moved:

In the interest of safety, beginning June 1, ALWA will not accept cash payments at the ALWA office.

Matthew seconded. All approved.

Jack left the meeting (by telephone) at 7:45.

Water Loss Billing Adjustment

Kristina noted that she approved one adjustment for \$171.77 using the standard guidelines.

Warren and Bob left the meeting at 8:03

h) Old Business

Water System Manager

Dave presented an update on the position of Water System Manager. The lead candidate took a position at a water district. Another candidate was interviewed while advertisements for the position are being posted.

i) Treasurer's Presentation

Matthew produced a Powerpoint presentation covering numerous financial items. Motions for Board approval accompanied many of the items:

1) Form 990 Completion

Patrick O'Rourke's bid for preparation of 2012 Form 990 totaled \$790.00, all inclusive.

Matthew Rodger moved to approve the bid from Patrick O'Rourke, CPA, for preparing and filing our 2012 Form 990. Michael seconded. All approved.

2) Annual Meeting

Timing of the annual meeting was discussed, contingent on completion of the ALWA audit.

Matthew Rodger moved to set the date of the annual meeting for Tuesday, 09/11/2012. Michael seconded. All approved.

3) CUSI Billing Software

New bill formats which support automated payment processing were discussed. Two new modules from CUSI are needed to support the new bill format.

Matthew Rodger moved to spend \$1,000 to purchase the CUSI module for preparing the print file needed for electronic bill presentment and to spend \$1,000 to purchase the CUSI e-bill module. Mike seconded. All approved.

4) Check21 / Retail Lockbox

Matthew discussed advantages of using Check 21 check clearing, allowing electronic payment to ALWA's Key Bank account.

Matthew Rodger moved to approve the Check 21 addendum to the ALWA's existing contract with Retail Lockbox Inc. Michael seconded. All approved.

5) Retail Lockbox Contract

Matthew presented a Retail Lockbox Paystation contract, to implement electronic bill presentment and ACH payments for ALWA members.

Benefits and problems of credit card processing were discussed. The Board agreed credit card processing benefits are outweighed by the costs, choosing to not implement the credit card option of the contract with Retail Lockbox.

Matthew Rodger moved to approve the Paystation contract with Retail Lockbox Inc. and to implement ACH direct debit and online bill presentment in PDF format. Michael seconded. Voting was withheld until the Board had time to review the contract.

Subsequent Addition: By email, Matthew, Mark, Michael, Jack and Mike voted to approve the contract, with minor changes on 5/14/12. Merlyn did not vote.

6) ACH / Online Billing

Matthew presented a preliminary member letter describing the ACH / Online bill payment, and authorization form. Changes to the letter were discussed by the Board.

7) BECU / Key Bank

Matthew moved to authorize electronically linking ALWA's BECU account with ALWA's Key Bank account. Mike seconded. All approved.

8) **Key Total Treasury (KTT)**

Matthew explained Key Bank's Key Total Treasury, and its benefits for fraud risk management.

Matthew Rodger moved to approve the Key Total Treasury (KTT) agreement with Key Bank. Mike seconded.

Voting was withheld until the KTT program is reviewed by the Board.

9) **Audit and Finance Committee**

Matthew Rodger made a motion to create an Audit and Finance Committee comprised of the Treasurer and two other independent Board members.

Michael seconded. All approved.

The two independent Board members chosen were: Mike Hickey and Mark Freeman.

j) Management Update

In support of ALWA changing its accounting to accrual basis, Kristina presented an updated Chart of Accounts.

Matthew moved to approve the new Chart of Accounts, as presented. Michael seconded. All approved.

A quote from Pollard Water for replacement water meters was presented to the Board. Matthew moved to approve the Pollard water quote #S314954 for water meters, at \$47,088.96. Mark seconded. All approved.

A letter from customer Doug Rees was reviewed. Kristina was directed to respond.

k) Executive Session

Michael move to enter executive session to discuss personnel matters. Matthew seconded. All approved.

Executive session was entered at 10:01.

Executive session exited at 10:18.

l) Next Meeting

Next regular session: June 12, 2012, 7:00 PM.

m) Adjournment

David Hoffmann adjourned the meeting at **10:35 PM**.

n) Post-meeting Motions

By email, Matthew made a motion to move \$50,000.07 from Key Bank checking to ING Direct bringing the current balances from \$198,999.93 to \$249,000.00.

Mark seconded. On 5/14/2012, Matthew, Jack, Mark and Michael approved the motion by email.

By email, Matthew made a motion to move \$4,066.73 from Key Bank checking to Key Bank money market bringing the current balance from \$244,933.27 to \$249,000.00. Mark seconded. On 5/14/2012, Matthew, Jack, Mark and Michael approved the motion by email.

Minutes taken by: Mark Freeman