

**Ames Lake Water Association**  
Board of Directors Meeting March 12<sup>th</sup>, 2013  
7:00 P.M

**Meeting Minutes**

1. Call to Order

**David Hoffmann** called to order the regular meeting of the **Ames Lake Water Association** at **7:03PM** on **March 12, 2013** in the Association's business office.

2. Roll Call

The following Board members were present: Michael Bicak, Merlyn Blue, Mark Freeman, David Hoffmann and Jack Praino; Matthew Rodger joined by telephone. Absent was Board member Mike Hickey. Also present were: Kristina Myers, ALWA office manager; Bob Pancoast, ALWA operations manager; and Richard Jonson, Counsel.

3. Changes or Additions to Agenda

None

4. Business from the Floor

None

5. Consent Agenda

The Board reviewed contents of the Consent Agenda, containing:

- Minutes,
- Membership Transfers,
- Water Loss adjustments and,
- Aging Accounts.

It was proposed the minutes be amended to include timing of Board compensation changes to begin at the next Board meeting. Jack moved to approve the Consent Agenda, with stated change to the minutes. Michael seconded. All approved.

6. Financial Reports and Membership Count

Fidelity bond coverage for Management and Board was discussed. **Action item:** Kristina to investigate fidelity bond coverage for ALWA.

Merlyn moved to accept the ACH and checklist. Mark seconded. All approved.

7. Consultants' Report(s):

None.

8. System Manager Report

Bob described emergency repairs to a broken water main on NE 52<sup>nd</sup> in the Northern service area. There were two leaks in the same section, suggesting this section should be a priority for replacement.

Bob summarized results of the water system capacity study and changes to the Water System Plan based on the study. Jack moved to approve the Water System Plan amendment for submittal to Department of Health. Merlyn seconded. All approved.

The water-damaged Vista control system has been replaced. Anticipated startup for the system is late March or early April.

Liz prepared a payment assistance contact sheet, which will be made available to ALWA members requesting help paying their water bills.

The Department of Health will perform a Sanitary Survey of ALWA April 11. This is a regular review performed approximately every 3 years.

Revenue forecast for FY2013 is average, based on temperature and precipitation forecasts.

2013 – 2014 budget and project estimates were presented, including construction projects and office improvements.

Bob presented operating cost and service benefits if a building is constructed on ALWA property for maintenance and/or office space. Jack presented a financial analysis demonstrating cost savings for an ALWA-owned building vs continuing rental of maintenance and office space. Discussion followed concerning trip monitoring from the office to service area, time savings for field personnel and making improvements fit the neighborhood. The Board agreed that Management should continue to investigate requirements for building on the Vista property.

#### 10. Business Manager Report

An ALWA member asked Management to present the Board a request for a credit of \$84.64. The Board determined the request did not meet Policy, and so was denied.

American Tower submitted an amendment to the current cell tower lease agreement. The Board agreed there was no need for action on the proposal.

The office lease renewal with no rent increase was presented. Mike moved to renew the lease per the agreement for one year. Jack seconded. All approved.

Vine Dahlen submitted an audit engagement letter for 2013. Matthew moved to approve the letter. Michael seconded. All approved, except for Merlyn, for reasons of cost of the audit.

Jack moved to add Bob Pancoast to the Key Treasury account. Merlyn seconded. All approved.

Kristina presented options and Management recommendation for retirement account management. Jack moved to approve Edward Jones for 401(k) fund management for AWLA employees. Michael seconded. All approved.

Matthew moved to enter executive session to discuss employee compensation. Michael seconded. All approved. Executive session was entered at 9:44PM. Executive session was exited at 10:00PM. Jack moved to increase Jeremy's compensation \$2.00/hour beginning FY2013. Michael seconded. All approved except for Merlyn, for financial reasons.

Management presented goals for office/system and staff for FY2013.

Jack moved to enter executive session for further discussion of compensation. Michael seconded. All approved. Executive session was entered at 10:07PM. Executive session was exited at 10:15PM.

Kristina presented the budget for FY2013. **Action Item:** Kristina to check RDA required cash reserves. **Action Item:** Kristina to compare ALWA operating margins with other water utilities. **Action Item:** Bob to determine emergency fund requirement.

#### 12. Miscellaneous

**Action Item:** Board to review ALWA bylaws and suggest any changes. Discussion followed concerning a recent embezzlement and continuing to improve the Association's internal accounting controls. The annual meeting was tentatively scheduled for September 10, 2013.

#### 13. Next Regular Meeting

The next regular meeting will be **April 9, 2013, 7:00 PM** at the Association's business office.

#### 14. Adjournment

**David Hoffmann** adjourned the meeting **11:06 PM**.

Minutes prepared by Mark Freeman

