

**Ames Lake Water Association**  
Board of Directors Meeting September 9<sup>th</sup>, 2013  
7:00 P.M

**Meeting Minutes**

1. Call to Order

**David Hoffmann** called to order the regular meeting of the Board of Directors of **Ames Lake Water Association** at **7:03PM** on **October 8, 2013** in the Association's business office.

2. Roll Call

The following Board members were present: Michael Bicak, David Hoffmann, Jack Praino, Mark Freeman, Merlyn Blue and Craig Bomben. Matthew Rodger joined by telephone. Also present were: Kristina Myers, ALWA office manager; Bob Pancoast, ALWA operations manager; Richard Jonson, Counsel, and Warren Perkins, Engineer with Gray and Osborne.

3. Consent Agenda

The Board reviewed contents of the Consent Agenda, containing:

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

Jack moved to approve all items on the Consent Agenda. Mark seconded. All approved.

4. Business Manager Report

- Kristina will collect benefits information for the next Board meeting, in anticipation of updates for 2014.
- Since closure of the Sno-Falls checking account, blank checks will be shredded or returned to the bank.
- ALWA email service was down for a week during ownership changes by the service provider. Kristina has a 60-day plan to identify other qualified suppliers.

5. Quickbooks Enterprise has been installed and is functional. The next step is to add Lynn Jackson, CPA to Enterprise to further implement separation of duties.

6. Checklist Approval

Merlyn moved to approve the checklist. Jack seconded. All approved.

7. System Manager Report

- Unaccounted water for last month was only 1.7%.
- Annual meeting logistics and attendance were reviewed.
- Michael will review health insurance programs. Kristina exited the meeting at 7:30 pm.
- NOAA fall/winter forecast is for normal precipitation and slightly warmer than normal temperatures.
- The Washington State Utilities and Trade Commission (UTC) received over two dozens letters from water associations and the Department of Health expressing concern over proposed rules changes. In response, the UTC is revising their plans.
- A recent ruling by the Washington state Supreme Court in *Swinomish Indian Tribal Community v. Department of Ecology* results in tighter restrictions on ground water rights. This will reduce the probability of ALWA acquiring new water rights to mitigate growing demand in our service area.

- The Daniels Ranch well site improvements are in process: Ventilation is being improved for the generator, and telemetry is being added to the well and vault.
- With improved cross-connections detection methods, homeowners with probable backflow issues have been identified and have been contacted. ALWA is working with homeowners to mitigate possible backflows into the ALWA system.
- The American Hills well has been shut off for the winter. Repairs and improvements will be performed while it is down.
- Proposed changes to the Water Loss Adjustment Policy were presented to the board. The Board will review the proposed changes prior to the next board meeting.
- All of the radio meters have been installed. These meters save 90% of the reading time over previous manually-read meters while improving staff safety.
- Improvements to the Daniels Ranch deep vault will begin in approximately two weeks.
- Jack moved to approve the Daniels Ranch deep vault project for Not to Exceed \$22,000, and allow Bob Pancoast to sign the contractor's agreement. Michael seconded. All approved.
- Plans for the NE 52<sup>nd</sup> St. booster project have been submitted to the Department of Health. Electrical cost estimates will be acquired next. Current project cost estimates are about \$60,000 above FY2013 budget estimates; The Ridgehaven project has been delayed into FY2014, so ALWA is expected to stay within its annual construction budget.  
Operations will look to the Board for approval of the project in the November Board meeting. If approved during the next meeting, a contract for construction will be awarded in December, with work commencing January through March.

8. Retail Lockbox

Dave and Mark toured Retail Lockbox's facilities, including a meeting with Craig Dawson, president. Regarding delayed processing of payments, their processes and physical facilities make it unlikely that payments would be misplaced for any length of time. Their process is to check the date codes of incoming mail bundles prior to processing, and to notify the customer and request their direction whether to process the payments or not. ALWA should establish Management policy for this situation.

In a recent case of late processing of ALWA payments, Management has no record of being contacted regarding disposition of the checks. Retail Lockbox should be contacted to insure their procedures are aligned with ALWA policy.

9. Accounting Risk Assessment Meeting(s)

Matthew and Kristina will create an outline of topics to be covered during future Risk Assessment meeting(s). The Board will plan procedures and set dates for performing Risk Assessment, during the next regular meeting.

10. Next Regular Meeting

The next regular meeting will be November **12<sup>th</sup>, 2013, 7:00 PM** at the Association's business office.

11. Adjournment

**Dave Hoffmann** adjourned the meeting **9:26 PM**.