

**ALWA Board of Directors  
Meeting Minutes  
June 24, 2008**

**1.) Call to Order:**

President Perry Cole called the meeting to order at 7:30 P.M. Present were board members Michael Bicak, Perry Cole, Mark Freeman, Mike Hickey, David Hoffman and Matthew Rodger. Also present were Scott Hemingway, General Manager, John Hastig, engineer with Gray & Osborne, Dick Jonson, counsel, Bob Pancoast, Hydrogeologist with Compass Geographics, and Sharon Bakke, Administrative Coordinator. Absent was board member Merlyn Blue.

**2. Business from Floor**

None

**3.) Minutes**

**MOTION 06-24-08-01** – Matthew moved and Michael Bicak seconded motion to approve the meeting minutes from May 27, 2008. Motion carried unanimously.

**4.) Action Item Status Reports**

Action items were reviewed. Board confirmed Sharon had sent an electronic copy of the Rules & Regulations to Dick.

**5. Financial Reports and Membership Count**

Scott went over the Financial Reports, saying we have started the new fiscal year. The payroll report looked high because it covered three pay periods instead of the usual two.

**a.) Check List**

Perry and Michael signed checks. Matthew asked why the amount of Petty Cash was an odd number rather than an even amount. Sharon said we have a set amount of petty cash and replenish up to that amount.

**b.) Membership list**

**MOTION 06-24-08-02** – Michael Bicak moved and Matthew seconded motion to approve the Check List and the Membership List. Motion carried unanimously.

**c.) Aging Accounts:** Scott gave a summary report of delinquent accounts, saying there were 14 new ones this month and that all paid after getting delinquent notices except one. The water is off for that one, which is a rental, and he expects we can collect from the property owner.

**6. Old Business**

**a.) Audit FYE 08** – Sharon reported she had been in touch with the auditors and they were creating the list of items we need to submit. Perry said he had signed the authorization forms for the auditor to collect information from RD on our loans and our bank accounts.

*Action Item:* Sharon mail signed authorization forms to Vine Dahlen.

**b.) Water System (Comprehensive Plan) Status** – Scott said he will meet with Josef on July 2<sup>nd</sup> to review his comments. He suggested people get their comments regarding the plan to him before the meeting.

**c.) Tall Chief** – Bob explained his work on the proposed water rights transfer, saying the Department of Ecology had originally told him the water right was for instantaneous (Qi) of 150 gallons per minute and an annual total volume (Qa) of 78 acre feet. Since then they have come back to him with lower amounts – a Qi of 100 gpm and Qa of 67 acre feet. He went on to explain the status of the Municipal Water Law, which is still with the courts, and how the law might affect the Association and our attempt to transfer water rights. He said Ecology is currently in a holding pattern on water rights.

John presented a spreadsheet he had prepared looking at consumption patterns over time in the south end of the system where he expected consumption would be comparable with the large homes intended for the Tall Chief project. He was attempting to project what the Tall Chief homes might use during winter and summer in gallons per minute and acre feet compared with the anticipated water rights transfer. The spreadsheet will need to be adjusted for the new information in water right amounts. He looked at the worst case scenario, concluding we would have not much net gain in water rights and could expect ongoing expense of operations and maintenance. Cost of well development and infrastructure installation would be borne by developer, but have not been worked out yet. Discussion moved to the possibility of an intertie, whether we could purchase water from Seattle and the pros and cons of that approach. Board discussed and developed a plan, authorizing the following *action items*:

1. Scott to proceed to set up a meeting with Seattle to explore possibilities and potential costs with them.
2. Staff & consultants prepare cost benefit analysis of proposed Tall Chief project including capital costs, operational costs, pros and cons.
3. Set up special meeting with staff, consultants and board to discuss options.
4. Set up meeting with Tall Chief to discuss cost benefit analysis, lay out alternatives and let them know which way the Board is planning to go.

John reminded everyone that these decisions will affect the Water System Plan. Michael Bicak stated specifically that he is interested in attending the meeting with Seattle and asked Scott to let him know when it is scheduled.

**d.) By-Law Review Committee** – Dick has done a preliminary review of the By-Laws and is planning to go over the Rules. Perry said he will look them over and get them out to the rest of the Board by July 15<sup>th</sup>. Dick said we would include a new member application form in the project, as it is all related.

*Action Item:* Perry will send his review of By-Laws & Rules to the rest of the board by July 15, along with dates he is available to meet. Scott will coordinate meeting.

**e.) SCADA** – nothing new.

**f.) Bank Signature Authority** – Sharon stated she needs only one more signature from Merlyn and the project will be complete.

*Action Item:* Sharon get in touch with Merlyn for signature & return forms to bank.

## **7. New Business**

None

**8. Management Report:** Scott went over the manager's report, saying overall the system is running well. He has not sent out the mailing to members regarding compliance with the arsenic mcl because he is still fine tuning the treatment plant at Marshall Well. He explained what a non-acute total coliform violation means and that we had samplings come back positive this month. He said he has been in touch with the Department of Health and that a mailing is being sent to affected members on Thursday this week.

## **9. Hydrogeologist**

Nothing further

**10.) Member Calls and Letters** – Scott said we had received a faxed letter today from member # 130, Jack and Julie Higgins, copies of which were distributed. The letter outlined the member's concerns about the rate increase. The Board discussed the letter and the calls from concerned members we have received to date.

**11.) Action Item Review** – Sharon reviewed the action items and Perry filled in a few she missed.

Michael Bicak said he is still interested in having the Board look at developing or participating in a community assistance program for people who may need help with their utility bills. He plans to bring some ideas to the next meeting.

**12.) Next meeting** – July 22, 2008, 7:30 P.M. at Association Business office.

Perry stated he would not be at the next meeting.

**13.) Meeting Adjourned** – 9:00 P.M.

Minutes taken by Sharon Bakke

### This Meeting's Action Items

| #**    | Start Date | Action  | Requester | Owner  | Due Date | Status/Comments |
|--------|------------|---|-----------|--------|----------|-----------------|
| 806-01 | 6/24       | Sharon mail signed authorization forms to Vine Dahlen.  |           | Sharon | 7/22     |                 |
| 806-02 | 6/24       | Coordinate a meeting for staff & consultants with Seattle re: purchasing water and notify Board.  | Board     | Scott  | 7/22     |                 |
| 806-03 | 6/24       | Staff & consultants prepare cost benefit analysis of proposed Tall Chief project including capital costs, operational costs, pros and cons. | Board     | Scott  | 7/22     |                 |
| 806-04 | 6/24       | Set up special meeting with staff, consultants and board to discuss options   | Board     | Scott  | 7/22     |                 |
| 806-05 | 6/24       | Send review of By-Laws & Rules to the rest of the board by July 15, along with dates he is available to meet. Scott will coordinate meeting |           | Perry  | 7/15     |                 |
|        |            |   |           |        |          |                 |

\*\* First digit indicates year, second & third digits indicate month, third & fourth digits indicates number of action item in that month.