

**ALWA Board of Directors  
Meeting Minutes  
September 9, 2008**

**1.) Call to Order:**

President Perry Cole called the meeting to order at 7:00 P.M. Present were Board members Michael Bicak, Merlyn Blue, Perry Cole, Mark Freeman, Mike Hickey and David Hoffman. Board Member Matthew Rodger was absent. 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.

Also present was member Kert Zavar (Member # 1099)

**2. Changes or Additions to Agenda**

President Cole said he would like to resume working with items on the Agenda of August 26, 2008. Item # 6., Financial Reports, had been covered so he said we would start with item # 7.

**7. Old Business**

- a.) **Audit, FYE 08** – Scott reported the field work was done and Vine Dahlen was doing their part of the project. They will need to have the audit done in time for the annual meeting.
- b.) **Water System Plan Status** – John reported that G & O are making their final changes.
- c.) **Tall Chief** – Bob reported on meeting with representatives from Tall Chief. John used a projection screen to display a cost benefit analysis of the options Tall Chief has for bringing water to support their project. Bob also presented some geological maps of local seismic zones and locations of proposed wells which could utilize the Tall Chief water rights. Cost-benefit analysis was discussed in detail, covering water right transfers, costs of developing and maintaining wells and related infrastructure, projected water use patterns and possibility of intertie to purchase water from City of Seattle.

Discussion was postponed at this point in order to move to:

**11. Member Calls & Letters** - Member guest Kert Zavar took the floor and gave his presentation to the Board, complaining about the amount of the May 1, 2008 water rate increase and his feeling that the Association utilized inadequate language in its notices to inform members about the rate increase. He outlined reasons for his request to have his bill for water used during July reduced. After some discussion, Mr. Zavar left the meeting at 8:42 P.M.

**MOTION 09-09-08-01:** Michael moved and Merlyn seconded motion to move into Executive Session to discuss Mr. Zavar's proposal with counsel. Motion carried unanimously.

Meeting reconvened at 9:06 P.M.

**MOTION 09-09-08-02:** Merlyn moved that Scott send a letter to Mr. Zavar explaining that the Board had considered his request and decided that in light of the fact that they had already reduced the rates retroactively to May 1, 2008 for all members and made adjustments to their

bills, they would not reduce his bill further. Scott was authorized to offer Mr. Zavar a payment plan. Motion carried unanimously.

*Action Item* – Scott write to Mr. Zavar.

Discussion returned to:

- 7.c.) Tall Chief:** The Board discussed water supply and infrastructure options at length. David mentioned he and Michael had developed a list of questions for management and consultants.

*Action Item:* David will send list of questions to office for distribution to rest of board, manager and consultants.

**MOTION 09-09-08-03:** Mike Hickey moved that the Board direct the General Manager (Scott) to pursue a wholesale water purchase agreement and related agreements with the City of Seattle. Michael Bicak seconded the motion. Motion carried unanimously.

**MOTION 09-09-08-04:** Merlyn moved and Michael Bicak seconded motion to authorize the General Manager to negotiate a capacity buy-in agreement with Tall Chief that would be based on the Association obtaining water to serve the development from Seattle Public Utilities and to not require Tall Chief to install a well. Motion carried unanimously.

- d.) By-Law Review** - Dick reported he had reviewed By-Laws and made suggested changes which the Board could now review.

*Action Item:* Dick will email suggested By-Law changes to Sharon who will email them to the Board.

- e.) Moratorium** – included above with discussion of intertie.

- f.) Annual Meeting** - Sharon suggested the annual meeting be held on November 6, 2008 at 7:30 P.M. at the Fall City Fire Station #27, since Perry was expected to be out of town from November 8-15. The board agreed to proceed with that date.

## **8. New Business**

- a.) Sammamish Plateau Emergency Intertie Agreement and Developer Extension Agreement** - Scott reported that the intertie agreement already signed by ALWA had been delivered to Sammamish Plateau Water and Sewer District in time for their next board meeting, at which time we expect their Board will sign the agreement. Scott said once the agreement was signed he would be ready to enter into a Developer Extension Agreement with Sammamish Plateau and begin work on the intertie project. He had reviewed the Developer Extension Agreement form and had received comments from counsel. He said the total cost of building the intertie were expected to be approximately \$30,000. He recommended approval of the agreement. In response to questions, he confirmed that the intertie would initially be for emergency purposes, but it would be physically capable of providing permanent flows once water supply and wheeling arrangements were worked out with SPU and Sammamish Plateau.

**MOTION 09-09-08-05:** Merlyn moved and David seconded motion authorizing the General Manager to enter into a Developer Extension Agreement with Sammamish Plateau Water & Sewer District for the purpose of creating an emergency intertie. Motion carried unanimously.

**b.) Jaki Beshur (Member # 49) Request for Commercial Account** – Scott said that this member had submitted further information the Board had requested, including her income tax statements. Discussion ensued.

**MOTION 09-09-08-06:** Merlyn moved and Mike Hickey seconded motion to deny member's request for commercial account, directing General Manager to send a letter with their decision to member.

*Action Item:* Scott write to Ms. Beshur.

**9.) Management Report** – Scott briefly reviewed his report, which Board members had already read.

**10) Consultant Reports** – completed above.

**11.) Member Calls and Letters** – Perry read aloud letters recently received. Discussion.

*Action item:* Board directed Scott to reply to each of the letters received, Member Acct numbers, 580, 895, 960, 1037, 1068, and 1099.

**12.) Review of New Action Items.**

**13.) Next Meeting:** September 23, 2008, 7:30 P.M., Association business office.

**14.) Adjourned** at 10:25 P.M.

Minutes taken by Sharon Bakke

### This Meeting's Action Items

#**	Start Date	Action	Requester	Owner	Due Date	Status/Comments
80901	9/9	Send list of questions to office for distribution	Board	David, Scott	9/23	
80902	9/9	Letter to Mr. Zavar	Board	Scott	9/23	
80903	9/9	Email suggested By-Law changes	Board	Dick, Sharon	9/23	
80904	9/9	Letter to Ms. Beshur # 49	Board	Scott	9/23	
80905	9/9	Reply to member letters	Board	Scott	9/23	

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