

**ALWA Board of Directors
Meeting Minutes
April 26, 2011**

1. Call to Order

Board President Perry Cole called the meeting to order at 7:00 pm. Present were Board members David Hoffmann, Michael Bicak, Mark Freeman, and Mike Hickey. Matthew Rodger joined by teleconference. Absent was Board member Merlyn Blue. Also present were Bob Pancoast, Hydrogeologist with Compass Geographics; Dick Jonson, Counsel; Warren Perkins, Engineer with Gray & Osborne; Scott Hemingway, General Manager; and Susan Stevens, Office Administrator.

2. Changes or Additions to Agenda

Michael Bicak requested an executive session for discussion of ALWA personnel matters.

Perry Cole requested that the following items be addressed:

Status of the electronic funds transfer for vendor payments

Status of motion to engage Laura Keogh to review the ALWA business practices.

The date for the Annual Meeting

Budget

3. Business from Floor

None

4. Minutes

Perry Cole questioned the conditions of holding the annual meeting as recorded in the minutes and whether those conditions were discussed at the meeting. Consensus was that the minutes had been recorded accurately.

Motion 04-26-11-01 – Mike Hickey moved and Michael Bicak seconded a motion to approve the minutes of the March 22, 2011 Board meeting as written. Motion carried unanimously.

5. Action Item Status Reports

Scott reviewed the status of the action items. Although not on the Action Item List, the question was raised about the status of the motion made at the January, 2011 Board meeting regarding electronic funds transfer of selected vendor payments. Scott reported that documents requiring authorized signature were before the Board.

6. Financial Reports and Membership Count

a. Check List – postponed

b. Membership List –

Motion 04-26-11-02 – Mark Freeman moved and Matthew Rodger seconded a motion to approve the Membership List. Motion carried unanimously.

c. Aging Accounts – Scott reported on the status of overdue accounts. The new report format, based on data accessible from the new billing software, was discussed. Consensus was that the new format has sufficient information. Discussion ensued regarding the policy for service shut-off due to non-payment.

***** Action Item 2011-04-01** – Scott will research previously authorized policy and will document the current process for shut-off due to non-payment.

d. Water Loss Billing Adjustments – Scott reported that there were 7 adjustments given in March. Of these, 6 were plumbing or service line related and one was due to frozen pipes in an irrigation system.

7. Old Business

c. Whistleblower Policy

d. Document Retention Policy

Motion 04-26-11-03 – Mike Hickey moved and Mark Freeman seconded a motion to approve the Whistleblower Policy and the Document Retention Policy as written. Motion carried unanimously.

e. Code of Ethics

Motion 04-26-11-04 – Michael Bicak moved and Mike Hickey seconded a motion to approve the Code of Ethics with the modification setting a gift receipt limit of \$250 annually per individual.

6. a. Check List –

Motion 04-26-11-05 - David Hoffmann moved and Matthew Rodger seconded a motion to approve the check list. Motion carried unanimously.

7. b. Annual Meeting – it was the consensus of the Board to present the Audit at the Annual meeting. Based on time required for completion of Audit, the earliest possible date would be mid-August. Consensus was that a date in September would be preferable.

*** **Action Item 2011-04-02** – Scott to convey to Vine Dahlen that the Audit will need to be presented to the Board at the 7/26/11 Board meeting.

*** **Action Item 2011-04-03** – Scott to reserve meeting room at LWSD for an evening during the week of Sept 12, 2011 and change the date on the President's letter to reflect the rescheduled date.

8. New Business

a. Water Meter Purchase – Scott requested permission to purchase 230 radio read meters to replace old meters in the area around Ames Lake based on the quote provided from Pollard Water.

Motion 04-26-11-06 – Mark Freeman moved and Mike Hickey seconded a motion to approve the purchase of 230 meters per the quote from Pollard Water. Motion carried unanimously.

9. Management Report

There was discussion of the recent server crash and the vulnerability of the Association's computers.

*** **Action Item 2011-04-04** – Scott will implement the recommendations of Blue Frog.

*** **Action Item 2011-04-05** - Scott will investigate options for offsite data storage and backup. In the meantime, he will store the back-up drive in locked cabinet at his home.

10. Consultant Reports

Warren Perkins – referred to the Management Report and added that he hopes we will have permits from King County by the end of May.

Bob Pancoast - reported on litigation regarding responsibility for fire hydrants. One case indicates they are the responsibility of local government, but there is ambiguity about how franchise provisions affect liability and to what is included in the "cost" of hydrants. The State Supreme Court is expected to rule next year on these issues. He also reported on the status of other legislation.

Motion 04-26-11-07 – Matthew Rodger moved and Michael Bicak seconded a motion to move into executive session for the purpose of discussing pending litigation against Charles Schwab. Motion carried unanimously. The Board went into executive session at 8:38 pm. Warren Perkins departed.

Motion 04-26-11-08 – Michael Bicak moved and David Hoffmann seconded a motion to come out of executive session. Motion carried unanimously. The Board returned to open session at 8:52 pm.

11. Member Calls and Letters

None.

7. a. Budget FYE 2012 – the Board discussed what information they would like to see supporting the budget projections.

Mike Hickey departed at 9:05 pm.

Consensus was that the Board would like to see the logic behind the projected numbers: suppositions, methodology, etc.

***** Action Item 2011-04-06** – Each Board member will review the budget for items needing more detail and the Board will compile and forward to Scott a list of the items deemed by consensus that need supporting detail.

***** Action Item 2011-04-07** – Scott will present the Budget at the next Board meeting with supporting detail on requested items.

13. Action Item Review

The action items as noted above were reviewed briefly

12. Business from the Board

The meeting was recessed at 9:32 for the personnel committee to meet. The committee met in private and the meeting was reconvened at 9:35 pm. Perry reported that Laura Keogh was unable to accept the engagement to do an ALWA business review.

Motion 04-26-11-09 – David Hoffmann moved and Mark Freeman seconded a motion to move into executive session to discuss personnel issues. Motion carried unanimously. Bob Pancoast, Scott Hemingway and Susan Stevens departed at 9:37 pm.

Motion 04-26-11-10 – Michael Bicak moved and David Hoffmann seconded a motion to come out of executive session. Motion carried unanimously. The Board returned to open session at 10:40 pm.

14. Next meeting – May 24, 2011 at 7:00 pm

15. Meeting Adjourned – 10:40 pm.

Minutes taken by Susan Stevens and Dick Jonson