

Hisega Meadows Water Inc.
Board Meeting Minutes 05/06/13

Board Members In Attendance

Chris Hanson (2014)
Denise Kohama (2013)
Rick Schurger (2013)
Larry Chilstrom (2013)
Randy Smart (2014)

Also in Attendance

Keith Lau
Lona Lau
Scott Licht

Scott Licht reported to the board that last Friday the water pump was not working and the back up (rebuilt) pump would not hold a prime, Scott said he would try to prime the pump again to see if it would hold this time. Chris Hansen told Scott to send the 10hp pump to Grim to be rebuilt as a back up. Randy Smart asked if we had any kind of alarm system set up in the pit for this type of emergency, at the present time we do not. Randy stated he wanted the board to check into some type of system that would alert Scott if anything like this happened again.

Scott also reported that Chuck Hagemann had asked for copies of study guides, Scott said that he had extra copies and would get those to Chuck. Scott also wanted Chuck to attend another class, one that did not focus as much on the math, but more on the processes.

At this time Scott left the meeting.

Larry Chilstrom made a motion to approve the minutes for the board meeting held 4/02/13. Randy Smart seconded. The motion was put up for a vote. All ayes. Motion passed.

Keith Lau reported he went to the Rural Water (2 day) Expo. He informed the board that he learned of a new check valve that could be attached to the water meters, it would measure small leaks not normally picked up by the meters alone. Each meter with installation would cost approximately \$145.00, the board felt that it would not pursue having the valves installed at this time.

Lona Lau presented to the board the Treasurer's Report for April (please see attached), after reviewing the report Randy Smart made the motion to approve it. Rick Schurger seconded the motion. Motion put up for vote. All ayes. Motion passed.

Lona presented to the board a bill from Bill Berkley for Workman's Compensation. There were two options for payment they were \$1,167.00 for 6months or \$2,319.00 for a full year. Rick Schurger made a motion to pay the entire year. Larry Chilstrom seconded the motion. Motion put up for vote. All ayes. Motion passed.

Lona also let the board know that she had reserved the community center for the annual community meeting to be held on Tuesday June 26th. She will be sending out the new coupon payment books with a letter informing members about the time and place of the meeting. The letter will also let the community know that water rates have not increased this year so they will need to use the rates sheet they already have.

The board discussed with Keith and Lona that we were interested in signing up with Golden West Technologies and Internet Solutions (please see attached price quote). It was explained that when members called in they would reach an operator that would take a message and then pass it on to either Keith or Scott. This would allow HMWI to be able to accept calls at all hours of the day without disrupting Keith, Lona and Scott after work hours unless it is an emergency. The cost of this service would be offset by the need for only one line in the pit, which would allow Keith and Lona to have the line going to their residence for HMWI disconnected.

Denise Kohama made a motion to approve signing up with Golden West Technologies and Internet Solutions. Larry Chilstrom seconded. Motion put up for vote. All ayes. Motion passed.

At this time the board along with Keith and Lona reviewed the Manager Duties and Office Duties sheet as prepared by board members Randy Smart and Rick Schurger. They were asked if there were any addition items that should be added or changed, with the exception of a few minor adjustments the duties for these positions would be as listed. Randy said he would updat the duties and get copies for the next board meeting.

At this time Keith and Lona left the meeting.

Ron Bengs called Chris Hansen and let him know that he is recommending a change in where the new water pipe will be laid. He said that due to the difficulty and expense of obtaining easements from the National Forest Service land next to Hwy 44 it would be best to run the new water line next to the old one. This could potentially save HMWI substantial cost in digging because this area has already been trenched for the existing

water line. Even with these changes the project is scheduled for completion in late September or early October.

After reviewing the By-Laws for HMWI it was discovered that all previous motions passed during the March 15, 2013 and the April 2, 2013 board meetings to amend the By-Laws were not valid because of Article XIX in existing By-Laws, reading:

These By-Laws may be altered, amended or repealed and new By-Laws be adopted by the membership at any Regular Meeting or Special Meeting, provided that each member has been given prior notice of the proposed By-Laws amendment or has waived same in writing.

The items will be addressed and voted on at the annual community meeting to be held this June.

The board discussed updating the bookkeeping processes from manual entry to Quick Books. Randy Smart made a motion to require all accounts receivable and payable be recorded in Quick Books starting July 1, 2013 to coincide with the beginning of HMWI fiscal year. Rick Schurger seconded the motion. Motion put up for vote. All ayes. Motion passed.

At this time Larry Chilstrom gave each board member a copy of HMWI Certificate of Incorporation-Nonprofit Corporation, Sales and Use Tax Guide and Summary of Sales Tax Exemptions (please see attached). He had hi-lighted items in these documents supporting his reasoning for HMWI to become tax exempt. Chris Hanson said he would take these documents to Jim Postman and have him check further into the matter and report back to the board.

Chris Hanson then asked if there were any more items to be addressed. There were none.

Randy Smart made a motion to adjourn the meeting. Larry Chilstrom seconded the motion. Motion put up for vote. All ayes. Motion passed.