

Minutes of Meeting
Board of Directors
Hisega Meadows Water, Inc.
August 12th, 2013

The monthly BOD meeting was called to order by President, Larry Deibert at 6:30 PM in the conference room of the Johnson Siding Fire Department. Board Members in attendance: Ron Brown, Randy Smart, Larry Deiber, Craig Fischer, Norm Tschetter. Guests attending were: Larry Chilstrom, Greg Andrew, Lona Lau, Keith Lau.

Annual Meeting Minutes (6/25/13) – Moved by Ron / Seconded by Craig to accept, passed by BOD.

July Board Meeting Minutes (7/01/13) – Moved by Norm / Second by Randy to accept, passed by BOD.

Manager's Report: Keith Lau reported that it just dawned on him, we have real equity in the system having owned it for 2 years and making payments on it. He indicated we still have one person owing \$150 for membership fees and about \$870 in delinquent finance charges from several others. He indicated about 40 users have not indicated they have back flow valves in their property.

Operators Report: no report as little had changed since the last meeting everything has been running as smoothly as possible.

Back Flow Valves – being a critical component of a water system, the Board discussed the importance every home having a Back-flow valve; 40 home owners have failed to confirm the installation of the valves. A motion was made by Ron Brown and seconded by Norm Tschetter and approved by the BOD to send each user a Certified Letter stating they have until the first of November, 2013 to prove they have a back flow valve installed or their water service will be terminated until they have one. Ron Brown is to draft a letter, the office staff will sent them out Certified in the next couple of days.

Greg Andrew, user on Carter Drive explained his multiple residence situation and indicted he needed assurance that if he can get approval from various governmental agencies to do what he wants, he will need assurance that a water tap is available from Hisega Meadows Water, Inc. for said residence. A motion was made by Randy Smart and seconded by Norm Tschetter and approved by the board to assure Greg Andrews a tap would be available provided he paid the \$1,000 membership fee required of all users and associated hook-up fees

Financial Report – a copy of the P/L had been provided each member, being no objections, the report was passed with a motion by Randy and a second by Craig and an affirmative vote of the board.

The system needs an assistant water operator to fill-in for Scot; a good candidate has declined the position due to a job change. Dwight Johnson has performed the job several times for Scot and is planning to take the test in September to become a certified Operator. Scot has several others he is talking with.

Randy Smart indicated the need to install a “Tattle Tale” in the system to notify the operator if a burst or other malfunction was detected. Randy made a motion to purchase one, seconded by Ron and passed by the BOD to purchase and install one.

The HMWI checking account has three signatures presently: Keith Lau, Larry Deibert & Denise Kohama. It was decided to remove Denise from the signature card and keep Keith & Larry as the only valid check signers. Motion made by Ron and seconded by Norm to increase the maximum check limit that can be written without needing BOD approval to \$2,000. Motion passed by BOD.

The three newest BOD members were elected at the Annual meeting, June 25, 2013. One was elected to fill the remaining one year of Chris Hanson's term (to end 2014) and the other two were elected to a three year term. The decision of who would fill out Chris's term was left up to the BOD to decide; the three members (Ron Brown, Norm Tschetter & Craig Fischer) drew straws to decide. Craig Fischer's term will end in 2014 and Ron & Norm's term will end 2016.

Larry presented the Engineer's drawing for the area around the Jack Sanders' residence; this part of the project will be referenced as the Big Piney Area (Phase 1A) and will be the first area to be completed following the award of a contract. It was decided to keep the Big Piney Area as part of the overall Phase 1 project and not award it separately.

Outstanding Invoices - Advanced Engineering invoice (12-012-4), \$ 8173.99, moved to pay by Ron. Second by Randy, BOD approved.

Much discussion was had concerning taxes, tax status, etc. and Ron agreed to call Jim Postma about the alternatives and have him get back to the board with costs/recommendations.

Randy talked about a Golden West Comm. Answering feature that would essentially cost us nothing given the dropping of the present line going to the Pit and the addition of the GW service.

Randy mentioned the need to notify non-resident vacant landowners the only way to insure they will be able to get water from the association in the future is to pay the \$1,000 membership fee. The association cannot exceed 499 persons on the water system. If the number of people on the system approaches the maximum, we will not be able to allow any further hook-ups. People who have paid the \$1,000 membership will be guaranteed a hook-up anytime in the future. Ron made a motion and Craig seconded the motion to contact all landowners within water association boundaries that have not paid a \$1,000 membership fee so they would be aware of the situation.

Being the 1st of September falls on a holiday, it was moved by Norm and second by Craig to move the meeting to the 9th, same time, same place.

Being no further business, the meeting was adjourned at approximately 8:45.

Respectfully submitted,

Ron Brown,
Secretary
Hisega Meadows Water, Inc.