

Hisega Meadows Water Inc.
Board Meeting Minutes 07/10/12

Board Members In Attendance

Chris Hanson
Denise Kohama
Randy Smart
Rick Schurger
Dwight Mikkelsen

Also in Attendance

Keith Lau
Lona Lau
Larry Chilstrom
Ron Bengs

Chris Hanson called the meeting to order.

Dwight Mikkelsen made a motion to approve the minutes from the June 26th 2012 meetings. Randy Smart seconded. Motion put up for vote. All ayes. Motion passed.

The board was informed that on Friday July 6th, 2012 the Board of Water and Natural Resources approved a Drinking Water State Revolving Fund loan to Hisega Meadows Water, Inc. The loan was for \$487,500.00 for twenty years at 3% interest, with up to 51.3% principal forgiveness, not to exceed \$250,00.00.

Chris Hanson asked Ron Bengs from Advanced Engineering what the next steps should be. Ron explained that the first step would be to have a survey done (because this is a busy time of year it could not be done for at least 3 to 4 weeks out and would likely be done by Dean Scot because of the knowledge he already has of the area). After the survey is complete it would be given to Ron to create the design (this will take approx. 2 weeks, putting us into September). After finishing the design it would have to be submitted to DENR for approval, the project would then be put out for bid. Per law the bid would have to be awarded within 30 days (which will put us into late fall too late to start).

Because of the length of time between surveying, designing and actual start of the project Chris asked Ron if it would be possible to take money from our repair fund to pay for the survey and design in order to keep from paying interest on the loan through the winter months. Then reimburse the fund when we close on the loan in

