

Hisega Meadows Water, Inc.
Board of Directors Meeting, October 13th, 2014 @ 6:32 PM
Johnson Siding Fire Hall

Present:

Larry Deibert (2015) 343-3942

Ron Brown (2016) 343-2999

Craig Fischer (2017) 519-1837

Keith Lau (staff) 390-2963

Norm Tschetter (2016) 348-3003

Mick Blumer (2017) 605 – 310-9630

Lona Lau (staff) 342-2254

Scot Licht (staff) 348-0560

Visitors: John Begeman, HMWI member

The meeting opened at 6:32 with an introduction of John Begeman, he is requesting board consideration of several items related to Phase I construction on his property and right of way adjoining it.

Scot gave the operator's report and stated things are pretty much status quo, the Rapid Creek flow has stabilized enabling us to filter about a million and a half gallons between filter changes. There have been several glitches hooking up the new main lines of which he has been involved in with the contractor. All seem resolved to date.

Keith gave the operator's report, from his perspective he is also status quo. The status of the ultraviolet surplus light was discussed, Ron agreed to put it on craigslist and see if there is a market for it. The price will be negotiable, Keith feels it is not worth more than \$500 based on some research he has done but the market will dictate it's actual worth, if any.

Lona presented the financial report and after a little discussion, on a motion by Ron and a second by Norm, the board passed the motion to accept the report unanimously.

The September meeting minutes were reviewed and being no corrections, additions or deletions, they are accepted on a motion by Craig and a second by Mick, passing unanimously.

Our use of the fire hall for meetings was discussed and after discussion and a calculation by Larry, it was agreed on a motion made by Norm and a second by Craig to make a donation to the Johnson Siding Volunteer Fire Department to make a one time contribution of \$270, the motion passed unanimously.

Scot presented the board with a summary of extra hours he put in and after brief consideration, on a motion by Ron and a second by Norm, the board agreed unanimously to pay the extra 4.49 hours as presented.

Outstanding invoices: On a motion by Ron and second by Mick, the board voted unanimously to pay Advanced Engineering the amount of \$3,716.08 which represents it's October 10th, 2014 invoice. There was no outstanding balance submitted by Bang's, etal.

After much discussion concerning the status and payment of an outstanding invoice in the amount of \$182,280.60 (\$173,380.60 SRF Elgible; \$8,900.00 SRF Non-eligble) by the contractor on Phase I of the district improvements, Ron made a motion and Mick seconded to pay the invoice once the engineer

signs off, the motion passed unanimously.

Larry read a letter he had been presented by Advance Engineering concerning the status of the project which included a request by Quinn Construction to reimburse them for “Down Time” to date in the amount of \$ 7,500. After much discussion, a motion was made by Ron and seconded by Norm to pay the contractor this amount, passed unanimously. The \$7,500 is included in the total (\$182,280.60) approved earlier for Quinn Construction.

Larry informed us that our application to DENR had been approved that will provide us with a grant for \$ 273,000 and matching loan in the same amount to enable the water company to begin phase II of the reconstruction project.

Old business: Larry has been working on the cluster box matter, it has been approved by the USPS but needs a formal address (land water company owns on Lindsey Drive) issued by the country, this should be a routine matter. Larry has not had time to work on consistent terminology needed among HMWI membership documents and this was referred to the next meeting.

New Business: A Borrower's Resolution to Approve the Phase II loan was discussed and on a motion by Ron and second by Craig, the board unanimously approved this resolution in the amount of \$273,000. We talked about and agreed to be cooperative with the Big Piney Road District concerning mutual construction of the Big Piney area on the assurance by Larry it would not cost the water company anything.

A Certificate of Substantial Completion for Phase One was discussed and on a motion by Mick and second by Craig, Larry will execute the Certificate, passed unanimously.

John Begeman brought to the boards attention matters relevant to his property (a list of the concerns is attached) concerning construction of phase I on and near his property, especially damage to trees. After much discussion, the board agreed on a motion by Norm and second by Mick to “the HMWI will be responsible for the removal and disposition of approximately 6 pine trees (more or less) that suffered damage during construction of Phase One, if need be”. John voiced other minor concerns and did not need board action at this time. The motion passed unanimously.

Being no further business, the meeting was adjourned at 8:11 PM, the next meeting being Monday November 10th, same time at the same place.

Respectfully submitted,

Ron Brown
Secretary

Begeman Property Easement_01

On Monday, Sept. 22, John & Patrica Begeman requested a meeting at the Advanced Engineering Office with Ron Bengs and Larry Deibert to express concern about several items:

- 1) Concern about the change in plans to abandon the existing HMWI 4" PVC pipe. HMWI had decided to abandon the line but during the June 25th meeting, voted to turn over the line to Black Hills Nursery. BH Nursery would be responsible for all costs associated with transferring the pipeline for their use. The change was never communicated to the Begeman's; they are concerned that a private line will remain in service within the easement they signed with HMWI. If/when they sell their property in the future, they need to have a disclosure stating that there is a private line as well as the community water line since BH Nursery may need to repair the line in the future.
- 2) Concern was expressed that individuals went onto their property without their knowledge and removed boulders that were dug out of their property in the process of installing the new water lines. It is never appropriate for individuals to go onto private property and remove items, whether it be trees, boulders, dirt, rocks or any other personal property.
- 3) Concern was expressed about possible tree damage that occurred during the course of installing the new water line. The question was asked, "What will happen if a tree within the easement dies within 2 years from when the work was completed? Who's responsibility will it be to remove the dead tree?" Ron Bengs mentioned there were 2-3 trees that had significant root system exposed during the water line installation; would it be best to remove those trees now since the cost for removal would be covered within the contract pricing with Quinn and would be eligible payment by the DENR monies. If we wait until next year and the tree dies then the cost would come out of the HMWI operating expense account.
- 4) It was agreed that Quinn Construction would deposit any of the boulders the Begeman's desired at a location indicated by the Begeman's. Once Begeman's indicated the boulders they wanted, Quinn would be contacting a Landscaper they work with and it would be their responsibility to remove all the remaining boulders or none (no picking and choosing).