

QUINCY WATER ASSOCIATION, INC.
PO BOX 975
CLATSKANIE, OR 97016
Monthly Meeting Minutes
March 12, 2009

President Bernie Reinbold called the monthly board meeting to order at 7:00 pm

Present:

Board Members – David Willey, Charles Leavy, Bernie Reinbold, Kim Bunnell
Bookkeeper/Secretary - Sharon Hicks
Maintenance/Meter Reader – Calven Shulda

Minutes:

A motion was made by David Willey to approve the minutes for the February 12, 2009 Board Meeting with Kimberly Bunnell seconding the motion. Motion approved

Financial & Accounts Payable Reports:

A motion was made by David Willey to accept the Financial Reports for the General Accounts and the Project Accounts for the month of February 2009 as presented with Charles Leavy seconding the motion. Motion approved. A motion to pay the bills presented was made by David Willey and seconded by Kimberly Bunnell. Motion approved.

Maintenance:

Calven Shulda reported that the well is back together and running. Everything inside of the well has been rebuilt as per the annual maintenance of the well. The project of the well by Schneider Equipment, Inc. from St. Paul, OR. has been terminated due to not being able to get to the bottom of the well due to the casing size. The current water level is about 5 feet below the pump and 40 feet above the pump.

Old Business:

A recent video survey of the Quincy Water Association's sole well source of potable water supply by Schneider Equipment, Inc. from St. Paul, OR revealed that the well is in critical condition and on the verge of serious flow reduction or failure. The problem is a combination of mechanical issues with the well casing and a dramatically reduced (and failing) water level in the aquifer. This causes a problem with being able to flush out the lines for regular maintenance. Also, the possibility of cleaning the existing well would take about a week or longer (which will be a matter of time before this needs to be done). At this time the Association is not able to shut the system down for that long due to not having a back-up water system. The Association has put a hold on selling any new shares until another source of water is developed. Due to these problems, the Board Members met after the Annual Meeting and authorized James Lee from CH2M HILL to put a proposal together for exploration of a new well. The three tasks included will prepare the way for a new well, and also support requirements of the newly authorized American Recovery and Reinvestment Act of 2009 (ARRA).

Old Business (continued):

David Willey again discussed the need for a new well and possible costs associated with the new well.

The Association was qualified for a loan through the State Revolving Loan Fund which was applied for in March 2008 for the water system at Port Westward. Due to the quality of water and lack of communication with the Port of St. Helens the Association has decided to look into developing water from another well. Another application to the State Revolving Loan Fund was submitted by James Lee in January 2009 for the development of either re-drilling of current well or developing a new well. In addition the board is working on an application to receive a grant through The American Recovery and Reinvestment Act of 2009 (ARRA). The likely range of possible additional debt servicing costs per member could be between \$13 and \$30 per month depending on the grant and interest rate if the total amount needed is \$750,000 and the Quincy Water Association contributes \$50,000 for items not covered by the loan. These costs are for the current 130 Association members. This work will benefit public health.

David Willey moved to approve contract with CH2MHILL for Scope of Work and budget for Engineering Services Associated with Planning and implementation of a New Groundwater Source (Project Number 357772) with Kimberly Bunnell seconding motion. Motion approved. Contract was signed and will be mailed to James Lee.

Calven Shulda presented a contract to the board that he and his father Scott Shulda formed a company called Water S. O. S. LLC. The changes to the current contract will be the name change and his ability to hire another worker for the daily required maintenance, and that the checks will be made out to the new company. David Willey made a motion to approve the contract with S.O.S. LLC with the change of salary to \$1545 from the \$1200 as was listed on contract, Charles Leavy seconded the motion. Motion approved.

The amount of \$15,266 approved in 2008 for the Planning and Installation of a New Groundwater Source still has not been transferred from the money market account to the special funds account. This will be transferred as needed to pay for the project by CH2MHILL.

New Business:

The stimulus package with ARRA is due by April 15, 2009. This will be taken care of by James Lee of CH2MHILL.

Sharon Hicks brought to the attention of the board that due to the change in the status of Calven Shulda forming a business his salary would need to be taken out of the line item subcontractor instead of Labor/Hourly. A motion made by Kimberly Bunnell to move the amount of \$18,540 from Labor/Hourly line item to the Subcontractor line item in the 2009 Budget, motion was seconded by Charles Leavy. Motion approved. Sharon will correct the budget to show the changes.

David Willey made a motion with Charles Leavy seconding the motion to adjourn the meeting at 8:05 pm.

Sharon Hicks
Secretary/Bookkeeper

3/12/09