

QUINCY WATER ASSOCIATION  
BOARD MEETING MINUTES  
May 13, 2010

Mike Roberts called the meeting to order at 6:30 PM. All board members were present. Minutes of the April 8<sup>th</sup> board meeting were passed around for individual reading. The minutes were approved as written.

Jim Malisch presented the financial report in a new format, consisting of two Excel spreadsheets, representing the year-to-date transactions. The first sheet showed income, accounts receivable, and banking account summaries for each month. The second sheet presented expenses in each budget category for the first four months of 2010. Jim explained that the category for office supplies had been broken into two categories in order to create a miscellaneous category. Past practice was to use the office supply category for miscellaneous expenses. He also explained that a new line had been created to show what we have paid monthly for project expenses. Because there was no budget for those expenses, they will negatively impact the remaining budget columns. An accounts payable summary was presented to the board members for review, prior to issuing checks for May bills. The financial report was accepted after a correction of \$0.11 for an entry error in the April project expenses was made.

Kim Bunnell gave a communication update. She reported that we mailed out 125 surveys asking how members wanted to receive communication from the board. We received 23 surveys back, so far and expect more to come in. Of the 23 that responded, 7 indicated that they did not have access to the Internet in order to view the Quincy Water website. There were 6 that said they wanted to receive quarterly reports. Kim has been using a broadcast function to automatically send out notices of meetings to those who have provided an email address.

Mike Seely provided an update on the water rights transfer, which is in progress.

The subject of a water leak forgiveness policy was discussed. The board has not yet met to formulate a policy and committed to doing so at the next working session. In a related issue, several shareholders expressed the opinion that the person reading the water meters did not adequately inform shareholders of a leak discovered during meter reading. The son of Pat Brown brought up an unusual problem discovered because of a water leak. A previous owner had installed a 2-inch line around the meter that resulted in a large amount of water during the leak and confusion when making repairs.

The maintenance contractor had no maintenance report prepared to present. Water quality and line flushing was discussed. An agreement was not reached on the solution required. Calven was asked to investigate low pressure and dirty water complaint from a shareholder located behind the Grange hall.

John Moore, who is a shareholder, is also manager of Sterling Saving Bank, was present and asked to present information about a possibility of a project loan that would be based

on our income stream. He compared the term and interest rates of the SRLF loan and one that his bank might be able to provide. He felt that even though his loan would be at a higher interest, it would be cheaper, because the restrictions on the state loan would increase the project costs. The board members are working to refine the project estimate in order to determine where the final costs will end up. The board has been told by the Water Resources Department that a pilot well is not required. This will save a significant amount of money.

The board went into executive session in order to discuss the bookkeeper contract and requests for leak forgiveness. When the board resumed the meeting, they voted to have the billing clerk adjust the water bill for Pat Brown to be the average of the previous three months of water use, and all penalties would be removed. The board said that this was a special situation because the 2-inch line that leaked was not an authorized connection. In the case of the other shareholder requesting leak forgiveness with a regular connection, the board voted to remove any penalties and the shareholder would be allowed to pay the debt on monthly installments. The board again committed to development of a leak forgiveness policy by the next board meeting. Because of schedule conflicts, the next board meeting was set for June 8, 2010 at 6:30 PM.

The meeting was adjourned at 8:00 PM.

Respectfully submitted, June 8, 2010

Jim Malisch, Secretary/Treasurer of the board.