

QUINCY WATER ASSOCIATION, INC.

Board Meeting Minutes

August 11, 2011

President Kim Bunnell called the meeting of the board to order at 6:30 PM at the Quincy Grange. Board Members present were Jim Malisch, John Moore, and Kim Bunnell. Board members Mike Roberts and Mike Seely were absent. Shareholders attending were Les Pugh, Pete Johnson, Cheryl Malisch, Terry Salo, and David Willey.

Minutes:

John Moore made a motion to approve the minutes for the July 14, 2011 meeting, and Jim Malisch seconded the motion. All board members present approved the motion.

Financial & Accounts Payable Reports:

Jim Malisch presented the monthly financial reports for July 2011. John Moore motioned to accept the financial report as presented. Jim Malisch seconded the motion, and all board members present approved the motion.

Maintenance Report:

Calven Shulda, maintenance contractor reported that he had checked the fire hydrants as requested. He found two hydrants that required repair. He also reported that the valve on Thomas Road has been located under the asphalt and marked. Jim Malisch asked Calven to explain the invoices received which totaled almost \$2,000. Calven explained that most of the charges were for supplies to repair the line break on Beaver Dike Road, but some additional spare parts was added to inventory in the treatment building.

Old Business:

The board discussed the transfer of the three shares owned by Pete Johnson to land owner Ty Birdwell. In order to protect the association, John Moore recommended that waivers of remonstrance be filed for each of the shares. The waivers would state that QWA would only be responsible for delivery of water to the meter locations at the current end of Lumijarvi road. The association does not have adequate pressure to deliver water to the hill locations where houses are to be constructed.

John Moore made a motion to spend \$7.50 to obtain a sample waiver of remonstrance. Jim Malisch seconded the motion, and the motion passed.

John Moore made a motion that for any future share sales involving bare land require a waiver of remonstrance. Quincy Water will pay any filing fees involved. Jim Malisch seconded motion, and the motion passed.

John Moore made a motion to approve the transfer of water shares from Pete Johnson to Ty Birdwell if Mr. Birdwell agrees to the waiver of remonstrance. Jim Malisch seconding the motion, and the motion passed.

Pete Johnson made an offer to the board that in the event that was unable reach an agreement to sell his shares to Mr. Birdwell, he would turn his shares over to the Quincy Water Association with the stipulation that the proceeds from the sale of the next three shares sold be split evenly between both parties.

Kim Bunnell presented Calven Shulda with an updated copy of the maintenance contract for Water SOS to sign. There was discussion about it being the contractor's responsibility to hire flaggers. Calven requested additional time to review the document before signing.

Kim Bunnell reported that the board had recently held a working session to decide on what was to be included in Phase II of the project. Jim Malisch, Kim Bunnell and possibly John Moore will be meeting with Murray, Smith & Associates at their office on August 17, 2011 to define the scope. During the meeting, they will determine if the water softener that is now at the treatment plant could be put to use in the new treatment system.

Jim Malisch reported on the progress of the land sale to the monastery. Berkadia Financial holds the current loan and has a lien on the property. They have been contacted in order to obtain a partial release of the title to the property.

New Business:

Braden Lever sent a letter to the board asking for leak forgiveness for his recent water leak. Jim Malisch made a motion to grant forgiveness and apply the leak forgiveness policy. John Moore seconded the motion and the motion passed.

Jim Malisch reported that the property for account # 82 was in foreclosure and QWA has received no water payments since June of 2010. Attempts to contact the previous owner and the bank have not been successful.

Jim Malisch made a motion that QWA take the share back in exchange for the charges against the account. If the property is sold in the future, the new owners will have to purchase a new water share. John Moore seconded the motion, and the motion passed.

At 7:30 PM, Jim Malisch made a motion to adjourn the meeting. John Moore seconded the motion, and the motion was approved by all board present.

Transcribed by Sharon Hicks

Respectfully submitted by Jim Malisch, Secretary/Treasurer of the board.