

QUINCY WATER ASSOCIATION

Board Meeting Minutes

March 12, 2015

Kim Bunnell and Jim Malisch opened the board meeting at 6:30 PM in the Clatskanie PUD public meeting room. Other board members in attendance were Mike Roberts, Greg Smiley, and Randy Trass. Association members attending were Carol Brandt, Colleen Erickson, Martin Greeley, Jack Hendrickson, Eino Kahailanien, Cheryll Malisch, and Karen Trass. Kim presented an agenda that she put together for the meeting. She asked the new directors to comment or add anything they thought should be included. Jim told them to feel free to ask if they had any questions.

Introductions

Kim began by introducing herself, and in turn, the rest of the board members introduced themselves, citing any previous board experience that they had.

Kim briefly discussed the Oregon statutes that regulate the association. She distributed a one-page document taken from those statutes. The board members discussed the mechanics of being a director. The board members then discussed the democratic decision making process used by the board of directors. The topics of majority rule, requirements for a quorum, and a minimum of three directors needed to pass motions were covered. Kim emphasized the importance of full attendance of all directors at board meetings.

Jim explained to board members that as directors we are obligated to exercise a fiduciary responsibility to the Association. He said that its meaning went beyond financial responsibility to include that all board actions must be done in the best interest of the membership as a whole.

Kim suggested that this board might want to consider adopting a practice that she witnessed at the PUD board meetings. They delay taking action on major issues brought to the board during a meeting. She felt that waiting until the next board meeting would allow time to better consider the issue. Mike Roberts expressed the opinion that at times certain issues may warrant more immediate action.

Mike asked about posting meeting minutes on the association web page. Kim told him that after board minutes are approved, they are currently posted. Mike suggested posting the meeting agenda ahead of the board meeting in order to provide the association membership information about what will be discussed at the following board meeting. Kim said that we could look into doing that on the web page.

The open discussion moved into a conversation of how to allow association members input at the board meetings. A question about location for board meetings became a lengthy discussion between the association members in attendance and the board members. A shareholder suggested that the board return to using the Quincy Grange for board meetings. The board members decided to delay any decision regarding changing the location of the board meetings until more details about fees charged are known.

Kim distributed folders to the new board directors that she had prepared. The folders contained copies of the current Bylaws and Articles of Association, and a copy of the maintenance contract with Hiland Water Inc. The new board decided to table discussion of the Hiland maintenance contract renewal until a later meeting.

Randy Trass expressed the opinion that unity of the association members has been lost and the community spirit has suffered. Mike Roberts expressed the opinion that posting the agenda for the upcoming board meetings might help with the involvement of the community and contribute to transparency.

Election of Officers:

Kim asked the new board members to read the section of the Bylaws regarding duties of the officers. Following a brief discussion, Mike Roberts motioned to nominate Kim Bunnell for president and Jim Malisch for secretary-treasurer. Randy Trass seconded the motion. Jim Malisch motioned to nominate Mike Roberts for vice president. Greg Smiley seconded the motion. Nominations closed and the board members voted by a show of hands to unanimously approve the nominations.

Minutes:

Kim distributed copies of the minutes of the February board meeting to the board members. She pointed out a correction that she had made regarding the Hermo Road project. Mike asked for clarification regarding the February board support of the FM radio station in Clatskanie. Randy asked for clarification about the membership ledger mentioned in the February minutes. Kim explained that this topic is on agenda tonight. Mike asked about the flow meter calibration mentioned in the February minutes. Jim and Kim told the board members that the issue will be discussed along with the maintenance contract at the proposed work session. A motion was made and seconded to approve the minutes as corrected. The motion passed unanimously.

Kim told the board members that in the future, a draft of the minutes would be emailed to them before the next meeting in order to allow time to read them and prepare questions or corrections ahead of the meeting.

Financial Report:

Jim Malisch explained the layout of the financial spreadsheets that he prepares monthly. There were multiple questions from the board members and the shareholders present regarding the maintenance contractor. Jim said that the board members needed to talk more about charges by the contractor at another meeting. Kim suggested that the board could discuss the contract and the finances at a future work session. A motion to approve the finances as presented was made and seconded. The motion passed unanimously.

Maintenance Report:

Kim explained that Hiland Water, our maintenance contractor emails a number of reports to each board member every month. She asked if the new board members would like to be emailed the reports. Kim passed around her copy of the maintenance log and the member call log for February to the board members. The new board members asked some questions about specific entries, and these were discussed. Kim briefly spoke about other documents that Hiland Water sends. Greg Smiley said that he reported a dysfunctional valve on his water service but it has not been repaired. Jim will check with Hiland. Randy Trass asked a question about timing of the billing and collections. Kim said that the topic would be discussed at the work session for the maintenance contract. A comment on the maintenance log about flow meter calibration prompted a lot of discussion about water balance, water losses and meter accuracy.

Old Business:

Kim told the board that Hiland Water planned to attend the April board meeting to discuss maintenance projects listed on the Associations capital improvement plan. She explained the list of work was developed during 2014 by the previous board. She said that the new board should review the plan and decide if the plan should be continued or changed. Mike expressed his opinion that the board should meet first to discuss the contract and the capital improvement plan before meeting with Hiland Water. It was not determined if Hiland would charge the Association to attend the board meeting. The board decided that the board would discuss the capital improvement plan at the work session before the April board meeting.

Jim reported that he had completed building the membership ledger that documented Association membership records. He explained that the ledger consisted of an Excel spreadsheet that brought the Association into the twenty-first century.

New Business:

Kim asked for input on using email for communication of information between board members. Everyone agreed to use their email for communication with each other. Kim committed to sending email reminders for the meetings to the board members.

Kim told the new board members that they would need to sign a new signature card at the bank for the Association checking account. Jim told the new members that all checks require two signatures that he would notify each board member when the card was ready for signature at Umpqua bank.

The board decided to schedule the work session to discuss the Hiland contract and 2015 capital projects. The session will take place on April 2nd at 7:00 PM. The work session will be held at Greg Smiley's house.

The board agreed to schedule board meetings on a monthly basis in 2015. The 2015 board meetings are planned to occur on the second Thursday of each month starting at 7:00 PM. Jim will make a request of the PUD to reserve the community meeting room for those dates and let each board member know by email.

The past due list was reviewed. There was a brief discussion about the estate of a deceased member. The board decided to not take any action at this time, but allow Mike Roberts to contact the daughter of the deceased.

There was more board discussion about the maintenance contract before the meeting adjourned.

The meeting adjourned at 7:58 PM

Respectfully submitted March 18, 2015. Approved April 9, 2015

Jim Malisch, Secretary-Treasurer of the Board