

***QUINCY WATER ASSOCIATION, INC.***  
***PO BOX 975***  
***CLATSKANIE, OR 97016***  
***Annual Meeting Minutes***  
***March 2, 2010***

President Bernie Reinbold called the Annual Shareholders meeting to order at 7:00 pm

**Present:**

Board Members – David Willey, Bernie Reinbold, Kim Bunnell, Mike Roberts, Charles Leavy  
Maintenance/Meter Reader – Calven Shulda

**Shareholders** – Oleana Martin, Mary Reinbold, Karen Trass, Gary Leinonen, Larry Haatia, Paul Keller, Jeff Petersen, Jack Hendrickson, Ron Hermo, Dennis Stanley, Mark Samson, Donna Long, Jim Carver, Les Pugh, Bill & Delores Mellinger, Leo Nikula, Colleen Johnson, Eino Kahilanien, Jim Malisch, John McCray, Terry Salo, Dan Green, Carol Brandt, Pete Johnson, Joe Richardson, Ted Healy, Gary & Terry Garlock, Gayle Carver, Mike Donaldson, Linda Hooper, Greely's, Blackford, Eastman, George Godfrey, Larry McLeod, A Garrett, Rod & Tammy Ollila, Braden & Megan Lever, Paul Courtney, Candy Seeley Staci Tannery, Larry & Wanda Derby, Bill Sabol, Randy Bergman, Leslie Pugh, Mike Seely, Lorna Mueller, Debi Smiley, Mary Anne Sullivan

**Proxy Votes**- Mike Seely for George Poysky, Teresa Johnson for Marge Johnson, Jeff Petersen for Joan Petersen, Roberta Cedilto for Helen Cook,

**Visitors**-James Lee, CH 2MHILL

**Proof of Notice:**

The Clatskanie Chief published notice of Annual Shareholders Meeting. A newsletter was mailed to all shareholders.

**Minutes:**

A motion was made by Les Pugh to approve the minutes for the March 3, 2009 Annual Shareholders meeting with Mike Seely seconding the motion. Motion approved by all present.

**Audit:**

Audit for the year 2009 was prepared by Iverson's Bookkeeping was presented to the membership.

**Budget:**

Gary Leinonen made a motion to adopt the budget presented for the year 2010 with Terry Salo seconding the motion. Motion approved by all present.

### **Old Business:**

James Lee from CH2MHILL presented to the members what had taken place in the last few years getting to the current stage of looking for water. He presented a concept cost estimate to the members present. Process was started in 2007. Starting with Port of St. Helens who wanted a water source, drilling a rainy well in the river which turned out to have poor quality of water and would be impractical to treat, so the board made the decision to look into another source of water. The board asked for low interest loans and grants to build a new system. Maps of the current system were developed showing all valves and lines in the system. An income survey was done on members of the system and those who would possibly be on the system if the system were able to expand. Video of the current condition of the well showing that out of the original 67 perforations only were able to see 6 to 7 perforations others were clogged. Well was cleaned as much as possible due to odd size of pipe used. Survey of Stewart Creek site had been completed, applied to State for water rights.

### **New Business:**

#### **Bylaws:**

1. Debbie Greely made a motion to accept the proposed change to Article V Section 2, line 1 and Section 3, line 4 (as follows) with Terry Salo seconding motion. Motion accepted.

#### **ARTICLE V**

**Section 2 Line 1** Delete the word “membership” and replace with the word “share”

**Section 3 Line 4** Delete the words “in the surviving spouse” and replace with the words “to the estate”

2. Mike Roberts made a motion to accept the proposed change to Article VII Section 2, line 2 (as follows) with Terry Salo seconding the motion. Motion accepted.

#### **ARTICLE VII**

**Section 2 Line 2** Delete the word “filling” and replace with the word “filing”

3. Delores Mellinger made a motion to accept the proposed changes to Article IX, Section 1B, line 3, Section 1H, line 3, Article XI, Section 3, lines 5 and 6, Section 7, lines 5 and 6, and Article XIII, Section 1, line 4 (as follows) with Mary Reinbold seconding motion. Motion accepted.

#### **ARTICLE IX**

**Section 1B Line 3** Delete the word “my” and replace with the word “may”

**Section 1H Line 3** Delete the word “sane” and replace with the word “same”

#### **ARTICLE XI**

**Section 3 Line 5** Delete the word “though” and replace with the word “through”

**Line 6** Delete the word “person” and replace with the word “persons”

**Section 7 Line 5** Between the words “with and Quincy” add the word “this” and delete the word “bylaws” and replace with the word “bylaw”

**Section 7 Line 6** Delete the word “of” replace with the word “or”

### **ARTICLE XIII**

**Section 1 Line 4** Delete the word “it’s” and replace with the word “its” as the use of the “s” is grammatically incorrect

4. Karen Trass made a motion to add Article XI, Section 9 (as follows) to the bylaws with Tamara Blackford seconding motion. Motion accepted.

### **ARTICLE XI**

**Section 9** Noncompliance with any Quincy Water Association By-Law may result in termination of water services. When the Board of Directors has determined that a member is in noncompliance, the member will be given a notice to comply within 60 days from the date the notice is issued. If a member disagrees with the noncompliance notice, the member shall have 10 days from the date the notice is issued to request a hearing with the Board of Directors. If the member fails to file a request for hearing, or has not complied within 120 days from the date the notice of the noncompliance is issued, the member’s water service shall be terminated. The Board of Directors may then choose to enter into the process of membership termination as provided in Article V, Section 5.

5. The following proposed bylaw died for lack of motion.

### **ARTICLE XI**

**Section 3** Last sentence is to be modified to read:  
“The exception to a single dwelling shall conform to Columbia County Zoning Ordinance 1505.3, with the additional restriction that this exception is limited to benefit only the shareholder, or shareholder’s spouse, parents, grandparents, or children. Further, the “temporary permit” referenced in Ordinance 1505.3 is a one-time exception that, once expires, shall not be renewable. Additionally, there is only one “temporary permit” available to the members of the Quincy Water Association at one time. If a “temporary permit” is being used, no other permits are available.”

6. Jack Hendrickson made a motion to add the new section 8 to Article VII (as follows), with Kim Bunnell seconding motion. Motion accepted.

### **ARTICLE VII**

**Section 8** A draft copy of the minutes of the annual members meeting will be made available within 30 days following the annual meeting.

7. Jack Hendrickson made a motion to add additional wording to Article IX, Section 1 (A) after the words membership, with Jim Malisch seconding motion. Motion accepted.

### **ARTICLE IX**

Section 1 (A) to be delivered along with the bylaws and a water user’s agreement.

8. Linda Hooper made a motion to remove the words “**or convenient**” from Article IX, Section 1 (D), with Jim Malisch seconding the motion. Motion accepted.

9. Jack Hendrickson made a motion to change the word “**competent**” to “**certified**” in Article IX, Section 1 (E) with Jim Malisch seconding motion. Motion failed.

10. Jack Hendrickson made a motion to change the second sentence of Article IX, Section 1 (E) (as follows) with Jim Malisch seconding motion. Motion accepted.

#### **ARTICLE IX**

**Section 1 (E)** The report prepared by such auditor or accountant shall be submitted by individual copy to each of the members of the association present at their annual meeting.

11. Jack Hendrickson made a motion to add the additional wording to the end of Article IX, Section 1 (F) (as follows) with Wanda Derby seconding motion. Motion accepted.

#### **ARTICLE IX**

**Section 1 (F)** Increases in these charges shall be limited to no more than 10% annually, unless approved by a majority vote of the membership at any annual or special meeting called for that purpose.

12. Jack Hendrickson made a motion to add additional wording of “**or credit unions**” after the words “banks” to Article IX, Section 1 (H), with Linda Hooper seconding the motion. Motion accepted.

13. Jack Hendrickson made a motion to add additional wording to Article IX, Section 1 (I) after the word “fiscal” (as follows) with Jim Malisch seconding the motion. Motion failed.

#### **ARTICLE IX**

**Section 1 (I)** year and shall present such budget to the membership at the annual meeting for approval by the membership.

14. Larry Derby made a motion to add an additional subsection to article IX, Section (J) (as follows) with Linda Hooper seconding motion. Motion accepted.

#### **ARTICLE IX**

**Section J** The board of directors shall be responsible to communicate to the entire membership (in a timely manner) any major problems, concerns, plans, requests for studies, or any other major issue that concern the membership. Notice of all meetings must be published in the local newspaper.

15. Jim Malisch made a motion to change Article IX current Section 1 to Section 2, then add a new Section 1 (as follows), with Jack Hendrickson seconding the motion. Motion failed.

**Section 1** The members of the Quincy Water Association are the owners of the Quincy Water System. The board of directors is elected by the membership and empowered to act for the membership to run the day-to-day business of operation of the water delivery system. The board of directors does not have the authority to commit to any long term loans or capital projects, or expansions of the water system, without prior approval by a majority of the association members present at an annual meeting or a special meeting called for that purpose.

16. Les Pugh made a motion to change in Article XI, Section 5 current subsection (A) to subsection (B), change in Article XI, Section 5 current subsection (B) to subsection (C), and to add a new subsection (A) to Article XI (as follows), with Jim Malisch seconding the motion. Motion accepted.

#### **Article XI**

**Section 5 (A)** Non-payment within ten (10) days after the due date (which is the last day of the month) will be subject to a penalty of 10% of the delinquent amount.

17. Delores Mellinger made a motion to change to word “coveting” to “covering” in Article XI, Section 4 with Mary Reinbold seconding the motion. Motion accepted.

#### **Election of Board Members:**

Two positions for 2 year terms are up for election this year currently held by Charles Leavy and David Willey. Delores Mellinger made a motion to have Charles Leavy and Kim Bunnell count ballots with Wanda Derby seconding motion. Motion accepted.

Elections for David Willey’s position – Jim Malisch and David Willey were nominated.  
Jim Malisch – 26 votes and David Willey – 17 votes.

Elections for Charles Leavy position – David Willey, Charles Leavy and Mike Seely were nominated.  
David Willey – 14 votes, Charles Leavy = 7 votes, Mike Seely 21 votes,

A motion was made by David Willey to adjourn at 10:40 pm with Amanda Garrett seconding motion. Motion accepted.

Sharon Hicks  
Secretary/Bookkeeper

After the Annual Meeting the Board of Directors met to elect officers for the coming year.

President – Mike Roberts

Vice President – Mike Seely

Secretary/Treasurer – Jim Malisch

3/2/10