

**ICR Water Users Association
Board Meeting Minutes – Draft
July 24, 2007**

Minutes Approved: August 16, 2007

Those Present:

Board Members

Earl Cummings, President
Bill Meyer, Secretary/Treasurer
Shirley Lilien, Director
R J Howard, Director

Contract Staff

Bob Busch, Manager

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1. The meeting of the ICRWUA was called to order at 8:57 a.m. by Earl Cummings. Board member Hal Lobaugh and Meg Kleinman, Recording Secretary were absent. Bob Busch recorded the minutes of the meeting.

 2. Several corrections were made to the draft Minutes of the July 17 during a review.

Motion: R J moved to approve the Minutes of the July 17, 2007 Board Meeting with the corrections as noted during the meeting; Seconded by Bill; motion passed unanimously.

3. REPORTS

a. Financial Reports

Earl discussed the financial report, noting that June revenues were \$25,587.57 and YTD revenues were \$150,792.41. He suggested that year-end revenues will approach \$300,000. Net income for June was \$2,754.65, with YTD income at (\$12,386.30). The amount in the checking account has increased about \$1,000 since last month. Notable expenses this month were for the rate case. Including adjustments, over \$10,000 was recorded against the rate case in June.

Motion: R J moved to accept the June 2007 financial report, Seconded by Bill: Motion passed.

b. Manager's Report –Bob Busch

1. **Lead & Copper Tests** -Bob reported that Chris Williamson has said that results from the recently collected water samples will take the lab about a month to complete.
2. **Whispering Canyon Fire Hydrant** – Bob reported that he is working on a situation involving construction of a house where the fire hydrant is in front of the house, between the driveways of the 3 car garage. He will keep the board informed.

A discussion followed regarding the status of bills of sale. Shirley reported that the Assignment Agreement for The Preserve needed several changes before the board should consider executing it.

Motion: Shirley moved that the issue of the assignment agreement for The Preserve be tabled until copies of the deed and other documents are obtained. Motion seconded by R J; motion passed.

4. Audit Proposals

Audit proposals received in May were reviewed. The board briefly discussed the proposals received from Klecka & Klecka and Constance Pinney, CPA. Concern was expressed for the cost of an audit at this time due to the expected cost of the rate case and other anticipated costs over the next 12 months. Bill said he believes it is the board's duty to conduct audits to ensure that the finances of the company are handled correctly. Others agreed and suggested that the 2006 financial transactions are receiving detailed review during the rate case.

Motion: Bill moved that Bob be authorized to contact Constance Pinney, CPA to negotiate an engagement letter for a procedural audit for 2006 and an audit of financials for 2007. Motion seconded by Shirley; Motion passed unanimously.

5. Hiring of Engineering Consultant

The board discussed the proposal for engineering services received from Civiltec Engineering. The proposal outlined three phases of services that could be performed for ICRWUA; Immediate Task Needs; Intermediate Task Needs; and Long Term and Potential Task Needs. The board discussed these vs the current cash flow considerations of the rate case and other priorities.

Motion: Bill moved to approve Civiltec as the Association Engineer and authorizing Bob to negotiate a letter of engagement to include work on Talking Rock System for the following; (1) phase approval and acceptance (2) Items 1-4a and 5 of the Immediate Task Needs list included in Civiltec's letter of interest dated May 18, 2007 as follows: (1) Coordinate and review all relevant documents, studies and reports. (2) Investigate air entrainment source and extent (3) Develop a detailed water model of the entire system. (4a) Evaluate known problems with the highest priority- Pressure problems during high use/golf course (5) Recommend short term and possibly long term solutions. The president is to be authorized to sign the engagement letter provided the estimated cost does not exceed \$15,000. Motion seconded by R J; Motion carried.

6. Meeting with Harvard

The board discussed the question of whether or not to hold a meeting with Harvard Investments July and their consultants on July 31st to consider testing of the well field. Bill stated that the information Harvard provided about the wells did not meet his expectations and minimally met the board's earlier request for information. The board discussed whether it would be advisable to meet with Harvard before adequate data about the wells was available for review. It was also mentioned that since the monsoon's arrival, the wells are not being required to pump as long each day, and that the window of opportunity to test the wells during the highest pumping period is lost for this year. It was agreed that additional data is probably available from Southwest Groundwater. Joe Brunette of Talking Rock mentioned that any additional documents needed could be obtained directly from Southwest Groundwater.

Action Item: Earl will contact Craig Krumweide and advise that ICRWUA needs additional data and records and that ICRWUA would like to inspect Southwest Groundwater files for additional records pertaining to the wells.

**Motion: R J moved to adjourn the meeting at 12:40 p.m.; Shirley seconded; Motion passed.
Meeting adjourned at 12:40 p.m.**

August Meeting will be August 28th.