

ICR Water Users Association
Board Meeting Minutes
July 22, 2008
Approved August 26, 2008

Those Present:

Board Members

Hugh Pryor, President
Hal Lobaugh, Vice President
Bill Meyer, Secretary/Treasurer
Earl Cummings, Director
Shirley Lilien, Director

Contract Staff

Bob Busch, Manager
Recording Secretary
Harvey Roberts
Member Guests
See Appendix A

1. Call to Order - The meeting of the ICRWUA was called to order at 9:00 AM. by Hugh Pryor.

2. Review Minutes of the May 27th Board Meeting:

Waive reading of the minutes

3. Reports

b. Bill and Bob presented the Financial Report for May and June 2008.

Through end of May owe SWI \$123,897 for rate case activity.

Local attorneys owed \$9,654 for non-profit application, Bylaws, etc.

Accountant Bourassa owed \$3,381 for work through June 6th.

This does not include billing for later work done by SWI and Bourassa. Bill estimates that the Company could have additional billing of \$30K – \$60K.

Rate Case costs prior to January 2008 totaled \$59K.

Rate Case costs paid and booked in 2008 totals \$33K.

Total committed to Rate Case is \$220K.

Motion: Bill moved to pay BPCW attorneys and Bourassa total billed of about \$13,000; Earl seconded the motion; motion carried.

It was authorized previously to pay \$5,000 per month to SWI .

Motion: Hal moved to accept the Financial Report for May and June; Earl seconded the motion; motion carried.

Motion: Hal moved to approve the Minutes for May and the July 10 Special Meeting; Bill seconded the motion; motion carried.

b. Bob presented the Manager's Report of 7/22/2008 and the May & June Water Usage Reports.

Action Item: Bob will resolve the discrepancy in assets transferred from Harvard by the next meeting.

4. Old Business

a. Review of Action Items:

Action Item: Bob will ask Clint when Contractors will be given procedure for drawing Construction Water. As reported at last meeting the procedure has been distributed, but no one has signed up for the water drawn from this hydrant. A chain and combination lock will be added.

Action Item: Each Board member is to turn in mileage to Bob for trip to ACC hearing (approximately 118 miles each way). Bill has recently turned in his mileage.

Action Item: Hugh (and others) to review software packages for more comprehensive reporting capability. This review would start later in the year to be ready for a recommendation before the software license expires next year.

Action Item: Shirley is assigned to develop a policy on providing information to members. Tabled

Action Item from 12/11/07 & 1/22/08(Executive Session): Clarification needed for Voting in Board Elections. Tabled

Action Item: Add to Statement line showing amount due each month from TRR under Well Agreement. Bob needs direction on how to mix the Cash and Accrual accounting to present this. He will arrange to have our CPA at the next meeting to discuss and recommend how this can be done. There are other items payable at the end of the year not accounted for on the monthly reports.

b. Financial Services/Management/Operator Contracts

Committee (Bill, Hal and Jim Stoner) has reviewed new contracts offered by MDI (for Financial & Management) and A-Quality.

See Appendix B for Committee report.

A-Quality is asking for a rate increase of 12.5%. Under the expired 3 year contract they were to have an increase of 7.5% which was never done.

Motion: Earl moved to approve the contract for A-Quality with the increase and changes as per the Committee report; Shirley seconded the motion; motion carried.

MDI's new 3 year contract calls for an increase in monthly billing from \$160 to \$225. Customer charge is remaining at \$2.50 per month. Water Company pays for supplies (envelopes, stamps, etc) and is billed for "stuffing" mailing with newsletter. If Company is granted a rate increase, MDI asks for consideration of an increase of 3% per year; however, this not in the contract. Committee recommends approval of the MDI contract.

Motion: Earl moved to accept the recommendation of the Committee concerning MDI contract; Hal seconded the motion; motion carried.

Company has a management contract with MDI that covers Bob Busch. Under the current contract the Company is being billed \$1,387 per month for his services. Bob has asked for an increase in monthly salary to \$1,300 which would put the payment to MDI at \$1,615 per month. Bob is an employee of MDI who pay his employer Social Security and Medicare taxes, Unemployment tax, Workman's Compensation, Liability insurance, etc.

Committee recommends approval of the Management contract.

Motion: Earl moved to accept the recommendation of the Committee concerning the management contract ; Shirley seconded the motion; motion carried.

All contracts are retroactive to June 1st.

c. Member Meeting of June 3rd.

Presentations and Q & A will be mailed to all members after review by Board and attorneys. It is expected that this will be completed in a couple of weeks.

No decision has been made as what to do with the Survey.

d. LOU Status

LOU has been put into a contract form – Water Services Agreement. It was sent to Harvard on July 21st.

Intervener will not be brought in until there is an agreement between the Company and Harvard. Board believes that after the second well was transferred in May the Company is in compliance with ACC Decision 64360.

5. New Business

a. TRR Phases 10, 12 & 13 Acceptance

Bob has presented Board a report on TRR Phases 10, 12 & 13..

This includes a new booster station, a 300,000 gallon storage tank and backup generator.

Problems pointed out earlier concerning the method of adding chlorine and the location of the shut-off valve have not been addressed. Some other problems that have been noted are motor vibration and overheating of some pumps. This is an essential element of the TRR water system. TRR would like the Company to take it over. Bob does not recommend acceptance, but the Company could take over operation with proper safeguards.

Committee (Hugh, Bill and John Stenger) appointed to work with TRR and Consultants to identify issues by August 1st. Committee will also list conditions that will allow the Company to operate the system on a provisional basis until Acceptance.

b. Audit Results

The person performing the audit is behind schedule.

Motion: Hal moved to adjourn meeting; Earl seconded the motion; motion carried.

Meeting Adjourned at 10:56 AM

Related Documents:

ICR July 31, 2008 Financial Report

Manager's Report July 22, 2008

ICR Usage for May and June 2008

Busch Report concerning TRR Phases 10, 12 & 13 Acceptance

Appendix A Guest List

Jerome Reid
Gene Leasure
Jimmy Stoner
Shirley Leasure
Craig L. Brown
Eileen McGowan
Dayne Taylor
Chris Stoner
John R. Payne
Russ Hubbard
Clint Poteet
Stan Mendenhall

Appendix B Report to the Board by the New Contracts Committee:

The following observations –questions-and comments were made by the new contracts committee with regard to the new Operators Contract:

1. Do they need a Bond? MDI says either/or. **Not needed.**
2. The contract needs to specify the number of allowable days for obtaining the end of the month meter readings.
24 hours with maximum of 48 hours. If necessary, A-Quality can group meters.
3. The contractor is required to prepare a water-quality sampling plan that is provided to ICR. Has this been done? **Bob will check into this**
4. The Contractor is required to prepare and maintain an emergency operation plan that was to be submitted to ICR for approval. Has this been done? **Yes but should be updated**
5. The contractor needs to supply the basis for cost in the Special Conditions Rate. **Not required**
6. In Section 28, Licenses and Permits, change the word and in the second line to any. **Yes**

Other than these comments/requirements, the committee recommends approval of the Operator Contract.

The committee recommends approval of the new Financial and Managerial Contracts.