

WATER & SEWER BOARD OF DIRECTORS' MEETING
FEBRUARY 20, 2010

IN ATTENDANCE: Lyle Koller, Steve Koeckeritz, Bob Strazer, Jack Watson, Jeanette Williams, and Manager Jody Sandquist.

PROPERTY OWNERS & OTHERS IN ATTENDANCE: One (1).

PRESIDENT STEVE KOECKERTIZ CALLED THE FEBRUARY 20, 2010, WATER & SEWER MEETING TO ORDER AT 8:06 A.M.

APPROVAL OF AGENDA:

MOTION: Jeanette Williams moved to approve the Agenda. Jack Watson seconded the motion.

Lyle Koller then asked for the addition of Appointment of Board Member under New Business.

AMENDMENT TO THE MOTION: Lyle Koller moved that New Business include Item #4, Appointment of Board Member. Jeanette Williams seconded the motion to amend.

Both the amendment to the motion and the motion were passed unanimously.

APPROVAL OF MINUTES:

MOTION: Lyle Koller moved to approve the January 16, 2010 minutes of the Water & Sewer meeting. Bob Strazer seconded the motion, which passed unanimously.

OFFICERS' REPORTS

1. PRESIDENT'S REPORT: Thank you to Jack and the rest of the Board for taking care of Association while Steve was gone in December and January visiting family.
2. TREASURER'S REPORT: Written report by Bob Strazer.

MOTION: Lyle Koller moved to approve the Treasurer's Report as presented. Jack Watson seconded the motion, which passed unanimously.

MEMBERS' COMMENTS & CONCERNS: None.

1. METER READING FINE APPEALS: The Board had been presented with five appeal letters. Jody informed them that a second letter to non-compliant property owners did not go out in November as previously thought. After discussion, it was decided that all fines would be written off at this time. Letters will be sent explaining the situation, and those in non-compliance will have an additional thirty days in which they can comply before a fine will be affixed.

MOTION: Jack Watson moved that the Board should forgive all fines for all those individuals who for whatever reason only were contacted one time through a variety of things, that they should be forgiven. Bob Strazer seconded the motion, which passed unanimously.

Lyle Koller suggested that the 'Member at Large' on the Board monitor the information on meter reading just as the Treasurer monitors bookkeeping information. That person should give periodic reports at Board Meetings.

Jody also requested that her apology to those property owners who received fines be included in the minutes.

MOTION: Jack Watson moved that the 'Member at Large' have the insular duties to assist the office in that regard and submit reports to the Board as needed or called for. Jeanette Williams seconded the motion, which passed unanimously.

MANAGER'S REPORT: Jody reported that we have again had water freeze in the low volume fill and in Kanawha Court. We have contacted all the owners on the court to make them aware of the situation. Staff has reopened the lines to low volume fill but have been unable to reopen Kanawha Court. According to Rick, it would help to change the 90° turns into 45° turns to allow the hotsy to reach to the frozen area. There are some design flaws which can be corrected. Also, up until a few years ago, there was one lot that had full-time residents on that service line, using water on a regular basis. That kept a flow going. After discussion, the Board recommended that Lyle, Jody, and Rick analyze the situation and report their findings and projected costs back to the Board. We have also had freeze-ups in the lines to the Fire Barn and the Water & Sewer Building, also due to weather. Those lines run under roadways, thus bringing up the probability that the lines need to be buried deeper than seven feet.

On Jody's visit to the County Building she did find some information and plat maps that we did not have. The county did not have a topol map.

Jody provided the Board with a packet showing interest rates in their CD program at the 1st National Bank. Water & Sewer's accounts have been changed from business checking to small business. There are no maintenance fees involved with small business accounts. This information will be helpful in the preparation of next year's budget.

COMMITTEE REPORTS

1. 11TH FILING SYSTEM AS-BUILT AD HOC COMMITTEE: No report. This Committee will be taken off the Agenda as the work is complete.
2. 6TH FILING SYSTEMS ADVISORY COMMITTEE: Jeanette Williams presented to the Board her substantiation that the 6th Filing is not a separate entity within the Water & Sewer Association, and does not hold any assets of its own. Per Jeanette, because the 6th Filing is not a separate entity, all Water & Sewer Association members need to pay for the 6th Filing. Jeanette has contended for a long time that the 6th Filing system members should not have to pay for employee wages plus benefits when they work in the 6th Filing. She believes this is double billing inasmuch as those property owners pay dues & assessments plus use fees for having the 6th Filing system water and wastewater facilities available to them. Jeanette requested a legal opinion, and the request was denied. It was suggested that she make up a list of questions for the attorney. Jim Sidebottom, a member of the Committee, supported Jeanette's information as well as added some of his own view points.

Steve Koeckeritz responded to the above by citing the example of Glacier View Meadows. They were mandated by the state to upgrade their water and sewer system, which is run similarly to our 6th Filing system. It cost them hundreds of thousands of dollars. They formed a local improvement district to implement the mandate, the cost of which was paid solely by those property owners served by that system. The system is also owned by the Glacier View Meadows Water & Sewer Association. Their system is not a separate legal entity just as our 6th Filing is not a separate legal entity. What is a fair and reasonable allocation of cost for operating that system to the members that are served by it is the question?

Lyle Koller suggested it is time to go back to our birthplace and start with the state statute that required augmentation. See what our responsibilities were when they wrote the Augmentation Plan and submitted it for approval. Nothing is stated in the statute about service. However, the Augmentation Plan lists lots on which we will provide services.

There was extensive discussion on the 6th Filing systems issue. Steve added that the 6th Filing is not mentioned in the Augmentation Plan. The 6th Filing is one of the facilities referred to in the Master Declaration and in the amended Master Declaration. Those two documents state that it is the Association's responsibility to manage/administer those systems. They state that the Association may establish reasonable and uniformly applied charges for use of the facilities for each lot to assist the Association in offsetting the cost and expenses of the Association attributable thereto.

OLD BUSINESS

1. LOWER LONE PINE LAKE
 - Request for Information 02059: We have responded with a general letter indicating that the Board will be formulating a letter to answer additional questions. Bob Krassa suggested the Board attempt to develop a document that is available for dissemination to the entire membership which answers some of the

questions. Steve and any Board members who care to will work on this document.

- Building Plans Meeting 02064: This was a productive meeting during which the Board made it known it would make the decision on the amount of compensation to be offered when that point is reached.
- 2. 6TH FILING BUDGET UPDATES: This issue is tabled.
- 3. 6TH FILING SYSTEM REPAIR & REPLACEMENT PROPOSAL: No Board action is required at this time. The Board does need to make a determination on the 11th Filing well house which needs to be replaced. Some areas of the 6th Filing system also need attention.
- 4. SCHEDULED MEETING REMINDER – UPLP AGREEMENT: This is set for Monday, February 22nd.
- 5. REMINDER – CANDIDATE RESUME DEADLINE FOR BOARD OPENINGS: The deadline is March 29th at close of business.
- 6. METER READINGS UPDATE: There are twenty-two property owners who have not complied.

MOTION: Jeanette Williams moved to recess until after the Joint Board Meeting. Bob Strazer seconded the motion, which passed unanimously.

THE WATER & SEWER BOARD MEETING RECESSED AT 10:05 A.M.

THE WATER & SEWER BOARD MEETING RECONVENED AT 12:00 P.M.

NEW BUSINESS

1. PRELIMINARY REPORT ON CLWSA SEPTIC FIELDS AND DIGESTORS: Written report by Rick Crewdson.
2. SET DATE FOR BUDGET PREPARATIONS: This will be determined via e-mail.
3. ANNUAL MEETING PREPARATION: Tabled.
4. APPOINTMENT OF BOARD MEMBER: This issue was addressed earlier.

EXECUTIVE SESSION – Legal Issue.

MOTION: Lyle Koller moved to go into Executive Session (Legal Issue). Jeanette Williams seconded the motion, which passed unanimously.

THE WATER & SEWER BOARD WENT INTO EXECUTIVE SESSION ON A LEGAL ISSUE AT 12:15 P.M.

MOTION: Bob Strazer moved to go out of Executive Session. Jack Watson seconded the motion, which passed unanimously.

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MOTION: Lyle Koller moved to adjourn. Jeanette Williams seconded the motion, which passed unanimously.

THE FEBRUARY 20, 2010, WATER & SEWER BOARD MEETING ADJOURNED AT 12:33 P.M.

Respectfully submitted,
Bev Eddinger
Recording Secretary