

# ***QUINCY WATER ASSOCIATION, INC.***

## ***Annual Meeting Minutes***

### ***March 6, 2012***

President Kim Bunnell called the Annual Shareholders meeting to order at 7:00 PM at the Quincy Grange.

#### **Present:**

Board members attending were Jim Malisch, Kim Bunnell, and Mike Seely. Billing clerk Sharon Hicks also attended. Shareholders present were Jack Hendrickson, Bill and Delores Mellinger, Leo Nikula, Colleen Johnson, Eino Kahilanien, John McCray, Terry Salo, Carol Brandt, Martin and Debbie Greeley, Robert and Tamara Blackford, David Willey, Cheryll Malisch, Jim Carver, George Godfrey, Oleana Martin, Tom Williams, and Lester and Evelyn Pugh. Ellen Niemen attended as Quincy Grange proxy. Eric Griffith attended as a visitor.

#### **Minutes:**

After copies of the last annual meeting, March 1, 2011, were handed out and read silently, Tamara Blackford made a motion to approve the minutes. Delores Mellinger seconded the motion. The motion was approved by clear majority of shareholders present.

#### **Financial Review:**

Jim Malisch, Secretary-Treasurer, presented the financial review for 2011, conducted by Le's Income Tax Services. Jim reported that Le's was currently in the process of completing the IRS-990 Tax form for 2011, and that there was a considerable savings to have both documents prepared by the same accountant.

#### **Financial Report:**

Jim Malisch presented a summary of 2011 expenditures, including project costs, in order to inform the shareholders about where their money had been spent in 2011. Jim further stated that while the Financial Review is an important document, it is primarily an audit of the treasury, and does not provide a summary of spending that took place during the year. A copy of that report is attached to these minutes.

#### **Old Business:**

Jim Malisch presented an update on the well project that is currently underway. The Board of Directors contracted with Murray-Smith Associates (MSA) for engineering in July of 2010. At that time, they estimated the total cost for the project, as scoped, was \$617,000, further, the cost of the first phase to drill the well to 260 feet would come in at \$58,000.

Jim reported that the well was drilled in July to a depth of 460 feet and had achieved 60 plus gallons per minute. The extra depth and longer well seal increased the costs to \$91,898. Jim reported that Quincy Water had received \$90,199 in disbursements from the IFA loan fund in 2011.

Jim explained that after the well was drilled and costs were examined, the board met with MSA to determine ways to reduce final project costs. He reported that certain items were delayed, such as refurbishing the existing well, while other items were determined to be work the association could achieve on their own and in advance of the project. Items such as repair of the treatment building. Jim reported that repairs to the roof, ceiling, and lighting were completed in November, and replacement of the corroded electrical service was completed in December. The association spent \$9,399 on those repairs.

The current estimate to complete the treatment phase of the project stands at \$306,000. Together with the first phase, the final cost would come in at \$397,898. He stressed that this is an estimate and we are certainly subject to cost overrun.

Jim pointed out that there were repair items that Quincy Water would complete using their savings after the treatment system was in place, such as fencing, security, site surfacing, and water rights administration.

Jim reported that work on the treatment phase would begin as soon as the board reviewed the second phase design and approved the bid package.

Kim Bunnell asked the shareholders to give Jim Malisch a thank you for all the work overseeing the project thus far. Mike Seely commended both Jim Malisch and Kim Bunnell for all the time and effort that they have put into the project.

**Election of Board Members:**

The terms for board members Mike Seely and Jim Malisch were completed as of this meeting. Kim Bunnell asked for nominations to fill the two positions. Jack Hendrickson made a motion to retain the two board members. The motion was seconded, and Kim asked for a show of hands for the motion. There was a clear majority so no count was conducted. The motion to retain Mike and Jim was approved.

**New Business:**

Kim Bunnell announced that there had been two resignations from the board. Mike Roberts had resigned due to his class schedule interfering with board meetings and that her resignation is effective at the end of this meeting. Kim explained that the board had been given notice in February and had voted at the February meeting to appoint Jim Carver and Debbie Greeley to fill the vacancies.

Evelyn Pugh asked if there was a budget for 2012. Jim Malisch answered that the 2012 budget was set at just over \$104,000 but explained that the budget number reflected the expected future payment to the state for the new loan.

Cheryl Malisch gave a report on the volunteer work parties and thanked those who had volunteered to help with site clean up that will certainly reduce project costs.

Jack Hendrickson made a motion to adjourn the meeting at 7:55 PM. Debbie Greeley seconded the motion, and it passed. The meeting was adjourned.

Transcribed by Sharon Hicks, edited by Jim Malisch.

Respectfully submitted, March 6, 2012      Approved by membership, March 5, 2013 - JM

Jim Malisch, Secretary-Treasurer of the board