

WYOMING ASSOCIATION OF RURAL WATER SYSTEMS
Board of Directors Meeting
December 1, 2006
Parkway Plaza Motel – Casper, Wyoming

The board meeting was called to order at 8:40 a.m. December 1, 2006 at the Parkway Plaza Motel by President Loren Crain.

Visual roll call was taken. In attendance was:

President: Loren Crain
Sec/Treasurer: Fremen Spence
National Director: Earl McKinney
Director David Lemler
Executive Director: Mark Pepper

Staff member Pepper McClenahan

President Crain noted the board vacancy due to the death of Vice President Barry Mootz. A moment of silence was observed.

Reading of the minutes:

Fremen Spence moved to accept the 9-18-2006 minutes as written. David Lemler 2nd the motion. Motion carried.

Financial Report.

ED Mark Pepper reviewed the October 31, 2006 ytd financial statements. Noted items were cash on hand, accounts receivable, current liabilities, ytd profit, operating ratios per NRWA finance suggestions and budget performance to date noting that the \$19,000 budget deficit had been erased and we should end the year between \$10,000 - \$20,000 budget surplus. A copy of the financial statements is included with these minutes.

Earl McKinney moved and Fremen Spence 2nd to accept the report.
Motion carried.

Committee Reports.

National Director: Director McKinney informed the group on the up coming dates for the Water Rally. The dates are April 29 to May 1, 2007. Directory McKinney updated the group on the current OIG report. Proposed changes are now being worked on with the OIG in negotiation and discussion on interpretation. A copy of the IG report is on file with the NRWA.

Director McKinney announced that he has been appointed as chairman of the Awards Committee for the NRWA. He will seek advice, counsel and update as needed.

ED Pepper updated the group at this point on the NRWA changes regarding In Service training. Training will now be split between program specialists at one time of the year (June as in the past) while ED's and office personnel will be at another time of year to avoid any conflict with crossover training not meeting program requirements.

Staff reports:

No staff reports were introduced at this meeting.

Old Business

A. Building remodel – ED Pepper updated the group on cost information received to rent smaller space in either Glenrock or Casper and to remodel/update present space. A market analysis completed on the current facility showed a market value of \$262,000. A loan of approximately \$115,000 currently exists leaving about \$150,000 in equity. Current payment on the present facility is about \$650 per month. Comparable office rental space or smaller space would be cost prohibitive in the current market with rents running well above \$1,000 per month for about 1/3 the space.

ED Pepper requested that he be allowed to investigate using some of the equity to fully fund unfunded employee liabilities for accrued sick leave and vacation pay. An additional amount would be used to be placed in a long term investment to jump start a cash reserve. ED Pepper updated the group on loan proposals from Jonah State Bank and Hilltop National Bank which call for a \$60,000 loan at 9% for 20 years with a balloon at 5 years. Earl McKinney moved to allow ED Pepper to work with the banks and finalize the best deal for board approval with David Lemler seconding. Motion carried.

c. Website update. ED Pepper updated the group on the changes made to the web site and the existence of the statistics page for review. Stat info will be used to draft advertising plans for on line banner or pop up ads.

d. Car purchase plan update. ED Pepper indicated that he has requested a proposal from Chrysler for 2 Calibers and 1 Pickup. Once the amounts are known, final analysis will be done to determine if it is cost effective to purchase the vehicles or continue to pay mileage to employees for personal use of their vehicles. If the purchase plan is cost effective, new vehicles will be purchased as attrition takes place in the remaining programs. The TA, Circuit Rider 1 and Wastewater programs would be the recipients of the vehicles at this time.

Chairman Crain requested that ED Pepper move forward with a comprehensive vehicle policy in view of the proposed car purchase plan and to update existing policy for cars provided by employees.

Director Spence requested a policy that requires hands free phone devices to be in use by all Association staff while driving. ED Pepper was directed to draft a Cell Phone usage policy including hands free or safe driving aspects.

New Business

a. Source Water Protection Program operating plan approval and discussion – ED Pepper updated the group on the status of the Source Water program per emails received from NRWA staff. EPA personnel have indicated that a new agreement will not be signed until after the new Congress is seated in 2007 and appropriation bills have been addressed. EPA is also discussing combining the Source Water and Wellhead programs into one grant.

Director McKinney moved that the board adjourn to executive session to discuss employee issues at this time. Director Lemler seconded, motion carried. Board into executive session at 11:25 a.m.

Board reconvened out of executive session at 1:25 p.m.

Director McKinney moved and director Spence seconded to fund the Sourcewater Protection program out of internal funds for compensation costs, limited program costs and associative indirect costs for a period of two (2) months. Such funding will be subject to review and revisit as needed pending updates from NRWA on the status of the EPA negotiations. ED Pepper to investigate other fee based opportunities to help defray the cost to the internal funds. Motion carried.

b. Circuit Rider Program operating plan approval and discussion – Director Spence moved and Director Lemler seconded to approve the Circuit Rider Program operating plan as presented. Copy of the plan is available for review at the WARWS office. Motion carried.

f. Budget Draft discussion – ED Pepper reviewed the first draft of the budget for the board's questions. Second item from Executive session was reviewed. Director McKinney moved and director Lemler seconded to leave personnel decisions including compensation of staff (other than executive director) to the ED. ED instructed to complete reviews and staff compensation issues, revise and send for email vote with ratification at March board meeting.

g. Board Officer Vacancy - Director McKinney moved with director Spence seconding to elect director Lemler to the vacant Vice President position. Motion carried.

Discussion was held as to filling the open board position due to the death of director Mootz. Advertising will be done in the current QuickTap newsletter and emails have been sent to all systems in the affected region. Some interest has been expressed and board members were to check with parties who have expressed interest to them. Should no interest be expressed at this time for board appointment to fill the open position, open election will be done during the Spring Conference.

Chairman Crain requested that ED Pepper strive to get all staff working with the same and latest versions of all software, as financial practicality allows, such that they will be able to share data more efficiently. Specifically contact data, scheduling, and site/contact log data. The creation of a Virtual Private Network would also be of great benefit to the Association.

Next meeting to be held during Spring Conference March 26-29, 2007 at the Parkway Plaza Hotel following the annual business meeting to be held during the conference.

Adjournment

Fremen Spence moved and Earl McKinney 2nd to adjourn. Motion carried. Meeting adjourned at 5:30 p.m.

President – Loren Crain

Secretary Treasurer – Fremen Spence