

Note: These Meeting Minutes have not yet been approved by the Board of Trustees i.a.w. Article VI of the SLWA By-Laws (§6.1) Annual Meeting, Order of Business. They are scheduled to be approved at the next Annual Meeting: unless notice is otherwise provided, that meeting will be held on Saturday, November 02, 2024. The posting of these DRAFT Minutes is to allow ample review time for Members. Issues noted can be brought to the Board of Trustees Secretary: Secretary@7Lakeswater.com or raised in person during Member Discussion at the Annual Board Meeting. Once approved, they will be re-posted with signatures and without a watermark.

SEVEN LAKES WATER ASSOCIATION, INC.

Annual Board Meeting Minutes – November 04, 2023

The meeting called to order AT 1:00 PM by Board of Trustees Vice-President, Keith Krueger (Acting President).

IN ATTENDANCE:

Board Members: Keith Krueger, Marc Lebeau, Leslie Magnuson, Bryan Gregory

GUESTS/Members: Laura Leuze, Mike Haney, Kim Gudgel, and Theresa Regimbal.

Employees: None.

ABSENT: Bruce Holen (Excused for international travel.)

Keith Krueger announced an adequate quorum (4 of 5 Board Members present) and confirmed proper notice of this Annual Meeting via the SLWA website as well as a message applied to the bottom of recent billing invoices to members. Keith made a brief introduction and allowed the other Board members to do likewise.

MINUTES:

The minutes for the November 05, 2022 meeting were reviewed and a motion to approve was submitted by Marc Lebeau, it was seconded by Leslie Magnuson. The **vote** was unanimous for approval and the Motion was carried. A copy was signed by the Secretary and the Acting President.

PRESIDENT'S REPORT:

2022 Lowlights: (November)

Bookkeeping & accounting not up to standards

Financial audits were incomplete

Banking spread between multiple institutions

Understaffed with the office being closed regularly unless volunteers we available

Board was understaffed with volunteers

Compliance with DOH requirements was lagging

Surprise retirement of Paul Lucas

Extremely young staff and board

2023 Highlights:

Improvement in staffing and our capabilities;

Deana Sweet hired as our Office Manager. Office was open per the sign on the door with little exception and the phones are being answered. Deana has grown significantly in her role and has done a tremendous job putting order to the office in her first year. Actively seeking to improve/learn

Eric Hentila was promoted to the role of Operations Manager. Eric received his Water Distribution Manager II certification and thus we are now in compliance with DOH regulations for operations. Eric is a great representative of the Association and consistently strives to improve operations. Eric recently passed his 2 year anniversary with the Association.

John Moehrle has also just passed his anniversary and has completed one year of service. John is a hard worker that strives to do a good job and continues to advance in responsibilities including relieving Eric of a portion of the morning rounds and on-call duties.

Our three paid employees have done a fantastic job & we owe them a big debt of gratitude. Improved Customer Service – Proactive response to member issues and complaints

Other 2023 Highlights:

New Billing Program to bring us into the 21st century

Consolidation of banking to 2 institutions

Installation of Radio Read meters to decrease workload and increase accuracy

Initiation of semi-annual mailings and billing flyers to communicate with members

Water System Plan was past due – yellow flagged by DOH, new plan is 50% complete

Accounting/Bookkeeping now up-to-date. Audits - FY '21 complete, FY '22 nearly complete and FY '23 initiated

Testing was incomplete and/or behind schedule. Eric has brought us back into compliance with regulators and also introduced PFAS testing

Water quality remains excellent

Water delivery remains excellent with very few days without service

Draft revision of Employee Handbook nearly complete

Challenges & Goals for 2024

Complete transition to new billing system

Potential new hire in Operations

Continue to challenge each other to improve our capabilities

Completion of the WSP

Review of rates to ensure that we can adequately maintain our system

Timely completion of all regulatory required obligations

Revision to Bylaws

Lawsuit

Board volunteers still are a struggle. 2023 had only a few months where all 7 positions were filled. Current Board of 5 is taxed, but still progress being made. We had 8 people self-nominate on the most recent ballots!!

Much thanks to all the people that have supported the association. This includes past board members Karri Chase and Mary Jo Lake for their time volunteering on the Board and in the office. Thanks to Bryan Gregory for a year of service to the association. Thanks to Marc Lebeau for nearly 2 years of service.

SECRETARY’S REPORT:

Marc Lebeau reported out on the Mail-in proxy ballots received. Improvements were made to this year’s ballot, changing its arrangement after many years - to reduce some of the ambiguity. 1 ballot was received with a signature, but no vote. The votes were counted and signatures verified after 2PM on 03 November, 2023 by Board of Trustee Officers: Keith Krueger, Marc Lebeau and Leslie Magnuson. Statistics on the Election and the results are outlined in the table below:

Voting Year	Returned Ballots	% of Membership	No Signatures
2022	148	6.5	22
2023	174	7.6	2

Candidate	Votes	Candidacy
Bruce Holen	162	Incumbent
Eric Starup	160	Incumbent
Leslie Magnuson	156	Incumbent
Keith Krueger	Unexpired Term	Incumbent
Judy Hinderlie	3	Write-In
Laura Leuze	1	Write-in
Kristina De Vera	1	Write-in
Ken Miller	1	Write-in
Allen Zurlo	1	Write-in
Charles Cox	1	Write-in
Michael Haney	1	Write-in

Congratulations to Mr. Eric Starup for being voted onto the SLWA Board of Trustees!

The Former Board will contact those persons receiving votes and make a determination about which three candidates would be the best fit for the open Board Positions. Voting of Board Officers will be held during the next Regular meeting, scheduled for Tuesday, 14 November, 2023

During the 15 November, 2022 meeting (10 days after last year’s Annual Meeting) it was decided by a Board vote that the position of SLWA Secretary-Treasurer should be split into two separate roles. As the position is prescribed by the By-Laws, it was decided that the change would need to be included in the next By-Law Amendment effort. Until then, there would be two positions with the same title, but in practical terms,

one would be the Secretary-Treasurer, with duties commensurate with the Secretary, and the other would be the Secretary-Treasurer, with duties commensurate with the Treasurer.

POC's: The Board determined that to best oversee the performance of the Operations and Office Managers, the Board assigned each with a Board Point of Contact (POC) who became their touch-point for Board inter-action and primary first person in their Chain of Command, back to the Board – who retained ultimate collective authority over the actions of the Managers.

Managed through the transition from post-covid moratorium on Utility late fees, back to the normal state, requiring diligent messaging and patient resolutions. Narratives were created to keep our members briefed on the changes in billing routine.

Marc Lebeau acknowledged former Board President Kim Gudgel and his wife Theresa in attendance and made mention of the work that they had done personally to acquire and customize the City of Arlington Employee Handbook for SLWA purposes. They had provided the 80% solution to the last Board and it was appreciated.

Lawsuit Update: The SLWA has been sued by the former SLWA Bookkeeper for among other torts, “wrongful termination.” Co-Defendants were identified, including the Association, our former General Manager, and 6 former Board Members. The SLWA has litigation liability defense coverage that should cover most (if not all of) the associated expenses. Legal Team at Simmons Sweeney Freimund Smith Tardif, PLLC (SSS Law Group) has been contracted to represent the former employee and board members. Ms. Kaylynn What, Attorney for SSS Law Group met virtually with all co-defendants and examined evidence that might help the SLWA defend these accusations. Contact has been made with Opposing Counsel; a request to consolidate defendants under the umbrella of the Association (rather than individually) was denied. Official response to the claim (Answer) has been prepared and will be submitted in near future.

Marc Lebeau agreed to act as a volunteer agent of the Board for the purposes of retaining the Litigation POC for the Association – if the new Board desires such involvement. He provided a DRAFT Letter of Designation to the Keith Kruger for consideration by the next Board.

TREASURERS REPORT:

Financials - Draft statement for FYE 8/31/22 has been received and the SLWA continues to have strong financial results. We ended the year in the black and have reserves for maintenance projects, emergency repairs, and potential future projects. CUSI - new billing system which includes electronic meter reading. Implementation is planned for the end of November. Bank Account Consolidation - we now have only two banks and have improved our services and controls.

The employee vacation/sick plan has been converted to a PTO plan effective 10/1/23. We finished refinement of the Employee Handbook effective 10/1/23. We're looking at options for payroll processing and HR capabilities.

FACILITIES COMMITTEE REPORT:

Project to provide automatic Emergency Power for all Pump/Well sites has been completed and was reported at the 25 APRIL, 2023 Regular Meeting.

Water System Plan:

The State Dept. of Health requires the Association to have a current Water System Plan, approved by the DOH, on file - to comply with state statutes. SLWA hired DCG–Watershed to prepare this Plan for us. The Association also purchased a “Rate Study” to evaluate whether the fees charged for water use, system maintenance and future upgrades are sufficient for what the projected future need might be. DCG is approximately at the half-way point of the project; expect to have a DRAFT version of the report as early as March, 2024.

The Committee is exploring the hardware necessary to allow virtual Board Meetings in the future or maybe even the ability to televise future Board Meetings to our members. Future projects include the renewal of expired Leases.

COMMUNICATIONS COMMITTEE REPORT:

Have successfully completed a post-card newsletter that is hoped to be produced quarterly. In the past, the Board has explored more social media presence. There is some interest in re-awakening that idea.

MEMBER COMMENTS:

Kim Gudgel said he was impressed by the accomplishments of the out-going Board; seemed that “controls” were in-place more solidly. He asked about whether additional hook-ups would be sought in the future.

Mike Haney acknowledged interest in Board membership.

ADJOURN: 2:47 PM

Submitted by: Marc Lebeau, Secretary-Treasurer

Approved by: