

**RIDGE UTILITIES, INC.
REGULAR MEETING
OF THE BOARD OF DIRECTORS
July 16, 2011**

The regular meeting of the Board of Directors of Ridge Utilities, Inc., (hereinafter "RU") was held in the Conference Room of the Association Office Building on July 16, 2011.

Board members present were Molli Ellis, Alex MacCormack, Claude Morissette, William Munday, William Walker and Valeska Wallace. Also present were Denny Kelly, General Manager and Amy Evans, Office Manager. Board member, Stephen Tompkins was absent.

CALL TO ORDER:

Alex MacCormack, President, called the meeting to order at 9:00 a.m.

MEMBERSHIP INPUT:

One member was present but no input was given.

ADOPTION OF AGENDA:

Alex MacCormack added under New Business, Item #4 Consumer Confidence Report.

MOTION: Molli Ellis, made a motion, seconded by Valeska Wallace, to approve the agenda as amended. The motion carried unanimously.

APPROVE MINUTES:

MOTION: Valeska Wallace, made a motion, seconded by William Munday, to approve the May 7, 2011 minutes as presented. The motion carried unanimously.

MOTION: William Munday, made a motion, seconded by Valeska Wallace, to approve the May 21, 2011 minutes as presented. The motion carried unanimously.

CORRESPONDENCE:

Molli Ellis, Secretary, reviewed the contents of the Correspondence Folder with the Board members. Ms. Ellis stated that letters received by RU were test results from the Division of Consolidated Lab Services and a proposal from Pittsburg Tank. Ms. Ellis stated that correspondences sent by RU consisted of a signed contract to D&M Electric, a letter to Wise Recycling granting permission to sell wire, a thank you letter to Steve Whetzel, Water Usage Reports to VDH – Office of Drinking Water, and 2nd water bills and Annual Water Quality reports mailed to all members.

TREASURER’S REPORT:

William Walker, Treasurer, reviewed the total revenues, gross incomes and expenses for the April 2011, May 2011 and June 2011 Treasurer’s Reports with the Board members.

MOTION: Molli Ellis, made a motion, seconded by Claude Morissette to accept the April 2011 Treasurer’s Report. The motion carried unanimously.

MOTION: Claude Morissette, made a motion, seconded Molli Ellis to accept the May 2011 Treasurer’s Report. The motion carried unanimously.

MOTION: Valeska Wallace, made a motion, seconded by Claude Morissette to accept the June 2011 Treasurer’s Report. The motion carried unanimously.

MANAGER’S REPORT:

Denny Kelly, General Manager, reviewed his written Manager’s Report with the Board members. A copy of Mr. Kelly’s report is attached to the minutes. Mr. Kelly informed the Board members that the turbine meter at Well 6 had to be replaced despite efforts to repair it. He reported that the water system survey being conducted by Racey Engineering continues to move forward and we should have the draft report in August. Mr. Kelly stated that George Allen Kail has marked the areas in the roads in need of repair due to water leaks. Currently bids are being obtained for upcoming road repairs.

Mr. Kelly said he quickly wanted to comment on several items that would be covered later on the agenda. Mr. Kelly stated that in regards to the Redbud Tank inspection that it’s just not feasible to drain the tank. Mr. Kelly also stated that he would like to see a print shop company overtake the printing and mailing of the Consumer Confidence Report (Annual Water Quality Report) next year. Mr. Kelly stated it takes the Office Manager two weeks of production, printing, stamping, stuffing, labeling to send the report along with the 2nd qtr. water bills. Mr. Kelly informed the Board he would be out of the office during the week of July 25th due to appointments.

BRPOA LIAISON:

No report was given.

COMMITTEE REPORT:

PERSONNEL:

Valeska Wallace informed the Board members that the Personnel Committee met and agreed to schedule an August meeting to prepare for the upcoming budget.

NEW BUSINESS:

1.) BRPOA - Liaison

Molli Ellis stated that previously she had a concern about the gap of communication between BRPOA and the RU Boards, but now that she is aware that the BRPOA and RU Presidents are meeting monthly, she does not believe there is a need to pursue a BRPOA liaison.

2.) Redbud Tank Inspection

Denny Kelly, General Manager, directed the Board's attention to #2 listed in their Board packets. Mr. Kelly stated originally he contacted Mid-Atlantic Storage to obtain pricing on the inspection. Mr. Kelly stated Mid-Atlantic would require the tank to be completely drained and taken off line, which would be unrealistic for RU. Mr. Kelly said Mid-Atlantic Storage referred him to Liquid Engineering. Liquid Engineering can perform the inspections and any subsequent repairs with a diver. Mr. Kelly stated they will provide a digital formal written report upon completion of the inspection. The costs of the inspection would be \$2,250.00. Should any repairs need to be completed RU will be billed at an additional hourly rate. Mr. Kelly stated it would take approximately 60-90 days for Liquid Engineering to come out and complete the inspection from the date of signing the contract.

Alex MacCormack stated that the tank is sixteen (16) years old and this would be our first inside visual inspection.

MOTION: Claude Morissette made a motion, seconded William Munday, to accept the proposal presented by Liquid Engineering Corporation for inspection and reporting of the interior of the Redbud Tank. The motion carried unanimously.

3.) 2011 – 2012 Board Calendar

MOTION: Claude Morissette made a motion, seconded by Valeska Wallace, to approve the 2011 – 2012 Board Calendar as presented. The motion carried unanimously.

4.) Consumer Confidence Report

Alex MacCormack stated that there is an inordinate amount of work involved in printing, stamps, stuffing, mailing the Consumer Confidence Report (Annual Water Quality Report). Mr. MacCormack stated that the Office Manager's time could be put to better use if we were to outsource the Consumer Confidence Report (Annual Water Quality Report). Mr. MacCormack stated we should obtain a bid from the same company that prints the Shore Line. He added that the Board must vote to

make this change because it was a Board action that started the mailing of the 2nd quarter bills with the Consumer Confidence Report (Annual Water Quality Report).

MOTION: Molli Ellis made a motion, seconded by Valeska Wallace, to approve moving forward to mail the Annual Water Quality Report separately from the water bill, and to accept bids for producing the Annual Water Quality Report for mailing by an outside party as opposed to producing it in-house. The motion carried unanimously.

ADJOURN:

MOTION: Claude Morissette, made a motion, seconded by, William Walker to adjourn the meeting. The motion carried unanimously.

ADJOURNMENT took place at 9:28 a.m.

President

Date

Secretary

Date