

**Annual Shareholders Meeting
Menemsha Water Company Cooperative Corporation
August 19, 2012**

The meeting was called to order by President Carl Flanders at 4:00pm.

Roll showed Water Commissioners Carl Flanders, Stanley Startzell and Stephen Broderick present. Also present were Water Operator Alan Wilder, Secretary Lois Gowen and shareholders, Marjorie Maws, Dick Bluestein, Leah Littlefield, Carol and Jonathan Whittier, and Andrew Jacknain.

Flanders made a motion to approve minutes of the Commissioners' meeting of June 20, 2012 as written. It was seconded by Broderick, voted and so carried.

Flanders made a motion to accept the meeting minutes of Annual Shareholders' Meeting of 8/21/11 as written. It was seconded, voted and so carried.

Treasurer Stanley Startzell reported:

- The 2011 financial reports and the corporate tax return were filed by our accountant, Paul Ivaska. Finances are in excellent condition, and we continue to allocate money to capital projects.
- We do anticipate a return of excess 2011 charges paid in 2011, to customers. The amounts are yet to be determined.
- The value of stock is currently \$5,437.00 per share.

Water Operator Alan Wilder reported:

- The capital projects; to install a fire hydrant at the end of Harbor Hill Road on the southeast side adjacent to the Greenebaum property; to replace/rehab the water line to the "Red Ground"; and to repair/replace/rehab the water line at the end of Larsen Lane, all have been completed.
- A blockage occurred on Larsen Lane as the water main had not been blown out, leaving material in the pipe in two places from the installation. This has since been corrected.
- This fall a new curb stop for the Homeport will be installed.
- Customer Linda Greenberg will be charged for on property work of her leaky jerky box.
- Work done at Creek Hill gave the Morgans two winter water services and repaired the leaky hydrant.
- There was a malfunction of the float switch at the tank.

There was much discussion regarding the most recent incident causing lack of water. Wilder explained that it was caused by a malfunction of the float switch at the tank. The switch was 7 years old and wore out. It was rebuilt by Broderick, but failed again. A second switch was obtained. During this time, Carl Flanders would attend to the tank manually.

Leah Littlefield wanted to know who to call when the water is off. There were three times when the tank went empty. She asked if the commissioners could implement a new way to control the system so the tank will not go down.

Marjorie Maws noted she appreciates the explanation and added that it appears customers are affected to different degrees. She was 4 days without water.

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Flanders reassured the members that when there is a problem, someone is working on it within 15 minutes of water being off.

Alan explained that when water is drained from the system, air accumulates in the mains, causing it time to fill the system with water and bleed the air out. It takes 4 hours, 20 minutes for the system to fill the tank when the system is pressurized. It takes 3 to 4 days for pressure to build up in the system.

Dick Bluestein suggested:

- 1) It’s important the system doesn’t go down. What can be done to make sure this doesn’t happen?
- 2) What way can we get the air out of the line faster?

Broderick noted that he is working on way to keep the failure from happening, but, he added that when and if there’s another failure, it’s necessary to give the tank time to re-fill. After the point when the tank has enough head, a hydrant could be vented, helping to quickly fill the mains. There was discussion about who would be available to vent a hydrant.

Bluestein asked if there can be an early warning system, such as a sensor float switch at a lower level that, when hit, dials a number and gets action started.

Broderick stated that its necessary to control the water in the tank and the Commissioners are working on that.

Wilder stated that he will be 80 years old next year, and, he’ll be going to Alaska. The MWC will need to find someone to cover for him and eventually replace him. Flanders said the Commissioners will work on finding a back-up and replacement Water Operator.

Motion was made to re-elect Carl Flanders for the position of President of the Board of Water Commissioners. It was seconded, voted and so carried, unanimously.

Motion was made to re-elect Steve Broderick Clerk of the Board of Water Commissioners. It was seconded, voted and so carried, unanimously.

Motion was made to re-elect Stanley Startzell Treasurer of the Board of Water Commissioners. It was seconded, voted and so carried, unanimously.

Motion was made to earmark and additional Four thousand, six hundred, ninety-five dollars and 67 cents (\$4,695.67) for the installation of fencing around the well site. It was seconded, voted and so carried unanimously.

Motion was made to earmark Six thousand, nine hundred dollars (\$6,900.00) for the capital expense of the generator and its installation, and reimburse the operating account. It was seconded, voted and so carried unanimously.

Motion was made to earmark Two thousand dollars (\$2,000.00) for the annual maintenance of the well site grounds. It was seconded, voted and so carried unanimously.

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Motion was made to earmark Five thousand dollars (\$5,000.00) or the upgrading the system controls at the well site and tank. It was seconded, voted and so carried.

Startzell reported that, as a result of today's meeting motions, he will consult with the tax attorney to re-evaluate our retained earnings, assure we maintain our low rates and not-for-profit tax status, and make the determination on possible customer returns.

Leah Littlefield suggested using Keith Fenner's laser equipment to locate the PVC mains and get the water system mapped. No action was taken.

With no other business, Flanders made a motion to adjourn the meeting. It was seconded, voted and so carried. Meeting adjourned at 5:07PM.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Lois D. Gowen". The signature is fluid and cursive, with the first name "Lois" and last name "Gowen" clearly distinguishable.

Lois D. Gowen
Administrator/Secretary

For

Stephen Broderick, Clerk

