

**Board Meeting**

**Rural Water District #4**

**Wagoner County**

**February 18, 2020**

**7:00 PM**

**Call to order:** Chairman Kunze called the meeting to order at 7:00 pm.

**Board Members present:** Mr. Arnold Kunze, Mr. Charles Stinnett, Mr. Jim Self, Mr. Chad Jester, and Mr. Gary Rogers, present.

**Staff Present:** Mr. Bill Giles, Mr. Rick Lang, Mr. Keith Nixon

**Citizens Present:** No citizens, present.

The first order of the evening was the Call to Order by Board Chairman, Arnold Kunze, followed by the Roll Call by the clerk. Roll Call: Mr. Chad Jester, present; Mr. Jim Self, present; Mr. Gary Rogers, present; Mr. Charles Stinnett, present, and Mr. Arnold Kunze, present.

**Discussion and action on Approval of the Minutes of the 1-14-2020 Regular Board Meeting.**

Chairman Arnold Kunze called for review of the Minutes recorded for the 1-14-2020 Regular Board Meeting [Tab 2]. Following Board review and without discussion, Mr. Jim Self entered a Motion that the Minutes of 1-14-2020 Regular Board Meeting be approved; Mr. Chad Jester Moved to Second the Motion. Roll Call: Mr. Arnold Kunze, yes; Mr. Charles Stinnett, yes; Mr. Gary Rogers, yes; Mr. Chad Jester, yes; and Mr. Jim Self, yes. The Minutes of 1-14-2020 Regular Board Meeting stand approved as entered.

**Discussion and action on approval on items from citizens present.**

- a) **Per Customer's request, to allow Beth Brown to receive full credit for excess water usage 8/14/19 thru 8/23/19.**

Chairman Kunze acknowledged for the record that citizen Ms. Beth Brown was not present.

No action was taken.

**Discussion and action on approval to accept highest bid over \$5,000.00 for purchase of F250 4WD.**

Mr. Bill Giles stated that there was one bid to open. The bid was received on February 6<sup>th</sup> at 3:45 p.m. The sealed bid was for a total of \$6001.00 from Healthy Lawn and Tree's LLC.

Following Board review and without discussion, Mr. Chad Jester entered a Motion that the highest bid of 6001.00 to be approved. Mr. Jim Self moved to Second the Motion. Roll Call: Mr. Arnold Kunze, yes; Mr. Charles Stinnett, yes; Mr. Gary Rogers, yes; Mr. Chad Jester, yes; and Mr. Jim Self, yes. The purchase of the F250 4WD stands approved as entered.

**Discussion and action authorizing an offer to purchase approximately 0.28 acres of property and a temporary construction easement for the B2 lift station expansion from Elena Mercado Yanez, Jose Sacramento Yanez, Jose Yanez Hernandez and Estela A. Yanez.**

Mr. Rick Lang stated that we are needing additional easement to replace B2 lift station and it is roughly a .28 acres on the above listed property. Following Board review and without discussion, Mr. Gary Rogers entered a Motion to pass on the discussion and action to purchase approximately 0.28 acres of property and a temporary construction easement for the B2 lift station expansion to March. Mr. Chad Jester Moved to Second the Motion. Roll Call: Mr. Chad Jester, yes; Mr. Arnold Kunze, yes; Mr. Charles Stinnett, yes; Mr. Gary Rogers, yes; and Mr. Jim Self, yes. The offer to purchase approximately

0.28 acres of property and a temporary construction easement for the B2 Lift station expansion is postponed until the March Board Meeting.

**Discussion and action authorizing an offer to purchase approximately 0.15 acres of property and a temporary construction easement for the B1 lift station expansion from James & Theresa Hammers.**

Mr. Rick Lang stated that frontage property is going for \$25,000.00 an acre. Mr. Lang is suggesting that we offer Mr. & Theresa Hammers \$4,000.00 for the purchase of the easement for the B1 lift station expansion.

Mr. Charles Stinnett entered a Motion to the offer \$4,000.00 to purchase approximately 0.15 acres of property and a temporary construction easement for the B1 lift station. Mr. Gary Rogers Moved to Second the Motion. Roll Call: Mr. Chad Jester, yes; Mr. Arnold Kunze, yes; Mr. Charles Stinnett, yes; Mr. Gary Rogers, yes; and Mr. Jim Self, yes. The offer to purchase approximately 0.15 acres of property and a temporary construction easement for the B1 Lift station expansion to be approved in the amount of \$4,000.00 stands approved.

**Discussion and Review of the Manager's Report/Status Report.**

Mr. Giles referred the Board to the Manager's Report [Tab 3]. Mr. Rick Lang's first order of business was to relate that there had been 0 gallons of water purchased from the City of Tulsa for January. He then related that January sales records confirm twenty three (23) meters sold during the month and forty one (41) meters installed. To this date in February, six (6) meters have been sold.

There were a few small leaks and hydrant flushing in January. He reported that the pumpage report recorded 61,171,000 gallons of water pumped from the District's water plant for an average flow of approximately 1,973,258 gallons per day. Water loss for the month

was 19%. He had no additional information; no discussion or questions arose --- no action was required.

### **Discussion and Review on the Engineering Report.**

Mr. Giles referred the Board to the Engineering report [Tab 3, next to the last page]. The District's Engineer, Ryan Smith, said that most of the report is the same from last month. The Villas at Bel Lago Phase II, Oneta Farms Phase III and also Winstone Phase II are all new Developments coming soon. The Wastewater treatment plant has submitted 75% completion plans at the end of January. We are still looking at 100% completion by April, 2020 and Bid in June 2020.

Ryan then inquired whether there were any questions; no questions or discussion arose and no action was required.

### **Discussion and review of the Business Managers Report**

Mr. Giles referred the Board to The Business Manager's Report [Tab 3, final page] to review account balance figures as of the end of January.

The New Debt Service Fund has a balance of \$42,253.32.

The Rural Development Reserve Fund currently stands at \$354,796.48.

Oneta Energy update: Jan bill submitted.

The Reserve Fund has a balance of \$901,204.34.

The Current Debt Service Reserve balance \$50,172.60.

Caselle Update: Mr. Giles reviewed the current deadlines and progress per the exhibits in Tab 4.

Mr. Giles referred the Board to the Monthly Billing Recap [Tab 7, pg. 1]; water loss calculations for the calendar year (1 month). He related that the water loss for the 1-month period was a negative - 19.27%.

No questions or discussion arose on the Business Manager's Report and no action was required at this time.

**Discussion and action on approval of Pay Requisition #19 in the amount of \$92,108.14 for work performed in January 2020 and engineering and Inspection during this time period.**

Mr. Giles referred the Board to the pay request [Tab 6] per the exhibits/requests for payment. Ryan stated that this is for Cook Consulting for pay request #19 for the work they did in January in the amount of \$81,206.88, and Engineering costs for the same time period in the amount of \$10,901.26.

The recommendation for payment of Pay Requisition #19 was made by both Ryan and Rick as the work has been performed by Cook and POE.

Mr. Charles Stinnett entered a Motion that the Board approve Pay Requisition #19 in the amount of \$92,108.14 for work performed in January 2019. Mr. Jim Self moved to second the motion.

Roll Call: Mr. Jim Self, yes; Mr. Gary Rogers, yes; Mr. Charles Stinnett yes; Mr. Chad Jester, yes; and Mr. Arnold Kunze, yes. The Motion that the Board approve Requisition #19 in the amount of \$92,108.14 for work performed in January and engineering and Inspection during this time period stands approved.

**Discussion and Review of Water Plant and distribution issues.**

Mr. Rick Lang said that the North clear well clean out had a quote for \$18,900 to do the job for three days, anything past that would be \$6,000 a day. Mr. Lang called Phoenix corp. out of Glenpool. They came out and worked about 5 days and was a little shy of \$8,000.00. The clear well is clean and back in service.

The filters that were rebuilt are back in service. Filter 1A & 1B are running great, filter 2A & 2B, that had so many problems and never got to run, it is now up and running. They are getting about 16

hours, and it will get better. The only problem now is when we start it up, we are about 5 inches shy of activated carbon. Crossland is saying that they are not responsible for carbon loss during backwashes and run time. Mr. Lang stated that if we had run time it would be one thing but we have not had run time on it. Mr. Lang thinks that Crossland should be responsible for the cost of carbon.

Rick stated that he had no other information to report. No discussion arose and no action was required.

#### **Discussion and Review on Waste Water Plant and collection issues.**

Mr. Keith Nixon discussed that everything is running pretty good. The intake on the plant this month is about 15,000,000 gallons and discharge is about 11,000,00 which is about 367,000 a day. They did not have any violations this month. There was a chlorine leak in a contact basin. Mr. Nixon stated that there are about 5 additions going in right now. They are having problems with the lift station at Oneta Farms as the contractor has problems with the generator. After discussion, Mr. Lang said he had no additional information; no discussion ensued and no action was required.

#### **Discussion and review on Oneta power activity.**

The District's Business Manager, Mr. Bill Giles directed the Board's attention to variances [Tab 8]; he began to contrast the Oneta raw water activity for the year in terms of usage and revenue. [Note: this report is maintained on a calendar year basis.] The raw water usage for January was 150,000,000 gallons as compared to the prior year figure of 87,000,000 gallons, reflecting a increase of +72.4%; corresponding revenue for January was \$55,780.54 contrasted with \$32,082.34 for the January 2019 also, reflecting a percentage of increase at +73.9%.

Chairman Kunze inquired whether there were any questions; none arose and no action was required.

### **Review of the Budget Report.**

Mr. Giles pointed the Board to the Report of Variances [maintained on a fiscal-year basis] for January (7) months of the fiscal YTD [Tab 8]. Actual Income-to-Budget figures reflects a monthly increase of +4.3% and an decrease of expenses of -20.6% YTD. The month income-to-Budget remain under the budgeted amount at -33.1% for the month and -.9% respectively.

Income compared to prior year reflects an increase of +5.8% for the month of January and an increase of +10.2% YTD. Expenses compared to prior year reflect a decrease of -16.7% for the month and increase of +11.1% YTD. Detailed budget entries for both the month and the Year-to-Date figures are found in the itemized budget [Tab 13] for review by line item for the month, by department and by fiscal year-to-date.

Mr. Giles stated that unless there were any questions, he had no additional information concerning the budget. Chairman Kunze inquired if there were any questions or discussion; none arose, and no action was required.

### **Old Business.**

Mr. Rick Lang and Mr. Bill Giles neither have any old Business to report.

There was no further discussion and no action required.

### **New Business.**

**Under the Open Meeting Act, this agenda item is authorized only for matters not known about or which could not have been reasonable foreseen prior to the time of posting the agenda or any revised agenda.**

Mr. Rick Lang and Mr. Bill Giles neither have any new Business to report.

There was no further discussion and no action required.

#### **Discussion and action of the Claims Lists.**

Mr. Giles directed the Board to the Claims Lists [Tab 14]. Following the Board's review of the Claims Lists, Chairman Kunze inquired as to any questions or discussion. Mr. Charles Stinnett Entered a Motion that the Claims List be approved; Mr. Gary Rogers Entered a Second to the Motion. Roll Call: Mr. Jim Self, yes; Mr. Gary Rogers, yes; Mr. Charles Stinnett yes; Mr. Chad Jester, yes; and Mr. Arnold Kunze, yes.

The Motion to approve the claims list, stands approved as entered.

#### **Review of Investment Statement.**

Mr. Giles referred the Board to the Investment Statement, [Tab 15, final page] to review the information. As of January 30th, the aggregate value had shown a increase in value from \$750,245.90 to \$764,575.59.

There was no further discussion and no action required.

#### **Adjournment**

With no further business to conduct, Mr. Gary Rogers Entered a Motion to Adjourn; Mr. Charles Stinnett Moved to Second the Motion. Roll Call: Mr. Arnold Kunze, yes; Mr. Charles Stinnett yes; Mr. Gary Rogers, yes; Mr. Chad Jester, yes; and Mr. Jim Self, yes. The Motion to Adjourn stands approved.

**The meeting stands adjourned at 8:14 p.m.**