

Board Meeting
Rural Water District #4
Wagoner County

January 14, 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, and Mr. Gary Rogers, present.

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

Citizens Present: Mr. Chad Jester, 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. 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 12-10-2019 Regular Board Meeting.

Chairman Arnold Kunze called for review of the Minutes recorded for the 12-10-2019 Regular Board Meeting [Tab 2]. Following Board review and without discussion, Mr. Charles Stinnett entered a Motion that the Minutes of 12-10-2019 Regular Board Meeting be approved; Mr. Jim Self Moved to Second the Motion. Roll Call: Mr. Arnold Kunze, yes; Mr. Charles Stinnett, yes; Mr. Gary Rogers, yes; and Mr. Jim Self, yes. The Minutes of 12-10-2019 Regular Board Meeting stand approved as entered.

Discussion and action on approval of appointment of Chad Jester to Ward 3 vacancy on the Board for the remaining term, expiring October 2021.

Chairman Kunze acknowledged for the record that citizen present was Mr. Chad Jester. Mr. Chad Jester is interested in filling in the vacancy in Ward 3 for the remaining term, expiring October 2021. Following Board review and without discussion, Mr. Jim Self entered a Motion to approve Mr. Chad Jester to Ward 3 vacancy on the Board for the remaining term to be approved; Mr. Gary Rogers Moved to Second the Motion. Roll Call: Mr. Arnold Kunze, yes; Mr. Charles Stinnett, yes; Mr. Gary Rogers, yes; and Mr. Jim Self, yes. The appointment of Mr. Chad Jester to the Ward 3 vacancy on the Board for the remaining term stands approved.

Discussion and action on approval on items from citizens present.

- a) **Per customer's request, to allow Glen Eagle's Leasing to have extended payment terms.**

Glen Eagles representatives were not present.

- b) **Per customer's request, to allow Frank Reed account (23200) an adjustment to normal usage for September leak, in addition to leak adjustment given in October.**

Mr. Frank Reed was not present.

Discussion and action on approval to dispose the excess inventory (2009 Ford F250 4WD) by bid for not less than \$5,000.00.

Mr. Rick Lang stated that we picked the two new trucks up on December 27, 2019 and that both trucks are in service. The 2009 truck is in fair condition and has 122,000 miles on it. The trade in allowance on Kelly Blue Book is \$4300.00 to \$5,000.00 with a recommended selling price \$4694.00.

Private sale is anywhere from \$7600.00 to \$9400.00 with a good selling price of \$8500.00. We are asking for sealed bids with a minimum number of \$5000.00 and anything lower than that will be thrown out. Following Board review and without discussion, Mr. Charles Stinnett entered a Motion to approve to dispose of excess inventory (2009 Ford F250 4 WD) by bid for not less than \$5,000.00 to be approved; 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 sale of the 2009 Ford F250 4 WD by bid stands approved as entered.

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 only 53,469 gallons of water purchased from the City of Tulsa for December. He then related that December sales records confirm forty five (45) meters sold during the month and thirty nine (39) meters installed. To this date in January, fifteen (15) meters have been sold.

The line breaks during the month were minimal. There was one leak in Stone Bluff at the Pump Station that was approx. 100,000 gallons there were 7 others that were smaller leaks for the month that ranged from 500 to 2,000 gallons. Fire-Hydrant Flushing was about 300,000 gallons for the month.

He reported that the December pumpage report recorded 63,025,000 gallons of water pumped from the District's water plant for an average flow of approximately 2,033,000 gallons per day. He had no additional information; no discussion or questions arose --- no action was required.

Discussion and Review of the Engineering Report

Mr. Giles referred the Board to the Engineering report [Tab 3, next to final page]. The District's Engineer, Ryan Smith, said that not a lot has changed. As far as the Wastewater treatment plant goes, the date of the 75% completion January, 2020. They are pushing the 100% completion to April, 2020,

and the Bid Documents by June, 2020. Rick stated that B2 and B1 lift stations have to be completely rebuilt. We found out as of January 16, 2020 that B2 was built in a flood plain when it was built in 1999. The location will have to be moved 1,000 foot to the South, we have been in contact with the land owner this week.

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

Discussion and Review on the Business Manager's 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 December.

The New Debt Service Fund has a balance of \$67,253.32.

The Rural Development Reserve Fund currently stands at \$352,641.48.

The Reserve Fund has a balance of \$920,214.12.

The Current Debt Service Reserve balance is currently \$95,172.60.

The Oneta Energy's December bill has been submitted.

Mr. Giles referred the Board to the Monthly Billing Recap [Tab 8, pg. 1]; water loss calculations for the calendar year (12 months). He related that the water loss for the 12-month period was a negative -10.03%.

Concerning the Caselle update, the trip for the training is coming up. The Board Meeting for February has been moved to February 18, 2020

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 #18 in the amount of \$168,430.79 for work performed in December 2019 and engineering and Inspection during this time period.

Mr. Giles referred the Board to [Tab 7] for review. Ryan stated that this pay request includes payment to the contractor Cook Consulting for the work that they performed in December. That pay amount is \$157,206.12 and for inspection and engineering for \$11,224.67. All the lines in Stone Bluff have passed and they are tying customers onto the line as fast as they can. They are about half way done. They are making progress and will begin to complete the work on 209th.

Mr. Charles Stinnett entered a Motion that the Board approve the Pay Requisition #18 in the amount of \$168,430.79 for the work performed in December 2019. Gary Rogers moved to second the motion. Roll Call: Mr. Chad Jester, yes; Mr. Jim Self, yes, Mr. Gary Rogers, yes; Mr. Charles Stinnett, yes and, Mr. Arnold Kunze, yes. The motion to approve the Pay Requisition #18 in the amount of \$168,430.79 stands approved.

Discussion and review on Water Plant and distribution issues.

Mr. Lang stated that the acti flow system has been having some issues. The old filter plant that Crossland rebuilt are all put back together. Filter 1A and 1B is running good but still needs carbon in both of them. Filters 2A and 2B are still high on manganese which needs Carbon. Mark Mulder with POE emailed today stating that Crossland is going to add the extra Carbon to 1A because that is the one that blew out and bring it up to level. But they are not wanting to put Carbon in 2A and 2B because of the plant run time that may have lost the Carbon. We did not run 2A and 2B to lose any Carbon because, it was never producing good drinking water. They are going to have to go thru the Board and our Attorney to settle up.

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

Discussion and Review of Waste Water Plant and Distribution Issues.

Mr. Keith Nixon reviewed that the discharge for the month was almost 8 million gallons and the intake was 11 million gallons. A couple weeks ago we had a pump die at B1 lift station. That is the largest lift station that we have. They were pumping the water down so they could get to it and another pump went out. The pump that they took out is at the shop and should get it back this week. After that comes back they will take the back-up pump to the shop for repairs. Several grinder pumps were pulled in the month of December. The sewer staff rebuilt 6 grinder pumps for the month. After discussion, Mr. Lang said he had no additional information; no discussion ensued and no action was required.

Discussion and Review of Oneta Power Activity.

The District's Business Manager, Mr. Bill Giles directed the Board's attention to variances [Tab 8, pg. 2]; 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-December was 1,471,000,000 gallons as compared to the prior year figure of 1,457,000,000 gallons, reflecting a increase of +1.0%; corresponding revenue for January-December was \$544,567.84 contrasted with \$540,603.02 for the January-December 2018 also, reflecting a percentage of increase at +0.7%.

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 the six months (July – December 2019). Actual Income-to-Budget figures reflects a monthly increase of

12.5% and a increase of +5.8% YTD. December and YTD Expenses-to-Budget remain under the budgeted amount at -37.3% for the month and -21.0% YTD respectively.

Income compared to prior year reflects a increase of +25.3% for the month of December and a increase of +11.6% YTD. Expenses compared to prior year reflect a increase of +13.0% for the month and +12.9% 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. Lang stated that one thing we did not cover under the water plant was the North Clearwell that requires removal of accumulated sludge. We received a quote from Brent Beatty that was fairly high and talked to Chris and Jeff at Oneta for their recommendation. They used a company called Phoenix in Glenpool and their quote is half of what the other gentleman quoted. On the 22nd of January they will go in and clean the media out of the bottom of the Clearwell, and it should take 3-4 days. Mr. Lang and Mr. Giles stated that they had no other 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. Duane Riffe has a legal document to vacate a partial easement in Highland Creek Phase II. Mr. Riffe states that it looks like a house is encroached into the utility easement about 2 feet.

Both Mr. Lang and Mr. Giles stated that they had no other new business to report. There was no further discussion and no action required.

Discussion and action on the Claims List

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. Gary Rogers Entered a Motion that the Claims List be approved; Mr. Charles Stinnett Entered a Second to the Motion. Roll Call: Mr. Chad Jester, yes; Mr. Jim Self, yes; Mr. Gary Rogers, yes; Mr. Charles Stinnett yes; and Mr. Arnold Kunze, yes.

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

Review of the Investment Statement

Mr. Giles referred the Board to the Investment Statement, [Tab 15, final page] to review the information. As of December 31st, the aggregate value had shown an increase in all categories of investment, reflecting a growth factor in the aggregate valuation of the portfolio from \$750,177.22 to \$750,245.90.

There was no further discussion and no action required.

Adjournment

With no further business to conduct, Mr. Charles Stinnett Entered a Motion to Adjourn; Mr. Jim Self 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 Motion to Adjourn stands approved.

The meeting stands adjourned at 7:42 p.m.

Signature Copy