

WATER BOARD MEETING
MARCH 15, 2011
6:00 P.M.

The meeting was called to order by Chuck Storie, Board President.

The Pledge of Allegiance was recited.

ROLL CALL:

PRESENT - Board President Chuck Storie, Board Members; Tony Higginbotham, Frank Massey, John Wall and Robin Meyer; Rick Denney, Plant Superintendent, Gary Murray, City Engineer; and Donna Lecher, Utilities Office Manager.

ABSENT – Terry Coriden & Bryce Wagner from Coriden Law Office

The Minutes of the February 15, 2011 Water Board Meeting were approved.

- 1. HOLLAND LEASE** – Rick stated last year the Board discussed whether to keep the property that is leased to Holland's up around Flatrock, sell it or log it? He couldn't remember what was decided. Ted Holland has been leasing the property for years. Rick stated the lease is coming up soon. He recommended logging it and if they decided to, to contact a Forester first. The Forester creates a bid list of people to log it. Darren Burkhart, from HNTB, was asked if it was ever considered as a Reservoir site. Darren's response was that he had heard that the soil contained too much sand and that there would have to be 20 feet of soil dug out to be able to use it. He mentioned that they have not done any recent soil borings. Chuck stated Frank Smith, Sr. had appraised the property when he was on the board several years ago and the rent was appropriate at that time. There is approximately 140 acres, with a lot of that being wooded. The only proper way to get to the property is from the Holland side. Rick recommended having Brian Cruiser look at the trees. We can designate when we want the property to be logged (what time of year so to not disturb any crops). **Robin made a motion for Rick to check into logging the property and to bring information back from Brian Cruiser next month. Tony second the motion, all ayes and passed.** Further discussion after passing the logging motion to speak to the renter and to see what his thoughts were as far as logging and to possibly wait another year. It was decided to accept the Leasing Contract for another year. **Motion to pass the contract to Ted Holland for \$2,212.50 per half year by Robin, second by John, all ayes and passed.**
- 2. 731 NORTH LINCOLN WATER LEAK** – Rick presented an adjustment request due to an underground leak. From what he could tell, after talking to the plumber who repaired the leak, the contractor working on Lincoln Street might have disturbed the setting, as it had a nail sized hole 2-3 inches from where it ties in to the line. The board asked how the leak was noticed. Rick stated the meter readings had been estimated 2 months in a row. Donna told the board the meter readers noticed the leak when they finally were able to read it in February. Rick stated, this is a good example why radio read meters would be good to have. The leak could have been caught sooner. The amount of the water portion of the bill is \$2,343.14. Chuck asked Donna what their average bill was and she stated their 12 month average is \$10.05. **Robin made motion, John second, to adjust the water portion of the bill to their 12 month average, \$10.05, all ayes and motion carried.**

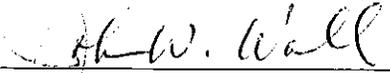
- 3. **RADIO READ METERS** – Gary Murray stated the board should have received in their packets the RFP’s for the proposed radio read meter system. They were rewritten to seek vendors that have the newest technology to be able to push updates from the firmware to the pit. Gary was seeking approval of the RFP’s as well as wanting a volunteer from the board to sit on the review committee. The board asked if Counsel has seen this. Gary stated Janet had scanned it in and sent it to them. **Motion was made by Robin and second by Tony to pass the RFP for advertising, all ayes and passed.** After board discussion, Frank nominated Robin to sit on the committee to review the proposals/bids.

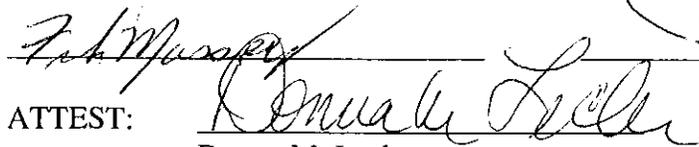
- 4. **HNTB** – Darren Burkhardt stated the Raw Water Line is 98% installed. Approximately 1000 feet of line was put in last month. As of the 1st of the month there was 600 feet left to install. The contractor wants to have his main crew out of here by the end of this month. They are doing some preliminary testing and all is going well. 93% has been billed. There will be a change order next month due to running into fiber (the drawings didn’t show the fiber most likely because the project was designed in 2007 and it didn’t go to bid until 2010). Typical change orders end up being about 3% of the total bid, which would be around \$115-120,000.00. This change order should be around \$11-12,000.00. The contractor requested an extension to May 1st, 2011. They plan on having all work done by the end of March and the restoration by the end of April. The asphalt plants are opening April 1st.

- 5. **MAYOR GARY HERBERT – ISSUES THAT HE WISHES TO PRESENT TO THE BOARD** – The Mayor was absent. Rick mentioned he has the 2nd Amendment to the Rural Water Contract. It has been signed by Rural Water and the Mayor but still needs to be signed by the City Attorney. John asked Donna about the December 2010 financials that were in their packets. He asked Donna about increased revenue due to the 5% increase, if expenses were down and the overall condition of the utility. Donna stated expenses were down, our accounts receivable was \$20,000 up, income vs. expenses was \$178, 282.25 up, and we were able to transfer \$27,000.00 into depreciation. On the flip side of that, we spent \$39,922.08. She stated our depreciation expense for 2010 was \$320,751.48 and we should have been able to transfer \$26,729.29 per month for good business. There was a shortfall of \$293,751.48. John asked about department 84, Trans & Dist, Operations. There was an eleven thousand dollar increase in December. Donna wasn’t sure off hand but assumed it was the fiscal inventory posting. She will report next month. John had requested a simplified “snapshot” for monthly reporting and to let them know of unusual expenses, unusual consumption, or whatever that may occur they should know about.

With nothing more to come before the board, Chuck adjourned the meeting at 6:40 pm.

PRESIDING OFFICER 



ATTEST: Donna M. Lecher
Water Office Manager