

PUBLIC WATER SUPPLY DISTRICT #13
Minutes of the December 8, 2010
Regular Session of the Board of Trustees

The Board of Directors of Public Water District #13, Jefferson County Missouri met in regular session at 7:00 p.m. on December 8, 2010 at the Lake Tishomingo Community Center, Hillsboro, Missouri.

Roll Call of Directors

The following Directors being present or absent as indicated:

<u>Name</u>	<u>Present/Absent</u>
Marilyn Meyer	Present
Rich Hirsch	Present
Rick Lippitt	Absent
John Hindrichs	Present
Ken Jost	Present

Also in attendance was Janet Hirsch (JWH, LTPOA Board member).

Approval of Agenda

Motion was made by Rich Hirsch and seconded by Ken Jost to accept the agenda. On voice vote, all Directors were in favor of accepting the agenda.

Approval of Minutes of Past Meetings

The regular session Minutes of the November 10, 2010 meeting were emailed to the Directors prior to the meeting. Motion was made by Ken Jost to approve the regular session Minutes as written. Second was by John Hindrichs. On voice vote, the regular session Minutes were approved.

Treasurer's Report

Invoices to be approved

In Treasurer Carol Kline's absence, JWH reported that five payments were being submitted for payment approval at tonight's meeting. These submissions are listed below.

PWSD#13 Invoices presented for approval December 8, 2010						
date	category	Payee	invoice amt	MO DNR 40% grant	MO DNR RS grant (50%)	USDA-RD loan
12/6/2010	engineering	Taylor Engineering	1,726.45	690.58	863.23	172.65
12/6/2010	engineering	Taylor Engineering	2,351.13	940.45	1,175.57	235.11
12/6/2010	engineering	Taylor Engineering	9,119.49	3,647.80	4,559.75	911.95
12/6/2010	construction	TGB Inc	158,361.75	63,344.70	79,180.88	15,836.18
10/13/2010	legal	Gilmore & Bell	14,600.00	0.00	0.00	14,600
		Total	186,158.82	68,623.53	85,779.41	31,755.88

Notes

- a) The Gilmore & Bell item was listed in the budget as \$42,000. This is their complete bill for their services as bond counsel.
- b) TGB's bill this period is for: force main, 2810 ft., ~\$30k; treatment plant, 19%, ~\$127k; and staging area, 17%, \$21k

- c) At this point TGB is not billing us for material on hand but unused, like force main on spools in the staging area.
- d) Taylor's bill is \$9119.49 for resident inspection; \$2351 for construction inspection/admin.; \$1726.45 for construction testing

Motion was made by John Hindrichs to approve payment of the above invoices. Second was by Ken Jost. On voice vote, payment of the invoices was approved.

Old Business

Electrical circuit installation progress

MM reported that she has received 199 electrical easement agreements and 179 certification forms as of 12/08/2010. Marilyn also has a list of those homes that have not returned forms.

JH suggested we check the electrical circuits to make sure they are installed properly before it is time for the District's contractor to connect a house to a STEP tank. That way, if a house has the wrong disconnect, the homeowner can call his contractor to correct the problem. JH will check for the correct disconnect and for 12 gauge wire, which signifies a 20 amp circuit. John said he cannot check for a dedicated circuit. John also suggested having "PWSD #13" magnetic signs made to be used when we check out the electrical circuits. John's suggestion was approved by the Board.

JWH will take the list of homeowners from MM and update the list and order them by address for easy checking.

MM said that Donna Martin (USDA-RD) was uncomfortable that the District did not plan to register all of the electrical easements it received with the county clerk. *[The advantage of registration is that if the property is sold, the new owner is bound by the easement.]* The problem is that registration could cost the District over \$6,000 (\$27 per registration), which the District does not have. So the decision was made to register an easement for a property that was to be sold. To ease Donna's mind, MM asked our attorney, Bob Sweeney, for a letter to give to Donna stating that he agrees with the District's policy on this matter. *[That letter is attached to these Minutes. -RH]*

Construction update

Treatment plant: Concrete testing results

JH reported that there will be a test of the recirculation tank's wall concrete sample cylinders on Thursday to determine their 27 day strength. If the cylinders pass the test (4000 psi or better), the recirculation tank ceiling will be poured on Friday.

Floor concrete sample cylinders passed the 28 day strength tests. The engineers were worried about the floor strength, because samples tested in less than 28 days showed strengths lower than expected. JH said that this was because the concrete used by the contractor contains fly ash as an additive, and fly ash makes concrete cure more slowly.

Homeowner's questions/problems, progress in resolving

Mike Larensen's still working on this. We need to get a report on how this is going and what changes are planned.

Election April 2011 issues

The ad for the two open positions in subdistricts 3 and 4 was submitted to the paper *The Countian of Jefferson County* and it is scheduled to run on Friday, Dec. 10.

New Business

AmerenUE Easement

To power the treatment plant, two new utility poles must be erected in the treatment plant area. To do this AUE requires an easement from the District. This easement allows AUE to construct and maintain electric and telecommunication lines on property owned by PWSD #13.

Motion made by RH to authorize President Meyer to sign the easement for the District. Motion seconded by John Hindrichs. Motion passed.

Old Sales Office as PWSD #13's office

There is a question of how much it will cost to install toilet facilities in the "old sales office" located at 5706 N. Lakeshore Dr. JWH has contacted Sharon Tielke to get an estimate as to the cost of boring to provide water service to the building. JWH will also contact Rick Kardell and discuss the bathroom installation.

Change of Meeting Location

Starting with the January 2011 meeting, the location of the meeting will be changed from the LT Community House to the "old sales office" located at 5706 N. Lakeshore Dr. This change is being made for three reasons:

- There was pressure from the management of the Community House to help pay heating costs for the building. The District has no money budgeted for this.
- We expect the "old sales office" to be the District's office very soon.
- The size of the "old sales office" is more appropriate for the number of attendees we usually get.

Attorney's Report

There was no attorney's report:

Engineer's Report

There was no engineer's report:

Adjournment

There being no other formal business to come before the Board, a motion to adjourn was made by John Hindrichs and seconded by Ken Jost. Motion passed with all Directors in approval. Meeting ended at 7:45.

Respectfully Submitted,

Rich Hirsch
Recording Secretary

Approved this 11th day of January, 2011.

Secretary
January 6, 2011

Chairman

MEMORANDUM

DATE: December 8, 2010
TO: Marilyn Meyer
FROM: Bob Sweeney
SUBJECT: Easements

Marilyn,

In response to our conversation several weeks ago, I have considered the concern regarding the various easements obtained by the District.

My recollection and understanding is that the District worked feverishly to obtain the scores of easements necessary to make the appropriate electrical connections – thus allowing the sewage system to function. The concern, regarding the easements, centers on the fact that the District did not record these easements. Failure to record the easements is potentially problematic. The specific problem is that, with limited exceptions, if the property is exchanged and the easement has not been recorded, the new owner is not bound by the easement. In other words, the District would have to obtain another easement from the new owner.

What makes the situation difficult is the fact that the District has very few funds; and perhaps close to zero funds allocated for recordation of easements. All things being equal, the simple solution would be to record the easements. However, you can't spin straw into gold; and if the District does not have the resources to have the easements recorded, another plan must be implemented.

My suggestion is for the District to adopt a policy of policing the exchange of real estate. The easements are binding on the parties that signed them, whether recorded or not. By adopting a stringent policy for policing the exchange of property within the District, the District would be aware of properties that were subject to exchange and could selectively record the easements of only those properties that appeared likely to be exchanged. This would allow the District to allocate resources only when absolutely necessary. This plan, however, is not fool proof. Exchanges could go undetected; and the District would lose its easement.

There is one other option: have the property owner pay for the easement. Frankly, that is not a very likely solution. In my years of experience, I am unaware of any grantor paying for the easement that he/she/it just gave. I suppose it is worth discussion, but I suspect that it would be just as likely to win the lottery without even buying a ticket.

In short, money is the only perfect solution. However, because of the numerous easements, it is impossible for the District to pay for all the necessary recordation. As such, the less than perfect policing approach is the only solution at this point.