

PUBLIC WATER SUPPLY DISTRICT #13
Minutes of the May 9, 2012
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 May 9, 2012 at 5706 N. Lakeshore Dr., 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	Present
John Hindrichs	Present
Ken Jost	Present (arrived at 7:08am)

Also in attendance was Janet Hirsch (JWH, LTPOA Board member, Bank Administrator), and Frances Hovis (FH, Treasurer).

Approval of Agenda

Motion was made by John Hindrichs and seconded by Rick Lippitt 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 Apr 11, 2012 meeting were emailed to the Directors prior to the meeting. Motion was made by John Hindrichs to approve the regular session Minutes as written. Second was by Rick Lippitt. On voice vote, the regular session Minutes were approved.

The regular session Minutes of the special Apr 24, 2012 meeting were emailed to the Directors prior to the meeting. At MM's request, the Minutes were changed to "Numerous documents were signed and sealed. *The legal documents will be forthcoming from Robt. Sweeney and put into the district's legal file.*" [*The italicized words were added--rhh.*] Motion was made by John Hindrichs to approve the special meeting Minutes as changed. Second was by Rick Lippitt. On voice vote, the special meeting Minutes were approved.

Treasurer's Report

Billing and Delinquent payment issues

JWH reported that homeowners were sent one disconnection notice and three lien notices. The disconnection hearing date was set for 9am on Tuesday May 22. The homeowner who received a disconnection notice last month has had a lien placed against his property. He has made a partial payment and at least for now, will not be disconnected. There was a discussion on whether someone should be removed from the disconnection list if his bill is not paid in full.

Financial Reports

Net cash inflow for April 2012 was \$14,217.66. This amount does not include loan repayment principal or interest which is estimated at \$6,980 per month beginning in May.

JWH explained the financial reports prepared by our bookkeeper Jennie K.

JWH handed out the cash flow report for Apr 2012 required by USDA-RD. Cash inflow was \$17,489; total outflow was \$3,271.34; net cash flow was \$14,217.66.

The April 2012 cash report is attached.

Invoices to be approved

Sixteen payments were submitted for payment approval.

Date	Category	Payee	Invoice amt	Notes
04/30/2012	Construction	TGB Inc	18,972.00	
03/01/2012	Construction	Taylor Eng. inspection (paid)	484.73	a
01/30/2012	Construction	Taylor Eng. inspection	418.70	
04/01/2012	Construction	Taylor Eng. inspection	473.10	
05/01/2012	Construction	Taylor Eng. inspection	4362.65	
04/15/2012	O&M	AT&T (preapproved)	41.47	
05/01/2012	O&M	Ameren (directpay)	193.39	
05/01/2012	O&M	Faletti, CPA	00.00	
05/07/2012	O&M	Kimmel, accounting	415.00	
04/30/2012	O&M	WRM, WWPT Operator	805.00	
04/30/2012	O&M	JWH stamps for 5/1 billing	108.00	
04/13/2012	O&M	MM recording fees	48.90	
05/02/2012	O&M	Sweeney, legal	831.45	b
04/11/2012	O&M	JH mileage for obtaining trailer	111.00	
05/07/2012	O&M	Geldbach Pet. propane, 800gal	1441.98	
05/07/2012	O&M	Geldbach Pet., tank installation	257.82	
		Total	28,965.15	

Notes

- a) Invoice has already been paid
- b) Approximately 5.9 hr

The TGB bill was discussed at length. The bill for \$18, 972 is for completing half of the asphalt (\$500) and taking the Treatment Plant from 97% complete to 100% complete (\$18,472). While the board had no problem paying for the asphalt, the board did feel that the TGB bill for the TP should not be paid until the TP really was 100% complete. And the board felt that the TP was not complete as long as there were items on the TP punch list that could not be considered warranty items were finished. The main item on the TP punch list not completed was the seeding and strawing of the TP.

RH stated that even if this bill for the TP were approved and paid, the board would still hold approximately \$45k in retainage on the TP.

JH and RL opined that if we approve to pay the bill, we are admitting that the TP is 100% complete and therefore, the retainage should also be paid.

Because there was a question of the board approving the TGB bill, JWH made two versions of the paper work; one assuming that the TGB bill will be approved and one assuming that the TGB bill would not be approved.

Consensus was that an updated version of the TP punch list will be provided to TGB and that when the list is completed, the board will pay TGB's invoice. The list will include:

1. Place seed and straw. This includes proper site grading. The area between the fence closest to the dam and the gravel road also needs attention.
2. Clean out CMP under roadway near UV Unit.
3. Place and grade final rock on roadways at treatment plant and across dam.
4. Missing screw-in caps at end of 6" PVC underground collection pipes at recirculating sand filter cells #2 and #3.
5. A code-required bushing is missing where electrical wiring enters bottom of Storm Switch. Bushing prevents ragged metal edge from damaging wire insulation.

Motion was made by Rich Hirsch to approve payment of the above invoices, except for the TGB invoice. Second was by John Hindrichs. On voice vote, payment of the invoices was approved.

Motion was made by Rich Hirsch to approve payment of the TGB invoice after they complete a punch list of items put together by the District. Second was by Ken Jost. On voice vote, payment of the invoice was approved.

Motion made by JH to allow MM to receive payment from the Treasurer for recording any easements she deems necessary. Second was by RH. On voice vote, motion passed.

Balances

Fran reported the balances for March 31: Escrow (grant money left): \$107,616.18, Construction acct.: \$347,923.06, O&M acct.: \$80,373.58.

JWH: Donna Martin instructed us to move \$188,256.41 from the construction acct to the o&m acct to be used for the interest payment, o&m, and the audit. Also, we need to move \$2,295.67 from the escrow acct to the construction acct to cover Mo DNR's portion of Taylor Eng. invoices.

JWH: We must open a new Debt Service Reserve acct by May 24 and transfer into that acct from o&m \$962. If possible we should set up this acct to automatically transfer \$962 every month for 10 yrs.

Credit applications from Geldbach Pet. and FloSystems

From Geldbach we received a contract to rent the tank and deliver propane. Tank is free for first yr, then \$72/yr after that.

Motion was made by John Hindrichs to allow Marilyn Meyer to enter into a contract with Geldbach Petroleum for tank rental. Second was by Rich Hirsch. On voice vote, motion passed.

Motion was made by John Hindrichs to allow Marilyn Meyer to apply for credit from Geldbach Propane. Second was by Rich Hirsch. On voice vote, motion passed.

Motion was made by John Hindrichs to allow Marilyn Meyer to apply for credit from FloSystems. Second was by Rich Hirsch. On voice vote, motion passed.

Postcard invoices

It currently takes three hrs to do the monthly billing invoices using envelopes. That is, to print, fold and stuff. JWH proposed going to a post card invoice similar to what AUE has. This will reduce the cost from \$0.6225 per letter to \$0.393 per postcard. And the assembly process will be reduced from 3 hrs. If a homeowner is to receive a lien or disconnection notice, they would receive the notice in an envelope with a statement.

Motion was made by John Hindrichs to allow Janet Hirsch to switch over our billing from envelopes containing statements to postcards. Second was by Rick Lippitt. On voice vote, motion passed.

Sewer office utilities

MM suggested the district take over paying the sewer office utilities that are currently paid for by the LTPOA (the sewer and electric bills).

JWH: There are two reasons why I think we should not yet offer to take over paying the utilities: 1) We are too young an organization to pay close to \$100 per month in extra utility bills and 2) The district is providing a very valuable service to the Owner's Association in excess of \$100 per month. By letting the LTPOA pay the sewer office sewer bill, we are being partially compensated for providing that service.

MM disagreed. She said that the LTPOA paid for the plumbing and drilling the water line, new windows and a new roof. MM: I think it would be good policy for us to pay for the utilities.

JWH: But a new roof and new windows should have been done anyway -- even if the building was not used as the sewer office, because the building was deteriorating. I have no problem paying the electric bill, but the sewer bill is substantially more.

MM: John D. does not want to collect rent, because the LTPOA is not supposed to be a profit center.

JWH: The LTPOA can use the building as a meeting place and they will continue to use it for file storage.

RH: Has the LTPOA asked for the district to pay the sewer bill?

MM: No, but I think to be fair we should pay it.

RH: Having the LTPOA pay our sewer bill is a way for the lot owners that don't own houses to help pay for the sewers. You may ask, "Why should a lot owner that is not connected to the sewer pay a portion of the sewer bill?" Because lot owners benefit from cleaner water for swimming and fishing, and their property's value should increase.

Motion was made by John Hindrichs to have the district pay the sewer electric bill starting next month. Second was by Rick Lippitt. On voice vote, motion passed.

Since there was disagreement on the district paying the sewer bill, and the LTPOA election was only a month off, the board decided to delay deciding to pay the sewer bill for the sewer office.

Old Business

Homeowner's questions/problems/concerns, progress in resolving

Fanger -- Bad odor. Dave went there twice and RH three times. We could not detect order when there. Homeowner was not there at the time. Sealing surface of lids and rims were carefully cleaned well and all obstructions removed so lid would seal well.

Kinninger -- Pump running continuously with no discharge. RH found pipe in riser had separated from fitting due to bad solvent weld and a valve in an external riser was shut off. This caused extra pressure which popped the pipe from the fitting. Weld that failed was factory weld, so foreman Bob was reluctant to fix.

Hirth -- low-level alarm sounding continuously. Dave and RH found system working properly, but splice box in tank riser was totally full of water, which caused a slight internal short. This short supplied enough AC voltage to cause the sonalert to sound.

Yard Restoration issues

The board is very upset about the poor quality landscaping work that is being done.

Bob Sweeney has not yet written his letter to TGB warning that we are close to contacting the bonding company because of dissatisfaction with the landscaping.

Tim Robbs will be asked to set up a meeting with Steve T. (TGB) and the board, so the unacceptable landscaping issues can be discussed.

MM: Homeowners are angry, we made a total mess of their yards and the landscape crew is a failure.

Operator Report -- analysis, emergency work, flows

Specs set by Mo DNR are being met. Inflow flow rates are up, as expected.

Dave started doing E. coli testing in April. Dave reported "0" colonies per deciliter.

Fischer Commercial Area

RH received a call from F. Mashburn (Mo DNR) asking about hooking up the QuickStop building, apartment and mobile home. RH told him to talk to Tim about capacity.

The board was not enthusiastic about the extra work involved and forcing hooking up homeowners that live along Lake Tishomingo Rd.

Emergency response plan

The form was given to KJ to fill out and return to USDA-RD.

Equipment list for new homeowners

RL: FloSystems has announced a price increases on May 10. I have informed the two new users, but I believe they are not yet ready to purchase equipment. I will get prices as required when they are ready to purchase.

RL knows what they need and has a contact at FloSystems.

Training info comes from Roth, the STEP tank maker. New users will need to fill out an easement form similar to what was given to M. Schweiss.

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 Rick Lippitt. Motion passed. Meeting ended at 9:16 p.m.

Respectfully Submitted,

Rich Hirsch
Recording Secretary

Approved this 12th day of June, 2012.

Secretary
June 11, 2012

Chairman

April 2012 Cash Report

Sewer Fees Invoiced	\$ 17,272.00
Sewer Fees Received	\$ 17,470.72
Overdue Amounts:	
30 days overdue	\$ 2,135.10
60 days overdue	\$ 730.04
90 days overdue	\$ 154.00

Cash Inflow

Sewer User Fees	\$ 17,470.72
Interest	18.28
	<u>17,489.00</u>

Cash Outflow

Audit	
Accounting	965.00
Treatment Plant Operator	1,145.00
Utilities - electric	213.09
Phone	41.47
Omni Site	
Shed	565.94
Insurance	
Maintenance/replacement	
MO DNR Annual Permit	
Legal	
Recording fees - easements & liens	
Postage & printing	5.04
Office	
Miscellaneous	
wwtp supplies	42.39
stamps for Apr 1 billings	108.00
rock for wwtp trailer	161.41
Bank Fee (ACH debit)	24.00
	<u>3,271.34</u>

Net Cash Flow	\$ 14,217.66
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