

PUBLIC WATER SUPPLY DISTRICT #13
Minutes of the August 8, 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 August 8, 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

Also in attendance was Janet Hirsch (JWH, PWSD#13 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 July 11, 2012 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 Rich Hirsch. On voice vote, the regular session Minutes were approved.

Treasurer's Report

Balances

Fran reported the balances for July 31: O&M reg.: \$25,919.09, O&M money mkt: \$250,071.92, Debt Service Reserve acct.: \$2,887.25 (accumulates over 10 yrs; provides backup if we cannot pay our loan payment), Escrow (grant money left): \$7.07 (interest on previous balance), and Construction acct.: \$0.

JWH handed out the cash flow report for July 2012 prepared by our bookkeeper Jennie K and required by our lender USDA-RD. Cash inflow was \$19,265.94; total outflow was \$9,668.32; net cash flow was \$9,597.62. The July 2012 cash report is attached.

JH asked if the amounts owed by Kreilick and Lowery are included in the "Overdue Amounts" total? The 90 days overdue is only \$310 and Kreilick owes over \$500. Janet will get details from Jenny.

The July cash inflow probably includes payment from new builder Sutterer for equipment he bought.

Billing issues

Janet reported that five lien notices were sent to homeowners on August 1. There were no legal action notices sent to homeowners on August 1. One homeowner was scheduled to have a lien placed on his property, but this has been delayed. That homeowner refuses to pay his sewer bill, because he feels his property was not properly restored by the contractor. This will be discussed later in the mtg.

Invoice approval

Nine invoices were submitted for payment approval.

Date	Payee	invoice amt	MDNR 40% grant	MDNR RS grant (50%)	USDA-RD loan
8/01/2012	Ameren Missouri (paid, DirectPay)	249.27			
7/15/2012	AT&T (paid, preapproved)	41.44			
8/05/2012	Kimmel, accounting	540.00			
8/01/2012	WRM, WWPT Operator	1,090.00			
8/03/2012	JWH, sewer billing expense (postage \$70.08)	74.88			
8/03/2012	JWH, COD charges, riser lids	27.44			
8/03/2012	JWH, Sewer office mailbox	10.99			
8/03/2012	JWH, wwtp padlocks	48.09			
8/06/2012	Sweeney, legal ^A	315.00			
	TOTAL	2,397.11	0.0	0.0	0.0

Notes: A: Includes charge for correspondence regarding project closing with TGB and disconnection vs. legal action changeover.

One bill received but not paid was from Taylor Eng. (7/31) for \$398.86 for eng. inspection. *[This was the amount remaining to be paid based on engineering addendum 4 -- rhh].*

Motion was made by John Hindrichs to approve payment of the above invoices, except for the TGB invoice, which will be considered separately. Second was by Ken Jost. On voice vote, payment of the invoices was approved.

A133 audit update

There was an email from D. Martin (USDA-RD) stressing the importance of getting the a133 audit done and submitted to USDA by Sep 1. JWH reported that the auditor was on schedule and should finish by Sep.

Old Business

Project Closing -- conditions set for TGB and their acceptance

RH: We were advised by our attorney to tell TGB what we expect of them when they come back in fall to finish up work on the sewer project. In exchange for their agreement, we would pay them the remainder of what we owed them including all of the retainage. TGB's acceptance of "Our Expectations" is attached in Appendix 1.

The warranty "book" provided by Dan (FloSys) is 4 pages long so far. It contains warranties from Roth Multi-tank, Orenco, Toshiba (flow meters), and TGB from the contract doc.

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

Mr. A

The Board discussed Mr. A, a homeowner that refused to pay his sewer bill because he believed his property had not been properly restored by the contractor.

RH: We finally received an email (8/2/2012) from Mr. A that specified dollar amounts for compensation he feels he is due because he restored his properties himself, rather than wait for TGB to do it. Mr. A actually owns two properties, "S" and "N". On property S, Mr. A is up to date on sewer payments. On property N he owes \$230.

Any compensation Mr. A gets from the District will be passed on to TGB for reimbursement.

RH: For property N, Mr. A makes two demands: 1) That the tank risers be cut down so the lids are closer to the ground and 2) that Mr. A receive compensation for two trees damaged by the TGB. Mr. A replaced the trees himself at a cost of \$167.50 (does not include labor).

RH: For property S, Mr. A also makes two demands: 1) That a bill for \$250 be paid for "cleaning up the trench line untouched since Jan." and to bring in topsoil and Zoysia to match the existing yard, and 2) that Mr. A be compensated for what it costs for H2O-Pro to dig up and replace a sprinkler head broken by TGB.

In terms of property N, RH recommended that we send a check to Mr. A for \$167.50 for the trees, because the district received multiple emails from Mr. A in Oct 2011 and May 2012 requesting TGB to restore the property and they did nothing.

JH objected: I don't think we should give Mr. A any compensation. All homeowners were told that restoration was to be done by TGB and that if homeowners did it themselves, they would NOT be compensated.

As to cutting down the risers, RH said he didn't believe we could do it, since the spec calls for the risers to be a minimum of 3 inches above grade and the risers are already below that.

Motion made by RH to send Mr. A a check for \$167.50 for property N to compensate for tree replacement. Tank risers would not be cut down. Second was by RL. Motion passed with one nay (by JH).

In terms of property S, MM said that she knew of cases where TGB had paid a sprinkler company to come in and replace a sprinkler head, so compensation may be reasonable. MM also said that she thought we should **not** reimburse Mr. A for yard work he did on his own property. We explicitly told people they would not be compensated for that. Also, many homeowners did work on their own property without compensation, so it would be unfair to pay Mr. A and not others.

Consensus of the Board was that Mr. A should submit his bill for sprinkler head replacement and we would consider payment, but Mr. A would not be reimbursed for his \$250 expense.

The board was under the impression that Mike L. (Taylor Eng.) had tried to contact Mr. A by email multiple times, but when RH asked Mike L. to send him copies of emails he had sent to Mr. A about his property restoration issues, RH only received one email from Mike. Mike sent that email on May 16, 2012 in response to an email sent by Mr. A on Oct. 24, 2012. Basically Mike's email asked about the type and size of the two trees. In Mike also said he later tried to call Mr. A, but Mike did not know when that call was made.

Mr. C:

RH provided some background: Jennie got a call from Mr. C that his tank smelled. RH went over, opened a lid, and found that the tank was overflowing. He then went to the control panel to see if an alarm was indicated. At the control panel he noticed there was no conduit (or wires) connected to the control panel. At first thought, he believed that the contractor had neglected to hook it up, because he couldn't believe someone would disconnect electrical cable to a new control panel.

At this point JH became involved. Inside the control panel (CP), JH noticed the wires going to the main terminal strip had been cut off and there were lock nuts at the bottom of the box that would have tightened conduit to the box. JH also pointed out that below the CP on the concrete wall, there were two anchors placed where they should be if they had held conduit leading to and away from the CP. Additionally, to the left of the panel, about 15 ft away was a disconnect box that had been gutted and now carried a heavy multi-wire electrical cable. JH said that a few weeks ago he had talked to a cohort of Mr. C's that told JH he had just installed a hot tub.

Apparently, the cohort had the electrical cable going to the sewer system control panel disconnected so he could hook up hot tub.

RH contacted Mr. C and told him the situation and Mr. C said he would have the tank pumped ASAP and the electrical hookup restored. JH checked back often until the system's functionality was restored. Two days after the leakage was discovered, C. & M. Holland sampled the lake water off of Mr. C's shoreline and found that the coliform concentration was below the limits of detection, so no significant contamination had occurred.

JH did a great job on checking on the workers and assisting them on finishing the job and is to be commended for his efforts. It took about one week to restore operation to the system.

There was a discussion about writing Mr. C a letter of reprimand quoting passages of our ordinances. Consensus of the Board was that it would be a waste of time.

MM: When I called Jeff County Health Dept, they said I should call the Bldg Dept. The Bldg Dept said that they had no jurisdiction and that the Sewer District should be contacted. Someone at the county level should have been concerned about the possibility of contamination of the soil or ground water.

JH: You should have explained to the head of the department that we don't have a "normal" sewer system. Each homeowner has a holding tank that is a septic tank and that if the electricity is disconnected, the sewage will overflow the tank onto the ground or back up into the house. In either case, it's a health hazard.

Odor Issues

RH sent emails to Fanger, and Wood and a letter to Goedeker asking them if they still had a problem with sewer odor. If they did, the email asked them if they would like a specialized gasket installed to try to help seal the lid better to the riser. Downside was that the lid would be raised 1/2" to 1".

Dan H. (FloSys) talked to Orenco and they said that normally when there is an odor problem it was due to a venting problem. If there was a problem with the house vent, the better sealing gasket may not help. Another test that could be done is a smoke test, but RH thought that for Fanger, the amount of grease present in the tank might present a fire hazard. RH suggested to Mr. Fanger getting his tank pumped, but he resisted, so we decided to try the better gasket first and see if that solves the problem.

Dan H. thought the problem with Wood's installation was that the sealing surface of the riser in spots is small due to TGB "scalloping" it in spots. Wood will get the better gasket treatment when Dan has time to show RH how to install it.

On Goedeker's tank Dan adjusted the floats to make sure the tank was venting to the house and added more screws to the tank lid to help sealing. RH wrote Mr. Goedeker and asked if after these changes, odor was still a problem. If so we will take additional steps to try to solve the odor problem.

Operator Report

Dave visited these houses in July/August:

- | | |
|--|----------------|
| 1) July 10: Training at TP | 2 hr |
| 2) July 13: Weak audible alarm; flooded splice box at 6508 S LSD (McClellan) | 1 hr |
| 3) July 13: Possible alarm at 7712 Circle Dr (Steen). Operation normal | 1 hr |
| 4) July 13: Service Call for 6508 S LSD & 7712 Circle Drive | 1 hr |
| 5) July 31: Check TGB repairs at 5812 N LSD (Rulo) | 0.25 hr |
| 6) July 31: Cleaned TP pump filters (5 of 6; 1 filter cleaned at training on 7/13) | Normal service |
| 7) Aug Knoll, weak audible alarm, splice box was NOT flooded. | |

Orenco told us that ground water might be leaking into the splice box if the conduit was cracked during installation or the conduit seal was not installed. They said that to remedy this, conduit sealing material can be added now, applied thru the splice box and thru the control panel. Both locations should be sealed.

Sharon (TGB) said she will take care of McClellan and Knoll alarm problems. Also, Sharon said that they did seal the conduit at the eight properties that had weak audible alarm problems.

New Business

There was no new business

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 8:40 p.m.

Respectfully Submitted,

Rich Hirsch
Recording Secretary

Approved this 12th day of September, 2012.

Secretary
September 10, 2012

Chairman

July 2012 Cash Report

Sewer Fees Invoiced	\$ 17,281.45
Sewer Fees Received	\$ 19,187.20
Overdue Amounts:	
30 days overdue	\$ 1,470.08
60 days overdue	\$ 838.40
90 days overdue	\$ 310.80
Cash Inflow	
Sewer User Fees	\$ 19,187.20
Interest	78.74
	<u>19,265.94</u>
Cash Outflow	
Accounting	380.00
Treatment Plant Operator	955.00
Utilities - electric	247.52
Phone	41.44
USDA Interest	6,980.00
Debt Service Account	962.00
Postage & printing	88.36
Bank Fees (ACH debit & overdraft)	14.00
	<u>9,668.32</u>
Net Cash Flow	<u>\$ 9,597.62</u>

APPENDIX 1

Our Expectations for when TGB returns to finish work on Lake Tishomingo Sewer Project

Subj: Our Expectations

Sharon,

On July 11 the Board approved payment of \$147,632.47 to TGB, if you agree to the items below.

We have been advised that we should go on record as to what we expect in terms of "seed & straw" when that phase of the project begins. Here are our expectations:

- 1) Your landscape crew will begin and finish between Aug 15 and Sep 30, 2012
- 2) Rocks larger than 1 inch will be removed from areas to be seeded.
- 3) Visible ruts in the areas to be seeded will be repaired by filling or smoothing.
- 4) We reserve the right to add properties to the "Seed & Straw" list when owners notify us of poor grass growth.

In addition we are assuming that you will deliver us the As-built plans, Warranty book, and Lids by the end of July.

Also, you must agree to complete the items on ML's NOW punch list and ML's S&S punch list. (I believe you previously agreed to complete these items.)

If you accept these conditions, please send me a confirming email. If you find any of these conditions unacceptable, please explain.

Thank you,

Rich Hirsch
PWSD #13 secretary

*From: "Sharon Tielke" <sharon@tgbinc.com>
To: "Rich Hirsch" <rhirsch@charter.net>*

*Subject: RE: PWSD #13: Our Expectations
Date: Tuesday, July 17, 2012 9:25*

This is our confirmation e-mail to the "Our Expectations" e-mail previously sent. Who shall I coordinate the check delivery or pick up with on your end?

Thanks.

*Sharon
TGB, Inc.
314/664-4444*