

**Rural Water District #4
Wagoner County
Regular Board Meeting - Amended
August 18, 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, on phone-present. Mr. Chad Jester, present.

Staff Present: Mr. Bill Giles, Mr. Rick Lang

Citizens Present: Citizens Present: Mr. & Mrs. Bertling

Join Meeting: call 480-712-7555 ID:1151-258-2331

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. Mr. Chad Jester, present..

Discussion and action on Approval of the Minutes of the 7-14-2020 Regular Board Meeting.

Chairman Arnold Kunze called for review of the Minutes recorded for the 7-14-2020 Regular Board Meeting [Tab 2]. Following Board review and without discussion, Mr. Jim Self entered a Motion that the Minutes of 7-14-2020 Regular Board Meeting be approved; Mr. Chad Jester Moved to Second the Motion. Roll Call: Mr. Arnold Kunze, yes; Mr. Charles Stinnett, yes; Mr. Gary Rogers, yes; and Mr. Jim Self, yes. Mr. Chad Jester, yes. The Minutes of 7-14-2020 Regular Board Meeting stand approved as entered.

Discussion and action on approval of the minutes of the 7/29/2020 Emergency Board Meeting.

Chairman Arnold Kunze called for review of the Minutes recorded for the 7-29-2020 Emergency Board Meeting [Tab 2]. Discussion ensued concerning some discrepancies with the wording. After further review, Mr. Chad Jester entered a Motion that the Minutes of 7-29-2020 Emergency Board Meeting be approved; pending required corrections Mr. Charles Stinnett Moved to Second the Motion. Roll Call: Mr. Arnold Kunze, yes; Mr. Charles Stinnett, yes; Mr. Gary Rogers, yes; and Mr. Jim Self, yes. Mr. Chad Jester, yes. The Minutes of 7-29-2020 Emergency Board Meeting stand approved as entered.

Discussion and action on approval on items from citizens present.

(a) Discussion and action on customer responsibility of meter testing expense for alleged usage per water meter that customer denies using (Bill Strickland/Lynn Bertling).

Mr. Giles referred the Board to the Exhibits [Tab 4]. Mr. Rick Lang stated that Mr. Bertling had a high usage on a meter that is located on his property at 24241 E 96th St. S. The district was asked to go pull a report on the meter and it indicated high usage from 5/24 – 6/5/2020. The discussion led to pulling the meter and sending it off for testing. The district sent the meter off to be tested and the results are in tab 4 which shows no defaults to the meter. Mrs. Bertling spoke up and asked about removing the meter since they no longer need it. Mr. Lang told her that we can revoke the meter and if they ever need it back they will have to pay \$375.00 but the monthly billing will stop. After much discussion the board reached a decision to do a cost adjustment on the account of \$308.43 and remove the late fee of \$2.43 leaving the balance of \$324.36. Mr. Chad Jester entered a Motion that the board gives the adjustment of \$ 308.43 to 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. Mr. Chad Jester, yes. The adjustment of \$308.43 stands approved as entered.

Connie Hebert came to the meeting and is not on the agenda for the month of August. She will be on the September Agenda. Mr. Lang stated that he has been talking to Mrs. Hebert since the beginning of July. Mr. Lang told the board that since the first of the year with us just going to Caselle that we had not been able to do Lock offs, as well as the Covid hitting and us not doing lock offs due to that as well. Mr. Herbert had a slab leak during this time. She thought that her bill was on bank draft which it was but one of the employees took her off of that due to her high bill. We had tried calling the customer and

could not get her. Mr. Lang stated that he called and she recalled him back. Mr. Adam Bindrum went out to the customers house the next day and they walked the property and did not find any leaks. Come to find out she has copper lines in the slab and she has a slab leak. Also through her looking and paying plumbers she also has a frost free hydrant leaking as well. Mrs. Hebert will be attending the September board meeting.

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 26,982,387 gallons of water purchased from the City of Tulsa for July. He then related that July sales records confirm fifty (50) meters sold during the month and sixty-three (63) meters installed. To this date in August, forty-four (44) meters have been sold.

There were a few small leaks in July. He had no additional information; no discussion or questions arose --- no action was required.

Discussion and Review on the Engineering Report.

Mr. Giles referred the Board to the Engineering report [Tab 3]. The District's Engineer, Ryan Smith stated that there has not been much change. As of now there has not been any changes on the 209th water line project. On the 101st St relocations there has been some activity on it, they are working very hard to get the preliminary plans completed by the end of August. On 193rd E Ave from 51st to 61st there hasn't been many changes for the last month. No change has been made on the 81st & Wright Place, City of Broken Arrow has revised their plans. They have been advised to call Mr. Rick Lang when they are ready to move to construction. The Wastewater Treatment Plant plans have been sent to ODEQ for permitting. Ryan still anticipating bidding them to project in late August or early September. Construction is still to begin in 2021.

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

Discussion and review of the Business Managers 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 July.

The New Debt Service Fund has a balance of \$68,302.54.

The Rural Development Reserve Fund currently stands at \$370,220.53.

Oneta Energy update: July bill submitted.

The Reserve Fund has a balance of \$886,838.07.

Monthly Billing Recap update.

The Current Debt Service Reserve balance \$67,234.85.

Caselle Update.

Mr. Giles reviewed some statistics from July's Billing and Usage summary, stated that the Auditors were on site on 8/7, and the candidacy deadline passed without any filing against Charles Stinnett.

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 #25 in the amount of \$206,309.07 for work performed in July 2020 and engineering and Inspection during this time period.

Mr. Giles referred the Board to [Tab 5]. This is for the work that Cook did from June 26 thru July 25, and also the inspection and engineering during this time. They are still making progress and are at 98% completion and 99% of time. After discussion, Mr. Chad Jester made a motion to approve Pay Requisition #25 in the amount of \$206,309.07 and Mr. Charles Stinnett seconded the

motion. Roll call: Mr. Arnold Kunze, yes; Mr. Charles Stinnett, yes; Mr. Gary Rogers, yes; Mr. Jim self, yes; Mr. Chad Jester, yes. The motion stands approved as entered.

Discussion and action to approve replacement of the Blue Springs pump station for the purpose of doubling he capacity and accepting the recommended proposal for the project.

Mr. Giles referred the Board to [Tab 6]. Mr. Rick Lang stated that this pump station has to be replaced. He stated that it is wore out. We have replaced impellers, motors and it is too small for the development that is in that area. Mr. Ryan Smith has contacted three pump manufactures for quotes. The three companies are EFI-Solutions, Usemco, and Gorman-Rupp. Usemco's bid came in at \$49,860.00, EFI-Solutions \$48,347.00, Gorman-Rupp \$68,081.52. Mr. Ryan Smith stated that EFISolutions is a better value and better components. After discussion, the board has given approval to purchase the replacement pump from EFI-Solutions.

Mr. Charles Stinnett made a motion to approve the recommended replacement of the Blue Springs pump station and Mr. Chad Jester seconded the motion. Roll call: Mr. Arnold Kunze, yes; Mr. Charles Stinnett, yes; Mr. Gary Rogers, yes; Mr. Jim self, yes; Mr. Chad Jester, yes. The motion stands approved as entered.

Discussion and action on Crossland Contractors' proposal to resolve settlement of their account balance.

Mr. Giles referred the Board to Tab 7 for review of exhibits. Mr. Rick Lang said that Crossland Contractors' are the ones that rebuilt the filters at the water plant. They had filter blow outs and other issues. When it was all said and done, we told them that their final payment was going to be about \$65,000.00. We withheld \$32,077.09 and they are disagreeing with that saying that part of it was our

fault and part of it was overage that the engineer shouldn't have charged. Mr. Duane Riffe stated that a letter came from Crossland Heavy Contractors wanting \$11,914.40 to resolve all issues. Mr. Riffe is asking for approval to send letter offering \$3,039.03 based on further review by the Engineer. If they accept, we would send them a check for that amount. Duane also asks for the authority to have the flexibility to offer up to an additional \$1,000.00 in the event they don't accept the original offer.

Mr. Charles Stinnett entered a motion that the board approve the recommendation from the Attorney and Mr. Jim Self seconded the motion.

Roll Call: Mr. Jim Self, yes; Mr. Gary Rogers, yes; Mr. Charles Stinnett yes; and Mr. Arnold Kunze, yes; Mr. Chad Jester, yes. The Motion that the Board approve Mr. Duane Riffe to send Crossland Heavy Contractors a letter offering to pay \$3,039.03, stands approved.

Discussion and action on the Oklahoma Water Resources Board's approval to use remaining fund from FAP loan to construct waterline for the Arkansas River crossing.

Mr. Giles referred the Board to [Tab 8]. Mr. Rick Lang stated that the money we borrowed to do the water line project throughout the district was a little over five million dollars. Our low bid came in just shy of four million dollars. Part of the money was used to fund the filter rehab, \$425,000 was approved to repair the waterline under the Arkansas River, and there is about \$683,195 available for projects. Mr. Lang is asking that we use \$425,000 of this loan money to do the emergency repair on the waterlines under the Arkansas River which the water resources board has already approved. Mr. Jim Self entered a motion that the board approve to use the remaining funds from the FAP loan to construct the waterline for the Arkansas River crossing. Mr. Chad Jester seconded the motion. Roll Call: Mr. Jim Self, yes; Mr. Gary Rogers, yes; Mr. Charles Stinnett yes; and Mr. Arnold Kunze, yes; Mr. Chad Jester, yes. The Motion that the Board approve to use the remaining funds from the FAP loan to construct waterline for the Arkansas River crossing, stands approved.

Discussion and review on Water plant and distribution issues.

Mr. Rick Lang stated that the water plant is running pretty good. He stated that an employee was fired for unauthorized use of a vehicle and leaving the plant for long periods at a time doing personal stuff.

No questions or discussion arose on the Water Plant and Distribution and no action was required at this time.

Discussion and Review on Waste Water Plant and collection issues.

Mr. Rick Lang stated that a couple of grinder pumps failed this past month. Everything else seems to be running pretty good at the sewer plant.

After discussion, Mr. Lang said he had no additional information; no discussion ensued and no action was required.

Discussion and review on Oneta power activity.

The District's Business Manager, Mr. Bill Giles directed the Board's attention to variances [Tab 10, pg. 1]; 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 YTD was 1,068,000,000 gallons as compared to the prior year figure of 848,000,000 gallons, reflecting a increase of +25.9%; corresponding revenue for YTD was \$395,446.41 contrasted with \$313,145.11 for the prior year also, reflecting a percentage of increase at +26.3%.

Chairman Kunze inquired whether there were any questions; none arose and no action was required.

Review of the Budget Report.

Mr. Giles referred the Board to [Tab 9]. This report is only for July which is the first month of the fiscal year. He explained the purpose of the earned expended percent and other reporting presentations that are being developed.

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.

Neither Mr. Rick Lang nor Mr. Bill Giles have any old Business to report. Mr. Duane Riffe stated that commissioners were appointed today to go out and look at the Yanez property. Once the commissioners report is returned we will send the Yanez family a letter with a 10 day notice to object. 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. Giles directed the Board to [Tab 12]. Mr. Rick Lang has a couple of DEQ permits for sewer. One is for East Village Phase II and the other is for sewer at Oneta Farms Phase III.

There was no further discussion and no action required.

Discussion and action of the Claims Lists.

Mr. Giles directed the Board to the Claims Lists [Tab 13]. Following the Board's review of the Claims Lists, Chairman Kunze inquired as to any questions or discussion. Mr. Charles Stinnett Entered a Motion that the Claims List be approved; Mr. Chad Jester Entered a Second to the Motion. Roll Call: Mr. Jim Self, yes; Mr. Gary Rogers, yes; Mr. Charles Stinnett yes; and Mr. Arnold Kunze, yes; Mr. Chad Jester, yes.

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

Review of Investment Statement.

Mr. Giles referred the Board to the Investment Statement, [handout] to review the information. As of July 31st, the aggregate value had shown a increase in value from \$784,040.48 to \$788,589.13. There was no further discussion and no action required.

Adjournment

With no further business to conduct, Mr. Chad Jester Entered a Motion to Adjourn; 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; Mr. Chad Jester, yes. The Motion to Adjourn stands approved.

The meeting stands adjourned at 9:15 p.m.