

Minutes for the Regular Meeting of the

**Board of Directors,
Cleveland County Rural Water District #1**

Thursday, June 8, 2023
7:00pm at the District Office (11341 SH 39 East)

The agenda for the meeting was posted at the meeting location on June 6, 2023 @ 8:45am.

1. Call to order and roll call.

The meeting was called to order by Chairman Richard Murnan at 7:18 pm. Board members in attendance were Robert Grisham, Jeannie Salmon, JoAnn Miller, and Richard Murnan. Board members Gary Koehn and David Standridge were absent.

2. Accept minutes of past meeting(s).

- a. A motion was made by Jeannie Salmon and seconded by Robert Grisham to accept the May 16, 2023, Special meeting minutes with the following change:
 - i. Correction to the title to reflect this was a “Special Meeting” not a “Regular Meeting”,
 - ii. Correction to agenda items 1, 2(a), and the Secretary signature block changing “Jo Ann Miller-Dudgeon” to “Jo Ann Miller” (i.e., name change made official), and
 - iii. Change the word “First Fidelity Band” to “First Fidelity Bank” in agenda item 3(c).

Voice vote was unanimous in favor and the motion carried.

3. Consider action needed for approval of District Policies and Procedures.

- a. No items were introduced.

4. Consider actions in support of construction.

- a. Regional water project.
 - i. No interaction with EPA funding has occurred.
- b. County American Recovery Plan Act (ARPA).
 - i. Following the April 20, 2023, meeting with representatives from ADG, Brian Wint with the County, and Patrick Hollingsworth, CPA, a review of the ARPA reporting requirements plus a list of items were listed as part of a second risk assessment were discussed. Items needed under the second risk assessment were: (1) how the ARPA funds would be handled and secured by the District’s bank, (2) how interest would be handled, and (3) the District’s cash management procedures.
 - ii. The risk assessment items (1 and 2) were addressed in a May 31, 2023 email to Michele Dean with ADG which included attachments of the signed bank documents used to establish an interest bearing account with First Fidelity Bank (Norman, OK). On May 23, 2023, Mr. Will Gray (Assistant Vice President, Branch Manager at the Downtown Norman Branch, 405-801-8131) confirmed the entire ARPA funds were placed in a CD secured as public funds and awarded an interest rate of 3.75%. The account will stay in a Restricted/No Post status until it is placed in an Active status.

- iii. On June 1, 2023, The District requested additional information from Michele Dean of an example of what was needed to address the risk assessment item (3).
- c. Approval of First Fidelity Bank documents related to the Oklahoma Water Resources Board (OWRB) ARPA funds.
 - i. A resolution was introduced to establish a bank account with First Fidelity Bank to secure the OWRB provided ARPA funds. A motion to approve the resolution was made by Richard Murnan and seconded by Jeannie Salmon. Roll call vote was unanimous in favor and the motion carried.
- d. No other items were introduced.

5. **Consider actions in support of operations.**

- a. Monthly Operator's Report was provided by Royce Hinkle and Richard Murnan.
 - i. Well #2 is currently down. In early May, there had been issues where the well was commanded to start but failed and after a couple of additional attempts it did finally start. On May 13, the well failed to respond after multiple attempts.
 - 1. Meyers Well service was called out to inspect the well and they determined the problem was down in the well (possibly a bad motor, wiring, locked up pump, etc.). The well would need to be pulled. The only information available was the well was using a 50 hp motor. Well depth, motor and pump manufacturers were unknown. The District should expect a \$100 service charge for the inspection unless we use Meyers to make the repairs.
 - 2. Calls were made to determine available contractors capable of performing the repairs. Estimates were collected based on a worst-case scenario consisting of pulling a 400 ft well and replacing the pump, motor, and wiring.
 - 3. On May 28, 2023, contact was made with OWRB about gaining access to ARPA funds to cover the well repair costs. Estimates were provided to OWRB, and they would need to present the request for the repairs at their Boards next meeting on June 20, 2023. Any repairs made before the June 20 meeting would not jeopardize reimbursement if the Board approved the ARPA use.
 - ii. Activity has started on the 144th and Lewis Road watermain relocation as of the May 22, 2023. Activity began with road boring under 144th south of the intersection. Problems developed when the pipe casing could not be pushed through the road boring. May 26, 2023, road boring equipment was moved from west side of 144th to the east side and based on the right-of-way surveyors' markers the crew set up their equipment with an attempt to pull the pipe casing. However, during the setup, the existing active water line was hit and broke the pipe. The water was shutoff and repairs made and the remained of the afternoon was spent flushing the lines.
 - iii. On May 26, 2023, a right-of-way (ROW) issues developed with the landowner along the east side of 144th south of the intersection. ROW documents provided to our District's Engineer showed a utility ROW extension had been obtained from the landowner and the contractor's survey crew used these documents to set the new ROW boundaries. On

May 26, 2023, the ROW issue surfaced with the landowner, and a conference call was held on May 29, 2023, with all parties involved (i.e., Richard Murnan and Kim Hornbuckle representing the District and WDB Engineering) and the County proposed a plan that the project would pay for a new service line to the landowner's home and repair their existing service line which started leaking. On June 2, 2023, the leaking service line was repaired by Bob Usry Plumbing (Norman) for \$700 of which the landowner charged the expense to his credit card. The County asked the District to cover the cost and then submit a pay application for reimbursement. The District plans to send the \$700 payment on June 20, 2023 via US Mail.

- b. Consider additional monthly expenditures to be added to the routine monthly invoices.
 - i. No additional vendors were introduced.
- c. Other items as introduced.
 - i. After the May meeting, Richard Murnan received a call from OWRB stating they could not cover the audits using their ARPA funds (they can cover the more costly "single" audit which is required when over \$750K of federal funds are used in a fiscal year). To satisfy OWRB and eventually the Regional Water Project with EPA and ODEQ, they will need our most recent yearly audit. So, the final request back to Russell & Williams, CPA was to go for an FY2023 audit (covering the period from July 1, 2022, to June 30, 2023) and hold off on doing a FY2022. With the signed FY2023 audit engagement letter with Russell & Williams, CPA, OWRB condition of having our most recent audit is satisfied with us providing the FY2023 audit once it has been prepared.
 - ii. Pay Application #1 for Sunrise Construction in the amount of \$101,532.73 was submitted for Board approval. Sunrise Construction is the primary contractor for the work at 144th and Lewis Road watermain relocation project. A motion was made by Richard Murnan and seconded by Jo Ann Miller to approve the pay application. Roll call vote was unanimous in favor and the motion carried.
 - iii. Pay Application #1 for the District to be reimbursed in the amount of \$700.00 was submitted for Board approval. This reimbursement is in reference to the \$700.00 landowner payment to repair their service line (item 5(a)iii listed in these minutes). A motion was made by Richard Murnan and seconded by Jeannie Salmon to approve the pay application. Roll call vote was unanimous in favor and the motion carried.
 - iv. The District/Shop air conditioning is not working. Royce Hinkle will check with the original installer for possible service. The repairs would be after the one-year warranty, so options to look at a different vendor may be considered.

6. **Consider requests for non-routine expenditure.**

- a. No expenditures were introduced.

7. **Review external interactions since last regular Board meeting.**

- a. No external interactions were mentioned.

8. **Chairman's report.**

- a. No other information was introduced that had not previously been discussed.

9. **Vice Chairman's report.**

- a. No other information was introduced that had not previously been discussed.

10. **Secretary's report.**

- a. No other information was introduced that had not previously been discussed.

11. **Treasurer's report.**

- a. The Treasurer report covering May 2023 was provided to the Board. A motion was made by Richard Murnan and seconded by Robert Grisham to accept the report without changes. Roll call vote was unanimous in favor and the motion carried.
- b. The Treasurer report covering June 2023 was provided to the Board. A motion was made by Richard Murnan and seconded by Jo Ann Miller to accept the report without changes. Roll call vote was unanimous in favor and the motion carried.
- c. No other information was introduced.

12. **Consider date and place of next regular meeting.**

- a. The next regular board meeting is scheduled for July 13, 2023, @ 7pm at the District's Office/Shop.

13. **Identify prior actions and agenda items for next regular meeting.**

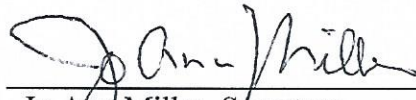
- a. Finalize contract with WDB Engineering for ARPA project.
- b. Well #2 status.
- c. 144th and Lewis Road construction.
- d. Update on the audit work.

14. **Public comments.**

No visitors were present.

15. **Adjourn.**

The meeting was adjourned at 9:13 pm with a motion by Robert Grisham and seconded by Jeannie Salmon. Voice vote was unanimous in favor and the motion carried.



Jo Ann Miller, Secretary
Cleveland County Rural Water District #1