

Minutes of the Regular Meeting of the  
Board of Directors,  
**Cleveland County Rural Water District No. 1**

Thursday, January 11, 2018

The agenda for the meeting was posted at the meeting location on January 10, 2018 at 9:04am.

**1. Call to order and roll call**

The meeting was called to order by Chairman Richard Murnan at 7:06 pm. Board members present were Tammy Koehn, Gary Koehn, Richard Tarp, Robert Grisham, Jeannie Salmon, and Richard Murnan. All Board Members were present.

**2. Accept minutes of past meeting**

The Board accepted the minutes of the December 14, 2017 regular meeting with no corrections needed. Motion to accept was made by Tammy Koehn and seconded by Jeannie Salmon. Vote was unanimous in favor and the motion carried.

**3. Chairman's report**

The Chairman reported on several items:

- a. Progress on Closing the USDA/RD loan/grant
  - i. Closing Instructions were received on March 6, 2017.
  - ii. Interim financing (still being worked)
    1. CoBANK is out. Cheryl Clayton review loan document and determined personal liability issues of loan and Colorado Banking laws.
    2. ORWA is working with BancFirst to develop a interim financing program to match what the USDA/RD is now requiring from their projects. BancFirst sent proposal as of Dec 22. A list of items they needed were provided on Dec 23. Inquired about the status Jan 4, 2018 and they were waiting on us to say the terms were okay. A resolution to accept the proposal is listed on the agenda.
    3. FirstUnited Bank declined as of Dec 15, 2017
    4. First State Bank of Noble paired with First National Bank of Norman declined as of December 4, 2017.
    5. Upon starting the interim financing loan, the Poe & Assoc bill of \$261,169 along with the legal fees (40% of \$51,519) will be sent to our USDA/RD construction account.
- b. New waiting list is needed to keep track of order. All previous waiting lists were reviewed and memberships offered back in the fall of 2015.
- c. On September 27, 2017, hydraulic studies were ordered for Van Horn (2 meters). The Van Horn two new meters will require the full set of paperwork including the easements.
- d. District Funds expended toward our \$110,800 project commitment as of January 11, 2018 is equal to \$88,538.23 (no change since the October 11, 2017 summary leaving approximately \$22,262 left to spend, before USDA/RD funds begin to cover expenditures). We should expect this number to change as the USDA/RD completes

- their final review of the October 11, 2017 expenditure summary).
- e. A replacement for Dean Thompson's Board of Director position is needed. The term is three years.

#### **4. Vice Chairman's report**

No report was provided by the Vice Chairman.

#### **5. Secretary's report**

The Secretary reported the following documents were received and will be included in the District records:

- a. July 14, 2017 – Cover letter for Plans, Specifications and Contract Documents sent to Kevin LeGrand USDA.
- b. September 25, 2017 – Cover letter for "Request for Obligation of Funds" from Ronnie Jones USDA. Covers the cost overruns amounts of \$399,000.00 loan and \$327,200.00 grant.
- c. September 27, 2017 - Engineer's Pay Application #2 (Poe and Associates) sent to USDA for payment of \$261,169.00.
- d. October 26, 2017 - Hydraulic Evaluation and Comments on Stovall transfer from Manues and Van Horn addition of two new meters from Poe and Associates.
- e. November 16, 2017 – 2018 Regular Monthly Meeting Schedule submitted to Cleveland County Clerk Office on November 17 via email (receipt by Clerk Office was confirmed).
- f. December 6, 2017 - Certificate of Liability Insurance for M&T Septic & Backhoe Serve Inc.

#### **6. Treasurer's report**

The Treasurer summarized financial transactions since the last regular meeting and reported the current funds as of the last day of December 2017 in the amounts of \$48,366.20 in the Super T account and \$2,342.83 in the District's checking account. The USDA/RD construction checking account with First Fidelity Bank in Norman reported the current funds as of the last day of December 2017 as \$0.00.

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

- a. On January 10, 2018, Richard Murnan spoke with Harvey Robinson with BancFirst. Discussed what documents the bank will need and suggested they supply us the loan documents needed. Mr. Robinson stated he would be seeing their attorney the morning of January 11, 2018 and attempt to provide us a Loan Resolution document along with an Identity Certificate.
- b. On January 11, 2018, Richard Murnan had several phone calls with the USDA and BancFirst resulting in a teleconference on January 12, 2018 with BancFirst to set up a January 19, 2018 meeting.

#### **8. Consider actions related to construction financing**

A resolution was presented which states the Board accepts the BancFirst Interim Financing proposal dated December 22, 2017. The BancFirst proposal was reviewed by the District's project attorney, Cheryl Clayton, prior to this resolution. A motion was made by Gary Koehn

and seconded by Robert Grisham to accept the BancFirst resolution and authorize the Chairman to sign for the Board upon approval. Vote was unanimous in favor and the motion carried.

**9. Consider actions in support of construction**

On November 16, 2017, Kim Hornbuckle delivered the Bonding documents on the four contractors for the District's project attorney to review. Once approved by Cheryl, we will be the hold up on getting the "Notice to Proceed" because of the interim financing issue.

**10. Consider requests for expenditure**

No requests were submitted.

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

The Chairman announced that the next regular Board meeting was scheduled for 7 pm on Thursday, February 8, 2018 at Corbett Baptist Church.

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

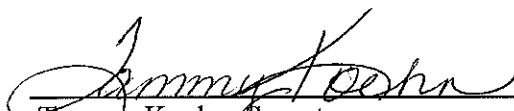
- Interim Financing status
- Contact with the Oklahoma Military Department on water main to Lexington facility

**13. Public comments**

David Standridge was present and offered to be considered for the vacant Director position.

**14. Adjourn**

The meeting was adjourned at 8:09 pm with a motion by Tammy Koehn and seconded by Jeannie Salmon. Vote was unanimous in favor and the motion carried.

  
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Tammy Koehn, Secretary  
Cleveland County Rural Water District #1