

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

Thursday, October 11, 2018

The agenda for the meeting was posted at the meeting location on October 10, 2018 at 9:19 am.

1. Call to order and roll call

The meeting was called to order by Chairman Richard Murnan at 7:02 pm. Board members present were David Standridge, Jeannie Salmon, Robert Grisham, Gary Koehn, Richard Tarp, and Richard Murnan. Board member Tammy Koehn was absent.

2. Consider actions in support of construction

- a. Progress along the last two miles of the main water line along SH39 is awaiting a Oklahoma Department of Transportation (ODOT) permit from Division 3 (Ada office). Permit has been approved by state office of ODOT.
- b. Micro-Comm project status is the equipment has been installed and training to several of the Board Members occurred on September 20, 2018. Once a District Manager is hired, Micro-Comm will provide additional training.
- c. Oklahoma Military Department (OMD) land negotiations have been finalized with the Oklahoma Department of Corrections (ODOC). ODOC has signed the necessary paperwork to transfer land needed for OMD's main entrance plus a right-of-way on either side of the roadway. OMD funding is the next item that is needed.
- d. ODOC is ready for a water purchase contract. Budget work has been completed. Contract will have a yearly maximum of 23 Mgal (which is equivalent of 51 days of ODOC's water needs).
- e. District needs to establish a credit card to cover on-going expenditures such as Quickbooks Online, internet provider, billing software costs, etc.
- f. District must have our distribution network placed in "Call Okie" (i.e., call before you dig) system.

3. Consider requests for expenditure

Motion was made by Richard Murnan and seconded by David Standridge to approve Elite Tower Change Order #1 for \$22,530.00. Change Order covered the metal cost increase realized from the project delay as interim financing was being arranged (July 26, 2017 to January 11, 2018). The roll call vote was unanimous in favor and the motion carried.

Motion was made by Jeannie Salmon and seconded by Robert Grisham to approve M&T Septic and Backhoe Pay Application #8 for \$50,918.28. The roll call vote was unanimous in favor and the motion carried.

Motion was made by Jeannie Salmon and seconded by Gary Koehn to approve Micro-Comm Pay Application #1 for \$46,531.67. The roll call vote was unanimous in favor and the motion carried.

Motion was made by Gary Koehn and seconded by David Standridge to approve the Inspector Pay Application #9 for \$6,242.50. The roll call vote was unanimous in favor and the motion carried.

There were no Pay Applications submitted for consideration from Layne, Elite Towers, or Poe & Associates.

Motion was made by David Standridge and seconded by Jeannie Salmon to pre-approve envelope and printer expenses for the November Annual Meeting for an amount not to exceed \$25.00. The roll call vote was unanimous in favor and the motion carried.

Motion was made by Jeannie Salmon and seconded by David Standridge to approve reimbursement to Richard Tarp for expenditures tied to previous postage and stamp purchases (needed for Annual Meeting) for \$173.04. The roll call vote was unanimous in favor and the motion carried. The previous postage items included sending signed Pay Applications to the USDA/RD and several certified letter mailings.

Motion was made by David Standridge and seconded by Jeannie Salmon to establish a credit card with McClain Bank. Credit limit will be set at \$1,000. The roll call vote was unanimous in favor and the motion carried.

Motion was made by Richard Tarp and seconded by David Standridge to approve establishing internet service at the water storage area using Hughes Net satellite service for \$89.00 per month. The roll call vote was unanimous in favor and the motion carried. This purchase will require the District credit card be in place before setting up this service.

Motion was made by Robert Grisham and seconded by Richard Murnan to request USDA/RD reimbursement of \$20,500.00 for the two containment shelters built in the Lexington Wildlife Management Area plus \$83.17 for anchor bolts installed along the top of the containment shelter walls and two new gate locks and 5 keys (requested by the Oklahoma Department of Wildlife Conservation).

4. Review external interactions since last regular Board meeting

- a. September 27, 2018, Robert Grisham and Richard Murnan met with Chris Cooker (City Manager), and Delbert Henderson (Water Manager) of the City of Lexington along with Stan Townsend (NProcess Technology handling remote sensors for City) and Bruce Beaver (UTS).
- b. The following topics were discussed:
 - the District's meter vault dimensions, easements, and the hookup location,
 - Lexington's plan to use a remote operated valve to receive water, and
 - Lexington's future water plans.

5. Accept minutes of past meeting

The Board accepted the minutes of the September 11, 2018 special Board Meeting with one change to agenda item #2a (the word “padlock” spelling was corrected). Motion to accept was made by Robert Grisham and seconded by David Standridge. Vote was unanimous in favor and the motion carried.

The Board accepted the minutes of the September 13, 2018 regular Board Meeting with changes in agenda item #4b (the word “with” was added to repair a fractured sentence) and agenda item #4c (grammar issue). Motion to accept was made by Gary Koehn and seconded by Richard Murnan. Vote was unanimous in favor and the motion carried.

6. Chairman’s report

The Chairman reported on several items:

- a. A committee is needed to handle the hiring of an operator/manager. The Chairman mentioned several documents were available of example contracts/agreements, common tasks and performance expectations that would be helpful to hire the right person. We need to advertise the position.
- b. The Chairman requested a special Board Meeting dedicated to discuss protentional water rates and revolving expenditures expected as the water system becomes operational. October 17, 2018 was selected for the meeting.
- c. The Limited English Proficiency Plan approved during the September 13, 2018 meeting was emailed to Ricky Riley on September 14, 2018.
- d. August 20, 2018, documents were created to transfer the Covey membership (15151 180th Street owned by Covey) to the Clifford Dover property (located within Sec 28 Township 6N and Range 1E).
- e. On September 14, 2018, a certified letter was sent to Kenneth Slate at 14333 Lewis Road on the status of attempts to secure a membership. On September 24, 2018, the realtor handling the sale of the 14333 Lewis property, asked for a letter from the District about the new owners wanting to confirm they did not have to use rural water but use the private well. Letter to realtor, dated September 25, 2018, was emailed with confirmation from the realtor the document was what was needed.
- f. Waiting list is now active. Information from interested rural residents should be forwarded to Tammy Koehn.

7. Vice Chairman’s report

The Vice Chairman reported OMD would be taking action on a connection to the District’s water main sometime within the next 12 months.

8. Secretary’s report

The Secretary was absent.

9. Treasurer’s report

The Treasurer summarized financial transactions reported the current funds as of the last day of September 2018 in the amounts of \$11,456.48 in the Super T account and \$23,089.17 in the District’s checking account. The USDA/RD construction checking account with First Fidelity

Bank reported the current funds as of the last day of September 2018 were \$12.00. The \$12.00 balance is equal to an anticipated incoming wire fee previously charged when working with interim financing. A wire fee is not charged with direct deposit fund transfers from the USDA/RD.

A motion to approve the Treasurer Report was made by Richard Murnan and seconded by Robert Grisham. The roll call vote was unanimous in favor and the motion carried.

10. Consider actions related to construction financing

- a. District will need to pull all items to be considered for payment and submit to the USDA/RD for payment.

11. Consider date and place of next regular meeting

The Chairman announced that the next regular Board meeting is scheduled for 7 pm on Thursday November 8, 2018 at Corbett Baptist Church. The Chairman also reminded the Board of the Annual Membership Meeting on November 15 where Board Member position held by Robert Grisham and Richard Murnan would be open. Notices for the Annual Membership Meeting must be mailed no later than November 5, 2018.

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

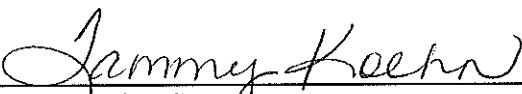
- Status of OMD water needs.
- ODOC contract status.

13. Public comments

Kim Hornbuckle with Poe & Associates was present from agenda item #1 through agenda item #4. No other visitors were present.

14. Adjourn

The meeting was adjourned at 9:45 pm with a motion by Jeannie Salmon and seconded by Robert Grisham. Vote was unanimous in favor and the motion carried.



Tammy Koehn, Secretary
Cleveland County Rural Water District #1