

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

Thursday, February 14, 2019

The agenda for the meeting was posted at the meeting location on February 13, 2019 at 9:10 am.

1. Call to order and roll call

The meeting was called to order by Chairman Richard Murnan at 7:03 pm. Board members present were Jeannie Salmon, Tammy Koehn, Robert Grisham, Gary Koehn, David Standridge, and Richard Murnan. All Board members were present.

2. Consider actions in support of construction

- a. On February 4, 2019, a final inspection meeting was held with USDA/RD, ODEQ, and District representatives along with Poe & Associates project engineers and all the contracted vendors.
- b. On February 6, 2019, the Oklahoma Military Department (OMD) sent an email, that they are delaying any connection to our District some 3-5 years.
- c. ODOC has moved to add a commercial water softener to their well #6 which has 385 grain hardness. Conversations with ODOC officials stated the softener went into operations about 3 weeks ago and is producing 0 grains of hardness from well #6. I mentioned to the official that the District is just down the road if ODOC needs water in the future.
- d. The City of Lexington has most of their connection in place with the exception of a valve that can be operated remotely. This valve is backordered into March. The City of Lexington will have OEC provide power to the special valve without the electrical connection interfering in our capability to access the meter vault with equipment.

3. Consider requests for expenditure

- a. Motion was made by David Standridge and seconded by Richard Murnan to approve Pay Application #12 (final payment) for M&T Septic and Backhoe for \$178,100.16. The roll call vote was unanimous in favor and the motion carried.
- b. Motion was made by Jeannie Salmon and seconded by Gary Koehn to approve Application #6 (final payment) for Layne (previously Layne Christensen) for a total of \$26,736.85. The roll call vote was unanimous in favor and the motion carried.
- c. Motion was made by Richard Murnan and seconded by Robert Grisham to approve Pay Application #2 (final payment) for MicroComm for a total of \$7,891.33. The roll call vote was unanimous in favor and the motion carried.
- d. Motion was made by Robert Grisham and seconded by Jeannie Salmon to approve the Inspector Pay Application #13 (final payment) for a total of \$7,370.00. The roll call vote was unanimous in favor and the motion carried.
- e. Motion was made by Tammy Koehn and seconded by David Standridge to approve Pay

Application #10 for Poe & Associates for a total of \$3,045.00. The roll call vote was unanimous in favor and the motion carried.

- f. Motion was made by Richard Murnan and seconded by Robert Grisham to approve the third payment for Legal Services to Cheryl Clayton for \$10,143.40 and to Terry Hawkins for \$10,143.40. The roll call vote was unanimous in favor and the motion carried.
- g. Motion was made by Tammy Koehn and seconded by Gary Koehn to add the following monthly business payments into the Routine Monthly Invoices payment category.
 - the District's cell phone bill (currently using Cricket),
 - internet access via Hughes Net, and
 - the District's credit card

The roll call vote was unanimous in favor and the motion carried.

Note: During the November 2018 Regular Board Meeting (agenda item #3, paragraph 2), the Board acted to generate a payment category called the Routine Monthly Invoice. OEC was added as the first company to be included in this payment category. For another business to be included in this new payment category, the Board must approve by a roll call vote to either include or exclude a business. For those companies included, the Treasurer would be authorized to pay those bills and invoices, and at the next Board meeting the Treasurer would present those paid bills and invoices for the Board to ratify the payments.

- h. Motion was made by Robert Grisham and seconded by Tammy Koehn to ratify the paid Routine Monthly Invoices for:
 - OEC electric service ending early January for \$762.00 (check #1129 on 1/23/2019).
- i. Motion was made by Robert Grisham and seconded by Tammy Koehn to ratify payments from request for payment or invoices that came due prior to or after our last regular meeting. The payments were made to:
 - Credit card - Hughes Net installation and first month usage (January 2019) totaling \$227.30 applied to District's credit card (check #1130 on 1/23/2019)
 - Class-D water operator training extra fees – training facility service fee of \$202.00 (check #1131 on 2/11/2019) for Richard Tarp and training facility service fee of \$202.00 (check #1132 on 2/11/2019) for Royce Hinkle.
- j. Motion was made by Tammy Koehn and seconded by Richard Murnan to reimburse Richard Tarp and Royce Hinkle for Oklahoma Department of Environmental Quality (ODEQ) Class-D License exam of \$62.00 each. The roll call vote was unanimous in favor and the motion carried.
- k. Motion was made by David Standridge and seconded by Tammy Koehn to pay Richard

Tarp and Royce Hinkle as independent contractors for three days of work totaling \$371.31 each. The three days covered training on the MicroComm system and the two days of Class-D water operator training. The roll call vote was unanimous in favor and the motion carried.

- l. Motion was made by Tammy Koehn and seconded by Robert Grisham to reimburse Richard Tarp for the purchase of a Hach Colorimeter II, Chlorine (Free and Total) Kit and additional (1) DPD Free Chlorine Re-agent Powder Pillows and (2) DPD Total Chlorine Re-agent Powder Pillows for \$529.47. The roll call vote was unanimous in favor and the motion carried.
- m. Motion was made by Tammy Koehn and seconded by Robert Grisham to renew the annual Oklahoma Rural Water Association Assurance Policy (6/1/2019 to 6/1/2020) for \$1,632.10. To take advantage of a 5% discount on the regular \$1,718.00 cost, payment must be postmarked by April 1, 2019. The roll call vote was unanimous in favor and the motion carried.
- n. Motion was made by Jeannie Salmon and seconded by David Standridge to renew the annual rental of \$75.00 for a safe deposit box at FirstUnited Bank in Purcell. The roll call vote was unanimous in favor and the motion carried.
- o. Motion was made by Tammy Koehn and seconded by Robert Grisham to reimburse Richard Tarp \$13.96 for items purchased to install the "Do Not Block" signs on the Wildlife Management Area gate entrances used to access the District's water wells. The purchase was made at Pearson's Lumber in Lexington. The roll call vote was unanimous in favor and the motion carried.
- p. Motion was made by Richard Murnan and seconded by Tammy Koehn to reimburse Robert Grisham for \$31.41 for the Magic Jack internet phone service. This service is a flat fee the first year, and \$3.00 per month thereafter. The roll call vote was unanimous in favor and the motion carried.

4. Consider actions in support of future operations

- a. The Board acted to appoint Robert Grisham as Vice-Chair to fill the vacancy left after Jeannie Salmon was appointed to the Treasurer position. Richard Tarp resigned from the Board during the January 10, 2019 Regular meeting and Jeannie Salmon vacated the Vice-Chair position to fill the Treasurer position. Voice vote was unanimous in favor of appointing Robert Grisham as the Vice-Chair.
- b. A motion was made by Gary Koehn and seconded by Richard Murnan to (1) remove Richard Tarp from the signatory page at the McClain Bank for all banking accounts and (2) add Robert Grisham to the signatory page at the McClain Bank for all banking accounts. The roll call vote was unanimous in favor and the motion carried.
- c. A list of materials is needed to provide guidance to customers how they should hook up to their meter. For sections of new main lines extensions paid for by the

customer, standardization of those lines is extremely important and is another area where guidance is needed.

- d. A list of vendors willing to assist the customer with installing their lines is also needed. Again, the list of materials, mentioned earlier, would be helpful for the customer to compare vendors bids.
- e. Sequoyah Software contract was signed on January 31, 2019 along with a spreadsheet of customers and meter numbers.
- f. Starting water rates will be \$36 per month for water meters not in use. When put in service the first 1000 gallons is \$32 per month and \$4.50 for 1001-2000 gallons, \$4.80 for 2001-3000 gallons, increasing \$0.30 per 1000 gallons thereafter. Rates will need to be reviewed each March since ODWC adjusts their raw water rates at this time.
- g. Monthly Operator Report was provided concerning the residual chlorine levels in the water system. Also, information on obtaining a District vehicle was reviewed.
- h. A resolution was presented to authorize the Board's Chair to purchase 2 acres along SH39 between 108th and 120th Street. The resolution was signed by all the Board members.

5. Review external interactions since last regular Board meeting

- a. January 28, 2019 – Robert Grisham, Richard Tarp, Royce Hinkle, and Richard Murnan met with MicroComm Representative Jared Kenton (913-390-4500 office, 913-972-0127 cell) for final training on the MicroComm computer system.
- b. February 11-12, 2019 – Richard Tarp and Royce Hinkle attended ODEQ Class-D training at Rose State College in Midwest City. There was a \$202 facility fee for each student that was not mentioned on the ODEQ website.

6. Accept minutes of past meeting

The Board accepted the minutes of the January 10, 2019 regular Board Meeting with one change to agenda item #2e (the phrase “with list the” changed to “will have a list of”). Motion to accept was made by Robert Grisham and seconded by Gary Koehn. Vote was unanimous in favor and the motion carried.

7. Chairman's report

The Chairman had the following items to report:

- a. A memorial service will be held for Daryl Covey at the First Baptist Church in Lexington at 2pm on Saturday, February 23, 2019.
- b. A generic letter for how new customers can obtain service was circulated among the Board for comments. Only one change has been noticed and corrected.
- c. The 30-day notice to customers is ready once we have chlorine situation corrected.
- d. OWRB 2018 Annual Groundwater Use Report is due by March 16, 2019. A call to OWRB yielded water used during construction should not be reported on our report. Only report amounts when water is used for the intended purpose of potable water.
- e. We are able to monitor the electric usage via OEC SmartHub and make attempts to evaluate the efficiency of the wells.
- f. There has been a suggestion to take Bac-T checks before going operational.

8. Vice Chairman's report

Our new Vice Chairman had no items to report.

9. Secretary's report

The Secretary reported several documents were submitted to the Record:

- a. October 11, 2018 Elite Tower Change Order #1 for \$22,530 for additional cost due to metal cost increases. Packet includes invoices for metal to justify the extra cost.
- b. December 17, 2018 ODOC letter stating the contract submitted in late November for 20.8Mgal/year at \$6.30/1000 gallons was declined.
- c. A February 7, 2019 letter to Dr. Harold Haralson to request the County's assistance with graveling the parking area to the north of the standpipe and chlorination building.
- d. December 19, 2018 letter from Shelley Bookout with USDA/RD explaining the \$44,367.19 deposit on 12/20/2018 to cover the final Elite Towers Pay Application #8 for \$44,380.00.
- e. ORWA 2019 Member certificate.
- f. Sequoyah Software contract signed January 31, 2019.

10. Treasurer's report

The Treasurer summarized financial transactions reported the current funds as of the last day of January 2019 in the amounts of \$23,048.75 in the Super T account and \$7,072.35 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 January 2019 were \$0.00.

During the January 10, 2019 regular meeting under agenda item 3(d), signage on the Wildlife Management Area gate entrances on 168th and 180th street was pre-approved for a limit of \$30.00. The two signs were custom made in Moore for \$21.07 and Tammy Koehn has been reimbursed for the expenditure.

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

11. Consider actions related to construction financing

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

12. Consider date and place of next regular meeting

The Chairman announced that the next regular Board meeting is scheduled for 7 pm on Thursday March 14, 2019 at Corbett Baptist Church.

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

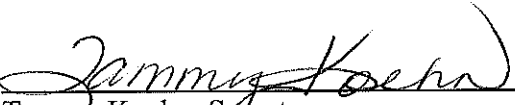
- Chlorination status of the water system.
- Status of the District truck purchase.
- City of Lexington connection at 84th Street.

14. Public comments

Kim Hornbuckle from Poe & Associates was present during in the meeting. Ms. Hornbuckle supplied a list of tools that we might need for operation of the water system.

15. Adjourn

The meeting was adjourned at 9:09 pm with a motion by Gary Koehn and seconded by David Standridge. Vote was unanimous in favor and the motion carried.



Tammy Koehn, Secretary
Cleveland County Rural Water District #1