

Lake Santee Regional Waste & Water District
Meeting Minutes

Meeting of July 21, 2016

3:30 PM

Lake Santee Community Room

1. Roll Call

Scott Gibbs called the meeting to order and requested a roll call. Members present were Scott Gibbs, Frank Erdosy, Clair Fredrickson and Kathy Tarzwell. Also in attendance were Brad Jones, Utility Administrator, Brandon Litmer, Utility Superintendent, and Anne Poindexter, the District's attorney.

2. Consent Items

- a. Minutes from June 16, 2016
- b. Financial Reports
- c. Register of Claims for sewer operating
- d. Register of Claims for water operating

A motion was made by Kathy and seconded by Clair to accept the consent items with corrections to the Registers of Claims. Motion carried.

3. Operator's Report

- a. Sewer Status Report – Brandon reported that the Sewer Plant is operating on a normal basis with no problems. All tests are in the normal range. Brandon stated that July 4th weekend went well. Pump calls are normal for this time of year.
- b. Water Status Report – Brandon reported that the Water Plant is operating well with tests looking good with the exception of the HAA5 results. A Public Notice will be placed in the August Smoke Signals along with a Newsletter providing additional information about this issue. IDEM has been contacted to provide guidance on how to proceed. Also, Water Solutions brought in additional testing equipment which can provide immediate test results to help track down the root cause of this issue; samples taken have shown that the HAA5 levels are high leaving the plant. It has been recommended that the clear well (the finished water holding tank under the Water Plant) be inspected and, if needed, cleaned. Dixon Engineering will be contracted to perform this work. After that, more samples will be taken before and after each step to make sure all levels of HAA5 are in the normal range. IDEM has been helping us to get this matter resolved. While IDEM was here they did a yearly sanitary survey and everything is looking good.
- c. Upcoming Conferences/Training Classes – none this month.

4. Administrator's Report

- a. Status Report – Brad reported there were 20 credit card transactions, 143 ACHs, 1 valve turn and 7 shut offs. All are back on.
- b. Write-Offs / Adjustments – None this month.
- c. Correspondence
 - i. Brad had Murphy Insurance re-bid our liability insurance to multiple companies. They did receive a quote lower than our current policy cost. Our current insurer, Cincinnati Insurance, has agreed to match the price of the lower quote. Cincinnati Insurance also recently conducted a site audit with no problems indicated.
 - ii. We received a tax lien refund from the County on lot 1608. We received this refund twice. Brad will work with the county to correct.
- d. Miscellaneous Agency Reporting – None this month.

5. Attorney's Report – None this month.

6. Committee Reports

- a. Board Member Guide Committee – Board Training Topic – Frank has done some research on FDIC Insurance and our current bank accounts and will report below on his findings. So, Scott handed out some general information on FDIC insurance and how it works, what it covers, what it doesn't cover, etc.

7. Old Business

- a. Napoleon Water – Brandon reported that Gene (from Napoleon Water) is still working on the valving arrangement and cost estimates.
- b. ACH program education – The District set up a table during the July 4th festivities to provide educational information on the ACH program. Frank is still putting info into the Smoke Signals on the ACH program to educate customers. Frank will get forms for sign up to put into the new member packets that the POA hands out.
- c. Internal Controls Standards Update – A couple of typographical errors were noted and corrected in the current version of the Standard. Clair and Kathy were appointed to be the Oversight Committee as required by the Standard. Frank made a motion to accept the updated 7/19/16 version, Kathy seconded. Motion passed. All board members have viewed the Internal Controls training video.
- d. Reserve Accounts Update – Frank has the new reserve accounts and the ongoing monthly transfers all set up. These transfers will be reviewed annually. He noted that the ditch witch and the gator will need to be replaced in a few years.
- e. Property west of Lot 452 – Add to District Boundary – We received the formal letter from the property owner asking for water and sewer service be provided to the property just west lot 452. This property is not currently included in the District's service area. It was decided that Brandon would generate the costs to install these 2 services to this property and then Brad will get with the property owner to discuss these costs. If the property owner would still like to pursue the District providing these services after he has learned of the initial installation costs, then the District will move forward with his request. We want to be sure the property owner understands the process and the initial costs to run service that far from our mains, because once the District acquires the property into our service area, the property owner will be required to hook up to the District services.

8. New Business

- a. FDIC Insurance / Banking Options – Frank recently met with Jason at Mainsource Bank to review the District's accounts, specifically related to FDIC Insurance coverage. Frank explained many aspects of the FDIC Insurance and how the District's accounts are setup. Jason confirmed to Frank that all of our accounts are covered and fully insured up to \$1.75MM. Frank also noted that recent changes to Chapter 15 from the State Board of Accounts have reduced the maximum term of Certificates of Deposits that Special Districts can invest in to 24 months.
- b. Differential Guidelines – Prior to this year's Management Agreement with the POA, the District will be developing guidelines to help determine the differential payment amounts. The goal is to objectively and fairly evaluate the amounts paid. Scott asked the board members to be thinking about the guidelines that we want in place for discussion at next month's meeting. Frank will start an evaluation of the current practice, working with the Annual Salary Survey provided by the Indian Rural Water Association.

9. Adjourn

Respectfully Submitted by
Kathy Tarzwell, Secretary

These minutes are subject to approval by the LSRWWD Board at the 8/18/2016 meeting.