

**Lake Santee Regional Waste & Water District**  
**Meeting Minutes**

Meeting of December 20, 2018  
3:30 PM  
Lake Santee Community Room



1. Call to Order / Roll Call

President Paul Gosnell called the meeting to order and requested a roll call. Members present were Paul Gosnell, Clair Fredrickson, Scott Gibbs, Kathy Tarzwell, Jim Hornig, Frank Erdosy and Larry Kiernan. Members participating electronically were zero. Also in attendance were Utility Administrator Brittany Green, Utility Superintendent Brandon Litmer, and the District's attorney Anne Poindexter.

Guest introduction and short comments (two minutes max)

Guests included Vicki Wilson, Claude Livesay, and Dick Veach.  
- No new comments at this time.

2. Consent Items

- a. Minutes of November 20, 2018 Meeting
- b. Financial Report
- c. Register of Claims – Water
- d. Register of Claims – Sewer

A motion was made by Kathy and seconded by Clair to accept the consent items as presented. Motion carried.

3. Superintendent Report

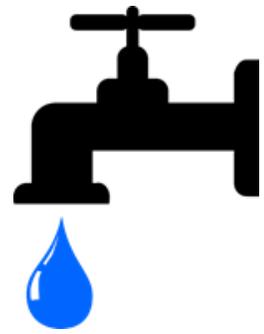
- a. Sewer Status Report
  - i. Brandon reported that everything is operating well, and all tests are normal.
  - ii. Brandon presented a list of 39 old pumps, that are beyond repair, to be declared as surplus and scrapped. A motion was made by Frank and seconded by Larry to declare these 39 pumps as surplus. Motion carried.
- b. Water Status Report
  - i. The water plant is operating on a normal basis with no problems and all tests in the normal range.
  - ii. The quarterly disinfection by-products (DBP) test results were returned. Both the HAA5 and TTHM 4 quarter averages remain below the maximum contaminant levels and the plant is in compliance. Based on the trending of the test results, Brandon anticipates needing to change the carbon in early 2019.
  - iii. Brandon received the test results back on the old carbon sitting in the parking lot. Approval has been granted to dispose of the carbon in the landfill and was hauled off today.
  - iv. The solids in the drying bed have also been tested and approved to be disposed of in the landfill. This will be scheduled when the weather is dryer.

4. Administrator Report

- a. Status report
  - i. 12 shuts offs, all back on.
  - ii. The office is continuing to review the retired accounts.
  - iii. Continuing to check the leak report twice per month and contacting all customers who show up on this report.

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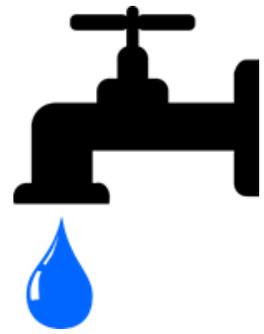
- b. Write-offs / adjustments – None this month.
  - c. Miscellaneous
    - i. SBOA Audit Report
      - 1. The SBOA Audit report was received. Brittany handed out several pages / summaries from the audit report and explained the important items. The SBOA now farms out these audits. The company that performed our audit stated that of the 270 audits they performed, the RWWD was in the top 10 when measured by fewest errors and most responsive.
      - 2. There were 2 audits performed; one for fiscal year 2017 and one that covered the fiscal years from 2010 through 2016; they audited 8 years, in total. All of the audits findings / suggestions were addressed by tweaks to our processes in the office, with only 1 finding requiring Board action.
      - 3. This 1 finding involved having formal written approval by the Board for the internal money transfers that occur to fund the various set aside accounts. We thought all the transfers had been approved during Board meetings, but just to be safe, we initiated a new motion today covering ALL the transfers (so next time, the auditors can find this approval in just one location). Brittany read aloud the list of transfers, including the amounts, the accounts involved, and the frequency of the transfers. A motion was made by Jim and seconded by Frank to approve ALL the money transfers as detailed in the list that was read aloud by Brittany. Brittany will attach that list to the filed meeting minutes. Motion carried.
5. Treasurer Report
- a. Update
    - i. Kathy renewed more CDs that were coming due. These were renewed at 3.00% for a 36-month term. The bank made a mistake and did not finalize the CDs that were renewed in September at 2.42%. So, Kathy had the bank renew these at the 3.00%, also.
6. Attorney's Report – see below.
7. Old Business
- a. Wet Lands Project – The POA has asked Scott to chair their Sediment Committee and he has agreed to do so.
  - b. Napoleon Water Update
    - i. No new information.
  - c. Water Availability Billing
    - i. After another long discussion about availability fees, it was agreed by all to keep the current billing procedure in place, as is, with the added note to ensure the procedure is being applied consistently over all accounts.

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- ii. When it is time for the next rate study to be conducted by the accounting firm, we will ask the accountants to analyze multiple scenarios, including the possibility of dropping availability fees altogether. A decision on any changes to availability fees can be considered at that time. The next rate study will likely occur within the next couple of years.
- d. Board Member Appointments / Replacements
  - i. Clair and Jim attended the County Commissioners meeting on 12/3/18 and Claud Livesay and Dick Veach were appointed by the Decatur County Commissioners to fill the positions left vacant by Clair and Scott.
  - ii. Paul thanked Clair and Scott for their service. Of special note, Clair has served on the RWWD Board for nearly 17 years; his knowledge of the Board and of the history of the utility will be greatly missed.
- e. Management Agreement with POA
  - i. Paul has been working with POA Board President Doug Lecher and Brittany on updating the 2019 Management Agreement between the POA and the RWWD. The agreed to document was attached to the Board Packets and Paul discussed the changes from last year's Agreement, including a change to the allocation of Brittany's time.
  - ii. Several questions about the changes were asked and answered to the satisfaction of the Board.
  - iii. The total cost to the RWWD for the new 2019 Management Agreement with the POA will be \$209,518, an increase from 2018 of \$12,175 (about 6.2%).
  - iv. A motion was made by Jim and seconded by Kathy to approve the 2019 Management Agreement as presented. Motion carried.
- 8. New Business
  - a. Publish public notices for next year's meetings
    - i. Brittany and Paul will work together to publish next year's meetings.
- 9. Trustee Reports and Comments – none this month
- 10. Adjourn

Respectfully Submitted by  
Scott Gibbs, Secretary

These minutes are subject to approval by the LSRWWD Board at the 1/17/2019 meeting.