

Washington County Rural Water Advisory Board #2

Meeting Minutes

May 25, 2010

A meeting of the Washington County Rural Water #2 Advisory Board was held at the NRD field office in Blair, Nebraska, on Tuesday, May 28, 2010. The meeting was called to order by Larry Kusek at 7:02 AM.

QUORUM CALL:

Quorum call was taken. The following members and individuals were in attendance:

<u>Advisory Board Members</u> <u>Present</u>	<u>Advisory Board Members</u> <u>Absent</u>	<u>Others in Attendance</u>
John Kirk Jim Zavadil Larry Kusek	Wayne Talbert John Kuti	Dick Sklenar, NRD Staff Marty Thieman, NRD Staff

ADOPTION OF AGENDA:

Discussion was called for on the tentative agenda. It was moved by Zavadil, and seconded by Kirk, that the agenda be adopted.

Roll call was taken on the motion. The motion passed by a vote of 3 to 0.

Voting Yea: Zavadil, Kirk and Kusek

Voting Nay: None

Abstaining: None

Absent: Talbert, Kuti

REVENUE AND WATER USE REPORTS:

Dick Sklenar provided information on current water sales for the fiscal year as well as the revenue generated. He stated that unaccounted for water was very low and that the water system is considered to be in good condition. More than 95% of the water purchased from the City of Blair can be accounted for, which is considered in the industry as excellent. Revenue generated through the sale of water was down in comparison to last year. The economy and new housing starts were contributing factors. There was further discussion.

It was moved to by Zavadil, and seconded by Kirk, that the Revenue and Water Audit Reports be accepted.

Voting Yea: Zavadil, Kirk and Kusek

Voting Nay: None

Abstaining: None

Absent: Talbert, Kuti

OPERATIONS REPORT:

Events that occurred during the current fiscal year were provided by Marty Thieman and are as follows:

- Five new customers were added during the past twelve months to the distribution system. There is now 185 active consumers and 109 inactive hookups. In addition, there are 7 closed accounts.
- The developer for the Glen Oaks subdivision in Washington County completed the final phase of installing water mains to that development late last year.
- On June 22, 2009 a test for supplying emergency water from Washington County Rural Water #1 to the City of Blair was completed and proved to be successful.
- There were two water main leaks during the fiscal year. One occurred on Felix Lane and the other one along County Road P32.
- Due to age and wear, a new chlorine pump was installed late last year for continued disinfection of the water supply.
- Emergency directional light bars were installed on the pickup trucks to enhance safety for the employee.
- A new water main to the Blair Airport was underway. The Blair Airport Authority will initially pay 10)% of the cost. As new customers hookup over time, the rural water system will reimburse the Airport Authority for 40% of the project cost.

Marty Thieman also mentioned that a contractor was caught using unauthorized water from a fire hydrant. There was further discussion regarding the need to establish a fine for the unauthorized use of water. Jim Zavadil felt that there could be a possibility of enhancing the revenue stream by allowing contractors to purchase water from fire hydrants.

RE-FINANCING OF REVENUE BONDS:

Dick Sklenar mentioned to the Advisory Board members that he is investigating the possibility of refinancing the current debt of the rural water system. He mentioned that such a possibility may occur this year or in 2011 when all revenue bonds are callable. There was further discussion.

DRAFT BUDGET FOR FISCAL YEAR 2011:

A draft of the budget for fiscal year 2011 was submitted to the Advisory Board members. The proposed budget is slightly less than the previous year and the staff continues to search for ways to reduce operating costs without effecting service.

It was moved by Kirk, seconded by Zavadil, that the Advisory Board recommends to the District's Board of Directors that the proposed budget for Fiscal Year 2011 be adopted.

Roll call was taken on the motion. The motion passed by a vote of 3 to 0.

Voting Yea: Zavadil, Kirk and Kusek

Voting Nay: None

Abstaining: None

Absent: Talbert, Kuti

OTHER ITEMS OF INTEREST:

Dick also mentioned that the District has revised their website and that a separate webpage on the rural water systems can now be more easily accessed. Marty Thieman stated that the dehumidifier at the chlorination vault was replaced.

ADJOURNMENT:

There being no further business, the meeting adjourned by acclamation at 8:24 PM.