

Washington County Rural Water # 2 Advisory Board Meeting Minutes

June 24, 2008

A meeting of the Washington County Rural Water #2 Advisory Board was held at the field office in Blair, Nebraska, on Tuesday, June 24, 2008.

The meeting was called to order at 7:35 p.m..

Quorum Call:

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

<u>Advisory Board Members Present:</u>	<u>Advisory Board Members Absent:</u>	<u>Others in Attendance:</u>
Larry Kusek Wayne Talbert Jim Zavadil John Kirk John Kuti	None	Dick Sklenar, NRD

Adoption of Agenda:

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

Roll call was taken on the motion. The motion passed by a vote of 5 to 0.

Voting Yea: Talbert, Zavadil, Kirk, Kuti, Kusek

Voting nay: none

Abstaining: none

Absent: none

Operations and Financial Report

Major events regarding operation of the rural water system over the past fiscal year was presented by Dick Sklenar. There was discussion regarding waterline leaks and breaks that have occurred on the rural water system. Dick Sklenar indicated that the number of occurrences is beginning to decrease. Recent waterline leaks have occurred in the Rolling Acres Development. A copy of the water audit report was presented to the Advisory Board Members. Figures this fiscal year indicate that unaccounted for water is beginning to decline as a result of repairs made to the system. There was further discussion.

A copy of the financial report for the rural water system and was also handed out to the Advisory Board Members. Water sales increased approximately \$500 per month, but the number of new hookups has shown to decline this calendar year. Dick stated that so far only one new service has been installed in 2008. He also mentioned that part of the hookup fee is rebated back to the city and county for over sizing the water lines of the rural water system.

It was moved by Kirk, and seconded by Talbert, that the water use and financial report be accepted.

Roll call was taken on the motion. The motion passed by a vote of 5 to 0.

Voting yea: Talbert, Zavadil, Kirk, Kuti, Kusek

Voting nay: none

Abstaining: none

Absent: none

Water Rate Schedule Adjustment

Dick Sklenar mentioned that the rural water system finances will necessitate a rate increase due to energy costs and other inflationary factors. The proposal was to increase the minimum base charge by \$2.00 per month for each account and that the change would be effective October 1, 2008. Advisory Board Members, Kuti and Kirk, felt that the next rate increase should adjust the water purchase as well. Sklenar mentioned that over 100 accounts are inactive users. Many of the inactive accounts are empty lots within developments. There are also about 30 homes that currently have yet to begin using water. Sklenar mentioned that most of these purchased a hookup fee as an insurance policy should there well water supply begin to deplete. This action was not anticipated and thus the projections for revenue have fallen short. The current water rate schedule and the proposed water rate schedule are noted below:

Current Water Rate Schedule

Minimum Base Charge \$14.75

First 10,000 gals. \$3.95/1,000 gals.

Next 10,000 gals. \$2.85/1,000 gals.

Next 30,000 gals. \$1.95/1,000 gals.

All Over 50,000 gals. \$1.55/1,000 gals.

Proposed Rate Schedule (effective 10-1-08)

\$16.75

\$3.95/1,000 gals.

\$2.85/1,000 gals.

\$1.95/1,000 gals.

\$1.55/1,000 gals.

It was moved by Zavadil, and seconded by Kirk, that the Advisory Board recommends that the proposed water rate schedule be implemented on October 1, 2008.

Voting yea: Talbert, Zavadil, Kirk, Kuti, Kusek

Voting nay: none

Abstaining: none

Absent: none

Proposed Budget for Fiscal Year 2009

A draft of the budget for fiscal year 2009 is reviewed with Advisory Board Members present. All line items were reviewed. There was further discussion.

It was moved by Zavadil, and seconded by Kusek, that the Advisory Board recommends approval of the fiscal year 2009 budget.

Voting yea: Talbert, Zavadil, Kirk, Kuti, Kusek

Voting nay: none

Abstaining: none

Absent: none

Adjournment: There being no further business, the meeting adjourned by acclamation at 9:25 p.m.