

MINUTES OF THE
 DAKOTA COUNTY RURAL WATER
 ADVISORY BOARD
 JUNE 11, 2003

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The Rural Water Dakota County Advisory Committee Meeting was called to order by Chairman, Dave Soelberg at 8:00 P.M. on June 11, 2003.

MEMBERS

<u>PRESENT</u>	<u>ABSENT</u>	<u>OTHERS PRESENT</u>
Dave Soelberg	Hank Hurley	Randy Hummel P-MR NRD
Pat Green	Bill Rohde*	Margie Stark P-MR NRD
Bill Haafke		Lance Olerich P-MR NRD
Mick Samuelson		
Bryce Andersen		
Dennis Kirkholm		
Gail Jensen		

*Denotes excused absence

CONSIDERATION OF MAY 14TH, 2003 ADVISORY BOARD MINUTES FOR APPROVAL.

Motion #1 A motion was made by Bryce Andersen and seconded by Pat Green to approve the Rural Water Advisory Board Meeting Minutes. On roll call vote, all yes. Motion carried 6-0.

FINANCIAL REPORT/ACTION.

A. BILLS B. REVIEW REV/EXP WITH ANNUAL BUDGET

Randy gave the Financial Report for the month of May and review of the Budget. Checks for the month of June (\$77,173.40), and Manual Checks for the month of May (\$1,399.01) were presented.

Bill Haafke joined the meeting.

Motion #2 A motion was made by Gail Jensen and seconded by Mick Samuelson to accept the Financial Report and checks paid. On roll call vote: five yes, Haafke abstained. Motion carried. 6-0.

WATER USE REPORT/DELINQUENT ACCOUNTS

The water use report was given. Use for April 2003 water was 73.9% with the average at 83.9%. There were 27 customers on the certified/shut-off list. All customers made payment or arrangements to make payment.

CONSIDERATION OF NEW HOOK-UPS AND TRANSFERS

There were two Transfers: Unit #325 Kent & Tami Herbold to Holly Rogers and Unit #430 Bernie Cain to Frank Phillips.

Motion #3 A motion was made by Bill Haafke and seconded by Gail Jensen to approve the above two Transfers. On roll call vote, all yes. Motion carried 7-0.

There were two Hook-ups: Benefit Unit #717 Stacy Agee \$2900.00 and Unit #718 Mike Mattison \$2900.00.

Motion #4. A motion was made by Bryce Andersen and seconded by Mick Samuelson to approve the above two Hook-ups. On roll call vote, all yes. Motion carried 7-0.

MANAGERS REPORT

Randy gave the Manager's report. Regular rural water maintenance was done for the month. Mark Albenesius, Inc. was paid his second check, #12955 of \$49,266.75, on waterline extension to Hwy 20/Lake Village Trailer Court connection. First payment to Mark Albenesius, Inc. was May 8, 2003 with check #12929 for \$180,718.39. Retaining \$12,266.61 upon completion/with adjustments on payment. Pressure test on the line has been done and now flushing and waterline water test are being done.

OTHER BUSINESS

No other business.

ADJOURN

There being no other business, the Rural Water Advisory Board adjourned at 9:00 P.M.

Margie Stark -- Rural Water, Sec.

WASHINGTON COUNTY RURAL WATER ADVISORY BOARD
Meeting Minutes
June 23, 2003

A meeting of the Washington County Rural Water Advisory Board was held on June 23, 2003, at the Ft. Calhoun City Hall, in Ft. Calhoun, NE.

The meeting was called to order by Chairman Paul Oestmann at 7:04 p.m.

QUORUM CALL: Quorum call was taken. The following subcommittee members were in attendance.

Advisory Members Present	Advisory Members Absent	Others Present
Paul Oestmann	Michael Smith	Dick Sklenar, NRD Staff
Dennis Miller*		
Mitch McGowan		
Mark Welsher		

*Absent at roll call, but present for meeting.

ADOPTION OF AGENDA

- ◆ **Chairman Oestmann called for discussion on tentative Agenda. It was moved by McGowan, and seconded by Welsher, that the Agenda be adopted.**

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

Voting Yea: Oestmann, McGowan, Welsher

Voting Nay: None

Abstaining: None

Absent: Miller, Smith

OPERATIONS AND FINANCIAL REPORT:

Dick Sklenar mentioned that during the fiscal year 2003 there were eleven more hookups to the rural water system. He also stated that the Metropolitan Utilities District would not increase their water rates to the NRD this year. Further discussion dealt with the NRD hiring HGM Associates to design a water main on North 72nd Street, from Northern Hills Drive south to HWY 36. Team Bank would be paying for most of the cost for extending the water main. Work on this project should be completed by July 31, 2003. Dick Sklenar also mentioned that the District refinanced the old loans with the rural water system as a result of lower interest rates. New revenue bonds were issued earlier in the year with interest rates ranging from 1.35% to 3.9%. In other developments, the City of Ft. Calhoun recently renewed its contract to purchase water from the NRD for an extended 25 year period.

PROPOSED FISCAL YEAR 2004 BUDGET:

The draft FY2004 budget for the Washington County Rural Water System was presented to the Advisory Board members. It was mentioned that the proposed budget would be difficult for

fiscal year inasmuch as the NRD Staff has no idea as to whether any portion of the proposed rural water study west of Ft. Calhoun will be constructed.

- ◆ **It was moved by Welsher, and seconded by Miller, to recommend to the District's Board of Director's that the Draft Fiscal Year 2004 Budget for the Wahsington County Rural Water System be approved.**

Roll call was taken on the motion. The motion carried on a vote of 4 to 0.

Voting Yea: Welsher, Oestmann, Miller, McGowan

Voting Nay: None

Abstaining: None

Excused Absence: Smith

PROGRESS ON RURAL WATER STUDY WEST OF FT. CALHOUN:

A review on the progress regarding the Rural Water Study west of Ft. Calhoun was presented by Dick Sklenar. He stated that to date less then 70 applications for rural water service has been received. An extension of time may be requested by the steering committee to the District's Board of Directors. A determination will be made later this fall by the District's consulting engineer as to whether any portion of the study area is economically viable. There was further discussion on this subject.

PROPOSED HOOKUP FEE ADJUSTMENT:

- ◆ **It was moved by Miller, and seconded by Welsher, to recommend to the District's Board of Directors that the hookup fee be increased by \$100.00, except for that portion of the distribution system constructed in 1998, and that the increase in the hookup fee be effective January 1, 2004.**

Roll call was taken on the motion. The motion carried on a vote of 4 to 0.

Voting Yea: Welsher, Oestmann, Miller, McGowan

Voting Nay: None

Abstaining: None

Excused Absence: Smith

OTHER ITEMS OF INTEREST:

Chairman Paul Oestmann indicated that the City of Ft. Calhoun has appointed Mark Welsher to the Advisory Board to fill a vacancy. By contractual agreement between the NRD and the City, the Washington County Rural Water Advisory Board consists of five members, three of which are appointed by the City and two are appointed by the NRD.

ADJOURNMENT:

Being no further business, the meeting adjourned by acclamation at 8:05 p.m.

THURSTON COUNTY RURAL WATER ADVISORY BOARD
Meeting Minutes
June 24, 2003

A meeting of the Thurston County Rural Water Advisory Board was held on June 24, 2003, at the NRD office in Walthill, NE.

The meeting was called to order by Chairperson Harlan Witte at 7:37 p.m.

QUORUM CALL: Quorum call was taken. The following were in attendance:

Advisory Members Present	Advisory Members Absent	Others Present
Harlan Witte	Rick Sebade	Dick Sklenar, NRD Staff
Marvin Baker		Dennis Piper, NRD Staff
Larry Athey		

*Absent at roll call, but present for meeting.

ADOPTION OF AGENDA

- ◆ **Chairman Witte called for discussion on tentative Agenda. It was moved by Athey, and seconded by Witte, that the Agenda be adopted.**

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

Voting Yea: Witte, Baker, Athey

Voting Nay: None

Abstaining: None

Absent: Sebade

OPERATIONS AND FINANCIAL REPORT:

Dick Sklenar mentioned to the Advisory Board members that the Thurston County Rural Water System has been fortunate during the current fiscal year in that no major expenditures for repairs were made. Three meter pits that were leaking have been repaired and upgraded. Other than that, the rural water system is in generally sound operational condition. A water use report and a financial report were reviewed by the Advisory Board. Warm weather last summer increased revenues for the fiscal year.

WATER RATE SCHEDULE ADJUSTMENT:

Dick Sklenar stated that the Village of Pender will shortly be constructing a new water treatment plant and that the cost of this project will necessitate a rate increase to the rural water system. The proposed rate increase is expected to be approximately 100% higher than what is currently being charged to the District. Under the Village of Pender's proposed rate schedule, the rural water system would purchase most of its water at a \$1.54 per thousand gallons versus the current price of \$0.77 per thousand gallons. Dick Sklenar stated that it would be necessary to increase water rates, refinance existing debt, and trim operational costs wherever necessary in order to maintain service to its customers. Larry Athey indicated that

with the type of increase the Village of Pender is proposing, the rural water system has no choice but to increase water rates to its consumers. Dick Sklenar mentioned that the proposed water rate schedule would be effective concurrently with the Village of Pender's rate increase. He also stated that a subsequent water rate increase may be necessary if revenues do not meet expectations. The current and proposed water rate schedule are stated below:

CURRENT RATE SCHEDULE (effective May 1, 2000)	PROPOSED RATE SCHEDULE
Minimum monthly charge \$24.00	Minimum Monthly Charge \$25.00
First 20,000 gallons/\$3.40 per 1,000 gallons	First 20,000 gallons/\$3.90 per 1,000 gallons
All over 20,000 gallons/\$1.45 per 1,000 gallons	All over 20,000 gallons/\$1.85 per 1,000 gallons

There was further discussion by the Advisory Board members and the NRD staff as to how the proposed rate schedule would affect its largest volume customers. Dick Sklenar mentioned that the largest volume customers would probably have a 20-28% increase. Statistics show that the 12 largest customers purchase about 50-65 % of all the water purchased every month from the Village of Pender. Dick Sklenar also stated that a letter would be sent to all customers indicating the proposed rate schedule and a letter explaining the need for such an increase. There was also discussion on the need to have the largest volume customers invited to a future Advisory Board meeting to explain the rate schedule adjustment. Should it be necessary, the Advisory Board felt that it would be best to explain the rate increase individually to each of the largest customers should they inquire or complain about the charges.

- ◆ **It was moved by Athey, and seconded by Witte, that the Advisory Board recommend to the District's Board of Director's that the proposed rate schedule be implemented concurrently with the Village of Pender's water rate increase.**

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

Voting Yea: Witte, Baker, Athey

Voting Nay: None

Abstaining: None

Excused Absence: Sebade

REFINANCING OF EXISTING LOANS:

The refinancing of the rural water systems existing loans would provide additional operating capital on an annual basis for the rural water system.

- ◆ **It was moved by Witte, and seconded by Baker, that the Advisory Board recommends to the District that the existing loans be refinanced once an Agreement for water purchase with the Village of Pender has been executed.**

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

Voting Yea: Witte, Baker, Athey

Voting Nay: None

Abstaining: None

Excused Absence: Sebade

HOOKUP FEE ADJUSTMENT:

Dick Sklenar recommended to the Advisory Board that the hookup fee should be increased \$300.00. Currently the hookup fee for a single family residence is \$850.00, which is not enough to cover the cost of purchasing materials and the installation of the meter box. Dennis Piper stated that he did not think increasing the hookup fee would deter future residents from hooking up to the rural water system. Harlan Witte felt that the hookup fee should remain at its current level.

- ◆ **It was moved by Baker, and seconded by Athey, that the Advisory Board recommends to the District’s Board of Directors that the hookup fee be increased \$300.00 effective January 1, 2004.**

Roll call was taken on the motion. The motion carried on a vote of 2 to 1.

Voting Yea: Baker, Athey
Voting Nay: Witte
Abstaining: None
Excused Absence: Sebade

PROPOSED BUDGET FISCAL YEAR 2004:

- ◆ **It was moved by Witte, and seconded by Baker, that the Advisory Board recommends to the District’s Board of Directors that the proposed budget for the Thurston County Rural Water System for FY2004 be adopted.**

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

Voting Yea: Witte, Baker, Athey
Voting Nay: None
Abstaining: None
Excused Absence: Sebade

OTHER ITEMS OF INTEREST:

Chairman Witte indicated that Bruce Paeper was willing to serve on the Advisory Board to fill a vacancy previously held by Orville Pearson. This nomination is being recommended to the District’s Board of Directors.

ADJOURNMENT:

Being no further business, the meeting adjourned by acclamation at 8:55 p.m.