

**CENTRAL WYOMING REGIONAL WATER SYSTEM
JOINT POWERS BOARD**

MEETING PROCEEDINGS

December 13, 2005

A public meeting of the Regional Water System Joint Powers Board (JPB) was held Tuesday, December 13, 2005 at 11:30 AM, in the Joint Powers Board Conference Room, Regional Water Treatment Plant, 1500 SW Wyoming Boulevard, Casper, WY.

Board Members Present - Chairman Bertoglio, Vice-Chairman Jones, Treasurer Workman, Board Members Bentley and Opella. Board Members Killean and Peryam and Secretary Padgett were absent.

City of Casper - Bertoglio, Opella, Phillip Stuckert, David Hill, John Naquin, Janette Brown, Deca Wasson

Natrona County -

Salt Creek Joint Powers Board –

Wardwell Water & Sewer District – Workman

Pioneer Water & Sewer District – Bentley

Poison Spider Improvement & Service District -

Wyoming Water Development Office -

Sandy Lakes Estates -

Lakeview Improvement & Service District -

33 Mile Road Improvement & Service District -

Central Wyoming Regional Water System - Steve Garner

Central Wyoming Groundwater Guardian Team (CWGG) -

Others – Don Chapin - Crowell and Chapin, P.C., Roxy Skogen – Lovelett, Skogen & Associates, P.C.

The JPB meeting was called to order at 11:56 a.m.

1. There were no Announcements.
2. Chairman Bertoglio asked for a motion to approve the minutes of the October 18, 2005 meeting. Motion made by Treasurer Workman and seconded by Board

Member Opella to approve the minutes of the October 18, 2005 meeting. Motion put and carried.

3. Mr. Hill asked the Board to reference the November 2005 voucher listing in their agendas to include vouchers 6381 through 6394 for a total amount of \$1,458,849.75. Motion made by Board Member Opella and seconded by Vice-Chairman Jones to reaffirm the approval of the November 2005 vouchers in the amount of \$1,458,849.75. Motion put and carried.

Mr. Hill asked the Board to reference the December 2005 voucher listing in their agendas to include vouchers 6395 through 6406 for a total amount of \$173,766.31. Mr. Hill offered to answer any questions the Board might have on the vouchers. Motion made by Board Member Opella and seconded by Treasurer Workman to approve the December 2005 vouchers in the amount of \$173,766.31. Motion put and carried.

4. Mr. Hill asked the Board to reference the Financial Statement. Mr. Hill stated that Ms. Wasson was present and would be able to answer any questions or pass on questions to Mr. Sarvey. Mr. Hill stated that chemical usage is down due to the surface plant being off. Chairman Bertoglio asked if water sales were in line with what was budgeted. Mr. Naquin stated that water production was 140 mg over last year. A motion was made by Board Member Opella and seconded by Vice-Chairman Jones to accept the Financial Report. Motion put and carried.

5. In the Operations update, Mr. Hill turned the time over to Mr. Naquin for his update.

Mr. Naquin stated that production is 147 mg over last year. He stated that the three wells that were rehabbed are now in service and are producing between 300-400 gpm. Mr. Naquin stated that Well 14 has a broken pump shaft and has been taken out of service until it can be repaired. Mr. Naquin stated that the plant is now in winter mode. He stated that the valves for filters 4, 5 and 6 are scheduled to be replaced next month. Mr. Naquin also stated that the Groundwater High Service disconnects will be repaired soon and will require that the electricity for the whole plant be shut down. Vice-Chairman Jones asked Mr. Naquin if the entities would be notified of the shut down. Mr. Naquin stated that as soon as it is scheduled he will notify the entities.

Mr. Hill stated that Mr. Rail was unavailable today. He stated that the distribution crew has been working on routine booster maintenance. Mr. Hill also stated that testing was done on the old pump house for lead paint and asbestos.

6. In the Project Update, Mr. Garner stated that the contract with Automation and Electronics is on-going and is on schedule. He stated that the temporary use agreement for the Amoco water rights has been sent to the State Engineer's office. He stated that he is still working on the Chevron water rights. Mr. Garner stated that EPA has some concerns on some of the samples from Well 6 having to numerous to count results. He also stated that he is continuing to work on security policies and the system investment charges. Mr. Garner stated that the

Board has copies of the AWWA Journal article and he would be happy to answer any questions on the article. Mr. Garner informed the Board that starting on the 21st, he would be on vacation until the end of the year. Treasurer Workman asked Mr. Garner what was the priority date for the Chevron water rights. Mr. Garner stated that they were 1922 rights. Chairman Bertoglio asked about the Gallery. Mr. Garner stated that he submitted a proposal to EPA that would concentrate on the Gallery to try to figure out what to do with it.

7. There was no Public Comment.

8. Old Business:

- a) Mr. Hill turned the time over to Ms. Skogen to review the FY2005 Audit. Ms. Skogen stated that the audit was different this year in that Mr. Sarvey prepared the Financial Statements which were reviewed by Lovelett, Skogen & Associates. She stated that there were no reportable conditions. Ms. Skogen stated that assets increased along with liabilities. She stated that Capital Assets decreased due to depreciation. She also stated that the Total Revenues increased by 4.44%. Ms. Skogen stated that the overall change was a loss of \$1 million due to asset depreciation and principal payment on the debt.

Ms. Skogen stated that the internal control is a separate portion of the audit. She stated that with a small staff, segregation of duties is very important. She stated that Chairman Bertoglio has suggestions of ways the Board can verify the amounts on the checks that are being written. She stated that it is a good step towards having more internal control by having Mr. Sarvey do the bank reconciliations. Board Member Opella asked how the City would get the over payment back. Ms. Skogen stated that it was listed as a payable and would be credited back to the City. Mr. Hill stated that it was credited back to the City on the September billing. A motion was made by Board Member Opella and seconded by Treasurer Workman to accept the FY2005 audit. Motion put and carried.

- b) Mr. Hill stated that this was the end of the contract with Lovelett, Skogen and Associates for the annual audit. He asked the Board if they wished to renegotiate with Lovelett & Skogen for another three year contract or if they wished to go out for an RFP. A motion was made by Vice-Chairman Jones and seconded by Board Member Bentley to continue utilizing Lovelett and Skogen for the annual audit. Motion put and carried.

Chairman Bertoglio asked Ms. Skogen about the Bonding Insurance on the letter with other matters. Ms. Skogen stated that the Bonding Insurance is an Employee Dishonesty Bond and clarification is needed as to whether staff is covered or not. Mr. Stuckert stated that he would take care of making sure that employees are covered. Chairman Bertoglio stated that before checks are written, the Chairman will review invoices and sign off on them. The Treasurer will sit in on the reconciliations of the bank accounts. There will also be two original

signatures on all the checks. He stated that this will allow the Board to be more involved with the payables. Mr. Stuckert stated that there will be a meeting with staff to address the rest of the issues with segregation of duties.

- c) Mr. Hill stated that EPA has been working on LT2 for about the last 8-10 years. He stated that the Long-Term Enhanced Surface Water Rule will affect the surface water plant. This will not have an effect on the consecutive systems, but the DBPR will. He stated that with the LT2 there will be a lot of sampling for Cryptosporidium and Giardia.

Mr. Naquin stated that with the DBPR, the consecutive systems will have to sample for THM's and HAA5's in their distribution systems. He stated that EPA can determine a very small system waiver, for systems with fewer than 500 people. He also stated that the RWS is well below the MCL for THM's and HAA5's. Mr. Hill stated that the monitoring costs will be rather high. Mr. Garner stated that this is now catch up for the smaller entities to do the same sampling that the larger entities are required to do.

- d) Mr. Naquin stated that there will be two EPA webcasts to explain the LT2 and DBPR. The dates for the webcasts are January 17th and 26th from 11am-3pm. Mr. Naquin stated that all the consecutive system operators have been invited to attend. Vice-Chairman Jones asked Mr. Naquin if the operators will be able to earn contact hours for the webcasts. Mr. Naquin stated that he will check with DEQ.
- e) Mr. Hill stated that the Board gave permission to negotiate with Wichita for the sale of the pilot plant after no bids were received. Since that time, Wichita has gone to a full scale Actiflo plant. Mr. Hill requested permission from the Board to advertise in national journals to sell the pilot plant. Mr. Naquin stated that ads in the AWWA Journal are \$750 and \$250 in the Public Works magazine. A motion was made by Board Member Opella and seconded by Vice-Chairman Jones to spend up to \$3000 in advertising to sell the Actiflo Pilot Plant. Motion put and carried. Mr. Hill stated that since the pilot plant was already put out for bid the Board is free to negotiate a sale.

9. There was no Other Old Business.

10. New Business:

- a) Mr. Hill asked the Board to reference the draft support letter to the WWDC for the Platte River Recovery Implementation Plan and the Pathfinder Modification Project in their packets. He stated that the WWDC hoped to present the program to the Legislature for funding in FY06. Mr. Hill stated that the State program will address the Endangered Species Act instead of each individual entity and would be more cost effective. Mr. Hill recommended that the Board approve Chairman Bertoglio signing the support letter. Chairman Bertoglio asked if the State would take care of municipal use and not industrial use. Mr. Hill stated that it is strictly for municipal use and industry users would deal directly with the state. Chairman Bertoglio asked about the daily diversions and

return flows. Mr. Garner stated that they are looking at depletions instead of diversions. He stated that there would need to be an acceptable measuring program for the return flows. Mr. Hill stated that since 2000 the City has been keeping track of return flows. He stated that the State will not accept infiltration in the return flow numbers. A motion was made by Board Member Opella and seconded by Vice-Chairman Jones to approve Chairman Bertoglio signing the support letter to the WWDC. Motion put and carried.

11. In Other New Business, Chairman Bertoglio stated that this would be Vice-Chairman Jones's final meeting. Vice-Chairman Jones introduced Mr. Buck King as his replacement. Vice-Chairman Jones stated that he needed to resign officially from the Vice-Chairman position of the Board. A motion was made by Board Member Opella and seconded by Board Member Bentley to accept Vice-Chairman Jones's resignation. Motion put and carried. Vice-Chairman Jones stated that he learned a lot being on the Board and wished to thank the staff of the WTP and the Distribution crew for all their help. Chairman Bertoglio stated that the Vice-Chairman position needs to be filled in order for Ms. Brown to get the paperwork done for the signature cards. He suggested that Treasurer Workman move to the Vice-Chairman position with Board Member Bentley as the Treasurer. A motion was made by Board Member Jones and seconded by Board Member Opella to nominate Treasurer Workman as Vice-Chairman. Motion put and carried. A motion was made by Vice-Chairman Workman and seconded by Board Member Opella to nominate Board Member Bentley as Treasurer. Motion put and carried.
12. In the Chairman's Report, Chairman Bertoglio stated that he has had good discussions with staff about how things are working and not working. He stated that meetings need to be set up to decide how much money to put in Water Rights and Capital and to decide on some financial policies.
13. Chairman Bertoglio stated that the next regular meeting will tentatively be scheduled for Tuesday, January 21, 2006 at 11:30 a.m.

A motion was made by Board Member Opella and seconded by Vice-Chairman Workman to adjourn the meeting at 1:08 p.m. Motion put and carried.

Chairman

Secretary
