

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

MEETING PROCEEDINGS

March 9, 2005

A public meeting of the Regional Water System Joint Powers Board (JPB) was held Wednesday, March 9, 2005 at 12:00 PM, 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, Secretary Padgett, Board Members Bentley, Killean and Opella.

City of Casper - Bertoglio, Padgett, Opella, Phillip Stuckert, David Hill, Lynne Short, Tom Sarvey, Tim Rail, John Naquin, Janette Brown

Natrona County - Killean

Salt Creek Joint Powers Board – Jones

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) - Floyd Field

Others – Mary Keating Scott – George K. Baum & Co., Tom Brauer & Andrew Beamer – Wyoming Children’s Water Festival Foundation

The JPB meeting was called to order at 12:07 p.m.

1. In Announcements, Secretary Padgett announced that he had Board Member Peryam’s proxy. Chairman Bertoglio announced that there would be the following additions to the agenda: Hedquist Retainage, Mr. Garner’s Contract, and Bonds.

2. Chairman Bertoglio asked for a motion to approve the minutes of the February 9, 2005 meeting. Motion made by Board Member Opella and seconded by Treasurer Workman to approve the minutes of the February 9, 2005 meeting. Motion put and carried.
3. Mr. Hill asked the Board to reference the voucher listing handout to include vouchers 6327 through 6330 for a total amount of \$149,101.71. Mr. Hill stated that Ms. Short and Mr. Sarvey would be able to answer any questions on the invoice for the City of Casper. Motion made by Board Member Opella and seconded by Secretary Padgett to approve the vouchers as of March 9, 2005 in the amount of \$149,101.71. Motion put and carried.
4. Mr. Hill asked the Board to reference page 3 in the Financial Statement handout. Mr. Hill stated that under Revenues and Expenses water sales are less this year compared to last year. Mr. Hill asked the Board to reference the production graph which shows declining production between 1999 and 2004. Mr. Hill stated that there have been some cool summers with opportune rains that have contributed to the decrease in production.

Mr. Hill asked the Board to reference the Budget Comparison on page 12. Mr. Hill stated that almost \$70,000 has been spent on Consulting for the EPA Study and that it was money well spent. Board Member Opella asked what the progress was on the study. Mr. Garner stated that EPA has the final report but is having some confusion with the formatting. Mr. Garner stated that EPA has requested the format be changed on the report. He also stated that he did not expect to receive any kind of answer from EPA until July.

Board Member Bentley asked what Replacement Capital was. Mr. Hill stated that it was anything to extend the life of equipment. Board Member Bentley asked what the funds were spent on specifically. Mr. Naquin stated that new maintenance software was purchased. Board Member Bentley requested that some kind of general description of what was purchased be included in the Financial Report. Ms. Short stated that Finance will work on including the descriptions.

Motion made by Treasurer Workman and seconded by Board Member Opella to approve the Financial Report. Motion put and carried.

5. In the Operations update, Mr. Hill turned the time over to Mr. Naquin and Mr. Rail for their updates.

Mr. Naquin stated that winter mode production is at 5.2 – 5.5 mgd. Mr. Naquin stated that the Groundwater Contactor that was repaired worked for a while but is leaking again. Mr. Naquin stated that the part for the ozone boiler has arrived but has not been installed yet. He stated that work has begun on the new budget and that two of the employees will be taking the tests for their licenses. One employee will be taking the Operator-in-training test and the other will be taking the level III test.

Mr. Rail stated that 37 RWS valves have been exercised and 9 valve boxes have been repaired. He stated that the meters were being read monthly and things were going well.

Mr. Hill stated that interviews will be conducted today for the two Utility II workers.

6. In the Project Update, Mr. Garner stated that he is continuing work on the water supply by talking to Mr. McMurry and with Pacific Power. He stated that work is continuing on the EPA Study and that he is working with Mr. Hill and Mr. Stuckert on the rate model. Board Member Opella asked what year are the water rights for Mr. McMurry. Mr. Garner stated that they are pre-Pathfinder rights, but that right now it is being debated as to whether or not any of the water from the reservoir actually transfers to the North Platte River. He stated that the water would have to reach the point-of-diversion for the water treatment plant. He stated that work is also being done to purchase just the water that is released.
7. There was no Public Comment.
8. Old Business:
 - a) Chairman Bertoglio stated that the City Council talked about placing voluntary water restrictions for April. Mr. Hill stated that on February 10th the State Engineer's Office placed a call on the river for 1923 rights. He stated that there are enough water rights to cover the 1923 call and that there is a good chance there will be a 1904 call placed on the river for April. Mr. Hill stated that neither the RWS nor the City of Casper has rights pre-dating the 1904 call and that water was purchased from the Bureau of Reclamation. He stated that the RWS was only able to purchase 552 acre-feet of water, which is 92% of the water that was purchased last year. Mr. Hill requested permission from the Board to send letters to all the member entities asking them to voluntarily conserve water during the month of April as there will not be enough water for people to water their lawns. Treasurer Workman asked if the flushing of the RWS water lines will still take place in April. Mr. Hill stated that no flushing will be done until after May 1st. Chairman Bertoglio gave Mr. Hill permission to send the letters to the entities for voluntary water conservation in the month of April.
9. In Other Old Business, Mr. Garner stated that Hedquist Construction had sent a letter to Mr. Hill requesting the release of the retainage for the Cross-Town Pipeline. He stated that there is still \$50,000 in the retainage account. Mr. Garner stated that the work has been completed and asked that the retainage be released. He stated that the agreement is that Hedquist owes the RWS \$15,000 out of the \$50,000 for issues with the construction. Motion made by Board Member Opella and seconded by Vice-Chairman Jones to release the retainage. Motion put and carried.

Chairman Bertoglio stated that he would like to execute the modified contract

with Mr. Garner. Motion made by Board Member Opella and seconded by Vice-Chairman Jones to execute the contract. Motion put and carried. Chairman Bertoglio stated that he will execute the contract with Mr. Garner after the meeting.

10. New Business:

- a) Floyd Field from the Groundwater Guardians gave an update to the Board. Mr. Field stated that the CWGG has been testing wells in the Dempsey Acres area since 1997 and that there have been very minimal changes in the results in the last seven years. Due to this, the testing has been reduced for the current year. He also stated that the CWGG is in the process of updating the Well Head Protection document. Mr. Field thanked the Board for their support and invited them to attend the CWGG meetings. Vice-Chairman Jones asked how many people were currently on the CWGG team. Mr. Field stated that they try to keep 7-9 people on the team. Chairman Bertoglio asked Mr. Field to let the CWGG know the work they do is appreciated by the Board.
- b) Mr. Tom Brauer, President of the Wyoming Children's Water Festival Foundation was present along with Mr. Andrew Beamer, Treasurer of the Foundation. Mr. Brauer stated that he apologized to the Board and explained to them that there would not be a Water Festival this year. He stated that the Foundation decided that the worse thing that they could do was to put on a bad Festival after having seven years of great Festivals. He stated that the Foundation is actively pursuing a coordinator for the Festival and are trying to link it into the School District and the Science Adventure Center. He stated that the Foundation is committed to having a successful Festival next year.
- c) Chairman Bertoglio stated that he has talked with Mr. McDonald from City Finance about the date of the meeting being changed due to it being difficult to complete the Financial Report in time for the Board to review before the meeting. The Board agreed to change the regularly scheduled meeting dates to the third Wednesday of the month.
- d) Mr. Hill stated that work has begun on the FY06 Budget and he hoped to have a preliminary budget to the Board by the next meeting. Chairman Bertoglio asked if it would include a preliminary rate. Mr. Hill stated that it would just be the preliminary budget for the next meeting.

11. In Other New Business, Chairman Bertoglio stated that he had met with Mary Keating-Scott of the George K. Baum Company regarding the RWS Bonds. Ms. Keating-Scott spoke to the Board about different options for refinancing the bonds. She stated that some laws were just passed and the lawyers were meeting today to decide if the laws applied to Joint Powers Boards. Ms. Keating-Scott asked permission to put together a detailed presentation for the Board on refinancing the bonds which could save the Board \$100,000 per year on the debt payments. Chairman Bertoglio stated that the Board would need a third party to give them advice about the proposal. Ms. Keating-Scott stated that she would welcome another set of eyes and that there would be no financial obligation to the Board for the proposal. The Board decided a separate meeting would be best to review the proposal and set a tentative date of Wednesday, March 30, 2005 at

10:00 am to meet with Ms. Keating-Scott in the RWS Conference Room.

12. In the Chairman's Report, Chairman Bertoglio stated that Mr. McDonald of the City Finance Department will be looking at setting up a Reserve Policy that will state where the Boards' money can go to maximize earnings on savings.
13. Chairman Bertoglio stated that the next meeting will be scheduled for April 20, 2005 at noon.

A motion was made by Board Member Opella and seconded by Treasurer Workman to adjourn the meeting at 1:43 p.m. Motion put and carried.

Chairman

Secretary
