

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

MEETING PROCEEDINGS

June 16, 2004

A public meeting of the Regional Water System Joint Powers Board (JPB) was held Wednesday, June 16, 2004 beginning with an Executive Session at 11:00 AM and the regular meeting 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, Secretary Jones, Treasurer Padgett, Board Members Killean, Lamb, Peryam and Workman. Vice-Chairman Dobos was absent.

City of Casper - Bertoglio, Padgett, Lamb, Peryam, David Hill

Natrona County - Killean

Salt Creek Joint Powers Board – Jones

Wardwell Water & Sewer District – Workman

Pioneer Water & Sewer District – Sandra 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 - John Naquin, Janette Brown, Deena Hood, Michael McDaniels, Brian Boettcher

Central Wyoming Groundwater Guardian Team (CWGG)-

Others - Don Chapin – Crowell, Chapin and Dixon, P.C., Brendan Burke - Casper Star Tribune, Greg Fladager – KWYF-TV, Leo Chernick

The JPB meeting was called to order at 12:11 p.m.

1. Chairman Bertoglio announced that Sandra Bentley has Vice-Chairman Dobos' proxy.

2. Chairman Bertoglio asked for a motion to approve the minutes of the April 28, 2004 and May 25, 2004 JPB meetings. Motion made by Treasurer Padgett and seconded by Secretary Jones to approve the minutes of the April 28, 2004 and May 25, 2004 JPB meetings. Motion put and carried.
3. Mr. Naquin asked the Board to reference pages nine through twelve of the agenda as well as the handout dated June 16, 2004 to include vouchers 5970 through 6006 for a total amount of \$90,480.98. Mr. Naquin asked the Board to reference the amount of voucher number 5982. He stated that the amount changed due to the vendor making a mistake on the bill. Mr. Naquin offered to answer any questions the Board had with reference to the vouchers. Motion made by Board Member Killean and seconded by Board Member Lamb to reaffirm approval of the May 2004 vouchers and to approve the vouchers as of June 16, 2004. Motion put and carried with Board Member Peryam abstaining from voucher 5988.
4. Mr. Naquin asked the Board to reference the financial report contained in their agenda packets on pages 15 through 20 and the Budget vs. Actual handed out this date. He stated that things were business as usual and that interest rates continue to be quite low accounting for miniscule interest earnings. He asked them to reference the graph for water usage and stated that there was a slight increase for May. Chairman Bertoglio asked Mr. Naquin about the projection for June production. Mr. Naquin stated that currently, 274 million gallons have been produced, which is approximately 71 million gallons more than this same time last June. He also stated that the plant has been running more days than last June.
5. In the Operations update, Mr. Naquin stated that June production was 71 million gallons more than last June. He stated that one of the sludge ponds has been cleaned. The Chloramine dosage has been raised to try and eliminate any reduction of residual in the system and that two pumps are being repaired for the decant pump station. Mr. Naquin also stated that the plant has been running quite well.
6. In public comment, Mr. Leo Chernick asked the Board if there were security plans to protect the SCADA system from terrorist attack. Chairman Bertoglio stated that the Vulnerability Assessment has identified security issues and asked Mr. Naquin if any were of public knowledge. Mr. Naquin stated that the SCADA system is separate from other computers. After much discussion, Chairman Bertoglio told Mr. Chernick that implemented security systems would not be made public information.
7. Old Business:
 - a) Mr. Naquin stated that the Region's web page, www.wyowater.com, is being updated monthly with current agendas and approved minutes.
8. The Board elected not to take a break.

9. Budget and Rates:

a) Budget Reallocations

Mr. Naquin asked the Board to reference the Budgets vs. Actual sheet handed out this date. He stated that a few line items went over budget.

- 1) Wells – a Recharge pump failed and will cost approximately \$10,000 to repair. Mr. Naquin stated that the cost may be paid by the property insurance, but in case it is not, funds are required.
- 2) WTP Maintenance – Mr. Naquin stated that there were unexpected repairs on the injectors.
- 3) Vehicle Supplies – Mr. Naquin stated that the cost of fuel increased.
- 4) Lab Supplies – Mr. Naquin stated that the digital lab thermometers failed and had to be replaced and more reagents were needed for testing.

Chairman Bertoglio asked for a motion to approve Budget Reallocation forms 2004-02, 2004-03, 2004-04 and 2004-05, which reallocates money from Natural Gas to Lab Supplies, Vehicle Supplies, Water Treatment Plant Maintenance and Wells. Motion made by Board Member Killian and seconded by Treasurer Padgett. Motion put and carried.

b) Budget

Mr. Naquin asked the Board to reference the FY '05 budget sheet. He stated that Consulting has been increased by \$10,000 and on the Capital budget, the tractor was removed. Chairman Bertoglio stated that the budget was conceptually approved at \$2,025,500 and now has increased by \$10,000. Board Member Peryam asked why the Lab Testing amount was increased. Mr. Naquin stated that the cycle of testing for the next year is more expensive. Chairman Bertoglio asked what is built in the Wages & Salaries for a cost of living increase for employees. Mr. Naquin stated that a 3% cost of living increase was included. Chairman Bertoglio asked if additional monies were included. Ms. Brown stated that there was additional money set aside in Discretionary Personnel Funds. Chairman Bertoglio stated that the Board decided to suspend the merit increases and distribute that money to the employees. Board Member Peryam asked if the Health Insurance costs were included in Wages & Salaries and how much specifically the increase was. Chairman Bertoglio stated that it is included in Wages & Salaries. Ms. Brown stated that the Region is on the lowest tier for cost and the cost decreased by approximately 3%. Chairman Bertoglio asked for a motion to approve the FY2005 Budget as shown with the revision from the tentative budget with a cost of \$2,035,500. Motion made by Board Member Peryam and seconded by Treasurer Padgett. Motion put and carried. Chairman Bertoglio asked for a motion to approve the Capital Expenditures budget for FY2005. Motion made by Board Member Peryam and seconded by Board Member Lamb. Motion put and carried.

c) Rate Resolution

Mr. Naquin asked the Board to reference the two rate models in their

handouts. The first table uses the actual production for June and the second table uses the three-year average for June production. He stated that the rate is the same at \$1.22 per thousand with the only difference being the amount transferred into Rate Stabilization. Board Member Peryam asked what the advantage was to using the three-year average. Chairman Bertoglio stated that if last year's number was used, there would be a shortfall that would have used the entire Rate Stabilization fund and the rate would have increased to over \$1.30. Mr. Naquin stated that unused funds from the FY04 budget would be transferred to Rate Stabilization in addition to the amount shown on Table 19. Chairman Bertoglio asked for a motion to approve the FY05 rate at \$1.22 per thousand gallons. Motion made by Board Member Killean and seconded by Board Member Peryam. Motion put and carried.

10. Chairman Bertoglio stated that the Board has met several times and has decided on the following actions: 1) Mr. Naquin's title will change to Manager of Operations with complete discretion over day to day operations and operational personnel. Mr. Naquin will report directly to the Board as it relates to those issues. 2) Mr. Garner will be taken off of paid administrative leave and will be put back as Administrative Director with administrative staff and working in conjunction with operations. Chairman Bertoglio stated the Board anticipates having a meeting with management and staff. Chairman Bertoglio asked for a motion to change Mr. Naquin's title to Manager of Operations. Motion made by Secretary Jones and seconded by Board Member Lamb. Motion put and carried. Chairman Bertoglio asked for a motion to remove Mr. Garner from paid leave and place him with a title of Administrative Director. Motion made by Secretary Jones and seconded by Board Member Peryam. Motion put and carried.
11. Chairman Bertoglio stated that the Board would like to undertake a wage survey to compare staffs' wages with other plants. He stated that the Board would not be able to implement any changes in the 2005 Fiscal Year, but, if received in a timely manner, would be able to implement any changes in the next fiscal year. Chairman Bertoglio asked for a motion for the Chair to have the authority to investigate options regarding the wage survey and report back and move forward accordingly. Motion made by Treasurer Padgett and seconded by Secretary Jones. Board Member Peryam stated that she would like a price limit and parameters for the survey. Chairman Bertoglio stated that he would like to go out on behalf of the Board to get two to three quotes from third parties and to bring the information back to the Board. Motion put and carried.
12. There was no Other New Business.
13. Mr. Naquin stated that nominations are needed for the Election of Officers. Secretary Jones made a motion to retain the current officers in the current positions for the next term. Seconded by Board Member Killean. Board Member Peryam stated that Vice-Chairman Dobos already announced that he will not be running for another term, and asked if an election for the Vice-Chairman position should be done, or wait until Mr. Dobos resigns. Chairman Bertoglio stated that for convenience it would be better to leave it until he resigns and then vote in a

- new Vice-Chairman. Motion put and carried.
14. In the Chairman's Report, Chairman Bertoglio stated that the Board knows there are questions and will work through them as quickly as possible. He stated that a Structural Organizational Chart is needed with duties clearly defined. Chairman Bertoglio stated that he appreciated Mr. Naquins' and staffs' patience with the Board. Board Member Peryam made a motion to move into Executive Session for matters of personnel with members of staff. Chairman Bertoglio asked to move into Executive Session after the next item of business.
 15. Chairman Bertoglio asked to move the next meeting to July 14, 2004 at 11:30am, if a meeting is needed. The Board agreed to the date change. Chairman Bertoglio asked for a motion to move into Executive Session with staff after a five-minute break. Motion made by Board Member Peryam and seconded by Board Member Killean. Motion put and carried.

A motion was made by Board Member Peryam and seconded by Board Member Lamb to adjourn the meeting at 2:15pm. Motion put and carried.

Secretary
