

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

MEETING PROCEEDINGS

March 23, 2021

A public meeting of the Central Wyoming Regional Water System Joint Powers Board (Board) was held Tuesday, March 23, 2021 at 11:30 a.m., in the Joint Powers Board Conference Room, Regional Water Treatment Plant, 1500 SW Wyoming Boulevard, Casper, WY.

Board Members Present - Chairman King, Vice-Chairman Keffer, Secretary Waters, and Board Members Cathey, and Knell. Treasurer Bertoglio and Board Members Freel and Powell were absent.

City of Casper – Cathey, Knell, Andrew Beamer, Bruce Martin, Brian Schroeder, Janette Brown, Scott Baxter, Terry Cottenoir

Natrona County –

Salt Creek Joint Powers Board – King

Wardwell Water & Sewer District – Keffer

Pioneer Water & Sewer District – Waters

Poison Spider Improvement & Service District –

Wyoming Water Development Office -

Sandy Lakes Estates -

Lakeview Improvement & Service District -

33 Mile Road Improvement & Service District –

Mile-Hi Improvement and Service District –

Central Wyoming Groundwater Guardian Team (CWGG) –

Others —

The Board meeting was called to order at 11:30 a.m.

1. There were no Announcements.

2. Chairman King asked for a motion to approve the minutes from the February 23, 2021 Regular and Executive meetings. A motion was made by Board Member Cathey and seconded by Vice-Chairman Keffer to approve the minutes from the February 23, 2021 Regular and Executive meetings. Motion put and carried.
3. Mr. Martin informed the Board that six additional vouchers were added to the voucher listing that was sent out in the agenda packet: Voucher 8264 for Mountain West Valuations, LLC in the amount of \$2,500 for the Murphy Parcel Appraisal Report; Voucher 8265 for West Plains Engineering in the amount of \$4,907.50 for the WTP HVAC Chiller Replacement Project No. 20-030; Voucher 8266 for Automation & Electronics, Inc. in the amount of \$63,600.35 for the WTP Raw Water Building MCC's & Switchgear Replacement Project No. 18-078; Voucher 8267 for Rexel in the amount of \$317.44 for Tools; Voucher 8268 for Long Building Technologies, Inc. in the amount of \$3,802.00 for the North Chem Air Handler Unit HVAC Motor Replacement; Voucher 8269 Wyoming Office of State Lands and Investments in the amount of \$43,843.72 for DWSRF#213 Loan Payment. Mr. Martin recommended approval of the vouchers and offered to answer any questions the Board may have on the voucher listing.

Chairman King asked for a motion to approve the March 2021 vouchers. A motion was made by Board Member Knell and seconded by Secretary Waters to approve the March 2021 voucher listing to include voucher numbers 8254 through 8269 in the amount of \$570,528.85. Motion put and carried.

4. Mr. Martin asked the Board to reference the Gallons Produced table in the agenda packet. Mr. Martin stated that production for February 2021 was 151 MG, which is 5.7 MG more than the five-year average of 146 MG. Mr. Martin stated that year to date production is 2.7 BG, which is 105 MG more than the five-year average of 2.59 BG.

Mr. Martin asked the Board to reference the Balance Sheet in the monthly compilation. Mr. Martin stated that the Fund Balance includes the updated Reserve Policy. Mr. Martin stated that the Undesignated Fund Balance is \$1.9 M. Mr. Martin stated that once you subtract Inventory and Pre-Paid Expenses, it leaves an Undesignated Fund Balance of approximately \$1.4 M.

Mr. Martin stated that Water Utility Charges for FY2021 is \$5.473 M, which is an increase of approximately \$369,000 more than FY2020 due to the water rate increase and higher than average water sales this year.

Mr. Martin stated that Reimbursable Contract Expense is \$2,350,601 which is approximately \$17,000 more than last year. Mr. Martin stated that this due to the timing of chemical purchases, and is right about where staff expected it to be.

Chairman King asked for a motion to approve the February 2021 Financial Report as presented. A motion was made by Board Member Knell and seconded by Secretary Waters to approve the February 2021 Financial Report as presented. Motion put and carried.

5. Chairman King turned the time over to Mr. Schroeder for the Operations Update.

Mr. Schroeder stated that the Water Distribution staff has been doing routine weekly testing, and booster checks. Mr. Schroeder stated that they have also been working on fire hydrants.

Mr. Schroeder stated that Water Distribution staff has completed the repair work on the Pioneer Tank drain. Mr. Schroeder stated that the work on the drain was mandated by the Bureau of Land Management to stop erosion.

Mr. Schroeder stated that Great Plains Structures (Great Plains) showed up for the roof inspection on the Wardwell Tank. Mr. Schroeder stated that Great Plains told staff they would have a roof panel ordered to replace the faulty roof panel on the tank. Mr. Schroeder stated that there is not a report on the condition of the rest of the roof yet.

Mr. Martin stated that there were some emails going back and forth this morning, and Great Plains is planning on being in town tomorrow to replace the cracked roof panel. Mr. Martin stated that this does not address the long-term fix, whether it needs more bracing, or what. Mr. Martin stated that the idea is to get the cracked panel replaced, get the tank back in service, and then take a closer look at what needs to be done for further engineering on the roof design. Mr. Martin stated that Great Plains said in their emails that this is one of three tank they are having issues with the roof; this one, one in Taiwan, and one in Japan.

Mr. Schroeder stated that Water Distribution staff has made repairs to a backflow preventer at Salt Creek Booster, and pump bearings at Pioneer Booster.

Mr. Schroeder gave the following update for the Water Treatment Plant.

Mr. Schroeder stated that the contractor is working on the Motor Control Centers (MCC) and Variable Frequency Drives (VFD) in the Raw Water Building. Mr. Schroeder stated that the MCCs and VFDs are from the original plant. Mr. Schroeder stated that there are only a couple of outstanding items left on this project. Mr. Schroeder stated that testing will start tomorrow, by running water through the building to make sure it runs in auto.

Mr. Schroeder stated that the new Lead Operator started on March 15th and is doing really well. Mr. Schroeder stated that the new Lead Operator came from Washington, and is currently working with the Operators to learn WTP Operations.

Mr. Schroeder stated that Maguire Iron will start staging equipment, etc. for the removal and replacement of the 2.6 MG Tank roof on April 19th. Mr. Schroeder stated that by the end of April, the roof of the tank should be replaced. Mr. Schroeder stated that once Maguire Iron has replaced the tank roof, the painters will come back to coat the tank inside and out.

Mr. Schroeder stated that the WTP is still in wintertime operations.

Chairman King stated that he heard a report on the radio that the next three months are supposed to be very dry, and asked if the WTP will be ready to supply water to the residents. Mr. Schroeder stated that the WTP will be ready. Mr. Schroeder stated that further in the agenda is the snowpack report. Mr. Schroeder stated that this last storm really boosted the water supply so there will be good levels in the reservoirs.

Board Member Cathey asked if the panel on the tank is the same one from a few years ago. Mr. Martin stated that it is.

Board Member Knell asked what kind of roof is on the tank. Mr. Martin stated that the roof is an aluminum dome. Mr. Martin stated that the first roof lasted approximately five years, and was replaced last year. Mr. Martin stated that the current roof is under warranty.

Board Member Cathey stated that the roof was designed for ground level, and as the altitude increases, wind speed increases. Board Member Cathey stated that the roof panels were blown off, or sucked off.

6. There was no Public Comment.
7. There was no Old Business.
 - a. There was no Other Old Business.
8. In New Business:
 - a. Mr. Martin stated that the FY21 Budget includes funds for the Filter Gallery roof replacement. Mr. Martin stated that four bids were received, with Contract West Roofing, Inc. being the low bid at \$73,300. Mr. Martin stated that a contingency amount of \$4,000 is recommended, for a total project amount of \$77,300. Mr. Martin stated that the new roof will have a twenty year warranty, and the project is scheduled to be completed by October 22, 2021. Mr. Martin stated that the City Engineering Division estimate for the project was \$84,000. Mr. Martin stated that no bid preference was given as the lowest bid received by a Wyoming Resident Contractor was not within five percent of the low bid.

Mr. Martin stated that Mr. Terry Cottenoir with the City Engineering Department is in attendance to answer any questions the Board may have on this project.

Chairman King asked where Contract West Roofing is from. Mr. Cottenoir stated that they are from Salt Lake City, UT.

Board Member Knell asked what type of roof will be installed. Mr. Cottenoir stated that it is a membrane roof. Mr. Cottenoir stated that since the Filter Gallery has some open water in it, they will be mechanically fastening the edges and fully adhering the middle of the roof, which will be a fiber type roof. Mr. Cottenoir stated that this is the same type of roof that is over the conference room part of the

building.

A motion was made by Secretary Waters and seconded by Vice-Chairman Keffer to approve the contract with Contract West Roofing, Inc. for the RWS Roof Replacements, Project No. 20-051 in the amount of \$73,300 with a contingency amount of \$4,000, for a total project amount of \$77,300. Motion put and carried.

- b. Mr. Martin stated that the Board entered into contracts with West Plains Engineering to design the WTP Raw Water Building MCC and Switchgear Replacements Project, and with Automation and Electronics (A&E) for the construction of the project.

Mr. Martin stated that the MCC switchgear was ordered in one combined unit. Mr. Martin stated that once it was installed by A&E, they realized that there were a couple of pumps that were shown as 60HP on the as-built drawings, but they were actually 100HP. Mr. Martin stated that the entire bucket, that includes the breakers, has to be upsized to accommodate the larger horsepower pumps. Mr. Martin stated that this is an increased cost, but if it had been caught at the beginning of the project, the same cost would have been on the original agreement.

Mr. Martin stated that the first bucket cannot be exchanged for the upsized bucket, but will be put in inventory as they can be used for other equipment in different locations in the WTP.

Mr. Martin stated that the contractor is not charging additional labor on this change order.

Secretary Waters asked if he was talking about breakers. Mr. Martin stated that it is the breakers and associated hardware, as well as some upsizing on the wire.

Board Member Knell asked who made the mistake. Mr. Martin stated that it was missed by West Plains in their design, but it was also missed by staff when the review was done. Mr. Martin stated that the original as-built drawings show 60HP, but they were apparently changed out at some time. Mr. Martin stated that this whole time, the pumps have not been protected properly.

Board Member Knell stated for clarification that if the pump size had been caught up front in the design, the Board would still have had the increased cost for the project. Mr. Martin stated that was correct. Mr. Martin stated that the bad thing is that the smaller bucket cannot be returned, but it can be used elsewhere in the WTP.

Chairman King stated that at least there is an adequate use for the smaller bucket for other equipment.

Board Member Cathey stated that West Plains design called for 60HP, and asked if that was a mistake on their design, or was the 60 HP the appropriate design and someone mis-ordered and ordered the 100HP. Mr. Martin stated that they were original 100HP and for whatever reason, they were listed as 60HP in the as-builts.

Mr. Martin stated that Mr. Baxter, with City Engineering is in attendance today and can give a better explanation.

Mr. Baxter stated that he can just speak to what he saw. Mr. Baxter stated that they went to look at the pumps as Mr. Martin was scrutinizing this change order and wanted to know how this happened. Mr. Baxter stated that they don't know for sure if the pumps were installed as 100HP back in the 1970's, or if they were replaced over the years. Mr. Baxter stated that only two of the pumps are 100HP. Mr. Baxter stated that he had the same question as to how this was missed. Mr. Baxter stated that he was walking around in Raw Water looking for the pump plates, but they were hard to read. Mr. Baxter stated that it is possible that if they had scrutinized each pump plate really well, it would have been caught, but there was no indication to anyone that those pumps had ever been upsized to 100HP in the first place. Mr. Baxter stated that staff presented original as-built drawings to West Plains to be used for their design.

Board Member Cathey stated for clarification that right now there is mixed 60HP and 100HP pumps, and no one knows for sure when the 100HP pumps were installed. Mr. Baxter stated that was correct. Mr. Baxter stated that the MCCs were all ordered as 60HP and now the 100HP are needed.

Board Member Knell asked how this can be prevented in the future. Mr. Martin stated that staff will stress to the design consultants that they will need to pay attention and check every piece of equipment, and staff will have to do the same during design review.

Board Member Knell stated that the one thing that makes him feel better, is that if this had been caught in the beginning, the cost would have been increased by this amount then.

A motion was made by Board Member Knell and seconded by Board Member Cathey to approve Change Order No. 1 to the contract with Automation & Electronics, Inc. for the WTP Raw Water Building MCC and Switchgear Replacements, Project No. 18-078 in the amount of \$9,470. Motion put and carried.

- c. Mr. Martin stated that past contracts for audit services with Skogen, Cometto and Associates have been for two years at a time. Mr. Martin stated that the current contract ended with FY2020, so now services are needed for FY2021 and FY2022. Mr. Martin stated that an agreement with an auditing firm for the next two fiscal years will be needed. Mr. Martin asked the Board if they wanted to

continue with Skogen, Cometto and Associates, who has worked with the Board for a number of years, or if the Board wished to put out a Request for Proposal (RFP) to look at other firms. Mr. Martin stated that he spoke with Mr. Pitlick with the City Finance Department about this and he stated that there are benefits with staying with Skogen, Cometto and Associates if there are no concerns with price. Mr. Martin stated that if the Board Members think the price isn't right, an RFP could be sent out and could look at other firms, either local or statewide. Mr. Martin stated that he wanted to see how the Board felt about this before a lot of legwork was done. Mr. Martin stated that one thing to keep in mind is that these firms book up rather quickly for audits. Mr. Martin stated that in order to get someone booked for the upcoming audit, an RFP would have to go out soon if that is how the Board wants to go.

Board Member Knell stated that coming into a budgeting situation where the money is getting tighter and tighter, he thinks it should go out for bid. Board Member Knell stated that he understands the ideology of staying with the same audit firm, but the Board doesn't know where they are at moneywise, if they are giving a fair price. Board Member Knell stated that he believes in keeping things close with the local community, but the Board needs to be fiscally responsible and budget conscious. Board Member Knell stated that if the auditors are giving the Board their best price then they shouldn't have any issue with competition, as it is always a good thing.

Board Member Cathey stated that it makes sense to a point to go out for RFP, as not everyone does governmental auditing, so it narrows the field down.

Secretary Waters stated that he agrees that is the biggest issue. Secretary Waters stated that he is sure there are other firms in the State of Wyoming that do governmental auditing.

Vice-Chairman Keffer stated that he thinks Skogen, Cometto and Associates have given the Board a very decent price for the services they have provided compared to what the audit is for Wardwell Water. Vice-Chairman Keffer stated that he would be willing to go with Skogen, Cometto and Associates again.

Board Member Knell asked Mr. Martin what staff thought. Mr. Martin stated that it seems to make sense to stay with the current auditors and they know the Board's system and they already have the report template for the audit built. Mr. Martin stated that it seems to him that they might be able to come in with a lower price, but there is no guarantee on that.

Mr. Martin stated that he knows that the City of Casper uses Porter, Muirhead for their auditing and some City staff feel they are high priced. Board Member Knell stated that they are extremely expensive.

Board Member Knell asked if it is legal for the Board to approach Skogen,

Cometto and Associates and let them know that the Board is comfortable with their work and ask if the price could be negotiated without going out for an RFP. Mr. Martin stated that since this would be a professional services contract, the price could be negotiated. Board Member Knell stated that since a majority of the Board is comfortable with Skogen, Cometto and Associates, it wouldn't hurt to ask them to review their price. Board Member Knell stated that everyone is facing budget cuts right now, including the Board, and he thinks it would be worthy of the Board to ask about the price. Board Member Knell stated that the Board isn't asking anyone to work for free by any means.

Chairman King stated that Skogen, Cometto and Associates knows the Board's business and has followed the Board through all these years and can keep track of things without any added effort. Chairman King stated that it wouldn't hurt to approach them to see if they could cut the price a bit.

Mr. Martin stated that he will reach out to Skogen, Cometto and Associates.

- d. Mr. Martin asked the Board to reference the map of the different basins in the State. Mr. Martin stated that this map is updated from what was originally sent out in the agenda packet. Mr. Martin stated that the Upper North Platte basin is at 98% of average, the Lower North Platte basin is at 113% of average, and the Sweetwater basin is 75% of average. Mr. Martin stated that this is a good increase from just a couple of weeks ago. Mr. Martin stated that the last couple of snowstorms have really added to the snowpack.

Mr. Martin stated he also gets the forecast from the U.S. Bureau of Reclamation. Mr. Martin stated that their March 4th forecast for the inflow to the reservoirs through July advises that they do not expect an allocation on the river. Mr. Martin stated that they will update this forecast in April.

- e. Mr. Martin stated that this is the time of year when the Board starts looking at budget and rates. Mr. Martin stated the before the Board today is the preliminary list of Capital Improvement Project for FY2022. Mr. Martin stated that he would just go down the list of projects for the Board.

Filter Monorail Hoist Safety System - \$50,000 – Entrant Hoist Safety System for Confined Space Entry into the filters. This is required by OSHA. Mr. Martin stated that this has been put off for a year or two.

Plant Landscaping - \$20,000 – Landscape around new tank and generator site. Mr. Martin stated that this is another project from prior years that had to be put off.

Groundwater Well VFD's - \$32,000 – Install VFD's on 5 Wells. A few will be installed each year over the next few years. Mr. Martin stated that this will allow the wells to be controlled from the SCADA.

Shop Tools - \$10,000 – Tool and Equipment Purchase for WTP Maintenance.

Roof Replacements - \$300,000 – Actiflo Area Roof Replacement. Mr. Martin stated that this is a good sized roof area that has developed some leaks.

Security Improvements - \$25,000 – On-going Security Improvements. Mr. Martin stated that this has been in the budget for the last few years. Mr. Martin stated that staff tries to do some security improvements every year. Mr. Martin stated that this year staff is looking at the Risk Assessment and Emergency Response Plans as well as some internal security needs and improvements.

Pipe Gallery Lighting Upgrades - \$15,000 – Upgrade Lighting to LED.

Pipe Chase #2 Concrete Sealing - \$25,000 – Reseal Concrete to Stop Leaks.

Annual Equipment Replacement Allocation - \$100,000 – Unanticipated Equipment and Valve Replacement. Mr. Martin stated that this item is in the budget every year to cover the cost of critical equipment failures that need replaced immediately.

Groundwater Well Turbidimeters - \$30,000 – On-going Project to Replace Failing Turbidimeters. Chairman King asked if staff is going to maintain using the turbine meters, or if they have moved on to something else. Mr. Martin stated that staff has gone from using the Hach meters to Krohne meters. Mr. Schroeder stated that the Krohne meters are a new style of meter and staff has had really good luck using them.

Actiflo Sand Pump Replacements - \$45,000 – Purchase 3 Spare Pumps. Mr. Martin stated that the spare pumps are kept on hand to use as the pumps fail throughout the summer.

Well Pump Replacements - \$65,000 – Three Spare Well Pumps. Mr. Martin stated that these pumps are also kept on hand so there is no lead time needed to replace them.

Magnetic Water Meter Replacements - \$50,000 – On-going Project to Replace Failing Mag Meters.

Well Rehabilitation - \$350,000 – Rehabilitate Caisson No. 2. Mr. Martin stated that the Board entered into a contract a couple of months ago to rehabilitate a couple of the vertical wells. Mr. Martin stated that the Caissons are much more expensive to rehabilitate. Mr. Martin stated that it is expected to have Well Rehabilitation in the budget for the next few years.

High Service Pump VFD Replacement - \$100,000 – Replace One High Service Pump VFD. Mr. Marin stated that these VFD's are 20 years old.

Ozone Contactor Actuated Control Valve Replacement - \$6,000 – Replace Failing Valve.

Decant Pump Station Check Valve Replacement - \$24,000 – Replace Failing Check Valves.

SW High Service Valve Actuator Replacement - \$75,000 – Replace Failing Actuator.

Disinfection System Upgrade Design Report - \$80,000 – UV System Design Report (EPA Requirement). Mr. Martin stated that this is the first step in the UV Disinfection Project.

Service Truck Replacement - \$100,000 – Service Truck w/Snow Plow, Air Compressor, and Crane. Mr. Martin stated that the current service truck was purchased in 2001 and has a lot of problems.

Board Member Knell asked how much rollover there is of the speculative money from last year. Mr. Martin stated that there is not much, as several projects have been reallocated as different things come up.

Mr. Martin stated that the total Preliminary Capital Improvement Projects FY2022 are \$1,502,000. Mr. Martin stated that this is in line with the rate model, and where it was expected to be. Mr. Martin stated that this is just a preliminary look at the Capital Projects for FY22. Mr. Martin stated that as we go through the fiscal year, if the revenues are down, then adjustments will be made as to what will be completed. Mr. Martin stated that the capital will be brought back to the Board to review again during the budget presentation and approval in June.

f. Ms. Brown handed out the annual financial disclosure letters to Board Members Cathey and Knell. Ms. Brown informed them the letters must be signed in open session. The financial disclosure letters were completed and signed by Board Member Cathey and Board Member Knell.

g. There was no Other New Business.

9. Chairman King asked for a motion to move into Executive Session to discuss potential property acquisition and potential litigation. A motion was made by Secretary Waters and seconded by Board Member Cathey to adjourn into Executive Session at 12:12 p.m. to discuss potential property acquisition and potential litigation. Motion put and carried.

A motion was made by Board Member Knell and seconded by Secretary Waters to adjourn from Executive Session at 12:45 p.m. Motion put and carried.

A motion was made by Vice-Chairman Keffer and seconded by Secretary Waters to open the Regular Session at 12:45 p.m. Motion put and carried.

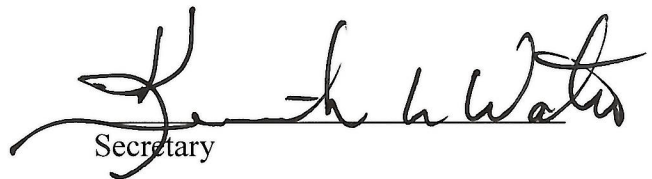
A motion was made by Board Member Knell and seconded by Board Member Cathey to have staff tender the appraised offer as approved in Executive Session. Motion put and carried.

A motion was made by Board Member Knell and seconded by Secretary Waters to give Mr. Chapin authorization to form a letter as discussed in Executive Session. Motion put and carried.

10. In the Chairman's Report, Chairman King stated that the next regular meeting would be held on April 20, 2021.

A motion was made by Board Member Cathey and seconded by Secretary Waters to adjourn the meeting at 12:48 p.m. Motion put and carried.


Chairman


Secretary