



Sheridan Area Water Supply Joint Powers Board



MEETING MINUTES

February 13, 2008

A meeting of the Sheridan Area Water Supply Joint Powers Board (SAWS-JPB) was called to order at the Sheridan County BOCC. Vice Chairman Marc Ketcham presided and convened the meeting. A quorum of board members was present including: Secretary Robert Webster, Treasurer Terry Cram, and Commissioner Robert Rolston. Others present were: SAWS Administrator Jay Stender, Mike Cole (City of Sheridan), Tony Wendtland (SAWS Attorney), Dayton Alsaker (HKM), and members of the media and public.

I. CALL TO ORDER

- A. Vice Chairman Marc Ketcham called the meeting to order at 5:03 pm.
- B. The meeting was recorded for transcription purposes.

II. APPROVAL OF AGENDA

Motion made to approve the meeting agenda as amended.

Motion made by: Robert Webster

Motion seconded by: Robert Rolston

Vote for approval: 4-0, motion carries

Discussion: Vice Chairman Marc Ketcham would like to remove item 8A, real property, from the agenda. Terry Cram asked if Mr. White was on the agenda. Jay informed him that Mr. White just got back to him today, and will be on next month's agenda.

III. REVIEW AND APPROVE MEETING MINUTES

Motion made to approve the January 9, 2008 meeting minutes as written.

Motion made by: Terry Cram

Motion seconded by: Robert Rolston

Vote for approval: 4-0, motion carries

Discussion: None.

IV. TREASURER'S REPORT & BUDGET TRACKER

Motion made to accept the treasurer's report, December 31, 2007 financial statements, and budget tracker as presented.

Motion made by: Robert Rolston

Motion seconded by: Robert Webster

Vote for approval: 4-0, motion carries

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Discussion: Steve Rucki from Rucki and Marshall CPA's went over the highlights of his 6-month financial statements with the board. He noted that these statements are using a modified cash basis instead of GAP, thus there are no accounts receivable or accounts payable in his report. This causes an internal control issue for SAWS because they are relying on the City to accurately report all receivables. There is nothing out of the ordinary on this report. Currently, SAWS losses are down by more than \$60,000 compared to last year, and the net assets have increased. The increase in assets was due to the cost of the new 20-inch water line. Normally financial statements are created using GAP. Dooley and Jelly prepare the audited statements this way, but suggested that Rucki and Marshall do the quarterly statements using the modified cash basis since there is no one within SAWS to internally control the accounts receivable and accounts payable. The proof of cash last year showed only a \$5,000 difference between SAWS' and the City's books. Jay mentioned that he is now receiving the monthly accounts receivable report from the City.

V. PUBLIC COMMENTS

A. Mike Cole

Mike Cole wanted to inform the board that the state wide committee, the Wyoming Water Association, would like to tour some of the projects going on in Sheridan and Johnson County. The Lake DeSmet walk through could affect the County Commissioners, and he wanted them to be aware of it.

B. Dan Roberts

Mr. Roberts owns a tap in Big Horn and is concerned that the board is being inconsistent with the water tap contracts and billing. The board agreed that there have been many inconsistencies and that they are trying to fix things currently with new rules and regulations. Mr. Roberts would like to meet with Jay and/or the board to discuss his contract so he understands it and how the new rules could affect him.

C. Mike Watkins

Mr. Watkins told the board that their financial situation has come a very long way and that they should be given credit for presenting good financial statements. He thinks that the next step for the board is to do monthly statements using GAP. In his opinion this will help the board manage SAWS more effectively. Robert Rolston thanked Mr. Watkins for all his help and patience.

VI. OLD BUSINESS

A. Administrator's Report

- Dayton Alsaker started the administrator's report with an update on the 20-inch water line. He informed the board that the change order was to change the number of contract days counted; the suspended work order was to stop work on cold, wet days, and that the project should be

completed on budget. All of the taps along the new line have been turned over. The original 16-inch water line is no longer in use.

- Jay continued the report with the financial highlights. He mentioned that the Sheridan State Bank CD will mature at the end of March, and since payments for the 20-inch water line won't start until November 2008, he suggested that the board consider putting the money in a new CD. He will collect bids from various banks and report back at the March board meeting.

- The Powder Horn ranch is up to date. Every phase that has been platted or is in the process of being platted has a signed, recorded water service agreement. An accurate tap count for the Powder Horn and a graph representing all the taps in the system is included in the packet for the board's reference. By his count there are 298 remaining taps at the Powder Horn unaccounted for and hopefully they will come forward soon with the PUDs.

- Jay has receive two bids for the fixing the Welty's water line at 3 Lane Lane. He will have Mr. Welty review all the bids before the work begins.

- A draft of the Big Goose Water Tank RFP is included in the packets. Mike Cole wrote it up for the City and SAWS. Jay hopes the RFP will be ready to send out in March.

VII. NEW BUSINESS

A. Rules and Regulations

The SAWS attorney, Tony Wendtland, prefaced the discussion by mentioning that if the board would like to move forward with the resolution in the packet they will move to consider the resolution, not sign it. Robert Rolston suggested that the board table this discussion until the entire board is present. Terry Cram would like to have as much public comment as possible before the resolution is signed and thinks that if they start the 45 days of public comment tonight that the public would comment more. Tony said that either way would work. Jay suggested that they put the newest rules on the City and County websites. Robert Webster suggested that they have a public comment session before any action is taken. Jay will send a notice to the press.

Motion made to table the rules and regulations discussion until the March 2008 meeting.

Motion made by: Robert Rolston

Motion seconded by: Robert Webster

Vote for approval: 4-0, motion carries

B. Royal Elk

The attorney for Royal Elk, Jake Brooks, presented the board with his solution for the high rate increase for the low income residents of the Woodland Park trailer park. He would like the board to give the residents and 4 month or 2 billing cycle break. This would allow Royal Elk enough time to find ways to conserve water at the park and find a solution to help out residents with the new rate structure. The new rates have increased their water bills by 350%, while regular residents have only experienced a 50% increase. Mr. Brooks and Royal Elk would like to be consistent.

Tony Wendtland said that the board does have the power to grant an exemption financial hardship can be proven. Mike Cole thinks that they have met all the criteria for an exemption.

Motion made to accept the proposal for a two billing cycle exemption from the current SAWS rate structure.

Motion made by: Robert Rolston

Motion seconded by: Robert Webster

Vote for approval: 4-0, motion carries

VII. EXECUTIVE SESSION

Motion made to start the executive session.

Motion made by: Robert Webster

Motion seconded by: Robert Rolston

Vote for approval: 4-0, motion carries

Motion made to end the executive session.

Motion made by: Terry Cram

Motion seconded by: Robert Webster

Vote for approval: 4-0, motion carries

VIII. ADJOURNMENT

Motion made to adjourn the meeting at 6:50 pm.

Motion made by: Terry Cram

Motion seconded by: Robert Rolston

Vote for approval: 4-0, motion carries

APPROVED BY: _____

ATTESTED BY: _____