



# Sheridan Area Water Supply Joint Powers Board



## MEETING MINUTES

April 9, 2008

@ 5:05 pm

A meeting of the Sheridan Area Water Supply Joint Powers Board (SAWS-JPB) was called to order at the Sheridan County BOCC. Chairman Steve Maier presided over and convened the meeting. A quorum of board members was present including: Vice Chairman Marc Ketcham, Secretary Robert Webster, Treasurer Terry Cram, and Mayor Dave Kinskey. Commissioner Robert Rolston arrived after the start of the meeting. Others present were: SAWS Administrator Jay Stender, Mike Cole (City of Sheridan), Bill Mentock, Bob Wyatt, Roger Reinke, Mike Watkins and members of the media and public.

### I. CALL TO ORDER

- A. Chairman Steve Maier called the meeting to order at 5:04 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: Marc Ketcham**

**Vote for approval: 5-0, motion carries**

Discussion: Bob Webster requested that he would like for SAWS JPB to alternate meetings between City Hall and the County Courthouse. Next month's meeting will be held at City Hall.

### III. REVIEW AND APPROVE MEETING MINUTES

**Motion made to approve the March 12, 2008 meeting minutes as written.**

**Motion made by: Terry Cram**

**Motion seconded by: Marc Ketcham**

**Vote for approval: 5-0, motion carries**

Discussion: None.

#### IV. TREASURER'S REPORT & BUDGET TRACKER

**Motion made to accept the treasurer's report and budget tracker as presented.**

**Motion made by: Marc Ketcham**

**Motion seconded by: Robert Webster**

**Vote for approval: 5-0, motion carries**

Discussion: Jay Stender pointed out that two payments are being made to the City of Sheridan this month. The first payment is the quarterly payment for the 3<sup>rd</sup> quarter of 2007, and the second payment is for costs associated with the construction of the 20" Big Goose Water line. Jennifer Reed, from the City of Sheridan accounting department, is preparing information to provide estimates for the next quarterly payment. Stender noted expenses this month for recording fees at the courthouse (Water Service Agreement records) and a fee for Quick Books software update. In addition Jay informed the board members that he is working to update and reconstruct the monthly budget tracker report and that this report will be used for the upcoming budget year.

#### V. ADMINISTRATOR'S REPORT

##### A. Financial

Jay informed the board that in March 2008 a CD for the state revolving fund for the 20-inch water line in the amount of \$2,907,664.86 matured. This CD was transferred to First Interstate Bank (which had the highest rate of return) for 9 months. Interest and principal from this CD will eventually be used to provide debt service incurred during the construction of the 20-inch line.

With regards to the administrative issues Jay asked the board to determine which dates would fit their schedule for a rules workshop. After discussion it was decided that the rules workshop would be scheduled for April 23, 2008 from 1:30pm until 3:00pm at City Hall. This meeting will be advertised to the media and representatives from the development community.

In other matters from the Administrative Report Jay informed the board that RFP for the Big Goose Tank will be reviewed. Response came from two firms. The intention is to have a recommendation for contract by the May meeting. The documents, costs and funding agreements addressing the leak near the Girl's School Road have not been collected. A description of the project was provided to several contractors. The goal is to have these documents for review and the repair completed by the end of this fiscal year. Jay expressed appreciation to Ken Hirschman for assisting in the repair of Mr. Welty's leak in March.

## VI. COMMENTS FROM THE PUBLIC

### A. Roger Reinke

Mr. Reinke informed the board that he had mailed a letter to the SAWS-JPB and it was returned to him. He has since brought the letter to the county office. Jay Stender acknowledged receipt of the letter at this meeting and that he will present it to the board. Mr. Reinke stated that he feels that a consideration could be made to have the county assessor trace the location of the taps and bill according to the tap owners. He feels this would take care of the transfer since he feels tap fees go with the land. Mr. Reinke suggested that this billing should be billed through the country treasurer's office, like some of the other reservoirs do.

### B. Mike Watkins

Mr. Watkins stated that at the last meeting the accountants presented the Dec. 31, 2007 generally accepted accounting statements, in accordance with GAP. He feels that a good management practice would be to have those statements prepared each month, for the preceding months. With regards to the budget tracker and entering into the budget planning process it would be beneficial to be done this way. As he looks at the last page he sees a figure that is 11129% off and inquired as to what that means. He stated that we should be able to have a budget prepared on a 12 month basis to see where we are at by having the accountant prepare these statements each month before the board meeting. Jay Stender informed the board that currently Rucki & Marshall CPA's perform a quarterly audit. He feels that the audit could be performed on a monthly basis in the future, but that the cost would need to be added to the budget.

## VII. OLD BUSINESS

### A. Annexation Information

Mr. Maier stated that with respect to the SAWS ownership agreement we are required to discuss ownership on a case by case basis. After discussing this matter with Tony Wendtland, Mr. Maier would like to proceed by putting together a group consisting of one person from the city, SAWS Administrator, legal counsel, and a board member from the SAWS board to discuss this matter. Mr. Maier asked that the board work to decide how to proceed with the negotiations that are required through the ownership agreement to have a template for further annexation. Mr. Rolston stated that he also felt that this process would also be useful to the process.

**Motion made to Initiate the formation of this committee by selecting a member of the SAWS JPB to begin public negotiations as per the ownership agreement.**

**Motion made by: Robert Rolston**

**Motion seconded by: Terri Cram**

**Vote for approval: 3-3, motion fails**

Discussion: Mr. Webster informed the board that he has not discussed the agreement with his governing body, so he does not feel the decision can be made since the member needs to be appointed by the governing body. Tony Wendtland stated that he felt that the idea of forming a committee would be to meet publicly and separately to talk about the short list of considerations of annexation issues and report to the City of Sheridan and the SAWS JPB at their own meetings. Mr. Maier informed the board that the intent of his motion was to select a SAWS JPB member to be a member of this committee. Marc Ketcham would also like for legal counsel as well as Mike Cole from the City of Sheridan to be involved with this process. Mr. Maier re-iterated the fact that he felt that these meetings should be held publicly in order to follow the SAWS JPB ownership agreement.

After the motion failed Mr. Ketcham suggested that a work session be held to discuss this matter. The board suggested that these discussion points would include such topics as ownership of the pipe, fiscal obligations, transfer of ownership, and potential and existing customer revenues. Prior to a work session Stender was requested to provide Steve Maier and Robert Webster with a list of discussion points for this matter by April 21, 2008.

#### B. Nelson Letter

Jay Stender presented to the board a detailed letter from Mr. Dave Nelson regarding a leak at his residence that has now been repaired. Jay has also supplied Mr. Nelson with a limited liability claim form and instructions. Mr. Kinskey inquired asked if pressure changes could occur with the installation of a new water line. Jay informed the board that incremental changes are possible, however these pressures are not severe enough to cause large problems and that pressure valves in the system should allow for these variations.

**Motion made to adjust Mr. Nelson's water bill as per his request.**

**Motion made by: Dave Kinskey**

**Motion seconded by: Terry Cram**

**Vote for approval: 6-0, motion carries.**

### VIII. NEW BUSINESS

No new business presented.

IX. EXECUTIVE SESSION

Chairman Maier convened executive session related to legal matters.  
No action taken

Reconvene and adjournment

VIII.ADJOURNMENT

Motion to Reconvene and adjourn the April Meeting  
Motion by Bob Rolston  
Motion Seconded by Marc Ketcham  
Motion Passed: 6-0

APPROVED BY: \_\_\_\_\_

ATTESTED BY: \_\_\_\_\_