

Resolution # _____
XENIA RURAL WATER DISTRICT
January 24, 2013 – 6:00 PM
Regular Board Meeting Minutes

Board Members Present: Lovett, Hayer, Wilson, Ballard, Bromert

Board Members Absent: None

Staff Present: McMullen, Engman, Andrews, Shires, Lyons, Iben

Others Present: Wade Hauser of Ahlers and Cooney, Assured Rep, three District Members.

Call to Order

Lovett called the meeting to order.

Approve Agenda

Motion #011301 made by Hayer, seconded by Ballard to introduce and approve the January 24, 2013 Agenda. Motion passed. No dissenting.

Approve Minutes

Motion #011302 and #011303 made by Wilson, seconded by Ballard to introduce and approve the November 29, 2012 and December 18, 2012 minutes. Motion passed. No dissenting.

Bromert Appointment to Board

Motion #011304 made by Hayer, seconded by Wilson to appoint Jean Bromert to fill out her term on the Board. Her term will expire in April of 2014. Motion passed. No dissenting.

Financial Reports

Statement of Net Assets

Andrews reviewed statement of net assets. As of December 31, 2012 assets totaled \$132.2 million. Liabilities totaled \$130.4 million. Total liabilities and fund balance was \$132.2 million.

Income Statement

Andrews reviewed the income statement. Total Operating Income 2012 was approximately \$12 million.

Statement of Cash Flows

Andrews reviewed the statement of cash flows. Net decrease in cash and cash equivalents for 2012 was \$687,349.00.

Operating Checking Transactions

Andrews reviewed with treasurer the transactions that will take place in January to transfer monies into the Sinking and Reserve funds.

Sinking Fund Allocations and Reserve Fund Allocations

Series 6 Bond Sinking Fund payment made on January 10, 2013 was \$454,044.00, USDA Sinking Fund payment made on January 10, 2013 was \$71,090.00, AG Sinking Fund Payment made on January 10, 2013 was \$3,937.00. Total Transfers for month \$529,071.00.

Customer Service & Accounts Receivable

Accounts Receivable Aging/Cut-offs/Reinstatements

Andrews reviewed receivables.

New Customers/Water User Agreements/Occupant Deposit Listing/Voluntary Terminations

District had 10 new service connections and 3 terminations in December.

Motion #011305 made by Ballard and seconded by Wilson to introduce and accept financial statements and payment of parity lenders. Motion passed. No dissenting vote.

Pitney Bowes Settlement

Iben updated the board on negotiation with LTD Financial Collections. Motion #011306 made by Ballard, seconded by Hayer to authorize payment of the negotiated settlement with Pitney Bowes in the amount of \$4,000.00. Motion passed. No dissenting.

Updated Financial Transaction Policy

Lovett presented the addition of new General Manager LD McMullen to the authorized signers of District Documents. Motion #011307 made by Ballard, seconded by Hayer to approve adding Dr. McMullen to the Financial Transaction Authorized Signatory document. Motion passed. No dissenting.

Work Order for Review/Design Office Generator

McMullen reviewed the process for presenting new projects including four steps; describe issue/approve study, review result of study and determine if should proceed, complete design stage including cost of project, submit RFP's and award contract. Emergency generator for office not in CIP but became an issue during recent power outage. Would like an auto transfer/ auto start feature. Motion #011308 made by Hayer, seconded by Ballard to approve General Manager to sign Work Order for the design of Bouton Office Emergency Generator.

West Building Electrical and Lights

McMullen reviewed the cost associated with this update and described process to be taken by staff when utilizing District employees for work outside of normal functions so that the cost is included in the CBA. Two employees completed the majority of the work. Equipment and certification came from outside sources. Motion #011309 made by Ballard, seconded by Wilson to approve two Xenia employees to complete the lighting and electrical installation in the west building at the cost of \$6,723.45 for materials and lift with installation by Xenia staff. Motion passed. No dissenting.

Electrical Update/Generator Power Supply North Plant

Study has been completed regarding cost to reconfigure emergency electric distribution at the Stratford Plant. Project has been budgeted in the CIP and will come in under budgeted cost. Motion #011310 made by Ballard, seconded by Hayer to authorize the General Manager to sign

the Work Order with Snyder & Associates for the design of the Generator Power Reconfiguration at the Stratford Water Treatment Plant. Motion passed. No dissenting.

Work Order River Crossing Redundancy Main

McMullen reviewed work order for design of River Crossing. Motion #011311 made by Ballard, seconded by Wilson to authorize the general manager to sign the work order with Snyder & Associates for the design of the DM River crossing at the Stratford Water Treatment Plant. Motion passed. No dissenting.

Excess Pipe Disposal

Reviewed bids for pipe purchase. Bill Thorpe had highest offer. Motion # 011312 made by Ballard, seconded by Wilson to approve sale of pipe inventory and two buildings to Bill Thorpe. Motion passed. No dissenting.

Drill Stem Purchase

McMullen advised the board on the CBA for purchase of a new drill stem and the extended life of the Ditch Witch as a result of purchase. Motion # 011313 made by Ballard, seconded by Wilson to authorize Xenia staff to purchase the drill stem, connectors, beacon and beacon housing. Motion passed. No dissenting.

Churdan Agreement

The District and Churdan continue to negotiate the terms of the Purchase Agreement. Final Agreement not ready for signature.

Land Sale Update

Fraser property sale closed. Bouton property agreement continuing negotiations.

Departmental Reports

McMullen reviewed the highlights of the Departmental Reports.

Old Business

None

New Business

Quarterly Newsletter will mail first week of February. Compensation review and finalization will involve HR and Jean Bromert as Board Liaison. Lovett met with FHR at the request of Mr. Kruse. Lovett reported on the discussion. Nothing has changed with FHR or rate calculations.

Public Comments

None

Adjournment

Motion #011314 made by Hayer, seconded by Ballard to end the meeting. Motion passed. No dissenting.

Xenia Rural Water District, Secretary

Date