

RURAL WATER DISTRICT NO. 6
MAYES COUNTY
9165 N. 440
Big Cabin OK 74332-8133
(918) 785-2950

MINUTES OF REGULAR MEETING October 12, 2017

The Board of Directors regular meeting of Rural Water District No. 6, Mayes County, OK, was called to order by Chairman Granville Martin, on Thursday, October 12, 2017, at 7:30 pm. in the District Office. The October 12, 2017 regular meeting agenda was posted in compliance with the Oklahoma Open Meeting Act.

Members present: Granville Martin, Joe Paysinger, Clifton Biggs, Herb Goff,
Bill Fairsheets, Dale Countryman and Larry Farlow

Members absent: Steve Hall and David Allsup

Reading of Minutes:

Dale Countryman made the motion, seconded by Bill Fairsheets to waive the reading of the September 7, 2017 regular meeting minutes. All members present were polled. There were no objections. Motion passed.

Financial Report: (see attached report)

Larry Farlow made the motion, seconded by Herb Goff to approve the financial report and to pay the bills. All members present were polled. There were no objections. Motion passed.

Public Participation (5 minute limit): None

Discuss and take action on hiring Violet Kirkendall for yearly audit:

After brief discussion Bill Fairsheets made the motion to hire Violet Kirkendall to do the yearly audit. It was seconded, by Larry Farlow. Board was polled and all approved. Motion Passed

Discuss and take action on 2017/2018 annual water budget:

After brief discussion it was decided to table for a lack of action.

Discuss and take action on 2017/2018 annual sewer budget: (see attached report)

After reviewing the attached report and discussions with Doug Ray, Larry Farlow made the motion, seconded by Joe Paysinger to approve 2017/2018 sewer budget as presented. Board was polled and all approved. Motion Passed

Approve the winning bid for Leisure Land waterline replacement:

Gary Utter the Project Engineer handed out results of the bidding showing bidders and amounts bid by each bidder. The low bidder was King Excavating with a bid of \$148,500.

Larry Farlow made the motion, seconded by Bill Fairsheets to approve the bid by King Excavation. Board was polled and all approved. Motion Passed

Gary Utter, Engineer's report:

Leisure Land waterline replacement bid approval results. (see above action to Leisure Land waterline replacement)

Plant and Sewer Reports: (see attached reports)

Doug gave all board members a copy of the plant and sewer reports. He answered any questions that were asked.

Approve Monthly Purchase Orders:

Joe Paysinger made the motion, seconded by Larry Farlow to approve the Monthly Purchase Orders. All members present were polled. There were no objections. Motion passed.

Approve New Memberships, Transfers, etc:

Bill Fairsheets made the motion, seconded by Larry Farlow to approve the following:

New memberships:

Richard L. Bundy and/or Carol G. Moss - 545 Leisure Land Drive
James & Danelle Moore - Lakeland
Kelsey & Chris White - Hwy 69 N. - North of Adair

Cancel Membership:

#1465 - Dave & Lorna Driscoll - By Request
#1131 - Mary Ann Denton - 6 month delinquent

Transfers:

Albert & Donna Campbell to Bradley Jason Hayes
Charles & Judy Strader to Kimberly Jepsen
Jerry & Amanda Douglas to Jerrod & Natalie Martin
Curtis Bales to Timothy & Kevi Zufall

All members present were polled. There were no objections. Motion passed.

Old Business:

Doug Ray presented the Board a cost list for the zero turn lawn mowers that would allow plant personnel to do their own lawn care currently being done by contracted lawn service. After reviewing the pricing of mowers the Board approved the purchase of two Demo. Grasshoppers at a price of \$13,153.00. Granville Martin made the motion, seconded by Dale Countryman. Board was polled and all approved. Motion Passed.

New Business: None

Joe Paysinger made the motion, seconded by Bill Fairsheets to adjourn. All members present were polled. There were no objections. Motion passed.

Mayes Co RWD 6

GL INCOME - 11/1/2016 thru 9/30/2017

	Budget	Current Month Actual	Year to Date Actual	Unused Budget	MTD%	YTD%
Operating Revenue						
Water Income	1,300,000.00	112,971.70	1,148,520.66	(151,479.34)	8.7	88.3
Penalties	22,000.00	1,943.35	18,815.01	(3,184.99)	8.8	85.5
New Memberships	25,000.00	1,600.00	26,400.00	1,400.00	6.4	105.6
Sewer - Pensacola	3,500.00	188.43	3,156.94	(343.06)	5.4	90.2
Total Operating Revenue	1,350,500.00	116,703.48	1,196,892.61	(153,607.39)	8.6	88.6
Operating Expenses						
Water Purchases	32,000.00	2,062.50	26,691.94	5,308.06	6.4	83.4
Salary Expense	275,000.00	20,518.99	236,937.88	38,062.12	7.5	86.2
Payroll Tax Expense	22,000.00	1,586.38	19,339.56	2,660.44	7.2	87.9
Retirement Expense	10,000.00	820.76	9,402.68	597.32	8.2	94.0
Loan Payments	190,000.00	15,065.13	163,869.71	26,130.29	7.9	86.2
Utilities	85,000.00	9,274.17	82,040.36	2,959.64	10.9	96.5
Telephone	3,000.00	202.95	2,244.94	755.06	6.8	74.8
Maintenance and Materials	100,000.00	3,322.95	163,226.25	(63,226.25)	3.3	163.2
Chemicals and Lab Supplies	125,000.00	4,465.41	91,766.42	33,233.58	3.6	73.4
Office Supplies	5,000.00	220.04	4,339.84	660.16	4.4	86.8
Insurance	150,000.00	18,355.16	125,403.53	24,596.47	12.2	83.6
Engineering	25,000.00	4,745.00	20,800.00	4,200.00	19.0	83.2
Professional Fees	10,000.00	500.00	7,908.44	2,091.56	5.0	79.1
Travel Expenses	7,000.00	400.00	4,700.00	2,300.00	5.7	67.1
License Renewal/ Training	600.00		568.00	32.00		94.7
Automobile Expense	10,000.00	795.98	11,543.63	(1,543.63)	8.0	115.4
Uniforms and Floormats	7,000.00	596.30	6,432.33	567.67	8.5	91.9
Bank Charges and Fees	2,500.00		1,195.67	1,304.33		47.8
Computer	2,500.00	100.00	2,641.10	(141.10)	4.0	105.6
Postage	8,000.00		8,307.80	(307.80)		103.8
Miscellaneous Expense	25,000.00	82.03	14,075.21	10,924.79	0.3	56.3
Total Operating Expenses	1,094,600.00	83,113.75	1,003,435.29	91,164.71	7.6	91.7
Net Operating Income(Loss)	255,900.00	33,589.73	193,457.32	(62,442.68)	13.1	75.6
Other Income						
Interest Income	6,000.00	476.24	5,800.24	(199.76)	7.9	96.7
Miscellaneous Income	7,000.00	715.00	4,725.00	(2,275.00)	10.2	67.5
Net Income(Loss) - Before Depreciation Exp	268,900.00	34,780.97	203,982.56	(64,917.44)	12.9	75.9
Depreciation Expense	296,475.00	24,738.00	272,118.00	24,357.00	8.3	91.8
Net Income(Loss) - After Depreciation Exp	(27,575.00)	10,042.97	(68,135.44)	(40,560.44)	-36.4	247.1
Capital Improvements			226,789.05	(226,789.05)		
Net Income(Loss) - w/ Capital Improvement	(27,575.00)	10,042.97	(294,924.49)	(267,349.49)	-36.4	1,069.5

Pensacola Wastewater Annual Budget 2018

PROJECTED INCOME **\$19,716.00**

PROJECTED OPERATING EXPENSES

<u>ELECTRIC</u>	<u>\$2,800.00</u>
<u>LAB TESTING & CHEMICALS</u>	<u>\$1,500.00</u>
<u>SALARY</u>	<u>\$6,000.00</u>
<u>PAYROLL & RETIREMENT</u>	<u>\$700.00</u>
<u>INSURANCE</u>	<u>\$500.00</u>
<u>LICENSING</u>	<u>\$46.00</u>
<u>MANAGEMENT FEES</u>	<u>\$2,960.00</u>
<u>MAINTENANCE & MATERIALS</u>	<u>\$2,000.00</u>
<u>WATER</u>	<u>\$300.00</u>
<u>DEQ FEES & PERMITS</u>	<u>\$1,700.00</u>

TOTAL PROJECTED EXPENSES **\$18,506.00**

NET PROJECTED INCOME(LOSS) **\$1,210.00**

MANAGER'S REPORT

October 12, 2017

For the Month of September, 2017

Meters Set: G. Reid, R. Lundy

Water Quality:

TOC samples: 51%

TTHM & HAA5:

Total Coliform All passed

Other: SOC's passed

Projects:

Due to some scheduling conflicts, We are not going to get the 2nd lake pump replaced until the end of October or early November.

The water line replacement at Leisure Land ended up surprisingly well on bids. The low bid was from King Excavating at \$148,500. The other bids ranged from \$194,000 to \$256,000. Mr. King has done a job for us in the past and did an excellent job. I budgeted \$200,000 for this capital improvement and with the low bid, it helped us show a net increase on the 2018 budget of \$70,300. I think King Excavating will be able to start the job in 2 to 3 weeks. I am estimating that this job will take 90 days to finish.

Last month we repaired 5 water leaks, changed 8 regulators, set 2 meters, and changed 2 cut-off valves, and replaced 1 meter can. The total water loss for last month was 30%, and the adjusted after leak repairs was 21%. We have again made progress on our water loss the last month. We had trouble with the master meter in Area 7-A not reading right. This is fixed, but because it happened in the middle of our reading period the numbers for Areas 7 & 7-A are not correct for this month. We will have accurate data when we read meters for October. The master meter readings for Area 3 were actually correct last month. We found a large leak that was in an overgrown field and was running into a creek that was not visible from the road. I am extremely happy right now with our water loss, we keep making improvements and replacing the Leisure Land line will help us looking forward. Now if we can track down the water loss in the Boatman area we will be close to where I want to be on water loss for our district. Once we get to the end of October, I will track all the main line leaks we have had the past year and see if any trouble spots show up to point us towards our next line replacement project.