

PUBLIC WATER SUPPLY DISTRICT #13
Minutes of the January 11, 2012
Regular Session of the Board of Trustees

The Board of Directors of Public Water District #13, Jefferson County Missouri met in regular session at 7:00 p.m. on January 11, 2012 at 5706 N. Lakeshore Dr., Hillsboro, Missouri.

Roll Call of Directors

The following Directors being present or absent as indicated:

<u>Name</u>	<u>Present/Absent</u>
Marilyn Meyer	Present
Rich Hirsch	Present
Rick Lippitt	Present
John Hindrichs	Present
Ken Jost	Present

Also in attendance was Janet Hirsch (JWH, LTPOA Board member) and Carol Kline (CK, Treasurer).

Approval of Agenda

Motion was made by John Hindrichs and seconded by Ken Jost to accept the agenda. On voice vote, all Directors were in favor of accepting the agenda.

Approval of Minutes of Past Meetings

The regular session Minutes of the December 14, 2011 meeting were emailed to the Directors prior to the meeting. Motion was made by Rick Lippitt to approve the regular session Minutes as written. Second was by John Hindrichs. On voice vote, the regular session Minutes were approved.

Treasurer's Report

Account balances were given by CK as of 12/30/2011: Construction (\$56,943.68); Escrow (182,883.82); O&M (18,428.24).

Delinquent payment issues

JWH summarized where we stand with respect to customers paying their user fees: a) Prepaid more than one month: 11; b) Two or more months overdue that will receive a lien notice: 14; c) One month overdue: 46.

Special cases: a) One owner is filing for bankruptcy: Lien on property will be filed immediately (owes \$127.68); b) One owner is selling his house: MM has contacted the title company and we will get money at closing.

Theoretical max income from user fees = $\$72 * 238 = \$17,136$ per year = \$1,428 per month.

Attorney Bob Sweeney was consulted on dealing with customer's delinquent and nonexistent payments. The work session took place at Bob Sweeney's office at 2pm, Dec 29, 2011.

RL summarized what attorney Sweeney thought was a reasonable way to proceed with delinquent customers:

- 1) After two months of non-payment, send a warning that a lien will be filed. If the lien warning does not work, file a lien.
- 2) After three months of non-payment, send a warning that their sewer service will be disconnected. Warning will contain a hearing date to give reason why disconnect should not occur. It will also have a first date for the disconnection. If the disconnection warning does not work, disconnection will be scheduled.
- 3) After four months of non-payment, schedule disconnection and notify customer.

Letter to customer will state that district is not responsible for damages because customer has not paid their user fees for 3 months. We do need hearing. New lien should be placed every 3 months.

Bob repeatedly stressed that the district should establish a policy and stick to it. Also, we should apply the policy to everyone and not show favoritism.

We may need to get a Jeff. County Sheriff's escort to shut off sewer service to a residence.

We should contact Jeff County Health Dept. to condemn the property once the sewer service is disconnected.

Some leniency is appropriate if the homeowner makes an attempt to pay.

As to what portion of the user fee goes to repaying the loan, JWH said that there is a grace period on paying interest, but not the principal. For every month \$49 out of \$72 will go to repay the loan.

Cash flow report for Donna

A cash flow report for Nov. was submitted by Jennie Kimmel (JK), but we don't know if the format was what Donna Martin (USDA-RD) wants, so it may need to be redone.

Invoices to be approved

Ten payments were submitted for payment approval. These submissions are listed below.

Date	Category	Payee	Invoice amt	MO DNR 40% grant	USDA-RD loan	Notes
12/31/2011	Eng testing	Taylor Eng	0.00	0.00	0.00	
12/31/2011	Eng admin.	Taylor Eng	0.00	0.00	0.00	
12/31/2011	Eng inspection	Taylor Eng	6,814.90	2,725.96	4,088.94	a
12/31/2011	Construction	TGB Inc	96,002.26	38,400.90	57,601.36	b
12/31/2011	Eng. PER	Brunjes Associates	10,000.00	0.00	10,000.00	c
12/31/2011	O&M	AT&T (preapproved)	81.18			d
12/31/2011	O&M	Ameren (directpay)	258.33			
12/31/2011	O&M	Faletti, CPA	175.00			
12/31/2011	O&M	Kimmel, accounting	1,537.71			e
12/31/2011	O&M	WRM, WWPT Operator	572.50			f
12/31/2011	O&M	Sweeney, legal	655.00			g
12/31/2011	O&M	Hirsch, reimb for table	41.04			h
		Total	116,137.92	41,126.86	71,690.30	i

Notes

- a) Eng. inspection charge was for the remaining amount. There was an additional \$250 if USDA-RD approves.
- b) TGB payment is for change orders 1 and 2. CO #1 was for three submersible flow meters and filter fabric for \$20,483.71. CO #1 would add 14 days to contract after the flow meters were received. Approved by BOD in Oct., 2011. CO #2 was for reduction of retainage from 10% to 7% and for changing one flow meter from 4" to 6" to match the output pipe. CO #2 was for \$87,165.95. Approved by BOD in Dec., 2011.
- c) The Brunjes payment was already approved in Oct 2011, but USDA-RD requested that it be approved in Jan.
- d) AT&T payment is for 2 months.
- e) Kimmel (JK) payment is for 2 months. JK's bill is for billing, cash flow reports, and supplies. Much of payment is for learning. Bill for labor works out to \$592 per month (budgeted amount is \$400 per month). JWH suggested Board assist with mailings. JK will generate invoices and Board would stuff, seal, and mail.
- f) WRM: Dave's normal rate is \$775 per month. For Nov. he billed us for two weeks (\$387.50), but we paid him for four weeks. For Dec. he billed us \$960. The \$572.50 adjusts for the overpayment. (Budgeted amt is \$1,250 / mo).
- g) Sweeney (two months): Brunjes settlement (\$245), Telle access road (\$245), delinquent penalty conf. (\$175)
- h) Hirsch reimbursement for table for sewer office sewer office.
- i) JWH calculated that as of Dec. 31 we were 515 days into the project. (114% of the scheduled construction time has been consumed and 90% of the budgeted amount for construction has been spent.

Motion was made by John Hindrichs to approve payment of the above invoices. Second was by Rick Lippitt. On voice vote, payment of the invoices was approved.

Old Business

Homeowner's questions/problems/concerns, progress in resolving

Homeowner's Manual update

JWH presented her latest version of the Homeowner's Manual. JWH said that she had lost patience with waiting for Orenco to write a manual specifically for Lake Tish. JWH instructed us to read what was given to us and send her an email about anything we think should be changed. *[JWH's manual was based on Orenco's Homeowner's Manual, which was written for effluent and onsite sewer systems. -- rhh]*

There was a brief discussion of the booklet. Consensus was that there should be less emphasis on conserving water in the house.

Kinko's will print the booklets for about \$150 for 238 copies. It can be sent to homeowners by bulk mail.

Homeowner's problems

The district received a long letter from a homeowner (Lot O13, O14) detailing a lot of problems with TGB's reparations. It was been passed along to Mike L. RH will answer the questions posed by the homeowner for the Board.

Construction update

A training session is scheduled for 1330 on Jan 12, 2012. Dave Axton, representatives from Flow Systems, and Tim and Mike from Taylor Engineering will be there. TGB should be there also.

JH stated that gravel has been spread at the plant and on the road over the dam and that it looks good.

Operator Report

RH read Dave's most recent report. To summarize, Dave checked all operating equipment and during December, Dave adjusted the butterfly valve to route more influent material from the south side of the subdivision into the north chamber of the recirculation tank. This was to balance the flows into the three sand filters.

Dave's test results look very good. All measured quantities are well within DNR limits.

Here are his results for Nov and Dec:

	Units (Permit limit)	11/22/2011	12/6/2011
Effluent			
Flow	MGD (none)	0.035	0.017
BOD	mg/L (30)	3	1
TSS	mg/L (30)	8	1
pH	SU (6.5-9.0)	7.2	7.23
NH3	mg/L (1.4,2.8)	0.76	0.95
Oil/Grease	mg/L (10)	<5	<5
E. coli	#/cL (206)	NA	NA

RH: As spares, Dave suggests getting one extra pump for the TP and possibly two STEP tank pumps.

JH: Three things about the TP bother me: 1) Missing post in fence near outfall structure; 2) UV disinfection unit trough is holding water and could split if the water freezes. Water is not draining out; and 3) Trough needs to be covered.

KJ asked if there was money available for a generator. JMH replied that we don't know.

JH: We should get a propane generator as gas goes bad too quickly. Diesel is better, but still goes bad.

JH asked about money for a trailer. JWH replied that Donna said a storage building would have been nice, but money for it was not included in original project.

We received a new operating permit. DNR dropped the operator requirement from 'C' to 'D'.

Electrical Easements

MM said there are some homeowners that have not turned in their electrical easements and most are not recorded with the county. The easements allow the district to turn off the electricity and service a homeowner's sewer equipment if the control panel is attached to their house.

Easements and liens can be recorded at the same time for convenience. TE should have a lien placed right away because that property is in bankruptcy.

JH: The electrical easement allowed us to mount the control panel on the house. If the panel is on a stick in the yard, we don't need an electrical easement from the homeowner. The easement allows the district to work on the panel when it is mounted on the house.

RH: If the homeowner needs the district to service his system and the owner hasn't signed an easement, the homeowner is **not** going to tell us we can't touch his control panel. I think the electrical easement is a non-issue. Having said that I think if a property is going to change hands and we have a signed easement, we should record it.

JWH: I think all electrical easements should be recorded eventually, but to save money, we should start out doing them as the need arises. It will cost about \$27 to have each easement recorded.

Sales Office Modification

JWH reported that TGB has bored the hole for the water line from the Comm. House (CH) to the Sewer Office (SO), but has not yet installed the PEX line. It is supposed to be installed by the end of the week.

Rick Kardell has been contacted to do the plumbing work. He will 1) "Tee" into the pipe running from the wellhead to the CH; 2) Connect the PEX line to the "tee" thru a shut-off valve; 3) Feed the PEX line into the SO thru the gap in the foundation; 4) Install piping needed in the SO to install a bathroom; and 5) install a toilet and sink in the SO.

Excavation at the SO and CH was carried out by RH and JH with assistance from RL.

APRIL 2012 election

MM and KJ registered as candidates for subdistrict 1 (MM) and subdistrict 2 (KJ). So far there are no other candidates filed. Filing closes on Tuesday Jan. 17.

New Business

CNA surety form on our contract status

MM: We received a form to fill out about our contract. It will be sent on to Tim for help in filling out.

Ordinance amendments

RH read the proposed ordinance amending the Sewer Rate Schedule Ordinance

Motion made by John Hindrichs to pass Ordinance **1-2012** to amend the Sewer **Rate Schedule Ordinance**.

Motion seconded by Ken Jost. The Board was polled on the motion:

Marilyn Meyer: Yes; Rich Hirsch: Yes; Rick Lippitt: Yes; John Hindrichs: Yes; and Ken Jost: Yes; The ordinance to amend is attached to these Minutes.

RH read the proposed ordinance amending the User Charge **Ordinance**

Motion made by John Hindrichs to pass Ordinance **2-2012** to amend the User Charge **Ordinance**.

Motion seconded by Rick Lippitt. The Board was polled on the motion:

Marilyn Meyer: Yes; Rich Hirsch: Yes; Rick Lippitt: Yes; John Hindrichs: Yes; and Ken Jost: Yes; The ordinance to amend is attached to these Minutes.

Letter from USDA-RD

JMH received a letter from Donna (USDA-RD) reminding us of our obligation to provide monthly cash flow reports and customer status reports. Jennie K. was informed. Our annual report is due March 1, so we will have to receive it in time for our Feb. meeting. It has to include income expense statements, cash flow statements for the year, balance sheet and budget. Donna has provided forms for those.

Because we used over \$500,000 in USDA loan money in 2011, we have to have two audits by Sep. 1, our regular audit and a govt. A133 audit. The auditor knows about this. When we contacted him back in 2010 he said it would cost \$6800. For this year his price is \$7800.

RH: Do we have to use him?

JMH: We interviewed three firms to select this firm. We liked the firm, they seemed very professional.

RH: That's a lot of money.

Attorney's Report

There was no attorney's report.

Engineer's Report

There was no engineer's report.

Adjournment

There being no other formal business to come before the Board, a motion to adjourn was made by John Hindrichs and seconded by Rick Lippitt. Motion passed with all Directors in approval. Meeting ended at 9:02.

Respectfully Submitted,

Rich Hirsch
Recording Secretary

Approved this 8th day of February, 2012.

Secretary
February 3, 2012

Chairman

ORDINANCE No. 01-2012
AN ORDINANCE AMENDING ORDINANCE NO. 03-2010 OF THE CODE OF ORDINANCES OF
PUBLIC WATER SUPPLY DISTRICT #13 OF JEFFERSON COUNTY, MISSOURI

WHEREAS, the Board of Directors has now had an opportunity to review the practicality of certain portions of the original ordinance; and

WHEREAS, clarifications are necessary after said review;

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE PUBLIC WATER SUPPLY DISTRICT #13 OF JEFFERSON COUNTY, MISSOURI, AS FOLLOWS:

Section 1. Section 4 of Sewer Rate Schedule Ordinance 03-2011 is hereby repealed. A new Section 4 is hereby adopted with the following words:

"Section 4. If any bill for sewerage services shall remain due and unpaid after twenty-one (21) days from the date of the rendition thereof, an additional charge equal to ten percent (10%) of the standard rate shall be added thereto."

Section 2. Section 5 of Sewer Rate Schedule Ordinance 03-2010 is hereby repealed. A new Section 5 is hereby adopted with the following words:

"Section 5. If any bill for sewerage service shall be and remain past due and unpaid for as long as thirty (30) days, service to such customer may be discontinued following due notice and opportunity for hearing. The District shall establish such procedures for collection of past due and unpaid balances as it deems appropriate, including, but not limited to, the establishment of a lien on said property for such amount due and owing. Said lien, in addition to the past due amount, shall include any amounts associated with the collection of said amounts, including, but not limited to, all reasonable attorney fees and costs. Once disconnection has occurred, service shall not be reconnected until all past due bills are paid in full, together with all costs associated with the collection of the past due amount and a reconnection charge of Two-Hundred Fifty Dollars (\$250.00). It shall be the duty of the Treasurer or other officer or representative of the District designated to notify the District of any such delinquency and the District shall proceed immediately to cause the past due amount to be collected, as provided by District procedures. The method of disconnection used will be at the discretion of the District and is subject to change. Any disconnection from water and/or sanitary sewer service shall be made after compliance with the provisions of all applicable Missouri statutes."

Section 3. This ordinance shall be in full force and effect from and after its passage and approval.

PASSED by the Board of Public Water Supply District No. 13 of Jefferson County Missouri, this 11th day of January, 2012.



Signature (Chairman)

Attest:



Signature (Secretary)

APPROVED this 11 day of January, 2012.

ORDINANCE No. 02-2012
AN ORDINANCE AMENDING ORDINANCE 02-2010 OF THE CODE OF ORDINANCES OF
PUBLIC WATER SUPPLY DISTRICT #13 OF JEFFERSON COUNTY, MISSOURI

WHEREAS, the Board of Directors has now had an opportunity to review the practicality of certain portions of the original ordinance; and

WHEREAS, clarifications are necessary after said review;

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE PUBLIC WATER SUPPLY DISTRICT #13 OF JEFFERSON COUNTY, MISSOURI, AS FOLLOWS:

Section 1. Article V, Section 1 of User Charge Ordinance 02-2010 is hereby repealed. A new Article V, Section 1, is hereby adopted with the following words:

"Section 1: All users shall be billed monthly. Billings for each month shall be made within thirty days after the end of that month. Payments are due when billings are made. Any payment not received within twenty-one (21) days after the billing is made shall be delinquent."

Section 2. Article V, Section 2 of User Charge Ordinance 02-2010 is hereby repealed. A new Article V, Section 2, is hereby adopted with the following words:

Section 2: A late payment penalty equal to ten percent (10%) of the standard rate will be added to each delinquent bill for each thirty days of delinquency. The delinquent user shall pay all costs of collection, including a reasonable attorney's fee. When any bill is thirty days in default, rendition of sewer service to such premises may be discontinued until such bill is paid following due notice and opportunity for hearing.

Section 3. This ordinance shall be in full force and effect from and after its passage and approval.

PASSED by the Board of Public Water Supply District No. 13 of Jefferson County Missouri, this
11th day of January, 2012.



Signature (Chairman)

Attest:



Signature (Secretary)

APPROVED this 11 day of January, 2012.