

MINUTES

June 9, 2005
BOARD MEETING

A quorum was established and the meeting was called to order at 1:10 by Vice-Chairman James Newton. Board members present were James Newton and Beverly Lawlor.

Dennis Carter was absent.

Staff members present were Andy Newton and Sherry Evertson.

Beverly moved to approve the minutes of the May 12, 2005 Board Meeting and the Fiscal Year 2005-2006 Budget Committee Meeting. James seconded. Motion carried unanimously.

Guests: Richard Nored attended the meeting.

He reported the Brad Foote has received the contracts for the shop building that the attorney revised. The building should be ready to start after the first of the next month. Richard said the Vic Russell Construction is finished with the job and we are just waiting for release of liens.

Dick said he is making good progress on the master plan.

Sherry asked how the change orders for the Lagoon Expansion project are coming. He said it will be a few more months. She pointed out that the grant expires July 31st. He said ask for another extension. If we can't get it, let him know and we'll work around it.

Operation Manager's Report

Andy said Kielblock put up a wall and rented out part of his building. According to his agreement with the board he was to pay another SDC when that happened. He was planning to come to discuss it with the board but is not here.

The blower and gearboxes and DO probe are still not functioning properly so we are not ready to be finished with LAS.

The Car Wash had a problem over the weekend and Andy was out of town. Had to hire McDonalds to pump their tank. Repairs were needed that will require us to patch the asphalt when done. It will be an expensive repair job.

Andy said he would also not like to wait until the new fiscal year to begin "on call" policy. Sherry was instructed to prepare a "policy" for the employees to sign regarding being on call.

Beverly moved to begin the On Call policy immediately. James seconded. Motion carried unanimously.

Andy reported that the hay field has been killed. It will get poisoned again this month sometime.

Andy said we will receive the \$91,000 SDC from the RV park this month. Need to look at our investments.

Midstate Electric will try to have power hooked up this month at the plant in the new lines.

There are two new subdivisions going in: Pleasant Pines and Hinkle Park.

Andy said the SDC Ordinance was written allowing for annual increases to keep up with cost of doing business. He asked Richard to look into it and get back to us.

Andy said we need to build a wash down pit at the plant and it will cost approximately \$5,000.

We received \$11,000 for hay and they have picked up the rest of the hay so we should have the balance of the money soon.

Andy will pressure test the main line to the pivot this month to check for leaks.

Financial Reports:

Sherry discussed bank balances with the board. Andy recommended to put \$350,000 in a 22 month CD at South Valley Bank if we receive the \$91,000 RV park SDC. (If not, only put \$275,000 in). Then, when the \$145,000 CD at Community First Bank matures, put in back in a one year CD. Beverly moved to accept and act on Andy's recommendation. James seconded. Motion carried unanimously.

New Business:

Resolution to adopt the budget for Fiscal Year 2005-2006 and to appropriate funds was read. Beverly moved to adopt the budget and to appropriate funds. James seconded. Motion carried unanimously.

Delinquent accounts were reviewed.

Bills to be approved for June were reviewed. Beverly moved to approve the bills for June. James seconded. Motion carried unanimously.

There being no further business, the meeting adjourned at 2:30 pm.

Respectfully submitted,
Sherry Evertson