

***CENTRAL WYOMING REGIONAL WATER SYSTEM  
JOINT POWERS BOARD***

**MEETING PROCEEDINGS**

October 18, 2022

A public meeting of the Central Wyoming Regional Water System Joint Powers Board (Board) was held Tuesday, October 18, 2022 at 11:30 a.m., in the Joint Powers Board Conference Room, Regional Water Treatment Plant, 1500 SW Wyoming Boulevard, Casper, WY.

**Board Members Present -** Chairman King, Vice-Chairman Bertoglio, Secretary Waters, Treasurer Cathey, and Board Members Knell and Sutherland. Board Members Pollock and Sabrosky were absent.

**City of Casper –** Cathey, Knell, Sutherland, Andrew Beamer, Bruce Martin, Tom Edwards, Mark Anderson, Janette Brown, Andrew Colling

**Natrona County –** Bertoglio

**Salt Creek Joint Powers Board –** King

**Wardwell Water & Sewer District –**

**Pioneer Water & Sewer District –** Waters

**Poison Spider Improvement & Service District –**

**Wyoming Water Development Office -**

**Sandy Lakes Estates –**

**Lakeview Improvement & Service District -**

**33 Mile Road Improvement & Service District –**

**Mile-Hi Improvement and Service District –**

**Central Wyoming Groundwater Guardian Team (CWGG) –**

**Others —** Charlie Chapin – Williams, Porter, Day & Neville, P.C.; Tom Brauer – Technical Mediation Solutions

The Board meeting was called to order at 11:30 a.m.

1. There were no Announcements.

2. Chairman King asked for a motion to approve the minutes from the September 20, 2022 Regular meeting. A motion was made by Board Member Sutherland and seconded by Vice-Chairman Bertoglio to approve the minutes from the September 20, 2022 Regular meeting. Motion put and carried.
3. Mr. Martin informed the Board that no additional vouchers were added to the voucher listing that was sent out in the agenda packet. Mr. Martin stated that voucher 8509 for HUB International Mountain States Limited in the amount of \$106,874.00 is for the property insurance renewal; vouchers 8213 and 8517 for Hach Company in the total amount of \$28,331.00 are for turbidimeters; voucher 8514 for AUMA Actuators, Inc. in the amount of \$13,285.37 is for a FY22 purchase of valve actuators that recently arrived, the funds were carried over from FY22; voucher 8515 for Skogen, Cometto & Associates, P.C. in the amount of \$11,500 is for the FY22 Audit that is in process.

Mr. Martin stated that the vouchers are in good order and recommended approval.

Chairman King asked for a motion to approve the October 2022 vouchers. A motion was made by Secretary Waters and seconded by Treasurer Cathey to approve the October 2022 voucher listing to include voucher numbers 8509 through 8518 in the amount of \$930,267.86. Motion put and carried.

4. Mr. Martin asked the Board to reference the Gallons Produced table in the agenda packet. Mr. Martin stated that he prepared a couple of additional charts that give a better visual of the water production. Mr. Martin stated that the first chart shows monthly water production compared to the five year average. Mr. Martin stated that there were 459 MG produced in September, which is 5 MG above the five year average of 454 MG.

Mr. Martin stated the second chart shows year to date water production compared to the five year average. Mr. Martin stated that year to date production in September was 1.84 BG, which is 120 MG above the five year average of 1.72 BG. Mr. Martin stated that July and August were very strong water production months.

Chairman King asked if the high production was due to the very warm weather and people trying to keep their grass alive, or to the influx of people coming into the area. Mr. Martin stated that he thinks it has more to do with the dry conditions experienced in July and August.

Mr. Martin stated that Water Utility Charges for FY23 is \$4,122,151, which is approximately \$620,000 more than last year. Mr. Martin stated that the increase is due to the rate increase and the above average water sales.

Mr. Martin stated that Reimbursable Contract Expense is \$1,272,061. Mr. Martin stated that this is quite a change from the previous years. Mr. Martin stated that last year there were water conservation efforts due to chemical procurement issues, but the current figure also includes the September Operations Reimbursement, where last year only included August. Mr. Martin stated that this is a change in the way it is posted by Finance in order to be more accurate.

Mr. Martin stated that 33% of the FY23 budget has been spent, and we are 25% through the fiscal year. Mr. Martin stated that July, August, and September are high water production months, so you can expect chemical usage and electrical usage to be higher. Mr. Martin stated that the budget is right on track.

Mr. Martin stated that in Buildings, the \$18,000 is for work that has been done on the FY22 Roof Replacement Project. Mr. Martin stated that this project has been delayed as the contractor is waiting on materials to arrive.

Mr. Martin stated that line item Improvements Other Than Bldgs has only had small equipment expenses in the amount of \$88,000 charged to it so far this fiscal year.

Mr. Martin stated that at the last meeting the Board requested that Ms. Johnson attend a meeting for a discussion on the WyoStar accounts. Mr. Martin turned the time over to Ms. Johnson.

Ms. Johnson stated that she made a presentation to the Board in January, and at that time the Board was earning \$154 in interest on their \$8 M sitting in the bank. Ms. Johnson stated that it was discussed how the Board could rebalance their portfolio to get more interest earnings, and WyoStar I and WyoStar II accounts were discussed. Ms. Johnson referenced the chart being shown and stated that the Board did rebalance their portfolio and the interest earnings increased. Ms. Johnson stated that this was due to a couple of things; the rebalance of the portfolio and higher interest rates that are continuing to rise.

Ms. Johnson pointed out that the cash line is decreasing some, but the interest earnings are increasing.

Ms. Johnson stated that there was a little bit of an issue in July in the new fiscal year. Ms. Johnson stated that as interest rates rise, bond prices go down as they have an inverse relationship.

Ms. Johnson stated that WyoStar II is a pool, so everyone contributes to it and then as investments mature, it becomes cash and is either reinvested or people request money to be paid out. Ms. Johnson stated that if the pay outs exceed what they have in cash, they have to sell bonds. Ms. Johnson stated that in July, with interest rates increasing, and bond prices decreasing, there would be a loss on any bonds sold at that time.

Ms. Johnson stated that when there is a low interest environment and bonds are sold, there would be a gain.

Ms. Johnson stated that the interest earnings are recovering nicely now. Ms. Johnson stated that August and September are tracking nicely with the cash.

Ms. Johnson referenced another chart that shows the rebalancing of the portfolio by month. Ms. Johnson stated that at the end of FY22, the Board earned approximately \$7,700 in interest.

Ms. Johnson stated that as FY23 started, even with the negative in July, the interest is

continuing to rise; \$5,900 in August, and \$7,400 in September.

Ms. Johnson stated that the Board budgeted earning \$70,000 in interest for FY23, and have already earned \$16,799. Ms. Johnson stated that if the \$16,000 is extrapolated out through the end of the year, the Board is looking at \$165,000 of interest earned if everything stays the same.

Ms. Johnson stated that something for the Board to think about when looking at the WyoStar accounts, is that any investment that is made has the risk of having a loss. Ms. Johnson stated it can be all different types of losses. Ms. Johnson stated that with the WyoStar accounts, it will allocate both gains and losses. Ms. Johnson stated that if the Board is uncomfortable with that, they can move their funds from WyoStar back into the Hilltop accounts. Ms. Johnson stated that the WyoStar account that has \$3.4 M is earning \$7,400 in interest, and the Hilltop account with \$4.1 M is earning \$5,778, so there is a difference in earnings.

Secretary Waters asked if there is a given potential that at any given time the Board might take a hit on earnings depending on what the stock market is doing. Ms. Johnson stated yes, WyoStar has a potential to take a loss, but it is based on what the economy is doing. Ms. Johnson stated that it isn't an interest rate adjustment, it's a gain or loss on the sale.

Ms. Johnson referenced the current rates chart for WyoStar I and II. Ms. Johnson stated that the WyoStar I account is a very short term, low interest rate, but currently has an interest rate of 1.996% and rising. Ms. Johnson stated that the WyoStar II account interest rate is 2.622%.

Vice-Chairman Bertoglio asked if the Book Value is still rising. Ms. Johnson stated that it is, but actually it is the Current Yield that is rising.

Board Member Sutherland asked if there is any predictability to when a loss will happen. Ms. Johnson stated that there is not, as it depends on how much cash they have on hand to pay out when a request for funds comes in. Ms. Johnson stated that people can make a request, and they liquidate within three days.

Vice-Chairman Bertoglio asked if the Book Return is a combination of the two, Book and Interest. Ms. Johnson stated that the Monthly Annualized Book Return is what actually calculates to the Interest Rate. Ms. Johnson stated that she is not sure how the Interest Rate is calculated from the Current Yield. Vice-Chairman Bertoglio stated that with the Current Yield that high, there should be higher returns. Ms. Johnson stated that WyoStar could be asked about that.

The Board thanked Ms. Johnson for coming today to speak with them about the WyoStar accounts.

Chairman King asked for a motion to approve the September 2022 Financial Report as presented. A motion was made by Vice-Chairman Bertoglio and seconded by Treasurer Cathey to approve the September 2022 Financial Report as presented. Motion put and carried.

5. Chairman King turned the time over to Mr. Edwards for the WTP Operations Update.

Mr. Edwards stated that the Surface Water Plant has been shut down for the season. Mr. Edwards stated that water demand is low enough that it can be met with just the wells. Mr. Edwards stated that most of the wells are being operated intermittently as needed and rotated.

Mr. Edwards stated that Operations staff adjusted the tank levels and boosters for winter operations and has been working with Water Distribution staff on set points in order to keep nitrification down.

Mr. Edwards stated that Maintenance staff has been replacing filters, fan belts, and some motors on the building HVAC system. Mr. Edwards stated that a lot of the HVAC maintenance is being done in house.

Mr. Edwards stated that staff is winterizing the well houses as well as the Raw Water Building, and making sure all the heaters work and that vents are blocked off.

Mr. Edwards stated that Pioneer Booster Pump No. 2 was repaired as it had some electrical issues.

Mr. Edwards stated that the heater in the backup generator building was replaced.

Mr. Edwards stated that a sand pump on Actiflo Train No. 1 was replaced.

Mr. Edwards stated that motor savers were replaced on Morad No. 3 and Morad No. 8 due to an electrical strike from a storm.

Mr. Edwards stated that cables were pulled for the pH probes on Actiflo in order to integrate them into the SCADA system.

Mr. Edwards stated that Reeds Welding was on site to re-weld the port for the backwash turbidimeter, and fixed a safety issue on one of the metal staircases.

Mr. Edwards stated that Automation and Electronics came out and repaired a valve actuator on Raw Water Pump No. 3.

Mr. Edwards stated that Modern Electric assisted with the electrical work on the Pioneer Booster Station.

Chairman King asked if there were any calls placed on the river for people downstream. Mr. Edwards stated that he was not aware of any recent calls placed on the river. Chairman King stated that with the hot, dry weather he thought there might be someone downstream begging for water. Vice-Chairman Bertoglio stated that the irrigation season is over, so it is storage season now and that is controlled by the Bureau of Reclamation.

Chairman King turned the time over to Mr. Anderson for the Transmission System Update.

Mr. Anderson stated that the booster heaters have been checked by the HVAC guy for the winter.

Mr. Anderson stated that staff is exercising all the valves on the Sandy Lake waterline and completing the annual hydrant maintenance. Mr. Anderson stated that it will take about a week for staff to complete the maintenance on this waterline.

Mr. Anderson stated that staff has inspected the Wardwell Tank before winter arrives. Mr. Anderson stated that this tank inspection will be done monthly throughout the winter wind months. Mr. Anderson stated there have been no issues so far.

Mr. Anderson stated that nitrification has started, so there has been a loss of chloramine residuals which will continue through December.

Mr. Anderson stated that starting tomorrow, staff will be flushing the Crosstown Pipeline.

6. There was no Public Comment.

7. In Old Business:

- a. In Old Business, Mr. Martin stated that every month the date, time, and location of the Joint Powers Board meeting is advertised in the Casper Star Tribune and on the RWS website. Mr. Martin stated that for the September meeting, there was a hiccup with the Casper Star Tribune and they did not publish the meeting advertisement. Mr. Martin stated that the FY2023 Budget Amendment No. 1 was published in the newspaper, and it included the meeting date and time. Mr. Martin stated that the meeting date was also advertised on the RWS website, so the main advertisement in the newspaper was all that was missing. Mr. Martin stated that this was discussed with Mr. Chapin, and he felt that the public meeting notice requirement was met, but felt that a ratification of the motions taken at the September meeting should be done at the meeting today.

The motions from the September 20, 2022 Regular meeting are as follows:

- A motion was made by Board Member Knell and seconded by Vice-Chairman Bertoglio to nominate Board Member Cathey as Treasurer. Motion put and carried.
- A motion was made by Vice-Chairman Bertoglio and seconded by Secretary Waters to approve the minutes from the August 16, 2022 Regular meeting. Motion put and carried with Board Members Knell, Pollock, and Sabrosky abstaining from the vote.
- A motion was made by Treasurer Cathey and seconded by Secretary Waters to approve the minutes from the August 16, 2022 Executive Session. Motion put and carried with Board Members Knell, Pollock, and Sabrosky abstaining from the vote.

- A motion was made by Board Member Knell and seconded by Board Member Sabrosky to approve the September 2022 voucher listing to include voucher numbers 8498 through 8508 in the amount of \$573,514.29. Motion put and carried.
- A motion was made by Board Member Knell and seconded by Board Member Sutherland to approve the August 2022 Financial Report as presented. Motion put and carried.
- A motion was made by Board Member Sutherland and seconded by Secretary Waters to approve Amendment No. 2 with West Plains Engineering for the WTP HVAC Chiller Replacement Project No. 20-030 in the amount of \$1,500. Motion put and carried.
- A motion was made by Board Member Knell and seconded by Secretary Waters to approve the Chairman signing the BLM Right-of-Way Grant/Temporary Use Permit for the Pioneer Water Storage Tank and facilities. Motion put and carried.
- A motion was made Board Member Knell and seconded by Treasurer Cathey to approve FY23 Budget Amendment No. 1 in the amount of \$1,034,109. Motion put and carried.
- A motion was made by Secretary Waters and seconded by Board Member Knell to adjourn the meeting at 12:03 p.m. Motion put and carried.

A motion was made by Vice-Chairman Bertoglio and seconded by Board Member Sutherland to ratify all motions taken at the September 20, 2022 meeting. Motion put and carried.

b. There was no Other Old Business.

#### 8. In New Business:

- a. Mr. Martin stated that there has been some discussion between Wardwell Water and Sewer District and the Town of Bar Nunn through Mr. Tom Brauer, who is in attendance today to update the Board where things stand. Mr. Martin turned the time over to Mr. Brauer.

Mr. Brauer introduced himself to the Board. Mr. Brauer stated that he was employed by and was one of the owners of CEPI for many years, but sold it in 2017. Mr. Brauer stated that for a while he continued to work for CEPI as a contract employee in a consulting capacity. Mr. Brauer stated that he is not here today representing CEPI. Mr. Brauer stated that he is here today with his own company, Technical Mediation Solutions. Mr. Brauer stated that he has a unique knowledge and history of the Regional Water System, being involved with it from the original planning stages all the way through most of the construction projects.

Mr. Brauer stated that he also was the Wardwell engineer for 15 years. Mr. Brauer stated that recently he has been helping Bar Nunn out with some projects and the ongoing saga has continued with Bar Nunn and Wardwell and has been a very contentious and challenging relationship in his opinion for the last 15 – 20 years. Mr. Brauer stated that since growth starting occurring in Bar Nunn, there have been real challenges between Bar Nunn and Wardwell because Bar Nunn had no control over their water and their growth.

Mr. Brauer stated that he was sitting in some Wardwell meetings and had a moment of weakness and volunteered to mediate their issues for free. Mr. Brauer stated that Wardwell and Bar Nunn both agreed to mediation.

Board Member Knell arrived at 11:55 a.m.

Mr. Brauer stated that his approach to mediation is to seek very organic and natural solutions. Mr. Brauer stated that he told Bar Nunn and Wardwell that he felt the rate payers needed to be represented. Mr. Brauer stated that when Bar Nunn and Wardwell were fighting, the residents were paying about \$40 a year in legal fees so the two of them could fight. Mr. Brauer stated that the rate payers were funding the battle, and he asked to look for a rate payer focused solution.

Mr. Brauer stated that the attorneys for Wardwell and Bar Nunn, Ms. Alia Scott, and Mr. Pat Holscher, have been great to work with. Mr. Brauer stated that the mediation process started out with executive session meetings with Bar Nunn, and then executive session meetings with Wardwell. Mr. Brauer stated that a solution came forward, and it is at a point that he wanted to update the Board as it does have some effect on Regional Water.

Mr. Brauer stated that an MOU has been drafted, but has not been formally adopted by Bar Nunn or Wardwell, but is in process. Mr. Brauer stated that both attorneys agreed that it was a good idea to update the Board about what is contained in the MOU.

Mr. Brauer stated that the situation is that Bar Nunn is going to take over the entirety of the Wardwell system. Mr. Brauer stated that a lot of options were looked at to split the area, but ultimately it resulted that Bar Nunn would take over the whole water system from Wardwell. Mr. Brauer stated that there are a couple of caveats that were agreed upon. Mr. Brauer stated that the residents of Wardwell that do not live in Bar Nunn will be charged a punitive rate, that they will not be charged a rate that is appreciably higher than the residents of Bar Nunn. Mr. Brauer stated that the residents of Bar Nunn pay their water rate plus an additional 8 mills in property tax. Mr. Brauer stated that the rate for Wardwell residents will not exceed what the Bar Nunn residents are charged.

Mr. Brauer stated that the other caveat is that if over time the Wardwell residents decide that this was a really bad idea and want to form a water district and take their area over, Bar Nunn will negotiate in good faith and will not stand in the way of that happening.



Mr. Brauer stated that in the meantime, what has to happen is Bar Nunn will operate the Wardwell water system jointly with Wardwell; Bar Nunn will be the operators on the ground, and Wardwell will do the billing, and EPA reporting. Mr. Brauer stated that the parties have agreed to this in principle.

Mr. Brauer stated that the tough part is the legal part. Mr. Brauer stated in order for Wardwell to dissolve as a district, the first thing that has to be done is to prepare a very detailed plan of dissolution. Mr. Brauer stated that plan will be prepared by Wardwell, with review by Bar Nunn's attorney, and then that plan will be submitted to the County. Mr. Brauer stated that at that point, the plan is reviewed by the County Attorney to determine if it is whole and complete, and if it meets the statutory requirements. Mr. Brauer stated that after legal review by the County, then the County Commissioners act upon it. Mr. Brauer stated that it will then go to a vote of all the members of the Wardwell District. Mr. Brauer stated that assuming the vote passes, that is when the transfer of assets from Wardwell to the Town of Bar Nunn will take place.

Mr. Brauer stated that they are only at the MOU stage and there are a lot of legal hurdles. Mr. Brauer stated that realistically, it is a six to nine month period for this to take place. Mr. Brauer stated that both parties seem to be operating collaboratively together and working together on this plan.

Mr. Brauer stated that most importantly, he is here to try to answer questions on the discussion and intent of both the Wardwell Water and Sewer District and the Town of Bar Nunn.

Vice-Chairman Bertoglio asked if Wardwell is going to completely dissolve. Mr. Brauer stated that Wardwell is going to completely dissolve. Vice-Chairman Bertoglio asked if all their building permits in the unincorporated area will go back to the County. Vice-Chairman Bertoglio stated that right now, you have to get a water permit from Wardwell, and they had their own inspectors, and asked if it would all fall back on the County. Mr. Brauer stated that he would assume it would fall onto Bar Nunn.

Vice-Chairman Bertoglio stated that Wardwell has been a challenge for the County as they want to do their own permitting in addition to permitting from the County.

Vice-Chairman Bertoglio stated that when they are ready to go to vote, they will need to get with Tracy Good, County Clerk, as the votes are not one for one. Vice-Chairman Bertoglio stated that the large landowners have a much greater weight than an entire block. Mr. Brauer stated that his recollection of the statute is 50% of the residents and 50% of the assessed valuation of the district. Mr. Brauer stated that he is not sure if that applies to this kind of vote, but it did apply to the petition they did. Mr. Brauer stated that the attorneys are researching the State Statutes for this as they are a bit challenging. Vice-Chairman Bertoglio stated that for the petition they did meet the 50% of residents, but fell way short of the 50% assessed valuation.

Board Member Knell apologized for running late, and asked who Mr. Brauer was. Mr. Brauer briefly introduced himself to Board Member Knell.

Board Member Knell stated that he has been a huge proponent of dissolving Wardwell. Board Member Knell stated that he bought some property in Wardwell, but when he looked into the tap fees they were so exorbitant that it would behoove him to drill a well as opposed to tapping into the waterline. Board Member Knell stated that they have inhibited Bar Nunn's growth by doing this and people not wanting to pay the tap fees. Board Member Knell stated that he assumes that once Bar Nunn takes over that will get back in line and people won't have to pay all the extra fees and permits that were required by Wardwell for no other reason than, he thinks, to make money.

Mr. Brauer stated that the history of the contentiousness of the relationship is mostly over when Bar Nunn started to grow again. Mr. Brauer stated that when everything was stagnant out there, there wasn't much to fight about because you got your water bill and paid it. Mr. Brauer stated that when Bar Nunn started to grow, Wardwell had a lot of rules and requirements, such as you couldn't put meter pits in driveways, they had to be in sodded areas, and the tap fees were high. Mr. Brauer stated that he thinks that any adjustments to tap fees is probably six months to a year after dissolution. Mr. Brauer stated that there will probably need to be another water rate study to figure out where their rates need to be. Mr. Brauer stated that the members of the Bar Nunn Town Council are very much in favor of more pro-development, reasonable tap fees and reasonable growth. Mr. Brauer stated that is what the major rub has been for the last twenty years.

Vice-Chairman Bertoglio asked from a Regional Water standpoint, if it is a straight transfer as Wardwell is a member of the Board as an original signor, would that just get transferred to Bar Nunn. Treasurer Cathey stated that was a good question. Mr. Chapin stated that he would have to look into that as he wanted to hear what Mr. Brauer had to say first. Mr. Brauer stated that in the MOU it states that they will need to communicate early, and often, with the Regional Water System that it was anticipated and hoped that Bar Nunn would just take over the Wardwell seat on the Board.

Mr. Brauer stated that one other item, is that it was important to represent the rate payers so Bar Nunn has agreed to set up an advisory board that will be comprised of Wardwell members so that they have a voice at the Bar Nunn Town Council. Mr. Brauer stated that this was done under the umbrella of a customer oriented solution instead of two government entities warring it out for decades.

Board Member Knell stated that in a generic scheme of things, the customer doesn't change, or the amount of water going out, it's just who is receiving it and paying for it.

Vice-Chairman Bertoglio stated that as he recalls, as long as Regional Water has debt, Wardwell could not leave, but as long as they are satisfying the debt by replacing with someone else, he doesn't think it should be a problem. Board

Member Knell agreed. Mr. Chapin stated that there are issues of stability and what has to be established and demonstrated, and be able to pick up the debt load. Board Member Knell stated that he thinks Bar Nunn would bring more security to the table than the Wardwell District, but that is just his assumption.

Mr. Brauer stated that as soon as the MOU is ratified by both Wardwell and Bar Nunn, he will email a copy to Mr. Martin so he can distribute it to the Board.

Vice-Chairman Bertoglio asked when Mr. Brauer anticipates the MOU to be ratified. Mr. Brauer stated that Bar Nunn meets tonight, but probably in the next two to four weeks the MOU will be ratified. Mr. Brauer stated that he has written comments on the MOU back from Ms. Scott, but has not seen written comments back from Mr. Holscher. Mr. Brauer stated that this is just an MOU, it's not a legal document that meets all the very careful, fine tooth comb approach. Mr. Brauer stated that the MOU is just the intent of what they want to do. Vice-Chairman Bertoglio stated that he wants to give Eric Nelson, County Attorney, a heads up so he can plan for it as the County has a lot of things going on right now. Mr. Brauer stated that Ms. Scott was going to reach out to Mr. Nelson as well.

Mr. Brauer stated that they will also be reaching out to the 201 Sewer Board so they are also notified. Chairman King asked if Bar Nunn would then be over the water and sewer systems and Wardwell would be defunct. Mr. Brauer stated that was correct.

The Board thanked Mr. Brauer for the information and for stepping up to help Wardwell and Bar Nunn.

- b. Mr. Martin stated that this project has been before the Board a time or two, so it should sound familiar. Mr. Martin stated that the WTP HVAC Chiller Replacement Project includes piping, condensing units, pumps, and the removal and replacement of the Building Management System panel, which is the main control panel for the HVAC system for the entire WTP building.

Mr. Martin stated that this project was originally budgeted in the FY21 budget at \$180,000. Mr. Martin stated that design was started and the funds were moved into the FY22 budget. Mr. Martin stated that the project was bid out in November 2021 with one bid submitted. Mr. Martin stated that Sheet Metal Specialties submitted a bid of \$422,000. Mr. Martin stated that at that time staff recommended and the Board agreed, that the bid should be rejected and the project should go back out to bid after additional funds were budgeted. Mr. Martin stated that an additional \$285,000 was budgeted in the FY23 budget to make a total budget amount of \$465,000 for the project.

Mr. Martin stated that the project was put back out to bid in September, and only one bid was received; Sheet Metal Specialties, Inc. in the amount of \$494,880. Mr. Martin stated that with adding a construction contingency amount of \$55,120 brings the project to \$550,000. Mr. Martin stated that staff recommends moving forward with the project.

Mr. Martin stated that there is a bit of a budget shortfall, but it is anticipated to reallocate funds that are included in the FY23 Roof Project to the WTP HVAC Project. Mr. Martin stated that this will be the next item of business. Mr. Martin stated that no additional funds would be added to the FY23 Capital Budget; funds would only be reallocated from one project to another. Mr. Martin stated that staff felt that since there have been several roof replacements in the last few years, staff feels that it would work out to move some funds out of the FY23 Roof Project and transfer them to the WTP HVAC Project.

Mr. Martin stated that Mr. Andrew Colling with the City of Casper Engineering Department is in attendance today to answer any questions the Board might have on the project.

Mr. Colling stated that Sheet Metal Specialties was the only bidder both times the project went to bid. Mr. Colling stated that the standard advertising process was done through the Casper Star Tribune and Quest CDN. Mr. Colling stated that last year he spoke to a couple of plan holders that did not bid and they did not really have any reason why they didn't bid on the project. Mr. Colling stated that this time, Sheet Metal Specialties was the only prime bidder that got plans.

Board Member Knell asked if the funds are transferred from the Roof Project, will that be delaying some needed roof repairs. Mr. Martin stated that staff reviewed this, and since Roof Projects have been done the last several years, and there was \$300,000 budgeted in the FY23 Roof Replacements, it is felt it will be fine to scale it back this year and not be hurting anything.

Board Member Sutherland asked what the discrepancy is between the bid from last year to this year. Mr. Colling stated that there is a 15% difference for cost of materials, and there is still a 40 week lead time. Mr. Colling stated that the chiller replacement has been needed for a couple of years. Mr. Martin stated that the Chiller Project has been delayed a few times and must be done.

Board Member Knell asked if it is realistic to think that the Chiller Project will be completed by July when FY24 begins. Mr. Colling stated that is the goal to have it done, but we are captive to getting materials. Mr. Colling stated that West Plains Engineering, who is the engineer for the project, stated they have talked to some suppliers and they think the lead time is a pretty strong estimate, and they don't see it going longer than that.

A motion was made by Board Member Sutherland and seconded by Vice-Chairman Bertoglio to approve the contract with Sheet Metal Specialties for the WTP HVAC Chiller Replacement Project No. 20-030 in the amount of \$494,880. Motion put and carried.

A motion was made by Board Member Knell and seconded by Treasurer Cathey to add \$55,120 for contingency to the contract for the WTP HVAC Chiller Replacement Project No. 20-030 with Sheet Metal Specialties for a total project amount of \$550,000. Motion put and carried.

- i) Mr. Martin asked the Board to reference Budget Reallocation No. 2023-01 to move funds from the FY23 Roof Replacement Project to the WTP Chiller Replacement Project in the amount of \$112,865. Mr. Martin recommended approval of Budget Reallocation No. 2023-01.

Board Member Knell stated that he thought that only \$55,120 was being moved. Mr. Martin stated that \$55,120 is for the contingency amount, but the project is also short funds. Board Member Knell asked what amount will be left in the FY23 Roof Project. Mr. Martin stated that there will be just under \$200,000 left in the FY23 Roof Project.

A motion was made by Vice-Chairman Bertoglio and seconded by Board Member Sutherland to approve Budget Reallocation No. 2023-01 to move \$112,865 from the FY23 Roof Project to the WTP HVAC Chiller Replacement Project. Motion put and carried.

c. In Other New Business:

- i) Mr. Chapin asked to give an update on the City of Mills case. Mr. Chapin stated that the Judge ordered more briefing as additional cases and statute that may be applicable were found. Mr. Chapin stated that after reviewing the additional statutes and cases he is comfortable they are in the Board's favor and not Mills with regard to the ability to build over the top of existing utilities. Mr. Chapin stated that the review and briefing must be submitted to the Court in 30 days. Mr. Chapin stated that then we will have to wait for the Judge to make a determination whether to enter a judgement or if it will have to be litigated. Mr. Chapin stated that he suspects a judgement will be entered.

Board Member Knell stated that in the meantime, Mayor Coleman has taken to the social media platform and put a lengthy post about the RWS waterline running under a trailer park and how he is fighting for those people, and how RWS is wrong and Mills is right. Board Member Knell stated that he had to be careful how he replied, but he posted that he thought that waterline was in the ground before Mills was even born, and left it at that. Mr. Chapin stated that is a true statement. Board Member Knell stated that Mayor Coleman posted to social media just a few days ago.

Chairman King asked what kind of pressure he thought the waterline has, as it wouldn't blow the trailer houses in the air. Mr. Chapin stated that City of Casper Engineers did calculations and it would just be a slow leak.

Board Member Knell stated that the trailer park was built over the top of the existing waterline. Mr. Chapin stated that the main point is that Mills knew the waterline was there and have tried to feign a lack of knowledge of it and it's not going to sell.

- ii) Chairman King stated that the WTP Admin spoke to him and Mr. Martin as she thinks there is sufficient work for her position to be taken from a part-time to a full-time basis. Chairman King stated that he and Mr. Martin seem to agree and would like the Board to consider it as well.

Board Member Knell asked what kind of impact it would have on the budget with the additional pay and benefits.

Mr. Martin stated that this is a request that will come forward at the end of the year in December or January, as it will allow Mr. Edwards to gather information on what that impact might look like.

Board Member Knell asked Mr. Martin if he felt the work was there for a full-time position. Mr. Martin stated that it will take some looking into to see what the plan is for the future, and what kind of duties that position might affect.

Chairman King stated that this is just food for thought at this point.

9. In the Chairman's Report, Chairman King stated that the next regular meeting would be held on November 15, 2022.

A motion was made by Secretary Waters and seconded by Board Member Sutherland to adjourn the meeting at 12:25 p.m. Motion put and carried.

  
Chairman

  
Secretary