

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

MEETING PROCEEDINGS

March 17, 2020

A public meeting of the Central Wyoming Regional Water System Joint Powers Board (Board) was held Tuesday, March 17, 2020 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 Keffer, Secretary Waters, Treasurer Bertoglio, and Board Members Cathey and Powell. Board Members Freel and Huber were absent.

City of Casper – Cathey, Powell, Andrew Beamer, Bruce Martin, Brian Schroeder, Janette Brown, Ethan Yonker

Natrona County – Bertoglio

Salt Creek Joint Powers Board – King

Wardwell Water & Sewer District – Keffer

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, Kyle Ridgeway – Williams, Porter, Day & Neville, P.C.;

The Board meeting was called to order at 11:32 a.m.

1. In Announcements, Board Member Cathey, and Mr. Chapin and Mr. Ridgeway are participating in the meeting by telephone.

Mr. Martin announced that due to the Coronavirus situation, the meeting next month could be all call in. Mr. Martin stated that everything is being done to keep the virus out of the WTP. Mr. Martin stated that access has been limited for salespeople and no unnecessary traffic is allowed. Mr. Martin stated that we don't want the Operators to be exposed to the virus and end up being out sick for a long time.

Mr. Martin also announced that Ms. Brown will hand out the minutes from the Executive Session for the Board to review. Mr. Martin asked the Board to review the minutes and sign the sheet if they approve them, then turn in the minutes to Ms. Brown. Mr. Martin stated that these minutes will be approved at the next meeting.

2. Chairman King asked for a motion to approve the minutes from the February 18, 2020 Regular meeting, February 28, 2020 Special meeting, and February 28, 2020 Executive meeting. A motion was made by Treasurer Bertoglio and seconded by Secretary Powell to approve the minutes from the February 18, 2020 Regular meeting and the February 28, 2020 Special meeting, and hold approval of the February 28, 2020 Executive meeting minutes until such time as the entire Board has had an opportunity to review them. Motion put and carried.
3. Mr. Martin informed the Board that no additional vouchers were added to the voucher listing. Mr. Martin recommended approval of the vouchers and offered to answer any questions the Board may have on the voucher listing.

Chairman King asked for a motion to approve the March 2020 vouchers. A motion was made by Secretary Waters and seconded by Vice-Chairman Keffer to approve the March 2020 voucher list to include voucher numbers 8128 through 8133 in the amount of \$356,185.78. Motion put and carried.

4. Mr. Martin asked the Board to reference the Gallons Produced table in the agenda packet. Mr. Martin stated that production for February 2020 was 141 MG, which is 8 MG less than the five-year average of 149 MG. Mr. Martin stated that year-to-date production is 2.65 BG, which is 46 MG more than the five-year average of 2.6 BG.

Mr. Martin asked the Board to reference page 1 of the monthly compilation. Mr. Martin stated that he would like to discuss Reservations at the bottom of the page. Mr. Martin stated that Mr. Pitlick will be bringing an updated Reserve Policy to the Board in the coming months. Mr. Martin stated that the Debt Service Reserve - Loan does not take into account the new loans. Mr. Martin stated that one year of Debt Service Reserves should be \$2.2 M. Mr. Martin stated that Undesignated Reserves is \$2.9 M, but most of that should be reflected in the Debt Service Reserves – Loan. Mr. Martin stated that if the policy that Mr. Pitlick will be bringing forth to the Board was in place right now, Undesignated Reserves would be between \$600,000 and \$1 M.

Mr. Martin asked the Board to reference page 3 of the Financial Report. Mr. Martin stated that Water Sales for the year are \$5,074,535, which is \$545,932 higher than FY2019. Mr. Martin stated that this is due to the rate increase and strong water sales this fiscal year.

Mr. Martin stated that Total Operating Expenses are 2.40% less than last fiscal year. Mr. Martin stated that Total Operating Expenses are bouncing just above, to just below what expenses were last year.

Chairman King asked for a motion to approve the February 2020 Financial Report as presented. A motion was made by Vice-Chairman Keffer and seconded by Secretary Waters to approve the February 2020 Financial Report as presented. Motion put and carried.

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

Mr. Schroeder stated that the SCADA contractor is working 3 to 4 days a week and pretty much has the work completed. Mr. Schroeder stated that HDR was on site last week to do a punch list for the project. Mr. Schroeder stated that they went through the whole system, checking the boosters and tanks, and went through the entire WTP. Mr. Schroeder stated that HOA has the punch list and is working on it.

Mr. Schroeder stated that this week staff is working on a surface water startup with the new SCADA system. Mr. Schroeder stated that the Operator is currently working with HOA on the startup, but it probably won't be finished today because they will most likely run into issues.

Mr. Schroeder stated that the test run for the emergency power generator failed. Chairman King asked what is not working on the emergency power generator. Mr. Schroeder stated that the generator is not transferring, so when it sees a power outage, the diesel starts up but is not closing the switch to transfer power. Mr. Schroeder stated that the contractor claims they now know what is wrong with it and will tentatively be back next week to make the repair and test it.

Secretary Waters asked who is doing the electrical work. Mr. Schroeder stated that Casper Electric has done most of the electrical work, and Wyoming Machinery has the contract for the project.

Mr. Schroeder stated that staff is finishing repairs on the surface water system in preparation for summer and for starting the plant this week for the SCADA testing. Mr. Schroeder stated that repairs have been made to Actiflo, and to other systems.

Mr. Schroeder stated that Mr. Conner is not in attendance today and asked him to give the Transmission System Update.

Mr. Schroeder stated that Pioneer Booster Station is being worked on. Mr. Schroeder stated that a seal line blew, and a new motor is needed.

Mr. Schroeder stated that Water Distribution (WD) staff is cleaning the backwash basins and Actiflo lagoons to get ready for the summer season.

Mr. Schroeder stated that WD staff is working on non-draining hydrants.

Mr. Schroeder stated that WD staff is draining the Wardwell tank and waiting for better weather to check the roof for leaks.

Mr. Schroeder stated that WD staff is still waiting on materials to fix the drain valves for the ozone system.

Board Member Powell joined the meeting by telephone at 11:52 a.m.

Chairman King asked about the Wardwell tank leaks. Mr. Martin stated that the tank had to be taken offline for a failed bacti test which staff suspects was caused by more leaks. Mr. Martin stated that the tank will be out of service until the contractor comes back and a flood test can be done to check for leaks.

Secretary Waters stated that he thinks the emergency generator test needs to be done while HOA is on site to make sure it will work with the SCADA. Mr. Schroeder stated that is the plan. Mr. Schroeder stated that right now a new switch needs installed so it can be tested again.

Treasurer Bertoglio asked if the generator project was part of a grant/loan. Mr. Martin stated that this project is being completed with SRF funds.

6. There was no Public Comment.

7. There was no Old Business.

a. In Other Old Business, Treasurer Bertoglio stated that he spoke with Mr. Mark Pepper with Rural Water, and he is willing to come to a Board meeting and give the Board an update on how Rural Water is dealing with some of the issues related to the crypto issue. Treasurer Bertoglio stated that Mr. Pepper is on a National Board that has been dealing with some of these odd test results.

8. In New Business:

a. Mr. Martin stated that the agreement for the Roof Replacement Project is similar to previous agreements. Mr. Martin stated that roof projects for the City and RWS were combined in order to get better pricing. Mr. Martin stated that the RWS roofs to be replaced include the Raw Water Building, Airport Booster Station and Pioneer Booster Station.

Mr. Martin stated that two bids were received for the 2020 Roof Replacements Project, and the City consummated an agreement with Dave Loden Construction, Inc. in the amount of \$99,985 with a \$10,000 contingency fund for a total project cost of \$109,885.

Mr. Martin stated that the agreement between the City and RWS specifies that at

the end of the project, the RWS will reimburse the City their portion of the project up to a maximum amount of \$54,824.23.

A motion was made by Secretary Waters and seconded by Board Member Cathey to approve the agreement with the City of Casper for the 2020 Roof Replacement Project in the amount not to exceed \$54,824.23. Motion put and carried.

- b. Mr. Martin stated that before the Board today is Change Order No. 4 with HOA Solutions, for a price increase in the amount of \$49,993 and a time extension of 12 days for the Water Treatment Plant SCADA Improvements, Project No. 17-038. Mr. Martin stated that Mr. Ethan Yonker with the City of Casper Engineering Department is in attendance today to answer any questions the Board might have on the change order.

Mr. Martin stated that this change order is made up of several components as follows:

- 1) Included in the scope of work for the SCADA Contractor is to install new conduit at the WTP Raw Water Pump Station. WTP staff indicated that there is a switch gear onsite that will need to be replaced and will require additional conduit and fiber installation. Staff requested a proposal to have HOA reroute and extend the conduit and fiber installation as part of the SCADA project to avoid additional trenching and potential conflicts for the switch gear replacement in the future. HOA has proposed \$5,483 and one contract day for this work.
- 2) HOA had issues with signal distortion using the proposed digital communications at the Plant Control Panel (PCP). A fix to this distortion would be to install an Anybus Modbus. HOA has proposed \$5,253 and one contract day for this work.
- 3) It was discovered during installation of the operator interface terminal (OIT) that the existing fiber between the PCP and the raw water pump station would require additional strands of fiber to function. The existing fiber was not the standard 6 strand that was expected. Staff requested a proposal from HOA to install a new 12 strand fiber to cover the needs of the OIT as well as provide additional strands for future use. HOA has proposed \$22,057 for this work.
- 4) Upon installation of unlicensed radios for back haul links at the North Park Tank and Sunrise III Tank, it was found that there is much more interference than the original testing during design revealed. Additional radio traffic that did not exist at the time of the testing is the suspected reason. Due to the increased interference, licensed radios will be required at these sites in order to communicate effectively. HOA Solutions has proposed \$7,800 and 5 contract days for this work.
- 5) During reprogramming of the existing ozone generation system, HOA

encountered difficulties in the programming that were not anticipated. Documentation of existing systems and programing logic was not available for this work. HOA has requested that they be compensated for an additional 75 hours of unexpected programing time. HOA has proposed \$9,400 and 5 contract days for this work. Mr. Martin stated that the ozone generators need to communicate with the SCADA upgrade.

Mr. Martin stated that the total amount for this change order is \$49,993 and an increase of 12 days.

Mr. Martin stated that funding for the project is from DWSRF funds in the form of a loan. Mr. Martin stated that the current contract amount is \$1,347,270.08, with a construction contingency in the amount of \$145,545.92. Mr. Martin stated that this change order will increase the contract amount to \$1,410,283.08 and decrease contingency to \$82,532.92. Mr. Martin stated that the DWSRF representative, Wade Verplacke, has given approval for this change order.

A motion was made by Treasurer Bertoglio and seconded by Vice-Chairman Keffer to approve Change Order No. 4 with HOA Solutions for an increase in the amount of \$49,993 and time extension of 12 days for the Water Treatment Plant SCADA Improvements, Project No. 17-038. Motion put and carried.

- c. Mr. Martin asked the Board to reference the Snowpack Percentage map on the screen. Mr. Martin stated that the Lower North Platte area is at 133%, the Upper North Platte area is at 113%, and the Sweetwater area is at 81%. Mr. Martin stated that snowpack is looking really good and the Bureau of Reclamation has issued its March forecast which indicates the spring snow melt runoff for the North Platte River Basin will be above average, and the April through July runoff for the North Platte River Basin above Glendo will be 1,117,000 acre-feet, which is 124% above the 30-year average. Mr. Martin stated that it is a good snowpack and runoff year so there should not be any calls on the river.
- d. Mr. Martin stated that it is the time of year when the Board reviews Capital Improvement Projects, budget, and rates. Mr. Martin stated that before the Board this month are the preliminary FY21 Capital Improvement Projects. Mr. Martin stated that the FY21 Budget preliminary projects are as follows:

Project	Budget	Comments
Security Improvements	\$15,000	On-going Security Improvements
Well Rehabilitation	\$350,000	Rehabilitate Caisson No. 2
West Hypo Tank Fiberglass Repair	\$6,000	Fiberglass Repair to Fix Tank Leak
Roof Replacements	\$225,000	Filter Gallery
Service Truck	\$100,000	Service Truck w/Snow Plow, Air Compressor, and Crane
Annual Equipment Replacement Allocation	\$100,000	Unanticipated Equipment and Valve Replacement
Groundwater Well Turbidimeters	\$30,000	On-going Project to Replace Failing Turbidimeters
Well Pump Replacements	\$45,000	Spare Well Pumps (3)
Magnetic Water Meter Replacements	\$50,000	On-going Project to Replace Failing Mag Meters
Raw Water Switch Gear and VFD's	\$200,000	Replace Electrical Switch Gear and Add VFD's
High Service Pump VFD Replacement	\$100,000	Replace One High Service Pump VFD
Technologies	\$6,000	Computer Replacements
Shop Tools	\$10,000	Tool and Equipment Purchase for WTP Maintenance
Pipe Restraint	\$16,000	Install Pipe Restraints on Plant Piping
Actiflo Hydrocyclone Improvements	\$56,000	Refurbish Actiflo Hydrocyclones
Ozone Heat Rejection and Cooling Water Pumps	\$33,000	Replace 1 Each Heat Rejection and Cooling Water Pump
HVAC System Chiller Replacement	\$180,000	Replace Chiller Unit
Ground Water Well VFD's	\$32,000	Install VFD's on 5 Wells
Filter Particle Counters	\$30,000	Replace 6 Gravity Filter Particle Counters to Aid in Optimizing Performance
Filter Level Indicators	\$15,000	Replace 6 Gravity Filter Level Indicators to Aid in Optimizing Performance
GW Hydrogen Peroxide Pumps and VFD's	\$10,000	Replace Failed Pumps and Install VFD's
Misc. Recoating Projects	\$20,000	Recoat Misc. Piping and Buildings by Priority
North Platte River Restoration	\$250,000	Funds Pledged Towards River Restoration Projects
Wardwell Tank Floor and Wall Coating	\$175,000	Liner for Wardwell Tank
Filter Monorail Hoist Safety System	\$150,000	Hoist Safety System to be Used When Entering Filters for Maintenance – OSHA Requirement
Actiflo Poly Line Replacement	\$6,000	Poly Line Replacement with Stainless Steel & Additional Supports
Plant Landscaping	\$20,000	Landscape Around New Tank and Generator Site
Total FY21 Capital Costs	\$2,230,000	

Mr. Martin stated that this preliminary list of projects totals \$2,230,000 and includes several projects that were re-budgeted from this year due to the 2.6 MG Tank roof needing replaced. Mr. Martin stated that staff will not know the cost for the 2.6 MG Tank repairs until the bids are received. Mr. Martin stated that last year when the Board reviewed the rate model, the anticipated capital projects totaled just over \$1 M.

Mr. Martin stated that when the Board reviews the rate model in the next couple of months, some projects may have to be removed from the list or delayed, or there might have to be a higher rate increase than what was anticipated last year. Mr. Martin stated that he and Mr. Schroeder have already discussed which projects might be able to be delayed. Mr. Martin stated that in the list of projects just discussed, starting with Misc. Recoating Projects to the end of the list are the potential projects that could be delayed.

Mr. Martin stated that this is a preliminary look at the Capital Projects and the Board will see the list again in the upcoming months.

Chairman King asked if the service truck is used a lot. Mr. Schroeder stated that the service truck is used quite often.

Treasurer Bertoglio stated that he is on the Advisory Board for the River Project. Treasurer Bertoglio stated that the funds that were requested by the City would just go into a bank account right now. Treasurer Bertoglio stated that the funds for the current phase of the River Project are accounted for as near as he could tell. Treasurer Bertoglio stated that he asked the question if these funds and funds requested from the Rec Board are included in the project, and the answer was no. Treasurer Bertoglio stated that the Rec Board funds are for a walkway in the boat launch area. Treasurer Bertoglio stated that from what he understands, these funds would go to the next phase of the project, which is going to be millions of dollars that the City has not identified. Treasurer Bertoglio stated that he felt the Board could budget the money if they wanted, but actually giving the money and encumbering it, he is not sure about as the Board has enough projects that need to be done to produce water and the River Project doesn't produce water. Treasurer Bertoglio stated that he understood why the Board should participate when the project went by the WTP, but as much as he would want available funds to go to the project, as far as he can tell the funds will just go in a bank account. Chairman King asked for clarification that Treasurer Bertoglio thinks the Board should pledge the funds, but not give it to the City yet. Treasurer Bertoglio stated that he would be more inclined to give the funds to the River Project when the next phase comes up since they have the funding for the current phase in place. Treasurer Bertoglio stated that the next phase of the project is quite large.

Secretary Waters asked which Wardwell Tank the tank liner is for. Mr. Martin stated that it is for the Wardwell Tank with the roof issue. Mr. Martin stated that

this is a bolted steel tank and there have been several leaks repaired already. Mr. Martin stated that he was told that as the tank expands and moves, it is going to spring leaks, which means every few years it will have to be inspected and repaired. Mr. Martin stated that staff hoped that a tank wall and floor liner would eliminate the need for this as well as address the leaks that are there now.

Treasurer Bertoglio asked if there is any way that the tank seams could be welded. Mr. Martin stated that is something that could be looked into, but the coating would have to be taken off. Mr. Ridgeway stated that it is an aluminum tank roof, with a glass fused steel body. Vice-Chairman Keffer stated that it would be a challenge.

Board Member Powell stated that the first half of the First Street Reach of the River Project was completed and then the contractor had to stop due to contamination. Board Member Powell stated that it is scheduled to resume the second half this fall. Treasurer Bertoglio stated that it was his understanding that there are sufficient funds in place to handle this phase of the project without the \$250,000 from the RWS, but he could be wrong. Treasurer Bertoglio stated that City staff will have to be asked about this. Board Member Powell stated that no one knows how much contamination will be found in the second half of the First Street Reach, so it isn't known if there is enough funds identified.

Chairman King asked if there was any further discussion on the Preliminary FY21 Capital Projects. Chairman King stated that these projects will be further discussed during budget and rate reviews.

- e. Mr. Martin stated that in accordance with the terms of the Operations contract between the RWS and the City of Casper, the City is responsible to conduct the day-to-day operations of the RWS owned facility. Mr. Martin stated that a component of this responsibility is oversight of financial transactions and cash management, which includes the accounts at Hilltop Bank.

Mr. Martin stated that it was discovered that former City employees are still on the RWS accounts at Hilltop and need to be removed. Mr. Martin stated that the City Finance Department requests that the Board remove Linda Carlson and Shirley Sheehan from all account information/privileges and add Evan Condelario, Budget/Accounting Supervisor with Administrative Access, and add Christa Ladd, Accountant, and Lynn McBride, Administrative Technician, with View Only Access.

Mr. Martin stated that this request is to update the paperwork with Hilltop Bank to allow these current City Employees to view these accounts and reconcile transactions.

A motion was made by Treasurer Bertoglio and seconded by Secretary Waters to approve the recommendations made by Mr. Pitlick to updated the Hilltop Bank

authorizations to view and access the accounts by removing Linda Carlson and Shirley Sheehan from the accounts, and adding Evan Condelario, Budget/Accounting Supervisor, with Administrative Access, and adding Christa Ladd, Accountant, and Lynn McBride, Administrative Technician, with View Only Access. Motion put and carried.

- f. Board Members Freel and Huber were not in attendance at the meeting and were unable to sign their annual banking letters.
- g. The time was turned over to Mr. Chapin to discuss Conflicts of Interest in Voting.

Mr. Chapin stated that he owed someone an apology, as there was a discussion at the last meeting regarding the River Project, and Board Member Powell asked if it would be a conflict of interest if the City of Casper representatives voted on the issue, and he stated that he believed it would be. Mr. Chapin stated that the vote was taken without the City of Casper representatives and that following week he received a letter from the City Attorney, Mr. Henley, which said that it should not cause a conflict of interest for the City of Casper representatives to vote on that issue. Mr. Chapin stated that Mr. Henley's letter listed State Statutes and it stated that the only conflict that should be called on the floor is one that involves the individual Board Members, and not projects with entities that the Board Members represent.

Mr. Chapin stated that he sent an email back to Mr. Henley and informed him that he did not necessarily agree with that and explained that in his opinion, the Board has been good at operating independently from the entity bodies when it is necessary to do what is necessary for Regional Water. Mr. Chapin stated that Mr. Henley responded that when a project or something comes up that involves the City, it should not cause a conflict.

Mr. Chapin stated that so far everyone on the Board has been able to work together for the best interest of Regional Water. Mr. Chapin stated that in the past the Board has had contention and voted as a block to move forward with programs that they want to move forward. Mr. Chapin stated that ultimately his opinion in representing the Board is to take a conservative position and try to protect the Board from respective litigation.

Mr. Chapin stated that the question exists whether a conflict exists if Board Members vote on a project that is predominately for the benefit of their entity. Mr. Chapin stated that it's his opinion that a conflict should not be called when a project benefits the entity of a Board Member.

Treasurer Bertoglio asked Mr. Chapin if a member entity has a project that is specific to them, if they should declare a conflict. Mr. Chapin stated that in the past a conflict has been called, but he is changing his position on that. Mr. Chapin stated that to avoid potential litigation, he doesn't think the conflict needs to be called and all Board Members have the right to vote for any project they

want, even if it benefits the entity they represent.

Treasurer Bertoglio stated that he believes Mr. Chapin is right. Treasurer Bertoglio stated that he has sat on both sides, small entity, and for the City. Treasurer Bertoglio stated that when he represented the City, he voted against City projects because he recognized that the role of Regional Water is to provide safe, reliable, water at the most economical price they can and if he felt a project that the City wanted to do that was not in the best interest of Regional Water, he voted against it. Treasurer Bertoglio stated that the integrity of the Board is such that this is the role for Regional Water, and not to become a slush fund for any entity to raise money for projects that don't meet those goals. Treasurer Bertoglio stated that he trusts the integrity of the Board Members to vote for what is best for Regional Water.

Mr. Chapin stated that he agrees with Treasurer Bertoglio as he considers this one of the best boards he has had the pleasure of representing as the Board Members are dedicated to the best interest of the Regional Water System. Mr. Chapin stated that the Board Members should vote on the projects that are presented by the entity they sit for, unless there are any objections. Chairman King stated that everyone on the Board is aware of what Regional Water is here for, and is not here as a slush fund for other entity projects that don't support Regional Water criteria. Chairman King stated that he trusts everyone on the Board to feel that way and do their job appropriately.

Mr. Chapin stated that this is obviously a charged issue and if he offended anyone he apologized as he did not intend to offend anyone. Chairman King stated that he was sure no one took offence as to what Mr. Chapin stated.

h. There was no Other New Business.

9. A motion was made by Secretary Waters and seconded by Vice-Chairman Keffer to adjourn from Regular Session and move into Executive Session at 12:39 p.m. to discuss potential litigation. Motion put and carried.

A motion was made by Secretary Waters and seconded by Vice-Chairman Keffer to adjourn from Executive Session and return to Regular Session at 12:47 p.m. Motion put and carried.

A motion was made by Secretary Waters and seconded by Treasurer Bertoglio to designate Mr. Martin with the authority to sign settlement paperwork. Motion put and carried.

The Board thanked Mr. Ridgeway and Mr. Chapin for their diligent work on this issue.


10. In the Chairman's Report, Chairman King stated that the next regular meeting will be held on April 21, 2020. Chairman King stated that the Board would be informed of any changes to the location, etcetera, of the meeting due to restrictions/closures from the

Coronavirus.

A motion was made by Treasurer Bertoglio and seconded by Vice-Chairman Keffer to adjourn the meeting at 12:48 p.m. Motion put and carried.



Chairman



Secretary