

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

**MEETING PROCEEDINGS**

April 18, 2023

A public meeting of the Central Wyoming Regional Water System Joint Powers Board (Board) was held Tuesday, April 18, 2023 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, and Board Members Knell, North, Pollock and Sabrosky. Treasurer Cathey was absent.

**City of Casper** – Bertoglio, Knell, Pollock, Bruce Martin, Mark Anderson, Janette Brown

**Natrona County** – North

**Salt Creek Joint Powers Board** – King

**Wardwell Water & Sewer District** – Sabrosky

**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.; George Moser – WWDC; John Wetstein and Dave Engels – Engineering Associates; John Naquin

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 March 21, 2023 Regular meeting. A motion was made by Vice-Chairman Bertoglio and seconded by

Board Member Sabrosky to approve the minutes from the March 21, 2023 Regular meeting. Motion put and carried.

3. Mr. Martin informed the Board that one additional voucher for DXP Enterprises, Inc. was added to the voucher listing that was sent out in the agenda packet.

Mr. Martin stated that voucher 8567 for Hach Company in the amount of \$13,095.40 is for a CL17 Chloramine Analyzer and controller. Mr. Martin stated that this analyzer was approved as part of the FY23 Capital Budget.

Mr. Martin stated that voucher 8570 for KROHNE Inc. in the total amount of \$8,930.03 is for a new replacement wholesale water mag meter to be used for Wardwell.

Mr. Martin stated that voucher 8572 for DXP Enterprises, Inc. in the amount of \$11,386.86 is for an impeller for Ground Water High Service Pump No. 5.

Mr. Martin stated that the vouchers are in good order and recommended approval of vouchers 8566 through 8572 in the amount of \$460,372.46.

Chairman King asked for a motion to approve the April 2023 vouchers. A motion was made by Secretary Waters and seconded by Board Member North to approve the April 2023 voucher listing to include voucher numbers 8566 through 8572 in the amount of \$460,372.46. Motion put and carried.

4. Mr. Martin asked the Board to reference the Water Production chart on the screen. Mr. Martin stated that there were 171 MG of water produced in March, which is 7 MG above the five-year average of 164 MG.

Mr. Martin stated that year to date water production for March was 2.93 BG, which is 191 MG above the five-year average of 2.74 BG. Mr. Martin stated that it continues to be a very good year for water production.

Mr. Martin stated that Water Utility Charges for FY23 is \$6,539,070, which is approximately \$868,674 more than last year at the same time. Mr. Martin stated that the increase is due to the rate increase for FY23, and the above average water sales.

Mr. Martin stated that Interest Earned is a total of \$155,479 for the fiscal year. Mr. Martin stated that this is due to the WYOStar I and II investment accounts.

Mr. Martin stated that Reimbursable Contract Expense is \$2,916,267. Mr. Martin stated that the current figure also includes the March Operations Reimbursement. Mr. Martin stated that this line item is on track for where it was expected to be.

Chairman King asked if there will be a rate increase this year. Mr. Martin stated that this will be discussed a little bit during the FY24 Budget review later in the meeting.

Chairman King asked for a motion to approve the March 2023 Financial Report as presented. A motion was made by Secretary Waters and seconded by Board Member

Pollock to approve the March 2023 Financial Report as presented. Motion put and carried.

5. Mr. Martin stated that Mr. Edwards is out of the office and Mr. Anderson will be giving both the WTP Operations and Transmission System Updates.

Mr. Anderson stated that Maintenance staff installed new valve actuators on the Surface Water High Service pumps.

Mr. Anderson stated that Maintenance staff has started dewatering the west Actiflo lagoons so they can be cleaned out for the upcoming summer season.

Mr. Anderson stated that the contractor has been working on sandblasting and recoating the Surface Water manifold piping.

Mr. Anderson stated that interviews were conducted for the vacant Operator position due to the promotion of one of the Operators to Instrumentation Technician. Mr. Anderson stated that an offer was made, but staff is still waiting on the results.

Mr. Anderson stated that Distribution staff has been continuing to do weekly security checks, and weekly and monthly tank sampling.

Mr. Anderson stated that this month the testing for quarterly disinfectant by-products was completed. Mr. Anderson stated that it was a couple of days late due to the snow.

Mr. Anderson stated that staff cleaned up all the tumbleweeds and trash at the boosters since it finally got warm enough to melt the snow.

Mr. Anderson stated that Mountain View Tank was drained and cleaned. Mr. Anderson stated that roof damage was found during the inspection. Mr. Anderson stated that a Structural Engineer will be inspecting the damage.

Mr. Anderson stated that crushed asphalt was placed around Pioneer booster and tank road as it was a muddy mess.

Mr. Anderson stated that Pump #1 at Sandy Lake Booster was not working. Mr. Anderson stated that the Instrumentation Technician from the WWTP was able to troubleshoot the issue and determined that the starter was out. Mr. Anderson stated that the starter was replaced and the pump is working properly.

Mr. Anderson stated that there was a small leak on Pump #1 at Airport Booster that was repaired.

Board Member Knell arrived at 11:40 a.m.

Secretary Waters asked what problem was found on the Mountain View Tank roof. Mr. Anderson stated that there is a lot corrosion on the very top of the roof, and there is some metal loss that was found at the bottom of the tank. Mr. Anderson stated that staff wants

to get it inspected by a Structural Engineer to see if it can be sandblasted and recoated, or if it will need more substantial repairs.

Chairman King asked who is used to clean and recoat the tanks. Mr. Anderson stated that it is bid out, so it is different companies each time.

Board Member Knell asked if the repairs on the 2.6 MG Tank have been completed. Mr. Martin stated that was completed a year ago, and the tank is due for the one-year coating inspection. Mr. Martin stated that there were a couple of blemishes in the coating that will need to be repaired.

Secretary Waters asked if the Mountain View Tank is in service. Mr. Anderson stated that it is out of service until the Structural Engineer can inspect it. Mr. Anderson stated that staff does not want to fill it, and then have to waste the water so it can be inspected.

6. There was no Public Comment.
7. There was no Old Business.
  - a. There was no Other Old Business.
8. In New Business:
  - a. Mr. Martin stated that the Board has discussed a couple of times the Wellfield Management and Operations Plan Update that is in progress through the Wyoming Water Development Commission (WWDC). Mr. Martin stated that the project has been approved by the WWDC and made it into the Omnibus Bill, which was also approved.

Mr. Martin stated that in attendance today is Mr. George Moser, with WWDC. Mr. Moser stated that he works with the office that supports the Commission. Mr. Moser stated that he was in town and reached out to the consultant that was selected for the project, Engineering Associates, and felt it was a good idea to introduce themselves to the Board. Mr. Moser stated that as part of the project there are a number of meetings that will be worked in at points to give the Board results of the study along the way.

Mr. Martin stated that as Mr. Moser mentioned, Engineering Associates is the consultant for the project and introduced Mr. Dave Engels, and Mr. John Wetstein.

Mr. Engels stated that he is the Project Manager for the project. Mr. Engels stated that Mr. Wetstein is the Project Geologist. Mr. Engels stated that they have been tasked with looking at the wellfield with the idea of restoring it to the yield from years ago. Mr. Engels stated that over a period of time there has been a decrease in the well yield and their goal is to look at ways to get that back to a level where it was previously. Mr. Engels stated that he has lived in Sheridan since 1990, but prior to that he was the Utilities Director for the Board of Public Utilities in

Casper. Mr. Engels stated that it is nice to be working on the Casper system again.

Mr. Engels stated that Mr. Wetstein has worked on the Casper system for years, most recently doing some well rehabilitation. Mr. Engels stated that they are both very familiar with the Casper system and think this will be an exciting project and are looking forward to it.

Board Member Knell asked what the main ideology is for the project, backpressure of the well, or perforate again. Mr. Wetstein stated that it will depend, but they will not perforate again. Mr. Wetstein stated that the screens on all the wells are adequate as far as the open area. Mr. Wetstein stated that it is a matter of trying to displace the fines that have worked their way up next to the well bore. Mr. Wetstein stated that they will try some new techniques. Mr. Wetstein stated that in the past they have gone in and swabbed the wells with a close-fitting plug to get a surge to flow out and then come back in. Mr. Wetstein stated they have also pressure jetted the wells to try and force the sands and silts back to get them loose enough to flow into the well for removal. Mr. Wetstein stated that different techniques will be tried and for those in certain areas that don't seem to be able to reach out far enough into the aquifer to totally clean all the fines. Mr. Wetstein stated that air blasting techniques and chemicals will be used to break up any cementation that is happening in any of the wells. Mr. Wetstein stated that a scientific approach will be used to find the best means of action for the wells.

Mr. Wetstein stated that a maintenance program will also be identified for the wellfield, how often and what areas might need a higher intensity of rehabilitation, and which wells can go a bit longer, and what methods work the best.

Mr. Engels stated that something else that was proposed as part of this project in conjunction with the WWDC scope of services, is the three Caisson wells. Mr. Engels stated that these large concrete pipes go down into the aquifer, and then from there they drilled out pipes beneath the North Platte River. Mr. Engels stated that the water flows from the area beneath the river into a large sump that is now pumped out. Mr. Engels stated that the Caissons have historically been really big producers for the wellfield. Mr. Engels stated that not only will the different techniques be tried on the Caissons to restore the pipes underneath the river, but also, they are looking at installing a second set along Caisson No. 2 and that would go under the recharge basins instead of under the river. Mr. Engels stated that this idea is that the water would filter down under the recharge basins and into the lateral collector line and into the pump, and then pump out of the Caisson pumps. Mr. Engels stated that hopefully this will help with restoring the yield on these three big producers that Casper has historically relied upon.

Board Member Knell asked what the timeline is for this project. Mr. Engels stated that the draft study is due in May of next year.

Mr. Martin stated that there will be more meetings throughout the study process.

- b. Mr. Martin stated that this procurement agreement with DXP Enterprises would replace the Morad recharge pump that was placed into service in 2015 and is losing its efficiency. Mr. Martin stated that it is proposed to purchase a new pump to put into service, and have the old pump rebuilt and put into inventory for emergency use.

Mr. Martin stated that quotes were solicited for this pump, and DXP Enterprises was the only vendor that supplied a quote. Mr. Martin stated that the other contacted vendors did not provide a quote.

Mr. Martin stated that the agreement has not yet been signed by the vendor as there were concerns with the timeline and they wanted to reach out to their supplier to make sure they could get the pump by that date. Mr. Martin stated that there will also be freight charges added to the price, so it will be more than the \$63,974. Mr. Martin stated that staff did not want to wait another month to bring this to the Board and requested that the Board approve the purchase contingent on agreement approval by DXP Enterprises and Mr. Chapin.

Board Member Knell asked if nine to ten years is average on the life of a pump. Mr. Martin stated that is correct, but the pump can be rebuilt and be able to have an extended service life.

Secretary Waters stated that he is curious about whether or not the price is close to where the pump should be priced due to the fact there was only one quote received. Mr. Martin stated that he believes it is close as the cost to rebuild the pump is \$20,000, and the purchase price of the pump in 2015 was approximately \$47,000. Mr. Martin stated that there have been a lot of increases to pricing since 2015.

Chairman King stated that anymore there are a lot of items that Edgerton only gets one bid back. Mr. Martin stated that receiving only one quote on items is being seen more and more.

A motion was made by Board Member Pollock and seconded by Secretary Waters to approve the purchase of the Morad Recharge Pump from DXP Enterprises contingent on an acceptable agreement and meeting all legal requirements in the amount of \$63,974 plus shipping costs.

Board Member Knell stated that we need to be diligent about freight charges.

Mr. Martin stated that this purchase also includes a pump motor. Secretary Waters asked what size of motor is included. Mr. Martin stated that it is a 3-phase, 25 HP motor.

Motion put and carried.

- c. Mr. Martin stated that last month the Board reviewed the FY24 Preliminary Capital Projects for FY2024. Mr. Martin stated that the Preliminary FY2024 budgets will be discussed today, and the FY2024 Wholesale Water Rate will be discussed in May. Mr. Martin stated that the Board will wrap everything up in June. Mr. Martin stated that this is the Preliminary FY24 budgets and they can be revised until it is approved in June.

Mr. Martin stated that the Water Treatment Plant (WTP) Operations Budget and the Regional Water System Agency Budget (Agency Budget) will be reviewed. Mr. Martin stated that the Operations Budget is used for day to day operations of the regional water system including personnel costs. Mr. Martin stated that this break-even budget is approved by both the Board and the City Council and is reimbursed from the Agency budget. Mr. Martin stated that the Agency budget, approved by the Board only, includes direct Board expenses, debt service, reimbursable contract expense, and capital expense. Mr. Martin stated that the Agency budget receives revenue primarily from water sales, interest earnings, and system investment charges. Mr. Martin stated that the expenditures in this budget are largely driven by new and replacement capital projects.

### **WTP Operations Budget**

#### **Personnel Services**

- a) Personnel Costs - \$1,287,926 – This represents an increase of \$106,697 over the FY23 budget. The increase is due to converting the part-time administrative assistant to full-time, proposed pay increases of 3.5%, and increased insurance costs.

Board Member Knell asked if the pay increase is a COLA or a raise. Mr. Martin stated that it is a raise. Mr. Martin stated that employees at the WTP are City employees and all City employees would be getting the 3.5% raise contingent on City Council approval.

#### **Materials and Supplies**

- a) General Supplies and Materials - \$206,300 – This is an increase of \$58,800 from the FY23 budget. The General Supplies and Materials line includes the following:
- \$12,000 – Office Supplies (no change)
  - \$ 4,000 – Other Materials and Supplies (\$1,000 increase)
  - \$ 8,500 – Safety Equipment and Supplies (no change)
  - \$ 4,000 – Pump and Lubricant Supplies (no change)
  - \$25,000 – Machinery Supplies (no change)
  - \$35,000 – Laboratory Supplies (\$5,000 increase due to a large price increase on supplies)
  - \$ 8,000 – Well Supplies (no change)

- \$ 8,000 – Vehicle Supplies (no change)
  - \$ 1,500 – Building Supplies (new line item for supplies such as light bulbs, etc. that were pulled out of Office Supplies)
  - \$ 7,000 – Water Line Materials (no change)
  - \$32,000 – Booster Supplies (no change)
  - \$10,000 – Small Tools and Supplies (no change)
  - \$ 2,500 – Equipment Storage Shelving (new, one-time purchase)
  - \$ 6,000 – Watson Marlow Pumps for Actiflo Turbidimeters (new, one-time purchase – permanent installation of pumps for Actiflo turbidimeters)
  - \$ 5,000 – Peristaltic Pumps for Corrosion Inhibitor (new, one-time purchase – looking at converting to liquid chemical)
  - \$15,000 – Hydrocyclone Wear Parts (new – maintenance item moved from capital budget)
  - \$15,000 – Sand Pump Soft Starts (new, one-time purchase – lessen failures of sand pumps)
  - \$ 2,800 – Polymer Scale (new – scales failing, need to replace, critical to operations)
  - \$ 5,000 – Well House Flushing Line and Hoses (new – replace flushing hoses)
- b) Chemicals - \$1,300,000 – This is an increase of \$300,000 from the FY23 budget. The increase covers an increase in material cost as well as fuel and trucking charges.
- Board Member Knell asked if this is \$300,000 over last year after the budget amendment. Mr. Martin stated that was correct; there was a budget amendment last year, and possibly one this year.
- c) Postage and Printing - \$1,500 – This amount is a decrease of \$500 for the FY23 budget.
- d) Electricity - \$880,000 – This amount is an increase of \$24,500 from the FY23 budget. Electric usage is greatly dependent upon summertime water sales.
- e) Natural Gas - \$80,000 – This amount is unchanged from the FY23 budget. There was a large increase to the FY23 budget.
- f) Bulk Fuel - \$10,000 – This amount is unchanged from the FY23 budget. This is for fuel for the emergency generator.
- g) Technology Supplies - \$8,500 – This amount is a \$2,500 increase from the FY23 budget and accounts for SCADA computer replacements and ancillary equipment. There has been a shift in the way budgeting is done for computers. The Operations computers and services cost is included in IT Internal Services, but not the SCADA computers as they are separate from the network.

- h) Maintenance/Repair (non-contract) - \$85,000 – This is an increase of \$15,000 from the FY23 budget. This line is for specialty repair work completed by outside vendors such as electrical work. The increase is due to aging equipment as well as increasing vendor costs.
- i) Employee Uniforms - \$4,000 – This is an increase of \$1,000 from the FY23 budget. Staff will be utilizing this line more and laundering in-house. Outside laundry services will be reduced. A washer and dryer were purchased for use at the WTP.

#### Contractual Services

- a) Professional Services - \$12,000 – This is unchanged from the FY23 budget. This line is used for instrumentation and controls maintenance and repairs, which is more technical and requires specialized service.
- b) Maintenance Agreements - \$44,250 – This is a \$2,250 increase from the FY23 budget. This line item covers the following agreements:
  - \$13,000 – HVAC Service (\$3,000 increase)
  - \$ 3,500 – Elevator Service (no change)
  - \$ 0 – Chiller Maintenance (\$1,500 decrease – Chiller being replaced. This will come back in future years.)
  - \$ 5,500 – Chloramine Analyzer Service (\$500 increase – critical equipment serviced by Hach Company)
  - \$ 1,000 – Fire Sprinkler System Inspection (no change – required service)
  - \$ 2,500 – Work Order Software (\$1,000 decrease – switched from EMaint to MaintainX)
  - \$15,000 – Ozone Monitor Service (no change)
  - \$ 2,750 – Crane Inspections (\$250 increase – OSHA required annual inspection)
  - \$ 1,000 – LOX Telemetry (new – LOX tanks telemetry – vendor can see tank level in real time – auto ship loads. Looking at same thing for Ferric.)
- c) Lab Testing - \$46,500 – This amount is unchanged from the FY23 budget. Costs have increased, but the Aerobic Spore test requirements have decreased.
- d) Laundry and Towel Service - \$500 – This amount is \$1,500 less than the FY23 budget. More laundry service will be completed in-house rather than from an outside vendor.
- e) Interdepartmental Service - \$326,059 – This is an increase of \$40,984 from the FY23 budget. This line item covers the following:
  - \$26,559 – Information Technology (\$4,572 increase – Computer replacement and service)
  - \$30,708 – Finance (\$11,227 increase – A portion of Ms. Johnson's salary)

is now included)

- \$21,173 – Human Resources (\$5,948 increase)
- \$ 9,307 – City Council (\$2,316 increase)
- \$27,797 – City Manager (\$5,273 increase)
- \$19,615 – City Attorney (\$5,360 increase)
- \$190,901 – WDG Personnel (\$6,288 increase – 2 Utility Workers to the RWS)

Some of these costs are computed by the number of workorders issued, and some by the number of employees.

Vice-Chairman Bertoglio stated that these items have increased anywhere from 25% to almost 60%. Vice-Chairman Bertoglio stated that he could understand one or two of them having large increases, but not across the board. Vice-Chairman Bertoglio stated that he would like to hear the justification for the increases. Mr. Martin stated that he will contact Ms. Johnson for an explanation and detail breakdown for the Board. Mr. Martin stated that this budget will be reviewed again before it is approved.

#### Other Costs

- a) Travel/Training - \$5,500 – This is an increase of \$1,500 from the FY23 budget. Staff certifications need to be maintained as well as additional training for newer Operators and the Instrumentation Technician. Significant training is required to get up to speed to get their certifications.
- b) Insurance & Bonds - \$25,801 – This is a decrease of \$11,030 from the FY23 budget. This line item covers liability insurance, etc., for the WTP staff who are City of Casper employees.
- c) Advertising - \$2,100 – This is an increase of \$400 from the FY23 budget. This line is for advertising Board meetings, annual budget, etc., including budget amendments.
- d) Dues and Subscriptions - \$1,700 – This amount is an increase of \$500 from the FY23 budget. This covers memberships for AWWA and Rural Water which have discounted training. It also covers new Adobe Acrobat subscriptions.

#### Utility Costs

- a) Communication - \$2,200 – This amount is unchanged from the FY23 budget.
- b) Refuse Collection - \$60,000 – This amount is unchanged from the FY23 budget. This line item is mainly for sludge disposal. The two backwash water ponds and the two Actiflo sludge ponds are cleaned yearly. Waste sludge capacity in these ponds is critical to the operations of the surface water treatment plant.

- c) Sewer - \$500 – This amount is a \$100 increase from the FY23 budget.

### Summary

The FY23 Operations Budget is 14% greater than the FY23 Operations Budget. In large part, the increases are attributable to increases in personnel costs, increases in general materials and supplies, a significant increase in chemical costs, an increase to non-contract maintenance repair services, and increase in electrical costs, and increases in internal services.

Mr. Martin stated that the WTP Operations Budget is a break-even budget that is reimbursed by the Agency Budget.

Board Member Knell stated that inflation is ranging from 7% to 9%.

## **Central Wyoming Regional Water System Agency Budget**

### Revenue

- a) Water Rate Revenue - \$8,668,737 – This reflects an increase of \$427,997 over the FY23 budget. These revenues are proportioned to each wholesale entity based on the July 2021 – June 2022 percentage of RWS production based on a five-year average of total RWS production. This amount anticipates a 5% rate increase effective July 1, 2023. Mr. Martin stated that the rate will be discussed in more detail next month during the rate review.
- b) Interest on Investments - \$200,000 – This is an increase of \$130,000 from the FY23 budget based on placing funds in the WyoStar accounts and seeing an increase in interest earned.
- c) System Development Charges (SIC) - \$245,000 – This amount is unchanged from the FY23 budget. The SIC rates are from the most recent cost of services and SIC study that went into effect January 1, 2019. Mr. Martin stated that the amount of SIC received each year varies, and so far, FY24 is lower.

### Personnel Services

None – The RWSJPB contracts with the City for all management, operation, and maintenance of the Regional Water System. Personnel costs are included in the Water Treatment Plant Operations Budget.

### Contractual Services

- a) Consulting Fees - \$15,000 – This amount for outside consulting work is unchanged from the FY23 budget.

- b) Legal Fees - \$30,000 – This amount is unchanged from the FY23 budget.
- c) Accounting & Auditing - \$34,000 – This is an increase of \$2,000 from the FY23 budget. Mr. Martin stated that the decision was made by the Board to go out for RFP soon for auditing services.
- d) Insurance & Bonds - \$119,000 – This is an increase of \$7,000 from the FY23 budget. Mr. Martin stated that a 6% increase has been budgeted each year for the last several years and seems to be keeping up with cost increases.
- e) Travel & Training - \$2,000 – This amount is unchanged from the FY23 budget. This is for RWS Board travel and training.

#### Debt Service

- a) Principal Payments - \$1,276,124 – This reflects the Principal for the City Loan to the RWS which occurred in FY12, two WWDC loans, and four DWSRF loans per the amortization schedules:

• City Loan	- \$508,921 – Pay off in FY24
• WWDC (New Construction)	- \$391,941
• WWDC (Rehabilitation)	- \$125,176
• DWSRF Loan #115 (Emergency Power)	- \$106,058
• DWSRF Loan #129 (Zone IIB Imp.)	- \$ 25,015
• DWSRF Loan #153 (Backwash Tank)	- \$ 73,550
• DWSRF Loan #213 (PLC/SCADA)	- \$ 45,463

Mr. Martin stated there is a \$1 M decrease in Principal Payments due to the City of Casper loan being paid off in FY24. Mr. Martin stated that however, it is anticipated the Board will get an SRF Loan for the UV System construction.

- b) Interest Expense - \$249,451 – This reflects the interest expense for the City Loan to the RWS, two WWDC loans, and four DWSRF loans per the amortization schedules:

• City Loan	- \$ 2,655
• WWDC (New Construction)	- \$103,990
• WWDC (Rehabilitation)	- \$ 33,212
• DWSRF Loan #115 (Emergency Power)	- \$ 46,468
• DWSRF Loan #129 (Zone IIB Imp.)	- \$ 7,717
• DWSRF Loan #153 (Backwash Tank)	- \$ 32,226
• DWSRF Loan #213 (PLC/SCADA)	- \$ 23,183

#### Capital – New

No New Capital expenditures for FY24 for Buildings, Improvements Other Than Buildings, Light Equipment, or Technologies.

## Capital – Replacement

Mr. Martin stated that he would not spend a lot of time on the Capital Budget as it was reviewed in detail at the meeting last month.

## Summary

The FY23 Agency Budget is 1.6% less than the FY23 budget. The reduction is mainly the result of paying off the City loan in FY24. The Agency budget anticipates an increase in revenues based on a wholesale water rate increase of 5% and an increase in earned interest on investments. The total amount budgeted for FY24 capital expenditures is \$2,290,000, an increase of \$318,000 from FY23. This amount is in line with what was presented to the Board in the FY23 rate model.

Vice-Chairman Bertoglio asked if the Operations Budget reimbursement is included in the Agency Budget. Mr. Martin confirmed that it is.

- d. Ms. Brown distributed the annual Financial Disclosure letters to Board Members Knell and North for completion and signatures. The Financial Disclosure letters were completed by Board Members Knell and North at the meeting on this date.
- e. In Other New Business, Board Member Knell asked if there was an update on Wardwell. Board Member Sabrosky stated that Wardwell Operations is no longer in place, but Wardwell continues to exist for a while. Board Member Sabrosky stated that all the billing and field service is being done through Bar Nunn while Wardwell dissolves.

Vice-Chairman Bertoglio stated that when the dissolution happens, not only does the County have to dissolve Wardwell, but the Board will have to amend the Joint Powers Agreement.

Board Member Sabrosky stated that there was a Town Hall meeting held last week and approximately 90 customers showed up. Board Member Sabrosky stated that there was not one dissention. Board Member Sabrosky stated that the next day a meeting was held at noon and the resolution was approved and was recorded with the County. Board Member Sabrosky stated that there is some vagueness in the law where you read it you can see where it is just a notification to the County Commissioners. Board Member Sabrosky stated that he is not sure if the County Commissioners have to vote on it.

Vice-Chairman Bertoglio stated that if it is an Improvement District, the County has to vote on it, but he is not sure if a Water and Sewer District is the same.

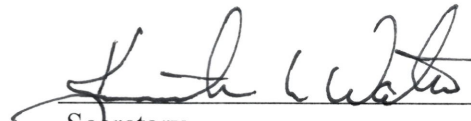
Board Member Sabrosky stated that they now have 30 days to come up with the final plan, which will be gone over at Wardwell's next meeting to fix a couple of little things, and then the final plan will be recorded. Board Member Sabrosky stated that from there, they will have 90 to 120 days to hold an election. Board

Member Sabrosky stated that from there, the Wardwell board becomes a receivership to manage the assets until they can be transferred, then the Wardwell board will no longer exist.

9. In the Chairman's Report, Chairman King stated that the next meeting will be held on May 16, 2023.

A motion was made by Secretary Waters and seconded by Board Member North to adjourn the meeting at 12:32 p.m. Motion put and carried.

  
Chairman

  
Secretary