

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

MEETING PROCEEDINGS

June 18, 2019

A public meeting of the Central Wyoming Regional Water System Joint Powers Board (Board) was held Tuesday, June 18, 2019 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, Secretary Waters, Treasurer Bertoglio, and Board Members Bogart, Huber, and Freel. Board Members Powell and Walsh were absent.

City of Casper – Freel, Huber, Andrew Beamer, Bruce Martin, Brian Schroeder, Clint Conner, Janette Brown, Scott Baxter, Ethan Yonker, Michael McDaniels

Natrona County – Bertoglio

Salt Creek Joint Powers Board – King

Wardwell Water & Sewer District – Bogart

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 —

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

1. In Announcements, Mr. Martin stated that Mr. James Bogart with Wardwell Water & Sewer District is in attendance today and has the proxy for Vice-Chairman Keffer.

2. Chairman King asked for a motion to approve the minutes from the May 21, 2019 meeting. A motion was made by Treasurer Bertoglio and seconded by Secretary Waters to approve the minutes from the May 21, 2019 meeting. Motion put and carried.
3. Mr. Martin asked the Board to reference the updated voucher listing dated today and shown on the screen. Mr. Martin stated that one additional voucher was added to the listing; voucher 8039 for Modern Electric, Co. in the amount of \$4,539.25 for Retainage Release for the WTP VFD Project. 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 June 2019 vouchers. A motion was made by Secretary Waters and seconded by Board Member Bogart to approve the June 2019 voucher list to include voucher numbers 8029 through 8039 in the amount of \$444,191.71. 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 May 2019 was 216 MG, which is 18 MG more than the five year average of 234 MG. Mr. Martin stated that year to date production is 3.014 BG, compared to the five year average of 3.16 BG.

Board Member Huber arrived at 11:37 a.m.

Mr. Martin asked the Board to reference page 2 of the Financial Report. Mr. Martin stated that year to date Water Sales are \$5,555,451, which is an increase of \$226,062 over last year, a 4.24% increase, due to the rate increase.

Mr. Martin stated that the Total Operating Expenses are \$2,832,026, which is a 2.34% increase over last year.

Chairman King asked for a motion to approve the May 2019 Financial Report as presented. A motion was made by Board Member Bogart and seconded by Board Member Freel to approve the May 2019 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 surface water plant has been running all month, but production has been low due to the cool weather and rain. Mr. Schroeder stated that there is enough demand to keep the surface water plant running, but it is just idling.

Mr. Schroeder stated that the Bureau of Reclamation has not started releasing a lot of water from the reservoirs so recharge on the wells is low. Mr. Schroeder stated that the last report he received showed that there was approximately 1200 cfs coming from Grey Reef. Mr. Schroeder stated that usually by this time of year, river flows are at 2500 cfs. Mr. Schroeder stated that the water is just not needed downstream.

Board Member Bogart stated that the river level looks pretty high, and asked if it was just

from runoff. Mr. Schroeder stated that the river is higher than normal winter flows of 500 cfs, as right now it is 1200 to 1300 cfs, but in order to get good recharge of the wells it needs to be higher.

Mr. Schroeder stated that the groundwater contactor is leaking again. Mr. Schroeder stated that staff repaired a joint, but it is still leaking. Mr. Schroeder stated that staff will go back in next week and do more repairs.

The time was turned over to Mr. Conner for the Transmission System Update.

Mr. Conner stated that Mr. Martin will show the video from the construction of the Airport Elevated Tank. Mr. Conner stated that swallows are starting to build nests right where the tank meets the concrete pillar. Mr. Conner stated that that area is sealed, and the swallows are perching there like they do under bridges.

Mr. Conner stated that the small pump at the Wardwell Booster is down and will have to be rebuilt. Mr. Conner stated that a 4-inch swing check valve needs to be rebuilt for this booster. Mr. Conner stated that staff will change out bearings and seals on the rest of the pumps this winter.

Mr. Conner stated that staff is getting the booster stations ready for the summer season.

Mr. Conner stated that the chloramine residuals are good out in the system.

Mr. Conner stated that at the Airport Elevated Tank around the outlet vault, where the overflow comes in, is settling along with a couple of bollards, so the contractor will have to those take care of those issues.

Mr. Conner stated that staff has been mowing at the booster and tank sites, and will be completing end of fiscal year inventory next week.

Secretary Waters stated that last month mention was made that a valve or something was being replaced on the end of the Pioneer system. Mr. Conner stated that a backflow preventer on the meter pit at 12 Mile failed, so a new check valve has to be installed.

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 contractor is getting ready to start the 2.6 MG Water Storage Tank Recoating Project. Mr. Martin stated that while the tank is out of service for this project, it is the perfect time to install a PAX water tank mixer as this tank does not have one. Mr. Martin stated that the mixer will help improve

water quality in the tank.

Mr. Martin stated that the contract with Municipal Treatment Equipment, Inc. is just for the mixer itself. Mr. Martin stated that there will be a separate contract for the electrical work, and staff will install the mixer.

A motion was made by Secretary Waters and seconded by Board Member Huber to approve the contract with Municipal Treatment Equipment, Inc. for one PAX Water Storage Tank Mixer for use in the 2.6 MG Water Storage Tank in the amount of \$34,950. Motion put and carried.

- b. Mr. Martin stated that last month the Board approved Change Order No. 1 to the North Platte River Exposed Waterline Repair Project to include extending the recharge channel intake piping approximately 200 feet into the river.

Mr. Martin stated that when the portion of the North Platte River Restoration Project adjacent to the RWS Morad wellfield was completed in 2017, a change in river channel geometry and creation of a backwater wetland resulted in stagnant water near the existing recharge intake directly west of the WTP on the west side of the river.

Mr. Martin stated that the funding agreement before the Board serves as a mechanism for transferring Casper river project funding to the RWS to cover the costs associated with the intake piping extension. Mr. Martin stated that once the agreement is approved, the City of Casper will pay \$32,200, its fair share of the construction costs, to the RWS. Mr. Martin stated that the Casper City Council approved this funding agreement during its June 4, 2019 regular council session.

A motion was made by Board Member Huber and seconded by Board Member Bogart to approve the funding agreement with the City of Casper for the construction of the RWS Caisson Recharge Channel Intake Piping Extension in the amount of \$32,200. Motion put and carried.

- c. Mr. Martin stated that the Raw Water intake pump station components switch gear and MCCs are 30+ years old. Mr. Martin stated that the replacement of these components was budgeted in the FY19 budget, but the funds had to be used for the Exposed Waterline Project, and have been re-budgeted in the FY20 budget.

Mr. Martin stated that the agreement before the Board is with West Plains Engineering, Inc. for design and construction administration of the WTP MCC and Switchgear Replacement, Project No. 18-078. Mr. Martin stated that since this is a FY20 project, work will not start until July 1st. Mr. Martin stated that Mr. Scott Baxter with the City Engineering Department is in attendance today to answer any questions the Board may have.

Mr. Baxter stated that the only thing he had to add to Mr. Martin's overview was

that \$500 of the \$13,500 is for design of lighting replacement for the building. Mr. Baxter stated that depending on the overall funds available at the time of bidding, this would be one of the options.

Secretary Waters asked what size of MCC is in the Raw Water pump station. Mr. Baxter stated that he believed that it is 480v. Mr. Baxter stated that it is a single unit as far as the set of MCC and switchgear.

Secretary Waters asked if it is a watertight enclosure that the MCC is being put in. Mr. Schroeder stated that it is not watertight. Mr. Martin stated that the MCCs are all along the wall, but there is not water spraying everywhere.

Secretary Waters stated that it just seems a small amount of funding for electrical design. Mr. Martin stated that compared to the WTP, this is a very small pump station that doesn't require a lot of electrical.

A motion was made by Secretary Waters and seconded by Board Member Freel to approve the Contract for Professional Services with West Plains Engineering, Inc. for design and construction administration of the WTP MCC and Switchgear Replacement, Project No. 18-078 in the amount of \$13,500. Motion put and carried.

- d. Mr. Martin asked the Board to reference the deduct change order for HOA Solutions, Inc. for the PLC/SCADA project. Mr. Martin stated that HOA Solutions proposed to use VT SCADA software in place of the original specified software. Mr. Martin stated that SCADA is the Operator interface to the system. Mr. Martin stated that WTP Staff had the opportunity to test the proposed software and recommends approval of the substitution.

Mr. Schroeder stated that staff was able to download a free version of the software to try. Mr. Schroeder stated that the Operators were very happy with the software demonstration. Mr. Martin stated that the software is very user friendly and the Instrumentation Tech will be able to make some modifications within the system instead of having to bring in a consultant.

Mr. Martin stated that as this project is funded by the State, DWSRF Staff have reviewed and approved the change order.

Mr. Martin stated that Mr. Ethan Yonker with the City Engineering Department is in attendance to answer any questions the Board might have on the change order. Mr. Yonker stated that HOA included a memo with their bid submittal regarding a deduct change order would be offered if the VT SCADA software was approved for use.

A motion was made by Board Member Bogart and seconded by Secretary Waters to approve Deduct Change Order No. 1 to the WTP SCADA Improvements Project No. 17-038 for the price reduction of \$65,000 for the substitution of

SCADA software. Motion put and carried.

- e. Mr. Martin stated that with it being the end of the fiscal year, funds need to be reallocated to line items in the budget that have overages. Mr. Martin asked the Board to reference the FY19 Budget Reallocation. Mr. Martin stated that funds are being reallocated to Consulting - \$120; Legal Expense - \$6,000 due to the Wardwell Zone IIIB Water Storage Tank; Accounting & Audit - \$300 due to an increase in the BusinessWorks Software renewal; Buildings - \$12,800 for the Roof Project; and PLC/SCADA Equipment Replacement - \$1,502,000 moved into the loan line item. Mr. Martin stated that these funds were moved from Insurance & Bonds, Travel & Training, and Improvements Other Than Buildings.

Secretary Waters asked what the total cost was for the Roof Project. Mr. Martin stated that \$40,000 was budgeted for the Roof Project, but the bid came in \$14,000 higher.

A motion was made by Secretary Waters and seconded by Treasurer Bertoglio to approve the FY2019 Budget Reallocations as presented. Motion put and carried.

- f. Mr. Martin stated that there are several FY19 projects that were not completed, and the funds need to be encumbered in order to be carried over into the FY20 budget. Mr. Martin reviewed the following encumbrances with the Board:

RWS2019-1 71 Construction \$432,200 – North Platte River Exposed Water Line Project No. 17-097

RWS2019-2 HOA Solutions Inc. \$1,492,816 – SCADA System Upgrades Project No. 17-038

RWS2019-3 Rocky Mountain Air Solutions \$49,745.78 – LOX System Heater Replacement

RWS2019-4 Great Plains Structures, LLC \$500,000 – Wardwell Tank Repairs Project No. 16-035

RWS2019-5 Riley Industrial Services, Inc. \$815,584 – 2.6M Gallon Tank Recoating Project No. 18-093

RWS2019-6 Municipal Treatment Equipment, Inc. \$34,950 – PAX Water Tank Mixer for 2.6 MG Tank

RWS2019-7 City of Casper \$64,296.67 – 2019 Roof Replacement Project

Mr. Martin recommended approval of the FY2019 encumbrances.

A motion was made by Treasurer Bertoglio and seconded by Board Member Bogart to approve the FY19 encumbrance numbers RWS2019-1 through RWS2019-7 as presented. Motion put and carried.

- g. Mr. Martin stated that at the meeting last month the Board reviewed the Wholesale Water Rate Model and looked at different scenarios. Mr. Martin stated that the Board consensus was to bring a 5% rate increase forward for consideration at the meeting today.

A motion was made by Secretary Waters and seconded by Board Member Huber to approve a 5% wholesale water rate increase to \$1.93 per thousand gallons for FY2020. Motion put and carried.

- h. Mr. Martin stated that the preliminary FY20 budgets for the WTP Operations and RWS Agency were presented to the Board in April. Mr. Martin stated that there have been a few updates to the budgets since that time.

WTP Budget

Mr. Martin stated that the Casper City Council approved a one-time payment for employees, which increased Personnel Costs by \$35,381 over the FY19 budget.

Mr. Martin stated that Interdepartmental Services has increased \$14,500 over the FY19 budget.

Treasurer Bertoglio stated that he just received notice that the gas company is requesting a 25% increase to take place in January 2010 and asked how often the budgeted amount for natural gas is overspent. Mr. Schroeder stated that in the last few years it has been very seldom that the budgeted amount has not been sufficient. Treasurer Bertoglio stated that the requested increase must still be approved by the Public Services Commission.

Mr. Martin stated that the preliminary FY20 Operations budget showed a 0.5% increase in April, but now shows a 1.9% increase over the FY19 Operations budget with the changes.

Central Wyoming Regional Water System Agency Budget

Mr. Martin stated that Water Rate Revenue was increased by \$177,067 to include the 5% wholesale water rate increase. Mr. Martin stated that these revenues are proportioned to each wholesale entity based on the fiscal year percentage of water production based on a five-year average of total production.

Mr. Martin stated that Insurance & Bonds was increased to \$97,544, which is an increase of \$5,521 over the FY19 budget.

Mr. Martin stated that \$120,000 was added to Improvements Other Than Buildings to replace the WTP HVAC Chiller. Mr. Martin stated that there was preliminarily \$50,000 budgeted for HVAC pumps and valves, but then the chiller started failing.

A motion was made by Board Member Freel and seconded by Secretary Waters to approve the FY2020 WTP Operations Budget and RWS Agency Budget as presented. Motion put and carried.

- i. Mr. Martin stated that as the Board recalls, there was one bad sample during the Long-Term 2 Enhanced Surface Water Treatment Rule testing that failed and moved the RWS into the BIN2 classification. Mr. Martin stated that this is what required the UV system upgrade. Mr. Martin stated that there had been a back and forth discussion with EPA on this, but Treasurer Bertoglio has new information that he would like to share with the Board.

Treasurer Bertoglio stated that he was at a meeting at Representative Cheney's office and ran into Mark Pepper with Wyoming Rural Water. Treasurer Bertoglio stated that Mr. Pepper informed him that rural water systems really get hit by EPA over an anomalous test and then are requiring substantial upgrades to the small water plants. Treasurer Bertoglio stated that he brought this up to Representative Cheney, and she wants to get involved.

Treasurer Bertoglio stated that Mr. Pepper told them that once a system is put into BIN2 classification, there really is no way to work with the regulatory agency to get back out.

Treasurer Bertoglio stated that Senator Barrasso is the chairman of the Energy and Natural Resources Committee and has a subcommittee that is working on a bill that would take an anomalous test and have it held back and look for something else. Treasurer Bertoglio stated that Senator Barrasso has a staff member that used to work at the EPA and puts fear into the regulatory people because they worked on the other side.

Treasurer Bertoglio stated that he gave them a copy of information provided by Mr. Martin, Mr. Schroeder, and Mr. Beamer. Treasurer Bertoglio stated that he has had conversations with Mr. Martin, Mr. Schroeder, and Mr. Beamer about going directly to EPA and asking them to reconsider. Treasurer Bertoglio stated that this may just be kicking a hornet's nest by doing so.

Treasurer Bertoglio stated that he wanted the Board to know that he gave this information to Mr. Pepper as he is one of five people on the subcommittee working on this legislation. Treasurer Bertoglio stated that if it comes to fruition, a test like this would probably get rejected as an anomalous test result under the circumstances. He stated that it may require additional testing.

Treasurer Bertoglio stated that President Trump has said that the EPA's ability to go in cart blank and heap on new regulations will no longer be acceptable. Treasurer Bertoglio stated that right now is a favorable legislative/political window, and before we actually have to spend this money, but continue on with the path that was agreed to with the EPA, but the legislative backing and using the RWS as an example, may actually be a benefit. Treasurer Bertoglio stated that his suggestion is that the Board reaches out and plays the legislative game without actually saying that we're not going to install UV, and if everything works out to get the legislation approved in the next year, it may be a moot point for building the UV system.

Chairman King asked if the one test result that Treasurer Bertoglio is referencing is where one spore was found. Treasurer Bertoglio stated that the data for the two year period says less than 0.05 and the one bad test said 1.5. Treasurer Bertoglio stated that his understanding is that probably the average is 0.05, and has been that in every test for the last twenty years except for the one. Treasurer Bertoglio stated that an anomalous test under unusual circumstances, once the test happened, that's when they should have said that they wanted it to be tested again more frequently during these type of instances, instead of being automatically in the dog house. Treasurer Bertoglio stated that this is where the legislation would take into account a much broader history of data and might be an instance where the test would be thrown out or looked at as anomalous, and look at the events surrounding the testing and take more/different precautions.

Treasurer Bertoglio stated that he didn't want to get outside of the Board and have everyone get struck with this. Treasurer Bertoglio stated that he would rather go head to head with EPA, but he thinks in this particular case, legislation would be better. Treasurer Bertoglio stated that Mr. Pepper believes that EPA wants the Board to go out to Split Rock and drill water wells and pipe it to Casper as they don't want anything connected to the river. Treasurer Bertoglio stated that Mr. Pepper has seen EPA do this a lot in smaller systems that are pulling water directly from rivers.

Treasurer Bertoglio stated that he would keep the Board posted.

Secretary Waters stated that makes a lot more sense to throw out the anomalous test instead of having to install more equipment.

j. There was no Other New Business.

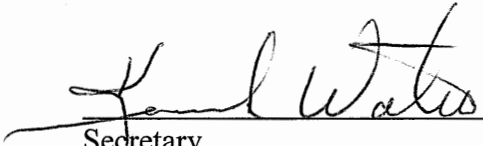
9. In the Chairman's Report, Chairman King stated that the next regular meeting will be held on July 16, 2019.

Board Member Huber stated that he was at the Municipalities Convention last week and one of the guys from Waterworks mentioned to him that they sell pumps to everyone in the state, except Casper because they purchase their pumps from Colorado. Mr. Martin

stated that he believes that Waterworks was talking about the pumps in the wastewater system as they have been standardized to Flygt pumps. Board Member Huber thanked Mr. Martin for the explanation.

A motion was made by Secretary Waters and seconded by Board Member Freel to adjourn the meeting at 12:20 p.m. Motion put and carried.


Chairman


Secretary