

Meeting Minutes
Choctaw Utilities, Inc.
Board of Directors Quarterly Meeting
Monday, July 29, 2019

Call to Order: 7:00 pm

Roll Call in Attendance: Dave Lohrer, Bob O'Connor, Scott Kutzley, Dick Hanna, Doug Orange, Kent Feliks
Excused: Andrew Beckman
Jim Moran – Plant Manager, Marti Schmidt – Office Manager

3 Homeowners in attendance

Minutes from May 6, 2019

Motion to accept minutes as submitted – passed 6-0

Old Business:

Officers were not elected at last meeting per our charter.

Bob O'Connor motioned that President be Dave Lohrer, Doug seconded. Dave agreed to accept. Motion carries 6-0

Doug Orange motioned that Vice President be Kent Feliks, Dick seconded. Kent agreed to accept. Motion carries 6-0

Bob O'Connor motioned that Secretary/Treasurer be Doug Orange, Dave seconded. Doug agreed to accept. Motion carries 6-0

JJ Schlagel met with Jim Moran, all locations graded and seeded to Jim's requirements after fire hydrant installation. JJ Schlagel was paid their retainage.

Electronic Motions:

- 6/19/19 Dick Hanna motioned to approve electrical upgrade at the new water plant from 400 to 600 amp service. Second by Scott Kutzley, passed 7-0
- 6/25/19 Dave Lohrer motioned to accept 2019-20 fiscal year budget as submitted. Second by Bob O'Connor, passed 6-0

New Plant/EPA – Dave/Scott:

Weather is cooperating; foundations are progressing for the building and the contact retention tank. Underground piping being laid inside the building, mostly for floor drains. Waiting on Jess Howard (electrician) to bury conduits. Once complete, they can excavate for final grade for dirt, put in structural fill and will be ready for the floor. Block up 4-courses, discussion about split-face block and where weep holes will be placed. The goal is to get in the floor so walls can be put up. They want to wait for the concrete to cure before putting the weight of the walls on the slab. 2-3 weeks the floor should be done.

Contact retention tank concrete poured Friday. Start excavation for the final grade this week and the structural fill will be monitored by SNME (same as concrete), contracted through ms Consultants. Capital City will reimburse us for this work since it is a part of their contract. SNME has been checking the soil for bearing capacity and also pulls the cylinders when the concrete is poured. The cost to break the cylinders is fairly low. Concrete sample break came in 2800 psi after 7 days; full strength at 30 days (spec is 3000). Footer and rebar rods put in for the tanks were significant.

Madison County Building inspector works through the City of London. The City used to use Clark County personnel for inspections. Tom Hale and his admin from Clark County now work for West Jefferson; new contact numbers but the same people. London pays West Jefferson \$112k a year for these services. No plans need to be resubmitted. Plumbing inspection is done out of Franklin County.

Expecting First Energy – Ohio Energy end of August to set new electrical pole. Jess Howard will set the pad; should be on site this week to finalize location.

Alex with Capital City counted weather delay as 40 days as of this date. Tonka had a 40-day delay in ordering, so no work was halted due to the Tonka delay of equipment skid delivery.

Dave, Scott, and Dick went up to Capital City's office to meet with the regional manager for Tonka to discuss the delay of ordering our materials and delay of schedule. Tonka apologized for the delay and agreed to expedite any portions they can. The aerator is on site, and we are due an update on Tonka's progress.

We have a new project engineer with ms Consultants, and new project manager with Tonka.

Scott called Tonka last Tuesday, and they are sticking to first-second week of September delivery date. Place aerator and skid at same time using a crane.

Doug suggested that the center island in the driveway be totally cleared, then graveled, to accommodate larger trucks, vehicles, and the delivery of the skid.

Change Orders to date = \$8,600 – looking for a credit for piping to additionally reduce. First change order was for \$35k for electrical, \$27k CREDIT for value engineering.

Security Camera Update - Dave

Cameras for security were installed – cost of \$792. 30-day storage. View of the plant and the other view of driveway and mailbox. 2 more cameras are available to be placed after plant is complete.

Plant Manager - Jim

Delinquent account has a curb box issue. Box is broken and filled with rocks. BoT gave Jim the go ahead to fix the box and shut off delinquent water account.

Plant working good. Filters are working the way they should for iron and manganese. Water usage is causing concern from demand of water. Looking at sprinkler ban if rain doesn't come soon. Even with new plant, demand issue in the summer with watering lawns with maximum load for owners use in the summer. System is not designed for irrigation.

Jim usually back flushes around 6am; water he's moving right now could have some sediment movement (brown or red water) in the lines from the current high demand.

JJ Schlagel paid.

Jim and Marti working on delinquent accounts and shut-offs.

Restoration work done on valves and some taps from last year; all have been brought back to original grade and seeded.

Jim just completed testing for carcinogens that chlorine can potentially cause; always been below the limits.

Nitrates and nitrites reporting complete and results were good. Way below where they should be. Launching the lead and copper testing first of the month.

Question asking if water plant and sewer plant coordinate for shut-offs. No. Sewer department will put delinquent amount on taxes; legal issue for shutting sewer off. Sewer has an 80% collection rate.

Consumer Confidence Report completed, filed, and distributed and all requirements met (as far as we know).

Jim will make a call for the sprinkler ban by the end of the week; Friday is the day of the week that the CU blog goes out to property owners. Notice can be also posted at the message boards at both entrances.

Upgrading the generator will cost about \$10,000; has another 15 years of useful life.

Salvage value of old plant is zero. When it's time, have someone remove it in exchange for the scrap.

Treasurer Report as of July 29- Doug

Review of the fiscal year P&L and Balance sheet. Accountant (Rennick) has reviewed and did final adjustments) Financials were sent over to the CLPOA.

440,000 revenues, net income 101,546 – rate increase went into effect last third of the year. All plant related expenses were moved over to the balance sheet to capitalize

Collections \$35,000 as of today – includes recent July billing with a few days left at the end of the month for non-delinquent payments. Marti discussed process for billing and collections. Less than half-dozen people delinquent – still hanging at a 98% payment rate.

Budget review: revenue half million, net income \$77,000 and asset management (money set aside for future maintenance) \$76,000 a year

\$732,700 in all accounts

\$35,000 in receivables – still have July billing of 3 days left to collect

Question about email billing and they did not receive bill this last quarter email bill. Technology can be an issue; the software will show that it was sent, but the gmail account in “sent” does not show it was sent. Some emails can be dropped during transmission during higher internet demand. Customers can call in to get another bill sent.

New Business – Doug

OWDA water conference in Bellefontaine for continuing education.

Kent asked about three electrical meters. He currently is getting quotes from different suppliers. He wasn't aware of the towers having a meter. Questioned whether for \$500/year it might be better to use a portable generator at the tower for any electrical needs. Original was installed for lighting on the tower. Don't need a light on our towers because of the airport proximity. Our towers are not high enough to require to be lit. Still will need power for the new plant monitoring.

Audience Discussion/Questions

None

Meeting adjourned 7:53pm