

**MINUTES OF THE SEPTEMBER 28, 2013 REGULAR MEETING
OF THE TWSD BOARD OF DIRECTORS**

Attending the meeting were Vice Chairman Sally Watkins, Directors Arden Schug, Edward "Mike" Bovey, and Richard "Dick" Dysart. There being a quorum present, the meeting was called to order by Vice Chairman Watkins at 10:00 am.

Saluting of the flags was accomplished.

Approval of Agenda: Director Dysart moved to approve the agenda and Director Schug seconded. There being no discussion, Vice Chairman Watkins called for a vote. Directors Schug, Bovey, and Dysart voted aye. The motion passed.

General Manager's Report. Ron Wyatt, General Manager, gave his report (copy attached to these minutes). The Colonias paperwork should be received next week. The three million dollar grant has been approved. We are waiting for funding for the Capital Outlay projects. The filtration plant software has problems, but it should be fixed by next week. The Golf Course meeting went well. Customers should let the General Manager know if their roads need to be graded due to the heavy rain damage. The bridge repair is on the county's priority list. The Tres Marias bridge project will start in the next two weeks. The budget has been approved. Director Schug asked if the road system master plan was part of the grants. The GM replied in the affirmative. Director Dysart asked if there was any new information concerning the truck replacement. The GM said he had some initial information, but some of the dealers had not gotten back to him yet. There was some discussion.

Treasurer's Report. Director Schug read the bank balances. He stated that the grant monies will be kept separate from all other funds. The budget that was approved is the first time a budget has been approved on time since 2006. He thanked Director Dysart, Chairman Mainello, Gwen Adams, and Director Bovey for all their hard work on the budget.

Budget Committee. Director Dysart stated we had to get the budget numbers in the computer for the 1st quarter before we can get the 2nd quarter budget numbers. He explained some of the USDA requirements to keep the grant funds separate.

Water Rules Committee. Director Bovey stated that the Water Bureau has the draft rules and he is waiting for their recommendations.

Director Schug stated that the corrections to the ICIP had been completed and submitted.

Old Business.

Legal Services RFP. Director Schug moved to send out the RFP for legal services and Director Bovey seconded. Vice Chairman Watkins called for a vote. Directors Schug, Bovey, and Dysart voted aye and the motion passed.

Ortega Line Extension. The secretary explained that the Ortega line extension was for one lot and would cost the Ortegas approximately \$3,000.00. There was some discussion. Director Schug stated that there were new rules in place and that any line extensions had to be done using 4" pipe. Director Bovey moved to approve the line extension with a 4" pipe stipulation. Director Dysart seconded. Directors Schug, Bovey, and Dysart voted aye and the motion passed.

New Business.

Approval of the September 17, 2013 work session meeting minutes. Vice Chairman Watkins entertained a motion for approval. Director Schug moved to approve the minutes without reading, as written. Director Bovey seconded. There was no discussion. Directors Schug, Bovey, and Dysart voted aye and the minutes were approved.

Discuss Tres Marias bridge. The GM reported on this during his report. Director Schug stated that he looked at this and it's a mess. He stated that we needed to do something permanent sometime in the future. There was some discussion. Director Schug said that he didn't know if culverts would be big enough. The GM will check with Engineers, Inc. and see if there is grant money. ***Action item for GM.**

Discuss road repair. Director Schug stated that the water operators have torn up some roads and we need to repair them. We need patch material. The GM will look into getting patch material. ***Action item for GM.**

Discuss fire hydrants. Director Schug stated that we don't have any fire hydrants that are qualified as real fire hydrants. He asked why tank 4 didn't have any water drops. The GM will check on that. There was some discussion. The GM will research if a 6" line has to be a dedicated line. There was more discussion. Director Schug would like the GM to schedule putting in hydrants. ***Action item for GM.**

Hire grant attorney. Director Schug explained that we have to have a grant attorney for the USDA grant. He met with an attorney recommended by USDA and Engineers, Inc. His fees will be covered by the grant. Director Schug recommended that we hire him. It would cost no more than \$20,000.00. Director Schug motioned to hire Josh Smith for the USDA grant and Director Bovey seconded. Directors Schug, Bovey, and Dysart voted aye and the motion passed. The GM has permission to hire the attorney.

Open grant bank accounts. Director Bovey moved to open accounts for specific grants. Director Dysart seconded. Director Schug stated that there would be three accounts for the USDA grant: two checking and one savings. Director Schug went into detail about each account, how much would be in each, and what they were for. There was some discussion. Directors Schug, Bovey, and Dysart voted aye and the motion passed. The GM has permission to open the accounts.

The directors discussed having a special meeting to approve these minutes. It was decided to have a meeting Tuesday, October 1, 2013 at 6:00 pm.

Directors' remarks.

Director Bovey stated that he appreciated the audience coming. He gave a special thanks to Director Dysart for all his hard work on the budget committee. He thanked Chairman Mainello and Director Schug for their work on the ICIP.

Director Dysart stated that we need more people with computer skills to help support the operation. He thanked the audience. He stated that we have to do something about foreclosures and that topic should stay open until something is done.

Director Schug thanked all for coming. He will contact Mr. Yarbrow (foreclosure attorney) because he hadn't answered the question about statute of limitations. He stated that we received a nice letter from John Gallegos from the DFA about our good progress. Director Schug stated that we had made big improvements. He stated that the GM was doing a great job getting grants. He reminded everyone that elections were coming up.

Vice Chairman Watkins opened the meeting to the public.

Noreen Gonzalez asked that the General Manager's Report be put on the web site. She also asked what the amount was of the loan. Director Schug replied that the loan was for \$266,000.00 for forty years and would be about \$916.00 per month to repay.

Marilyn Hatfield thanked the board.

Vice Chairman Watkins thanked all for coming.

Vice Chairman Watkins entertained a motion to adjourn. Director Bovey moved to adjourn and Director Dysart seconded. Directors Schug, Bovey, and Dysart voted aye and the meeting was adjourned.

Minutes Approved October 1, 2013:

Director Arden Schug_____ Director Edward Bovey_____

Director Richard Dysart_____ Secretary Linda Martin_____