

**MINUTES OF THE NOVEMBER 16, 2013 REGULAR MEETING
OF THE TWSD BOARD OF DIRECTORS**

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

Saluting of the flags was accomplished.

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

General Manager's Report. Ron Wyatt, General Manager, gave his report (same as Tuesday, November 12, 2013, copy attached to those minutes and on the web site). Director Schug inquired about the status of the Tres Maries barricade and the GM replied that he was working on it. Director Schug asked about the water operators' class and testing and the GM replied that he didn't know yet as the testing was Friday.

Treasurer's Report. Director Schug read the bank balances. His report is to include the Budget Committee Report. He stated that we have been receiving F&S funds and we will be receiving Standby funds at the beginning of the year. He stated that we are submitting quarterly reports to DFA. The budget matches the bank account balances for last fiscal year. The first quarter balances are a little off, but close. The first quarter actuals have been sent to DFA. Chairman Mainello observed that this is the first year we could do this.

Chairman Mainello opened the meeting to public comments/questions.

Old Business.

Resolution 2013/2014-005 Election Proclamation. The secretary read the resolution aloud.

Throughout the rest of the meeting, audience members Bill Curtis, B.F. Adams, Noreen Gonzalez and Richard McMullen had questions and comments.

Director Schug moved to approve the resolution and Director Watkins seconded. Chairman Mainello called for a vote. Directors Schug, Watkins, and Bovey voted aye and the resolution was adopted.

New Business.

Approval of the November 12, 2013 work session meeting minutes. Director Watkins moved to approve the minutes as written and dispense with the reading. Director Schug seconded. Directors Schug, Watkins, and Bovey voted aye and the minutes were approved.

Approval of Temp/Part Time Employee. Director Schug stated that he would like to discuss this item in a closed session. There was some discussion. Director Schug moved to move this agenda item to the end of the meeting and hold a closed session. Director Watkins seconded. Chairman Mainello called for a rolling vote. Director Schug voted aye; Director Watkins voted aye; Director Bovey voted aye; Director Dysart voted aye, and Chairman Mainello voted aye. This item was moved to the end of the meeting.

Approval of Bank Transfers. After the work session on Tuesday, the GM talked to the bank and only one account (the Money Market account) needs a minimum balance of \$2,500.00. The other two accounts are okay with the \$50.00 minimum balance. Director Schug explained the USDA requirement. There was some discussion. Director Schug moved to transfer \$2,500.00 into the money market account and Director Watkins seconded. Audience member Karen Mainello asked where the funds would be coming from. Director Schug stated that the entire project for the grant/loan was Water Department, so we could move the funds from Standby to Water and pay the amount out of water funds. There was some discussion. Chairman Mainello called for a vote. Directors Schug, Watkins, Bovey, and Chairman Mainello voted aye and the transfer was approved.

Discuss Opting Out of PRC. The GM stated that we should find out what must be done. Director Schug questioned whether we should have the attorney look into this. There was some discussion. Director Bovey recommended that the GM send a letter to the PRC in lieu of spending money on a lawyer. There was much more discussion including audience members. Director Schug explained the history of TWSD going under the PRC. Noreen Gonzalez asked what the benefit was of getting out of the PRC. Director Schug explained that, if we are out, we can do a rate increase without the expense of doing an advice notice which is an extensive amount of work. We wouldn't have to go to court unless it was protested. The GM remembered that back in 2006, we could do a 3% rate increase automatically. Director Schug stated that he thought it was 2% now. GM asked, if we are out of the PRC, where would people go to protest? Director Schug stated that it would be the district court. Director Bovey stated that maybe it was better to be under the PRC. There was much discussion. Director Bovey moved to table this discussion and have the Water Rate Committee reconvene to look into the pros and cons of being in the PRC. There was more discussion. Chairman Mainello called for a vote. Directors Schug, Watkins, Bovey, and Dysart voted aye and the item was tabled.

Approval to Start Foreclosures. Director Schug moved to start foreclosures with the four largest owing customers. Director Watkins seconded. Director Schug stated that we have put this off for over fifteen years. Director Watkins stated that, if everyone paid what they owed, we wouldn't need a rate increase. Director Bovey stated that on the next meeting agenda, it should show "Update Verbiage on Portion of Rule 10". Chairman Mainello called for a vote to start foreclosures. Directors Schug, Watkins, Bovey, and Dysart voted aye.

Directors' remarks.

Director Schug thanked all for coming and participating. He stated that the Board was here to serve the community.

Director Bovey thanked the audience for participating in the meeting.

Director Dysart thanked all for coming. He recommended that the audience prepare their questions/concerns in advance. There was some discussion about this being tried in the past, but not working.

Director Watkins thanked all for coming and for giving feedback.

Chairman Mainello stated that it would be great if we could prepare for audience questions ahead of time. This audience brought up some great questions. In reference to foreclosures, the Board had to start doing something. He thanked all for coming and participating.

Having already voted to do so, the board went into closed executive session.

Director Schug moved to come out of executive session. Director Watkins seconded. Chairman Mainello called for a rolling vote. Director Bovey voted aye, Director Schug voted aye, Director Dysart voted aye, Director Watkins voted aye, and Chairman Mainello voted aye. The board came out of executive session.

Approval of Temp/Part Time Employee. Chairman Mainello stated that, after listening to the GM during the closed session, there was discussion to hire a Temp/Part Time employee and no decision was made. Director Bovey moved to authorize the General Manager to hire a Temp/Part Time employee to assist with the budget and other projects and for the General Manager to prepare a scope of work. Director Dysart seconded. There was some discussion. Chairman Mainello called for a vote. Directors Schug, Watkins, Bovey, and Dysart voted aye and the motion was approved.

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

Minutes Approved December 17, 2013:

Secretary Linda Martin_____

Chairman Joseph Mainello_____