CREEK COUNTY RURAL WATER DISTRICT #2

BOARD OF DIRECTORS MEETING

May 8, 2018

The meeting was called to order at 5:30 p.m. by Harvey Morris, President. The roll was called and a quorum was recognized.

**BOARD MEMBERS PRESENT:** **BOARD MEMBERS ABSENT:**

Harvey Morris, President Bill Martin, Vice President

Charles Volturo, Treasurer

Larry Bayouth, Secretary

Pat Scott, Member

Bergen Young, Member

Larry French, Member

**EMPLOYEES & GUESTS PRESENT:**

District staff: Dorothy Greek, Manager: Cindy Hubbell, Admin. Asst.: Marty Lademann, Field Supr.: Ryan Smith and Mark Mulder, Engineers, Poe and Associates: Steve Harris Attorney for Creek 2: Steve Allen with Rich and Cartmill Ins.

**2. ENGINEER’S BUSINESS:**

**A.** Ryan Smith with Poe and Associates reported the status of the new capital improvements projects. There is a new addition to the capital improvement list. It is a line replacement that would add an additional $67-$68,000.00. This is a very rough estimate; there will be a 10% contingency. It is a 6” line replacing a 2” line on N. Lakeview in Kiefer. Currently, this water line runs behind houses and feeds 14 houses. If we replace this line, it will be located in front of the houses, closer to Lakeview Street. Marty would like approval to proceed with the staking and surveying of this project.

 Charles said in his mind this will be a total job of $700,000.00. He would like cost control reports on these projects, and change orders need to be approved before they are implemented in the field. We will be stricter on how we control these projects.

 **After Board discussion it was determined this 6” line on Lakeview will be our first change order for our capital improvement projects.**

It is Marty’s opinion that we can perform the inspections on these line improvements. If the district does the inspections it will save over $86,000.00.

Creek 2 Manager will be in contact with the City of Kiefer concerning road paving.

**F. Vote/Motion:** By Pat Scott, second by Larry French to approve the final pay item for Jerry’s Excavation, in the amount of $7,800.75, for work done at 81st St. S. and 33rd W Ave.

**For:** French-yes, Young-yes, Scott-yes, Bayouth-yes, Volturo-yes.  **Motion carried**.

**G. Vote/Motion:** B**y** Bergen Young, secondby Pat Scott, to approve payment to Poeand Associates for invoice # TUL 14005, in the amount of $15,056.37, for additional services done on the USDA loan fund projects.

**For:** French-yes, Young-yes, Scott-yes, Bayouth-yes, Volturo-yes.  **Motion carried**.

**H.** **Vote/Motion:** B**y** Charles Volturo, secondby Pat Scott, to approve payment to Poeand Associates for invoice # 14019, in the amount of $18,998.68, for additional services done on the USDA loan fund projects.

**For:** French-yes, Young-yes, Scott-yes, Bayouth-yes, Volturo-yes.  **Motion carried**.

**I. Vote/Motion:** By Larry Bayouth, second by Charles Volturo, to approve Amendment No. 1 to Owner-Engineer Agreement, for Additional Services, on the USDA loan fund, in the amount of $104,875.55. This amount includes $2,627.00, which is to be billed on May 3rd; and an amount of $2,013.00, which is to be billed in June. The amount without the additional billing is $100,235.55.

**For:** French-yes, Young-yes, Scott-yes, Bayouth-yes, Volturo-yes.  **Motion carried**.

**3. Executive Session –** The board will conduct an executive session with its legal counsel pursuant to Title 25 Oklahoma Statues, Section 307(B) (4) concerning pending investigations by legal counsel relative to claims by and against the district.

**3A**. Executive Session will discuss claims against Cherokee Pride, contractor on Contract #2, to fulfill their obligation of Contract #2, of the recent USDA Rural Development Loan Project.

**3B. Vote/Motion:** by Charles Volturo, second by Pat Scott to enter into executive session.

**For:** French-yes, Young-yes, Scott-yes, Bayouth-yes, and Volturo-yes. **Against**: None. **Motion carried**.

Time 6:45pm, Steve Harris and Cindy Hubbell invited to stay.

**3C.** The board will conduct an executive session pursuant to Title 25 Oklahoma Statues, Section 307(B) (1-2),

concerning the employment, hiring, appointment, promotion, demotion, disciplining, or resignation of an individual salaried employee and discussion regarding negotiations concerning employees of the District.

Cindy Hubbell left the room.

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**3D.** Report from the committee tasked with the District Manager search.

**3E. Vote/Motion:** by Larry Bayouth, second by Bergen Young, to come out of executive session. Time 7:50pm.

**For:** French-yes, Young-yes, Scott-yes, Bayouth-yes, and Volturo-yes. **Against**: None. **Motion carried.**

No motions were made or votes taken during executive session.

**3F. Vote/Motion:** by Larry Bayouth, second by Pat Scott, to decline the counter offer of settlement from Cherokee Pride and allow our attorney to proceed with a offer of $166,229.00 or if he discovers that we actually have more money involved, to come back with whatever is the appropriate amount, but no less than $166,229.00.

**For:** French-yes, Young-yes, Scott-yes, Bayouth-yes, and Volturo-yes. **Against**: None. **Motion carried.**

 **3G.**There was discussion concerning the Manager position but no motions or decisions were made by the board.

**4.VISITORS BUSINESS:**

**A.** Presentation of an Insurance Proposal by Steve Allen, with Rich and Cartmill.

**C. Vote/Motion:** by Larry Bayouth, second by Pat Scott, to accept the newly revised insurance policy for a one year period effective 6/01/2018 through 5/31/2019.

**For:** French-yes, Young-yes, Scott-yes, Bayouth-yes, Volturo-yes.  **Motion carried**.

**5. WATER AND FIELD REPORT:**

Marty Lademann: Reads from the Water and Field report are from February 22 to March 23, during this period of time the Tulsa North Tower was still out of service. The Tulsa North area was being fed by Sapulpa water and probably Kellyville for 10 days, was also being used to feed TN. Our system is not being stressed and this is evident by our pump run times. The new telemetry system is not in service yet; we are still running off of the old system. The VFD motors are being shipped to us on the 17th of the month.

**6. CONSENT AGENDA BUSINESS:**

 6a**.** Regular Meeting Minutes of 04/10/2018

 6b. Treasurer’s Report (pages 2 thru 5)

 6c. Accounts Payable Report (pages 6)

 6d. Transfer of Benefit Units & New Taps (page 7)

**Discussion/Vote:** The board members reviewed and asked questions regarding the Consent Agenda Business.

**Motion:** by Bergen Young, second by Pat Scott, to accept the Consent Agenda Business.

**For:** French-yes, Young-yes, Scott-yes, Bayouth-yes, and Volturo-yes. **Against**: None. **Motion carried**.

**7. PREVIOUSLY KNOWN BUSINESS OR OLD BUSINESS:**

Bergen remarked the hydro-mulch at 81st and 33rd has been washed away by the rain. Dorothy replied the job is guaranteed for one year.

The T.V. ordered for the board room has been delivered and installed. We will be able to display computer images

during meetings on the T.V.

**8.** **UNKNOWN BUSINESS OR NEW BUSINESS:**

A. **Vote/Motion:** by Larry Bayouth, second by Bergen Young to approve and authorize execution of Reaffirmation of Agreed Upon Procedures Engagement Letter with Elfrink and Associates, PLLC, for the FY 2018 Annual Audit of Compliance with Glenpool/Creek-2 Settlement Agreement of May 2015.

**For:** French-yes, Young-yes, Scott-yes, Bayouth-yes, and Volturo-yes. **Against**: None. **Motion carried**

**9. BOARD MEMBERS’ COMMENTS AND DISCUSSION:**

**10. MANAGER’S REPORT:**

Dorothy reviewed the Task Management Tracking document. There has been no further update on the Twin Mounds development. There is a new addition going in on 151st Street, between South Elwood and South Peoria; this will be ours to serve; 230 lots have been proposed for this development

Tyler has been learning how to put the information into our GPS system. We will accelerate working on this now that the good weather is here.

Cindy continues to work with our representative from Sequoyah to try and develop a more timely report on our water consumption and loss.

Finally, Primex, the company upgrading our telemetry system, is still working on fixing the problems from their last visit. At this time, there is no date for completion.

**11. ADJOURNMENT:**

**Motion:** There being no further business, a motion was made by Larry Bayouth and seconded by Pat Scott to adjourn the meeting at 8:55pm.

**For:** French-yes, Young-yes, Scott-yes, Bayouth-yes, and Volturo-yes. **Against**: None. **Motion carried**.

Minutes recorded by tape and Cindy Hubbell; reviewed by Dorothy Greek.