

TONTITOWN WATER & SEWER COMMISSION

MEETING MINUTES 04-27-2010

1. **ROLL CALL** – Members present were Bill Brandt, Gene Baker, Larry Goddard, Steve Gunderson and Mike Zulpo. Also present were Mick Wagner, Rebecca Bennett, JR Carroll, W&S Attorney, Britt Vance, USI Engineering, and Steve Davis with Davis Business Planning.
2. **APPROVAL OF AGENDA** – A motion made by Baker to approve the agenda as presented and 2nd by Brandt, motion passed unanimously.
3. **APPROVAL OF MINUTES FOR 03-23-10** – A motion made by Baker to approve the minutes as written and 2nd by Zulpo, motion passed unanimously.
4. **REVIEW FINANCIALS** – Wagner stated that a draft of the audit was received, but the management letter is not finished; however the audit was unqualified as there were no problems found.

Gunderson suggested the audit would be discussed at the next meeting since no one has had time to review it.

Wagner reviewed the current month's financials. Revenue was 1.6% above the budget. Though total cost of goods was 4% below budget, water purchases are 15% higher than budget. The 2010 depreciation numbers were just received from the auditor, therefore the budget will need to be revised to reflect this. Sales tax is about 10% below what it was in 2009 based on an average month, however summer trends are always higher. Sales tax is tracking at about \$35,000 less per month than 2006. YTD bottom-line is within 1% of the budget.

5. OLD BUSINESS

- A. **Review sewer force main from Waste Management** – Vance stated that plans were given to a select amount of contractors and private bids were turned into Waste Management, who is reviewing them. There are six out of seventeen easements left. Three may depend on one person's decision, two have said they will sign, and one is hard to get in touch with, but his mother has been contacted.
- B. **Update on shop site project** – Carroll stated that regarding the Newman property, there is a caveat that TWU can have access after three months and that the leach lines can't be hit. Wagner stated that Newman thinks his septic tank is located under his house. A motion made by Baker to direct Gunderson to sign the contract and 2nd by Zulpo, motion passed unanimously.
Wagner reported on the shop site project, and stated that AT&T has relocated their pedestal and the driveway has been widened. The building should be arriving in the morning. AT&T still has to be paid for the relocation and more gravel will have to be bought. The building is

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estimated to be completed in one week and then there will be a final grading.

- C. Review Water Loss Audit** – Wagner stated that Robert Button has sent his proposal for installing water leak detection meters in writing, as requested by JR. . It will take sixty to ninety days for the bypass meters to be installed.

There have been two large leaks found in the past week. One was at Woody's, which is galvanized line and will have to be replaced. The other was found at the corner of Jerome and N Maestri

6. NEW BUSINESS

- A. Review SOQ'S water & sewer rate analysis** – Wagner stated that SOQ's have been received from Burns & McDonnell and HDR Engineering. Both are equally qualified. Gunderson directed Mick to refine projected cost fro this project and present them to the Commission at the next meeting.

- B. Review health insurance quotes** – Wagner stated that he requested information from our insurance broker on health insurance and received from three carriers with each carrier providing three options. The Municipal League, which we currently use, has a \$300,000 annual limit and a \$2 million lifetime limit on medical coverage while the other three have an unlimited annual limit. All the new proposals have a \$5 million lifetime limit and no annual limit to claims. It appears this is potential for an annual savings of about \$10,000. The broker has been asked to provide another quote to include the city's one employee as part of our group. It is expected that this quote will be significantly higher, but the city will be provided this information should they wish to pursue this option.

- 7. COMMENTS FROM MANAGEMENT** – Wagner reviewed the 2007 ISO report, and explained that water accounts for 40% of the total score, while fire accounts for 50% and 105 results from communications. In 2007 the water department scored about 72% out of their possible point. One way for water to improve their score would be to add storage to the system, however this would cost about \$1 to \$2 million. Also, storage will worsen the Disinfection By-Products level which go into effect in 2012. The only other thing TWU can do to receive more points is more maintenance records. Starting this year, hydrants will be serviced twice a year instead of once. Wagner asked the two TAFD board members (Baker & Zulpo) to verify if TAFD had requested an ISO audit.

Baker stated that Chief Wright has sent in a request for an ISO review.

Wagner asked Baker & Zulpo that Chief Wright be directed to send an update on when the request was made and when the review is expected. Wagner

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stated that on the last ISO review TAFD only got only 2.5 out of 15 points for personnel and 3.3 out of 9 points for training.

Baker stated that TAFD and W&S need to work together to get ISO down.

Wagner stated he did not have anything to do with training records and hiring personnel at TAFD, but it certainly appeared TWU had done all we could do on our end. He further stated that it would seem that TAFD would have at least copied TWU when it requested an ISO audit.

Gunderson stated that the Commission is ready to work with TAFD, but at this time was unsure what more they could do than they already have.

Zulpo stated that Chief Wright said that there is no information to send because he hasn't got any information back yet.

Wagner again requested copy of written request because that is the only way ISO would accept request to perform audit.

Wagner explained the service calls layer and why it is important to the city's different departments.

- 8. COMMENTS FROM COMMISSIONERS** – No comments from the Commissioners.

Carroll stated that he will get Newman's contract to Elite Title as soon as possible.

- 9. ADJOURN** – A motion to adjourn made by Zulpo, motion passed unanimously