

Minutes, Pecan Valley RWD, Board of Directors, October 8, 2024

Jim Hampshire, Chairman, called the meeting to order at 7:00 PM.

Roll Call: Ed Hewett present, Leighton Duitsman present, Bill Malone present, and Jim Hampshire present. Jim declared a quorum. Also present, Jack Outhier, Manager.

Minutes: Bill Malone moved that the minutes of the September 10 meeting be approved. Ed Hewett seconded the motion. Ed aye, Leighton aye, Bill aye, Jim aye. Motion carried.

Financial Report: Bill presented the September Financial Report. Ed Hewett moved that the report be accepted as presented. Leighton Duitsman seconded the motion. Ed aye, Leighton aye, Bill aye, Jim aye. Motion carried.

Manager's Report:

Jack reported we received a check for the Rural Infrastructure Grant for \$55,147.00. This was for the funds reallocated from the water meter replacement project to the sewer dike repair project. This funding covers all but about \$12,000 of the rock used in that project.

We had two major water blowouts in September resulting in total service interruptions and back-to-back Boil Water Advisories. Both these were at the site where we've had two previous such incidents, our Pressure Reduction Zone, PRZ valves, in the smaller vault just west of the Master Meter vault. On our State Mandated Sustainability Plan, I had listed that valve assembly as our single greatest risk to our continuity of service. This is based on two primary criteria; 1) Likelihood of failure, 2) Severity of Impact of failure. I had rated the likelihood as HIGH due to two previous failures and years of no maintenance. I had rated the Severity of Impact as HIGH as it would result in complete system shutdown – loss of service to entire community for however long it took to make repairs. This replacement now must take place as a Critical Repair with Highest Priority.

Ed would explain the process and necessary repair and that we will replace it with a redundant (duplicate) installation so that this same valve issue will not result in system shutdown in the future.

Old Business:

Discussed paying for the tractor as the motion was made two months prior to finance in for 3 years. In the intervening time, we had qualified for the State Purchasing Program where we purchased it directly from John Deere for 10% less, but that required paying it in a single payment due upon delivery. When going

that purchase route, Jim and Jack had discussed that we could finance it through Arvest to pay John Deere in a single payment. However, after they delivered the tractor, John Deere did not invoice us for it for almost 2 months. By this time, our financial position allows us to pay it in full without financing it as well as meet the other project requirements and still have a cushion. But as the August motion was to finance the tractor, we could not simply pay for it without the board making a different motion.

Ed made the motion that we pay for the tractor out of available funds. Bill seconded the motion. Ed aye, Bill aye, Leighton nay, Jim aye. Motion carried.

Jim Hampshire reported on the completion of the Lagoon Dike repair project with a presentation of before and after pictures and written description of the project. Jim's donated labor, allowing the District to do the project at only the cost of the soil and rock used, saved the District between \$3-4 Million from the original engineer's estimated cost of construction.

As recommended at the September meeting, new Policies were presented for approval regarding Employee Raises and Bonuses. cf. Recommendations under Unforeseen Business in September meeting. The Policies prepared were reviewed.

Ed made a motion that the Holiday Bonus Policy be approved, placing the decision regarding Holiday Bonuses on the November Board Agenda each year. Leighton seconded the motion. Ed aye, Bill aye, Leighton aye, Jim aye. Motion carried.

Ed made a motion that the Policy for Employee Merit Based Pay Raises be approved, placing the Employee Merit Based Pay Raises on the March Board Agenda for each year. Bill seconded the motion. Ed aye, Bill aye, Leighton aye, Jim aye. Motion carried.

New Business:

Ed made a presentation regarding the necessary process for replacing the Backflow prevention valves known as a Pressure Reduction Zone, and the need for redundancy. As an emergency repair, this could have proceeded without Board action, but as we are having this meeting now and the project might run \$30,000, it affords the Board opportunity to discuss it. Jack has verified that this improvement to the system does not require a new permit as it is not considered an "alteration" to the already approved system. It is in keeping with the approved PRZ assembly with the redundancy being a highly favored inclusion to greatly lessen the future risk of a recurring full system shutdown.

Ed was given approval to go ahead as the lead in completing this project.

Unforeseen New Business:

None

Adjournment: Bill made motion to adjourn, Leighton seconded. Ed aye, Jeff aye, Bill aye, Jim aye. Motion carried. Adjourned at 7:50 PM.

Secretary: 