

# High Knob Utilities, Inc.

## Meeting Minutes for April 11<sup>th</sup>, 2005

**NOTE:** *This meeting was originally scheduled for Saturday, April 9, but was rescheduled until Monday, April 11 because of a lack of a quorum for the April 9 meeting.*

**Call to Order:** Keith Arnett called the monthly meeting of the High Knob Utilities, Inc (HKUI) Board to order at 7:05 p.m. HKUI Board members in attendance were Keith Arnett, Robert Clough, and Josh Douglas.

**Previous Minutes:** Jem Anderson was called out of the country on short notice, and no previous minutes were available for review..

**Treasurer's Report:** Bob Brown was out of town on vacation, but left a treasurer's report for review. The report was accepted by unanimous vote.

**Operations Committee Report:** The Joint Operations Committee meeting was held March 28, 2005. Keith Arnett presented the portions of the JOC minutes pertaining to HKUI operations, including:

- the draft maintenance schedule prepared by Jerry Pomeroy was reviewed and updated
- the VDH notice of non-compliance with testing procedures was discussed, an explanation will be included with the upcoming water bills
- Bob Brown is nearing completion of the reconciliation of the water capitalization fees collected by HKOAI for HKUI, and will present to both boards as soon as possible

**Staff Reports:** Kim Renz reported that the meters were read and quarterly bills are expected to be in the mail by Friday, April 15. A large construction trailer that was parked near the office was scheduled to be moved Tuesday, April 12. This trailer was parked without permission, the contractor has been informed of proper procedures. Kim requested an update on the tax exemption application made to Warren County – no one had details, she was referred to Doug Stanley.

Jerry Pomeroy reported that he was on schedule with the items listed on the revised maintenance schedule. He is ordering eight truck loads of gravel over the next few weeks to support operations.

**Water Project Manager's Report:** Dan Althouse was not present. Jerry reported that work was still proceeding on the SCADA system, and some details still needed to be worked out.

**Unfinished Business:** Keith Arnett presented the maintenance schedule as revised by the Joint Operations Committee for the board's information. The schedule will continue to be revised on a monthly basis.

Keith Arnett presented an issue for the board's consideration concerning recommended additions to the SCADA system, as prepared by Dan Althouse. First, the system was designed and installed with 300 data sampling connections, which was estimated by the vendor (Synchrony) as being adequate for High Knob operations. However, system tests have proven that this number is inadequate, and an upgrade to 1500 units is required (this is the next level). As a good-faith gesture, Synchrony is making this upgrade available to HKUI at cost.

The second item is Dan's recommendation for additional reporting software not included in the original package. This will provide valuable analytical and trending information that will enhance our understanding of the water system operation and customer demand.

Together, the upgrade and reporting software amounts to \$5,200. There are adequate funds in the outstanding loan amount to cover this expense. Josh Douglas made a motion that the purchase be authorized in the amount of \$5,200. Rob Clough seconded. The motion passed unanimously.

**New Business:** Keith Arnett mentioned that Bob Brown would be presenting a reconciliation of the water capitalization fees at the next board meeting.

Keith Arnett presented the notice of violation of testing procedure received by HKUI from the VDH. The violation stated that HKUI did not complete the required cyanide testing. The reason we did not submit the required sample is that in the time since we submitted our last sample, VDH reduced the scheduled sample interval from once every nine years to once every three years. VDH records indicate that High Knob Utilities was never informed of this change in requirements.

Our last sample was taken in 2000, and the next sample was scheduled for 2009. With the reduction in sample period, we are now technically in violation, and are required to inform our customers of the violation notice. The sample will be submitted as required in our next round of sampling scheduled for April – June 2005. As required by VDH, an explanation will be included with the next water bill. Also, notice must be given to all new water customers until the test is submitted.

Keith Arnett informed the board of a somewhat confusing situation concerning our licensed water operator status. Larry Duval of Wyse Engineering is our licensed operator of record, and we are also using the services of Dan Althouse, who is also a licensed operator, but who is not our operator of record. There are no immediate action items, but the situation needs to be investigated and clarified as to who is responsible for what. Keith will be meeting with Dan to discuss the situation further. Jerry suggested getting all parties (HKUI, Wyse, and Dan) together to resolve the issue. There is also an outstanding action item to wrap up the turnover of the water project from Dan to HKUI staff, and the need to request return of the Motorola phone he has been issued.

Josh Douglas mentioned that the HKOAI board is looking into holding bi-monthly meetings instead of monthly meetings. Keith Arnett commented that this may be premature, and would be more appropriate after we establish a more solid operational base. Also, if any board member misses a meeting, it means they go four months between meetings.

**Question and Comment Period:** There were no additional questions or comments.

**Executive Session:** The Board met briefly in executive session to address personnel matters. No votes were taken by the Board during the executive session.

The meeting adjourned at 8:10 p.m. The next meeting is scheduled for 7:00 p.m. on May 9<sup>th</sup>, and the Operations Committee meeting is scheduled to meet at 7:30 p.m. on Monday, April 20<sup>th</sup>.

Keith Arnett  
President, HKUI