

Minutes of the Board of Directors' Mtg, May 10, 2022

Meeting called to order at 6:30 PM by Chairman, Josh Powers.

Roll call: Board members Josh Powers, Ed Hewett, Jim Hampshire, Bill Malone, and Larry Adair, present. Manager Jack Outhier present.

Minutes from April 12th meeting were reviewed. Bill made motion, Ed seconded that the minutes be approved. Roll call; Ed voted aye, Larry voted aye, Bill voted aye, Jim voted aye, Josh voted aye.

Financial Statement was presented. Had statement for the month of April, plus YTD, as well as the payroll report. Jim made motion, Ed seconded, to approve financial reports. Ed aye, Larry abstained, Bill aye, Larry aye, Josh aye.

District Manager Reports:

1. Update in contractor/employee status and updates. It was pointed out we needed I-9s.
2. New conclusions related to the Inflow & Infiltration, I&I, on our sewer system and where this directs us in the future. Lengthy discussion about problem and solutions.
3. Change in property transfer plan from Lawton Christian School following sale of the school.
4. Cache School relationship and plans. Jack was instructed not to make any further agreements without board approval.
5. Funding applied for under ARPA, American Rescue Plan Act, 2021. Submitted two higher priority funding needs; one purchase and one project:
 - a. Purchase – Trailer Mounted, diesel powered, high volume, sewer bypass pump. Estimated cost; \$9,500
 - b. Project – Connecting the potable line in PV North between the 10" main along Cache Rd at Pecan Valley Dr to the potable distribution line that terminates at north property line of 1B Pecan Valley Dr, approximately 165'. Projected cost; \$42,000
6. ORWA EXPO in Stillwater June 15th & 16th. Classes offered there.
7. Different ORWA programs planned and being scheduled and done.
 - a. Leak Detection we did last month and some findings.
 - b. Schedule for Water Audit. (see EPA attachment)
 - c. Mention key causes for water loss ratio and our plans to rectify these
8. Discussed the impact of Cable companies' installations. RWD has no relationship with cable companies.

Old Business:

1. Discussed Responses to Sewer Rate Increases.

- a. Installation of Irrigation meters – cost and charges, charging \$360 to install an irrigation meter.
 - b. Discussed Pool concerns and situation of PV North residents who are on our sewer; we get no solid waste from them as they have septic systems, then the outflow goes to our system rather than lateral lines. They will be billed for sewer the same as PV South.
2. Flat rate on irrigation meters set at \$12/meter.

New Business discussed:

1. Plan for water rate increase. Discussion only as we have not yet seen a new Lawton Water bill, so uncertain of that impact.
2. Various options were considered with these factors considered:
 - a. Pecan Valley has not seen a water rate increase in 5 years, since 2017.
 - b. 15% increase anticipated from the City of Lawton, which would be roughly 73¢ /thousand gallons raising our cost to approximately \$5.55/1,000 gallons.
 - c. We billed for ~53,000,000 gallons last year but because of about a 15% loss ratio, we paid for over 62,000,000 gallons in the same 12 months. This resulted in a net loss of ~\$43,000 on water income compared to water cost. A loss ratio was never calculated into the rate increase granted PVW in 2017.
 - d. The breakeven to offset this loss ratio is an increase of 17.65% of the cost of the water to us. If our cost goes to \$5.55/1,000 our minimum breakeven is \$0.98 or \$6.53/1,000 gallons. Attachments reflect the impact of various rates on users at different volumes.
3. First discussion of Solid Waste Disposal. Under OS Title 82: Chapter 18 Rural Water, Sewer, Gas and Solid Waste Management Districts Act, we do have the authority to manage Solid Waste for our District although that was never our plan. This is being discussed only because of considerations for our streets. This might be a long-term study to determine value to community and benefit to District but board expressed no interest to become involved in this at this point.

Ed made the motion, Jim seconded to adjourn. Larry voted aye, Ed voted Aye, Jim voted aye, Bill voted aye.

Meeting Adjourned at 8:14 PM.

Minutes Approved 6/14/2022.