



RECORD OF PROCEEDINGS

REGULAR MEETING OF THE BOARD OF DIRECTORS THREE LAKES WATER AND SANITATION DISTRICT MONDAY, AUGUST 9, 2021 6:30 PM

1. **CALL TO ORDER**

A regular meeting of the Board of Directors was called to order by Chairwoman Farmer, at 6:30 p.m. The meeting was held remotely.

Directors Present: Pat Farmer – Chairwoman
Matt Reed – Vice Chairman
Scott Huff – Secretary/Treasurer
Judy Acierno – Director

Staff Present: Katie Nicholls – District Manager
Mike Gibboni – Superintendent

2. **COMMENTS BY THE CHAIRWOMAN**

By MOTION, second, and unanimous vote the Board excused Director Golden's absence from the meeting.

3. **INTRODUCTIONS OF PUBLIC PRESENT**

None.

4. **ACCEPTANCE OF MINUTES**

By MOTION, second, and unanimous vote the July 12, 2021 Meeting Minutes were approved as presented.

5. **MATTERS BEFORE THE BOARD**

a. **Resolution 2021-8-1; a resolution ratifying acceptance of completed construction of the Copper Removal Project**

District Manger Nicholls stated the Copper Removal Project has been completed per the contract terms and to the satisfaction of staff, with the exception of concrete spalling which will be addressed in spring to determine if it will spread further during the winter and ensure the repair is appropriate. By MOTION, second, and unanimous vote the Board approved Resolution 2021-8-1; a resolution ratifying acceptance of completed construction of the Copper Removal Project.

b. **Resolution 2021-8-2; a resolution adopting amended Bylaws**

District Manager Nicholls stated that the new attorney updated the Bylaws to be in line with existing laws and add allowable electronic business processes. By **MOTION**, second, and unanimous vote the Board approved Resolution 2021-8-2, a resolution adopting amended Bylaws.

c. **Consideration of engagement of services with McMahan and Associates, LLC to provide audited financial statements for the 2021 calendar year**

District Manager Nicholls stated that the District could bid out the 2021 audit if they like, but the audit process and transparency of the financials has been working great with Day and Associates acting as a third party overview for the District and feels that a change is not necessary. She recommended the District engage the services of McMahan and Associates. By **MOTION**, second, and unanimous vote the Board engaged the services of McMahan and Associates, LLC to provide audited financial statements for the 2021 calendar year.

d. **Discussion: 2022 rate increase**

District Manager Nicholls stated that the Rate Study has been updated continuing the plan for rate increases with a \$6.00 per quarter increase applied. This would be a 5.4% increase for 2022 and will end with a 3.6% increase within 10 years, which would be have the District be around 10% funded. The Board directed her to set a Public Hearing for the rate increase at the September 20, 2021 meeting. The meeting will be held in-person, as well as electronically.

6. **PUBLIC COMMENT**

None.

7. **FINANCIAL REPORTS**

By **MOTION**, second, and unanimous vote the checklist for the month of July was approved. The financial documents for July were reviewed, and accepted as presented.

8. **MATTERS OF DISCUSSION AS BROUGHT FORTH BY BOARD MEMBERS**

None.

9. **SUPERINTENDENT REPORT**

Superintendent Gibboni presented the Superintendent report. He noted that an extensive repair is needed at the plant as one of pumps is losing a bearing. The repair is about 8 weeks out due to timing for parts delivery.

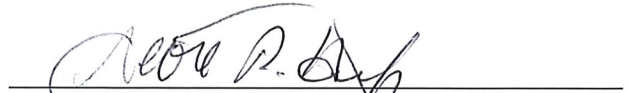
10. **DISTRICT MANAGER REPORT**

Manager Nicholls presented the District Manager report. She noted that the District has a cyber audit scheduled for later on in the month. Once completed the district will have increased cyber coverage. She reminded the Board that the September meeting was moved to September 20, 2021 due to the SDA conference.

With no further business before the Board, the meeting was adjourned at 7:00 p.m.



Katie Nicholls, Reporting Secretary



Scott Huff, Secretary/Treasurer