

UNION WILLIAMS PUBLIC SERVICE DISTRICT

Regular Board Meeting

May 17, 2006

MINUTES & TREASURER'S REPORT

APPROVED

BY: *Steve Hardman*

DATE: 6-14-06

Roll Call:

S. L. Nulter, Chairman
R. J. Mullenix, Treasurer
H. E. Seufer, Secretary

Attending:

D. Pauline Lowers, UWPSD
Steve Hardman, Bowles, Rice, McDavid, Graff, and Love
Dominick Cerrone, Cerrone Associates
Gale Smith, Diversified Enterprise, Inc.
Justin Smith, Diversified Enterprise, Inc.
Robert & Kathy Kimble, Access Road

Location and Time:

6:30 P.M. District Office

Minutes by:

J. L. Dotson

S. L. Nulter called the meeting to order.

Read minutes of regular board meeting from April 19, 2006. R. J. Mullenix moved to accept minutes. H. E. Seufer second. Unanimous.

H. E. Seufer moved to accept the financial reports for April 30, 2006. R. J. Mullenix second. Unanimous.

Discussed Wastewater Project. Discussed customer concerns. Robert and Kathy Kimble came to say, they were told in the winter that the contractor would be back in May, and it is now May. Gale Smith discussed what work is left to be done. The Kimbles said not much was completed when they last worked on it. Mrs. Kimble asked if Hoy was coming back to work on it. She said the last time Gale met with them he said Hoy was coming back. Gale said he would not say Hoy is coming back, but they will do the work they said they would do. They discussed the work yet to be done some more. Gale said he was disappointed because he thought their people had completed more of the work previously. Gale said he will have his people do the work, then he will come back and look at it. Mrs. Kimble said that they asked the contractor to use the farm road and not the road to the house, but Jerry Blair used the road to the house anyhow. Gale said they would use the other road.

Robert Millburn and Pam Hall were not present. Jerry Dotson spoke to Mr. Millburn. His

concern was that people are dumping trash on the Brierwood packaged plant property. He wanted to know who owns the property. Mr. Dotson explained it belongs to the Brierwood Homeowner's Association, and suggested Mr. Millburn call Howard Cunningham.

Discussed Mrs. McClung's complaint. She asked Pauline Lowers to speak on her behalf. She is elderly and her husband has been in and out of the hospital lately. She said Jerry Blair was very rude when he spoke with her. She said there are limbs hanging in a tree where the contractor broke them, there is a bog in the yard where they channeled water from the leach bed, there are ruts in the yard that need leveled, seeded and strawed. Also, they cut down three cherry trees and were supposed to leave the wood, but they took it. Gale said he was led to believe they had done all they could on the McClung property. It was suggested that the property can be inspected during the warranty walk through on the 25th.

Discussed Dennis Horton. Mr. Horton lives in North Hills. He was not present at the meeting, but had told Kathy Kimble he would be. Mr. Horton asked for a sewer credit for filling his swimming pool. Mr. Seufer asked if he was told that was contrary to the District's policy, and that he can get a convenience meter for filling his pool. Jerry Dotson said that is what he was told.

Discussed the air release on Dennis Reed's property. The charcoal filter has been installed and so far has eliminated the odor problem.

Discussed the field orders from the previous meeting. Gale Smith said he is preparing a response to the orders.

S. L. Nulter asked if there were any other customer concerns. There were not. He asked if the District is still receiving complaints. Pauline said they are still coming in. Gale Smith said that, of the complaints Pauline had given him this evening, he was aware of all but two situations.

Dominick Cerrone provided an update. There are now 86 signed releases for customer complaints. The contractor continues to complete the work, and 86 is a good approximation of a 1/4 block of the complaints. He feels the time is right to recommend payment of one 1/4 block of the retainage. He also said the pay requisition includes the grinder pump start-up that was withheld because of a lack of start-up sheets. Out of 257 grinder pumps, there are only nine missing start up-sheets. Cerrone is in a position, due to the confidence of the pump warranty, to recommend payment of the retainage related to the grinder pump start-up sheets. Therefore the pay requisition includes \$80,122.95 for the complaints and \$45,785.00 for the e-one start-up sheets for a total of \$125,907.95. Dominick said, since the requisition has already been submitted to the DEP to procure the remaining retainage, the DEP asked the District to pass a resolution to pay the contractor. Jerry Dotson asked if the DEP needed to approve the resolution prior to paying the contractor. Dominick said no. Steve Nulter asked if Thrasher could be paid since the DEP is not approving the requisitions. Jerry Dotson said the DEP said the Thrasher expense does not qualify for their funds. H. E. Seufer moved to approve the resolution for pay requisition #29. R. J. Mullenix second. Unanimous.

Discussed the project funds remaining. Dominick talked about the money remaining and said the budget does not reflect the remaining funds because the District has drawn down the retainage for contracts #2 and #3.

Steve Nulter asked for a plan to reconcile the remaining complaints. Dominick suggested some can be inspected during the warranty walk through. Gale said they have 165 that still need to be addressed. Mr. Nulter asked if an attempt had been made to contact these people, besides the two letters that were mailed. Gale said Jerry Blair began the process by calling customers to resolve the complaints. He was somewhat successful. From that effort the contractor decided to send the two letters. Steve Nulter asked Steve Hardman that since the District received a formal complaint, without a formal resolution, does the District still have some exposure for liability. Gale Smith said the purpose of the second letter was to assure a response from any customer that still had an issue. Steve Nulter asked if there was any response. Gale said there was some. Steve Hardman said this is a policy decision for the board to make. He said there are several options. One is to get a signed release, however, obviously we have always know that getting a signed release from everyone will be impossible. Gale said he has instructed his people to get a signed release, but if the work looks good, but the customer will not sign a release, they are to note that on the form and turn it in. Steve Nulter asked if it is necessary to have the properties inspected. Steve Hardman said that would bring up the issue of additional inspection costs. Dominick Cerrone asked if resources were available for the District to do some inspection. Jerry Dotson said the District does not have the staffing to perform inspections. Steve Hardman said that would put the District in a bad position anyhow, because the District is not the proper party to inspect the work. Gale Smith suggested they could do an approved or not approved form, rather than ask the customers to sign a release, because of the impression the term release gives the customers. Steve Nulter said the board needs some for of finalization. Since there are actual complaints, and since the restoration was not done in a timely manner as required by the contract, the District needs something more than an implied release due to lack of response. Mr. Seuffer asked if this conversation was referring only to customers who had filed a complaint. It was agreed that they are only referring to customers who have submitted complaints. Steve Nulter said the only other alternative he sees is if Thrasher would provide someone to inspect the complaints. Discussed the DEP's position on inspection after substantial completion.

Dominick provided an update on contract #6. Stonegate began work on Monday. They are starting with the packaged plants. Next month when the contractor receives their land application permit, they will begin on the ponds. Some packaged plants were omitted on the schedule the contractor provided. Dominick said they need to follow up on those plants. Steve Nulter asked Dominick how many ponds exist. Dominick said about fifteen.

There was no update from Thrasher. Roger Hager is inspecting contract #6.

Discussed completion of punch list and complaints. Gale Smith said he still anticipates the May - June time line. Dominick mentioned that there is only two weeks left in May. Gale said they had not anticipated the wet weather encountered in the last couple weeks.

H. E. Seufer moved to pay Requisitions #1 and #2. R. J. Mullenix second. Unanimous.

Steve Nulter will not be available on June 21, so the next meeting is scheduled for June 14, the second Wednesday.

Meeting adjourned at 8:21 PM.