

LUBECK PUBLIC SERVICE DISTRICT

December 16, 2010 7:00 PM

Jerry R. Martin, Chairman
 Roger D. Martin, Treasurer
 John H. Sines, Secretary

Attending: Jerry Martin, Roger Martin, John Sines, Jim Cox,
 Rocky McConnell, Phil Postlewait, Jonathan ?, Kyle Burnett,
 Craig Richards, Judy Boston

| NO. OF CUSTOMERS: | Section | | Sewer | Water |
|-------------------|-----------------------------|--|-------|-------|
| | 1 Lake Washington Road | | 323 | 512 |
| | 2 Lubeck | | 349 | 450 |
| | 3 Riverhill - Blenn Hgts | | 281 | 397 |
| | 4 DuPont Rd | | 293 | 314 |
| | 5 Larkmead Rd. | | 113 | 366 |
| | 6 LMH - Homewood Rd. | | 0 | 318 |
| | 7 Washington Bottom | | 302 | 400 |
| | 8 New England Ridge | | 182 | 337 |
| | 9 Lubeck South | | 201 | 329 |
| | 10 Larkmead Area - Marrtown | | 75 | 372 |
| | 11 Rt 68 South - Hbpewell | | 0 | 261 |
| | 12 Mitchell's | | 94 | 100 |
| | 13 Westover & Wakefield | | 29 | 32 |
| | Total Customers | | 2242 | 4188 |

TREASURER'S REPORT:

| | |
|-------------------------|--------------|
| Revenue Fund WW Central | -\$50,569.05 |
| O & M Fund WW Central | -\$33,414.69 |
| RUS Construction Acct | \$0.00 |
| IJDC Construction Acct | \$0.00 |

| | |
|--|-------------|
| Transfer From Revenue to O&M Checking Acct | \$4,000.00 |
| Transfer From Revenue to O&M Checking Acct | \$27,500.00 |
| Transfer From Revenue to O&M Checking Acct | \$36,500.00 |

The following transfers were made to cover payroll & bills since the last board meeting

| | |
|--|-------------|
| Transfer From Revenue to O&M Checking Acct | \$15,646.49 |
| Transfer From Revenue to WesBance Tax Acct | \$6,113.26 |
| Transfer From Revenue to O&M Checking Acct | \$5,933.79 |
| Transfer From Revenue to WesBance Tax Acct | \$1,796.03 |
| Transfer From Revenue to O&M Checking Acct | \$15,485.50 |
| Transfer From Revenue to WesBance Tax Acct | \$6,093.74 |

BUSINESS: Prayer by Jerry Martin followed by the Pledge.

A) Moved by Roger Martin, seconded by John Sines that the minutes of the Board meeting of November 11, 2010 and the Special Board meeting of November 22, 2010 be approved. Passed unanimously.

DISCUSSION OF DISTRICT HAPPENINGS:

It was reported what has been happening in the District:

- A) Installed 2 water taps since the last Board meeting. There are 0 water taps to be installed. This gives us 15 water taps for 2010. The District has installed 0 sewer taps since the last Board meeting. There are 0 sewer taps to be installed. This gives us 3 sewer taps for 2010.
- B) Did turn offs and turn ons.
- C) Repaired 2 main line leaks and 1 service line leak.
- D) Ran the sewer camera and jetter at Pahlhurst. End up being customers problem.
- E) Replaced the fuel pump in W-1.
- F) Working on painting at the water plant.
- G) Testing water meters and repaired meter testing bench.
- H) Unloaded more water pipe.
- I) Completed work orders, spotted lines, set meters.

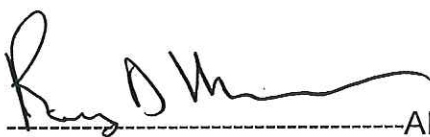
It was reported what Bill and Rod have been working on:

| | |
|----------------------------------|--------------------|
| November Water Pumped to System: | 24,812,000 Gallons |
| Homewood Booster Station: | 1,603,242 Gallons |
| New England Booster Station: | 1,230,944 Gallons |
| High Water Usage and Day: | 1,016,100 on 11/10 |
| Low Water Usage and Day: | 703,100 on 11/14 |

GENERAL BUSINESS:

A) Moved by Roger Martin, seconded by John Sines that all bills be approved as reviewed by management and the Board, in addition to all fund transfers as presented. Passed unanimously.

- B) Lake Washington Club Sewer Project – The District received the Final Staff Memorandum late last week. In it they pointed out an error on our part in the filing that showed we were under our required 100% coverage for the sewer department. Therefore, the District needs to first file for a general rate increase to get us back to the 110% coverage and then after much talking to PSC staff I was able to get them to allow us to continue the L. Washington case until November 2011. By doing this I am hoping to keep the almost \$3 million in grant and loan forgiveness money.
- C) In reference to the Wadesville Water project, the contract documents have been submitted to our attorney for his review. It should also be noted that the bids came in about \$1 million under the engineers estimate. If you remember, the District received an extra loan and grant to pay for what, at that time, we thought might be an overrun on price. RUS or RD has recaptured that money back and we still have an excess of \$661,000. The District is looking at what areas we might be able to extend water service into. Although there were a couple of minor irregularities in the Stonegate bid, Mr. Myers states that these can be waived. Moved by Roger Martin, seconded by John Sines that the District award, contingent upon bond closing, the Wadesville Water Project to Stonegate Construction and waive any irregularities with a bid of \$1,830,457. Passed unanimously.
- D) Ball School Road Water Project - The men continue to try and work as much as possible but have been fighting the bad weather.
- E) Moved by Roger Martin, seconded by John Sines that the District receive and file the November 2010 financial statements as prepared by Philip R. Postlewait, Jr., CPA. Passed unanimously.
- F) Moved by John Sines, seconded by Roger Martin that the District file for a 4% sewer rate increase. Passed.
- G) Meeting adjourned



APPROVED



ATTESTED