

1. The meeting was called to order at 6:01 pm.
2. The Pledge of Allegiance was led by Co-Chairman Harold Merritt.
3. Roll Call: Neil Duncan, Mayor Moser, and Harold Merritt were present. Kevin Sair was excused. Nathan Bronemann took minutes. Gary Kuhlmann, legal counsel was present. Bob Davis of Ensign Engineering was present.
4. Declarations of conflict of interests.

None stated.

5. Consideration for and adoption of a Parameters Resolution authorizing the issuance Parity Water Revenue Bonds and a Parity Water Revenue Bond Anticipation Note in connection therewith for the purpose of defraying the cost of improvements to the culinary water system of Big Plains Water and Sewer Special Service District and calling of a public hearing to receive input with respect to the issuance of such Bonds and Note and any potential impact to the private sector from the construction of the Project.

Gary Kuhlmann explained that the parameters resolution sets out the scope that is going to be considered with regard to the issuance of bonds. He said that this specific resolution set the parameters to consider issuance of bonds of no more than \$5 million, a payback period of no more than 45 years, and interest of no more than 5%. He explained the anticipation note. He said that once you are in the process of issuing bonds, you can get loans based on anticipation of the bonds being issued. He said that it is basically an advance. He said that the parameters with regard to the bond anticipation note are no more than \$3 million with a maturity of not more than 3 years.

Gary Kuhlmann said that there were a couple changes that needed to be made to the parameters resolution as it currently reads. He said that section one needed to be changed to include specific acquisitions of water assets. He said that section four needed to be changed to read "The Spectrum" rather than "The Insider" as the newspaper of general circulation. He said that on the last page of the resolution that has the certification by the secretary who is listed as "Leon Hyatt" but should denote "Neil Duncan" as secretary. He said that the resolution needed to be changed to state that a "portion of the minutes" would be included rather than simply "the minutes".

Gary Kuhlmann said that given those changes, he everything else in the resolution seemed appropriate. He explained that approving the parameters resolution was not a commitment to issue the bonds, but that the SSD board was setting up the parameters of the bonds that would be considered. He said that there would then need to be a hearing and then the SSD board would have to make a decision on whether or not to issue the bonds.

Motion made by Neil Duncan to approve the Parameters Resolution. Mayor Moser seconded the motion. Vote: Neil Duncan-yes, Mayor Moser-yes, and Harold Merritt-yes. The motion passed 3/0.

6. Discussion and action on appointing a new Chairman of the Board of Directors

Mayor Moser that since Dennis Bass had resigned from the board and as chairman and that a new chairman needed to be appointed.

Motion made by Neil Duncan to appoint Harold Merritt as the new chairman of the board of directors. Mayor Moser seconded the motion. Vote: Neil Duncan-yes, Mayor Moser-yes, and Harold Merritt-yes. The motion passed 3/0.

7. Discussion and action on advertising to hire a certified operator

Neil Duncan said that Mr. Dale Harris had contacted him and asked how the hiring process was going.

Mayor Moser said that they would need to advertise and then interview candidates.

Motion made by Mayor Moser to advertise the certified operator job position with The Spectrum, Apple Views as well as online. Neil Duncan seconded the motion. Vote: Neil Duncan-yes, Mayor Moser-yes, and Harold Merritt-yes. The motion passed 3/0.

8. Discussion and action on assuming operations of the water company – Rod Mills

Mayor Moser mentioned that Rod Mills was unable to attend and that Bob Davis was in attendance and would be reporting in place of Mr. Mills.

Bob Davis distributed and explained a handout that Rod Mills had prepared. This handout outlined the plan that needs to take place as the SSD assumes operations of the water companies. See attached.

Mayor Moser said that he had discussed the operations knowledge with Rod Mills earlier in the week. They had specifically discussed the decision of when to take over operations of the Cedar Point Water Company. He said that since Max Barker, the Cedar Point operator was on a very limited payroll, the SSD may have to compensate him for his time to divulge his knowledge to the new certified operator.

9. Status update on the purchase agreement – Mayor Moser

Gary Kuhlmann reported that there was an issue regarding ownership of assets and proper transfer of those assets. He said that they now had title reports on most of the assets in question. He said that one of the big issues was obtaining warranties on the reliability of the assets in the system. He said that they were moving forward with the review of all of the assets. He said that there were still some questions with regard to the probate from when Ted Gubler had died.

Neil Duncan asked about a timeline.

Gary Kuhlmann said that they were waiting for all the information to come in and that as soon as they had all of the information, they could have a final agreement in about a week's time.

10. Discussion and possible action on tentative purchase

Motion made by Mayor Moser to table this item until the documents are completed. Neil Duncan seconded the motion. Vote: Neil Duncan-yes, Mayor Moser-yes, and Harold Merritt-yes. The motion passed 3/0.

11. Discussion and action on setting a date for the bond hearing

Mayor Moser said that the parameters resolution stated that there would be public hearing on August 1st, 2012 at 6:00 pm at the Smithsonian Fire Station.

Motion made by Mayor Moser to schedule the public hearing for August 1st, 2012 at 6:00 pm at the Smithsonian Fire Station. Neil Duncan seconded the motion. Vote: Neil Duncan-yes, Mayor Moser-yes, and Harold Merritt-yes. The motion passed 3/0.

12. Acquisitions – Dennis Bass

Nothing to report.

13. Funding – Kevin Sair

Nothing to report.

14. Operations – Neil Duncan

Neil Duncan said that the biggest concern was to get the certified operator position advertised so that they can get started on the operations logistics. He suggested that they create a binder that has notes on valves and their locations.

15. Resource Management – Mayor Moser

Mayor Moser reported that they would be bringing over data from Cedar Point soon.

16. Development – Harold Merritt

Nothing to report.

17. Consider approval of minutes:

a. June 20, 2012 Regular Meeting Minutes

Motion made by Neil Duncan to approve the June 20, 2012 regular meeting minutes. Mayor Moser seconded the motion. Vote: Neil Duncan-yes, Mayor Moser-yes, and Harold Merritt-yes. The motion passed 3/0.

18. Request for a closed session

None requested.

19. Adjournment

Motion made by Harold Merritt to adjourn the meeting. Neil Duncan seconded the motion. Vote: Neil Duncan-yes, Mayor Moser-yes, and Harold Merritt-yes. The motion passed 3/0.

Meeting adjourned at approximately 6:32 PM.

Date approved: _____

ATTEST BY: _____
Nathan Bronemann

Co-Chairman Harold Merritt

Water Systems Transition Plan

Big Plains Water & Sewer Special Service District

Knowledge Transfer & Transition

A. Management Knowledge Transfer

- Management Role Definitions & Descriptions
- Transitional Management & Leadership Determination

Accountability: Board of Directors
Rod Mills

B. Operational Knowledge

- Sources, Storage, and Piping Network
- System Patterns & Capacities
- System Needs Assessment
- Operation Assessment of Key System Elements

Accountability: Operator to Operator

C. Financial Knowledge Transfer

- Customer Account Status
- Data Entry
- Accounts Receivable & Accounts Payable Management
- Collections & Interface with Operations on Bad Debt
- Bank Account & Account Management

Accountability: Nathan Bronemann

D. System Knowledge

- Technical Data
- Engineering System Data
- Enhanced Modeling & Fire Flow Management

Accountability: Rod Mills

E. Water Rights

- Existing System Water Rights Further Evaluation
- Water Rights Acquisition & Transfer

Accountability: Kelly Crane
Rod Mills