

# South Toledo Bend Water District



3260 Little Flock Road • Many, LA. 71449



Malcolm Franks, President • Michael Walker, Vice President  
Anna Ferguson, Secretary/Treasurer  
Commissioners: Tim Collins • Michael Pitt

## Minutes of South Toledo Bend Water Board April 14, 2022

Board Members Present: Malcolm Franks, Anna Ferguson, Mike Walker, Tim Collins (via phone), Mike Pitt  
Others Present: Stephen Steinke (Steinke & Assoc.), Jennifer Hawkins (TCBT), Rick Leonard

Meeting was called to order at 5:30 PM by Malcolm Franks. A prayer was said, the roll was called and there was a quorum to conduct business.

A motion was made by Mike Walker to adopt the agenda, 2<sup>nd</sup> by Mike Pitt, motion passed unanimously.

No public was present.

### NEW BUSINESS:

1. The minutes of the March 10th meeting were brought to the floor for approval. A motion to approve the March minutes was made by Mike Pitt, 2<sup>nd</sup> by Mike Walker, motion passed unanimously.
2. The treasurer's report for March was presented by Anna Ferguson. Members were presented with a bank balance sheet. The mastercard bill is showing unpaid and after checking with the bank, the check has not cleared the bank, yet. Anna asked Mr. Steinke if she needed to put a stop payment on the check and he told her no. It was voided in Sage and a check was re-issued, so if the check shows up, it will just put a credit on the account. Checks #15185 thru 15215 were written from March 21 to April 14. In the sinking fund account, we should be at \$113,000 and we're at about \$126,000 so that gives a little bit of a cushion. Malcolm stated that they had agreed to increase the amount to \$16,000 that will go into this account but that at some point we may need to reconsider this because now it's going against the budget. Anna asked if he wanted to go back to the original amount and he stated not right now. The Parochial retirement check was sent priority mail so that it can be tracked. Last year, it got lost in the mail. Checks #150, 151 & 152 were written out of the asset replacement account. These were to pay Blueprint, Continental and Meyer & Associates. Malcolm asked if we had received the check for \$106,588.85 from the State to take care of pay request #5. Anna told him that it usually goes to Stephen's office, and he lets us know when it is received. We are signing off on the bills for this, but no payments will be sent out until the check is received. Mike Pitt asked if we needed to do a motion to go back to the previous amount that Anna was depositing into the sinking fund account. Malcolm said he would like to as it would help when he is working on the budget. Anna said that right now the deposit she is supposed to make is \$12,600 and she's making \$14,000 but that in July, it increases to \$14,900. I will still have to increase it in July. Malcolm said to just leave it at the \$16,000 that we agreed on and he'll work it out. A motion to accept the treasurer's report was made by Mike Pitt, 2<sup>nd</sup> by Mike Walker, motion passed unanimously.
3. A motion to authorize payment of the bills was made by Mike Walker, 2<sup>nd</sup> by Mike Pitt, motion passed unanimously.
4. Stephen Steinke (1<sup>st</sup> Qtr financials): The board discussed the quarterly statement ending December 31, 2021. Stephen stated that each year, the total cash has continued to increase which is good to see. Malcolm asked him for his assessment of the overall finances and Stephen said it was good. The revenue continues to be strong. Your revenue's not going down and you are producing cash, overall. Malcolm said that as we go into this (our projects) the revenue has to be strong. We all worked on the fact that the well water sourcing would lessen our costs overall here at the plant. Stephen said things look good. Stephen said he and Malcolm had a discussion the other day about, depending on how the well does, maybe being able to sell water. Malcolm asked Stephen to tell the board members about this. Stephen informed the board members that he was on the economic development counsel as well for the police jury and that they are concerned about the Toledo Town/Hwy 6 area being able to get a good water supply for growth and expansion. Ebard is drilling some wells up north. We are just concerned about making sure we have a good water supply along Hwy 6, and it looks like it may be where if South Toledo Bend has excess capacity once the well is in

place and maybe you could start selling water to Ebarb to get water in that area. Pendleton Water covers sort of the southside of Hwy 6. They are surface water. We would be able to sell to Ebarb if we had the excess. I feel that would be good and help the Parish out quite a bit. Malcolm said that they are currently getting that water from District #1, but that District #1 has expanded so much that their excess supply is getting low. So, based on the one well testing that we just got, that one well is more than twice the amount that we need. We are looking at putting in a second one so if we could wholesale some water, that would be great. The 12" line is already in place. We acquired that line back from Ebarb a few years ago. All the lines are still there; the meters; the infrastructure. Stephen felt it would be good for everybody. Stephen said they are supposed to have an economic counsel meeting next week and he will let them know that you are definitely willing to have this discussion. Tim said that if we are going to do this, there will be a little study attached to this. (Time, distance travelled, chlorination). Rick said that when the water company was selling to them in the past, they had a storage tank there just the other side of Negreet School and they re-chlorinated and did what they had to do from there. Malcolm stated that the infrastructure was there. When their contract expired with us, they found they could go to District #1 and get it for a lot less because District #1 was well water, so they didn't renew our contract. We still have the line in place. We negotiated a few years ago to acquire that line back from them. It's from about the catholic church to the tie-in. All the meters are still in place and go straight to the tank.

5. Jennifer Hawkins (TCBT): The audit was presented. The financial statements were good. In the comparison of 9-30-20 to 9-30-21 the assets increased. The liabilities increased, also, but not at the same rate as the assets. In revenues, the biggest increase was insurance proceeds and some of the loan forgiveness. Your operating expenses have gone up and this will continue to go up as the prices of everything have gone up. The last page is the schedule of audit findings. You had an unmodified opinion. There were no material weaknesses in internal control that we found. There was one instance of non-compliance. That had to do with some of the loan information you got, so at the end of the year the cash balance was unsecured. It's State law that your cash has to be secured if not by the FDIC which is \$250,000 per interest bearing compared to non-interest bearing, then you have to have pledged securities. That has been corrected. All in all, everything looks good. For the 2022 audit, we will have to implement the agreed-upon procedures. Anna asked if there was anything that we needed to be aware of for next year. Jennifer said that in the "policies & procedures" they have implemented a sexual harassment policy. All you all have to do is implement that, vote on it, and everything else will be the same. Rick said that we have a sexual harassment policy in the employee handbook and that every employee is given the handbook. The board voted and implemented the policy in the handbook. Malcolm asked her if she found anything of concern and she said there were no issues of concern with the audit. Malcolm asked is the engagement needed to be redone and Jennifer stated that the engagement letter was good through next year.
6. Grant funds update (Water Sector Program): Malcolm read aloud a letter dated April 12, 2022, received from the Office of Community Development. "Again, congratulations on being selected as a recipient of Water Sector Program (WSP) funds. Upon receipt of this letter, you have the authorization to incur costs for planning and administration which includes items necessary to clear the grant agreement conditions contained herein." What they are saying here is we can get started. The number they have allowed us for construction and contingencies is \$3.8 million. We can start on the administrative costs of our project (engineering, submittals, etc.). There are a number of things we have to do. Rick was on a zoom meeting yesterday. It is going to be required that the water system go through a rate study. The company that is going to do it will be contacted by the State. This is a compliance issue. If the company recommends that the water company has to raise their rates, the board is going to have to act on this. Anna said this is part of the procedure. We have to have a performance schedule that starts from the quarter of the date of authorization to incur costs. We are also going to have to start a Title VI file, a discrimination file, and that not only covers this water company, but our contractors and their contractors. Malcolm said that this would be coordinated through engineering. Rick said yes, but that this file would have to be here should someone with the State want to see it. You are going to have to fill out a form for authorized signatures, as to who can sign. You have to have at least two to sign. They recommend more just in case you can't find one person to sign, you will have an extra one available. Also, this is a new program, and the compliance requirements will be updated throughout the program. I had an hour to download everything as it was mandatory that someone from this water system attend that meeting. Everything that gets signed has to be in blue ink; no whiteout, no correction tape. Malcolm said that one of the things that we have to do is have multiple signatures on these transactions. I asked that a resolution be prepared for tonight so that we could address this. If there is something that any of you would like to change in this, we can discuss it now. One of the things we will be doing on all the transactions against this project is one of the signatures signing off on this will be Rick because he is in a position to know that this work was completed. Then we are going to have a couple of commission members signing off on this, also. Now, we had a resolution authorizing me to get this all together. That has been done. Now we have to have a resolution for signing off on the transaction phase of this project. Malcolm read aloud Resolution No. 4.14.2022-1 "Be It Known that the Board of the South Toledo Bend Waterworks District hereby designates MICHAEL WALKER, vice-president of the Board, to certify the signatures of Malcolm Franks, Anna Ferguson, Michael Pitt and Richard Leonard on the authorized signature form for the Water Sector Program. So, any two of us can do it but we have to have someone to certify our signatures and we chose you to certify our signatures. Malcolm asked Michael Walker if he was okay with that and he responded, yes. He then asked Michael Pitt if he was okay with this and he responded, yes. Anna made a motion that we adopt resolution no. 4.14.2022-1 that designates Michael Walker to certify the signatures of Malcolm Frank, Anna Ferguson, Michael Pitt and Richard Leonard on the authorization form

for the Water Sector Program. A motion to adopt the resolution was made by Anna Ferguson, seconded by Michael Pitt, all said AYE, motion passed unanimously.

7. Esto well project/rebuild update: Rick said that last month he was asked about the completion date for Dennis Downs. This was an insurance job so there was no substantial completion date on this project. I think he's about ready to wrap this up. We have other things to do there so, I don't see any reason to rush him at this point. Malcolm said that even though we have a pump on that well, there are several things we are going to be doing to treat the water before we send any of it down stream. We're not going to get in a hurry. We're going to get that water quality right before anyone sees it. Tim asked on cleaning the tank, are you using gaseous chlorine or HTH. Rick stated that normally you would use a liquid bleach chlorinated to 200 ppm. This is the part that burns you; dumping that 200 ppm and then refilling that tank, then you pull the testing to make sure you can use it. Tim asked if you have to circulate the pump on it and Rick said no. You just fill it up, let it sit for 24 hours and in 2-consecutive days you do tests and take them in and have them tested. What they are testing for is the bacti samples. Malcolm asked Mike Pitt if there were any issues with water coming on his property that we need to address. Mike said he didn't have any issues at the moment. Rick said Dennis is looking to do the wire next week. They measured for the wire today. They finished the conduit work today.
8. Update on drilling process: Rick said the treatment is done. They do have assembly that they had to put in. They had to put in a couple of valves, meter and all that. At that point, Continental will be at substantial completion. Nothing much more than dirt work after that. Due to the lignite in the water, every time that well kicks on, it produces black water. So, it's going to need a dump valve to dump water for about a minute and then it clears up and it's just clear as a bell after that. So, what we're going to end up with is an additional right-of-way across Mr. Pitt's land, to aide in keeping his property from washing out, and to route that through a pipe that will stop at a designated point he picks. You can do it as it is on your right-of-way. You can't spend money on private property, so basically, make it run parallel just under the ground surface so that it can dump someplace suitable for him. Malcolm asked Mike if he had envisioned something like a pond on his property. He said, definitely. Malcolm asked if he would mind that water coming his way and Mike said as long as it didn't kill fish or plants or anything like that. Rick said it would be well water. It would be a dump valve that operates for about a minute every time the well kicks on. Rick said it would be about 400 gals a minute. Tim said you could get a spray head so that the water would spray and aerate before dumping. Rick said he was looking for something to prevent erosion on both properties. Mike said we would work out a solution. Malcolm asked Mike Pitt to be the advisor as to what the board is going to do, and he agreed.

Rick said that when they went to fill in the pits, the 1<sup>st</sup> pit, the one that they actually pumped out of was cleaned out. The 2<sup>nd</sup> pit, when I got over there, the dozer operator was shoving dirt into it. I did get him stopped so the driller could clean that pit out. He cleaned a lot out, but I don't know what got trapped under it. I did call the engineer and talked with the engineer inspectors because if something happens, that goes back to Continental because the contract calls for it to be back to the original. Malcolm asked Rick to follow through with this. Rick said he had been in touch with Mark McCarty and he is aware of it.

9. Well project/2<sup>nd</sup> phase: As soon as we get permitting back, we will be looking at going to bid on this project. The other thing we will be engaged in is our building. Malcolm said Rick would need to get with engineering to give them a concept of what we are looking for. Let them come back to us and see what they propose. We are looking at about a 50 x 60 metal building. The only thing we are wanting is an overhead for a drive-thru window. We want something nice, but reasonable. We don't want anything extravagant.
10. Authorization to sell used water meters: We have hung onto our old meters waiting for the price of metal to go up. You can't sell this without authorization. Malcolm said what we need is a resolution like this "The Board of the South Toledo Bend Water District, met in regular session and put forth this resolution that the superintendent Rick Leonard be authorized to sell for scrap any and all old, used water meters that are in storage at the water plant. Any monies received for the sell of the scrap must be made by check to the South Toledo Bend Water District. The money will go straight into our revenue fund. What I need is for this resolution to be passed so that he can have it when he hauls these to a place that can buy them. A motion was made by Anna Ferguson that we adopt the **Resolution No. 4.14.2022 #2** authorizing the superintendent, Rick Leonard, to sell for scrap, any and all old, used water meters that are in storage at the water plant and that all monies received for the sell of the scrap must be made by check to the South Toledo Bend Water District, 2<sup>nd</sup> by Mike Walker, all agreed, motion passed.
11. Rick Leonard presented the Superintendent's report for March 2022 to the Board:
  - All monthly State reports and samples sent to LADHH.
  - For the month of March, the plant processed 18,003,000 gals of water @ an average of 580,741 gals. per day and shipped out 17,912,533 gals. of water @ an averaging of 577,823 gals. per day. Used 90,467 gallons for backwashing.
  - Plant usage for production (chlorine, caustic, & polymer carrier waters) estimated @ 50,000 gallons.

- 8” main – lightning strike
- Generator – fan belt broke and had to be replaced
- Vaco Rd – Anna said at least 5 people in this area are interested in having a water meter: Rick said with the \$25,000 grant that we got for this, with just the materials, this will take us just past Anna’s driveway.
- Rick said it looks like we are going to have to send letters out, system wide.

A motion to accept the superintendent’s monthly report was made by Mike Walker, 2<sup>nd</sup> by Anna Ferguson, motion passed.

12. Communications tower: No update on this.

13. Announcements/Comments: Next board meeting will be on May 12th.

14. There was no other business and a motion to adjourn was made by Mike Walker, 2<sup>nd</sup> by Tim Collins, motion passed.

**NEXT BOARD MEETING: Thursday, May 12, 2022, AT 5:30 PM**

South Toledo Bend Water Plant – 3260 Little Flock Road, Many, LA 71449

Prepared by: Betty Maupin – Administrative Assistant

Published Sabine Index – June 1, 2022

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