BOARD OF DIRECTORS
MEETING MINUTES
May 19, 2026

Directors In Person: Richard Garner – President, Wayne Bauman – Vice President, Bob Bachman – Treasurer, Brian Farrar – Secretary, Jim Murphy, Mike Malloy, Vince Marchesani, Paul Attwood, and Larry Kosilla

Directors Remote: None

Staff Present: Andy Koebel, Don Woodruff, Kim Hoskins, Steve Richards, Jose Espinoza, Lisa Karnow, and Krystal Dickout

Legal Counsel: Margaret Karakashian of Henderson Franklin

Meeting Called to Order at 5:00 p.m. by President **Garner**.

Minutes: **Kosilla** motioned to approve May 5, 2026 Board Minutes. 2nd by **Farrar**. Approved 9-0.

Member Comment: None

Staff Reports: **Hoskins** provided a new construction update and discussed current project status and review times.

260519-01 **Dickout** presented the winners of the 2026 “Drop Savers” Water Conservation poster contest. **Garner** presented certificates and gift card prizes to each of the winners.

260519-02 **Koebel** presented the annual insurance renewal for Board approval, including Property/Inland Marine, General Liability, Automobile, Equipment Breakdown, Excess Liability, Crime, Cyber, Terrorism and Workers’ Compensation coverage. Felipe Garcia and Allison Alsup of Alliant Insurance Services, Inc., BSU’s Agent of Record, attended remotely to answer questions or provide additional information.

In response to a prior Board inquiry about multi-year coverage, Garcia reported that he received an answer from the APIP program and they would not extend

that option. The proposed property/inland marine renewal with APIP would move the policy effective date to July 1, requiring a one-month extension for June 2026 at a cost of $52,619. The annual renewal premium, excluding the extension, is $1,174,042. **Bauman** motioned to approve the insurance renewal. 2nd by **Marchesani**. Approved 9-0.

260519-03 **Woodruff** brought to the Board a request to replace a high-service pump at the Water Plant. He reported that the existing pump has been in service for 22 years and has deteriorated to the point that it can no longer be rebuilt. The proposed replacement pump has a cost of $216,814 and would be purchased directly from Carter and VerPlanck, the authorized manufacturer's representative for the Flowserve brand. Funding for this purchase is included in the approved CIP budget, which allocated $225,000 for this purpose. **Farrar** motioned to approve the high service pump replacement purchase. 2nd by **Kosilla**. Approved 9-0.

260519-04 **Woodruff** requested Board approval to replace a Compressed Natural Gas (CNG) generator at the Operations Service Center (OSC) serving the Distribution Department fleet fueling system. Current fleet demand exceeds the existing system's capacity. If approved, the current unit would be minimally rebuilt and relocated to the Administration building for lower-demand use. The proposed Bauer replacement system costs $186,045, funded within the approved CIP budget of $210,000. Installed in-house, the new system would support fueling for approximately 8–10 additional vehicles. **Kosilla** motioned to approve the CNG generator replacement. 2nd by **Attwood**. Approved 9-0.

260519-05 **Woodruff** brought to the Board a request to replace two pieces of heavy equipment in the Distribution Department. A loader and a skid steer require replacement due to age, wear, and increasing maintenance needs. The low bid for a Caterpillar 914 loader is $164,656, and the low bid for a Caterpillar 275 skid steer is $104,600. Funding for these replacements is included in the approved CIP budget at $180,000 for the loader and $115,000 for the skid steer, respectively. The equipment being replaced will be sent to auction to help recoup a portion of the costs. **Bauman** motioned to approve the two heavy equipment replacement purchases. 2nd by **Bachman**. Approved 9-0.

Other Business: None

Bill Payment: **Bachman** motioned to approve payment of the bills presented and Renewal and Replacement Withdrawal Request (2026-8). 2nd by **Murphy**. Approved 9-0.

Director Comments: **Marchesani** expressed interest in understanding key factors for selecting a third-party consultant for a Board compensation review, including the consultant's mission statement, scope of work, and process for determining recommendations, and indicated he would like to discuss these items further with the Board at a later date.

Bachman was pleased with the smooth insurance renewal process this year and with the selection of the current Agent of Record.

Garner provided an update to the Board on the Executive Committee meeting. **Garner** also suggested that all annual reports, when prepared, be shared with the Board.

Farrar noted that neighbors had recently shared positive feedback with him regarding great customer service received from BSU.

Kosilla thanked **Woodruff** for explanations and answers to some of the questions he had during the meeting.

Adjourn **Meeting adjourned at 5:36 p.m. Murphy** motioned to adjourn. 2nd by **Bauman**. Approved 9-0.