

Public Water Supply District # 1
Of Ralls County, Missouri
Open Regular Session Board of Directors Meeting
September 28, 2021

The Open Regular Session of the Board of Directors of Public Water Supply District No. 1 of Ralls County, Missouri was held September 28, 2021, at the district office, 3316 Market Street, Hannibal MO, beginning time 6:30 p.m. Ronda Barton attested that notice of the meeting was duly and timely posted.

The following were present by Roll Call: President, Frank Burch; Vice-President, Martin Judlowe; Directors, Karla Strode, Robert Sergent, Danny Behl. Also present were District Treasurer, Michelle Lehenbauer; District Clerk, Ronda Barton; Alliance Vice-President, Tony Sneed; Alliance Local Manager, LaDon Atkinson; and District Attorney, Mark Piontek of Sandberg Phoenix & VonGontard P.C. Guest in attendance, Charlie Zitnik of DA Davidson.

The meeting was called to order and presided over by President Frank Burch.

Mr. Burch called for review of the August 24, 2021, Open Regular Session meeting minutes. Having no questions or discussion, Mrs. Strode motioned to accept the **August 24, 2021, Open Regular Session** meeting minutes. Mr. Sergent seconded. All ayes. Motion carried.

Mr. Zitnik was addressed for discussion on refinancing of various district loans. He has analyzed the loans available to be refinanced and there would be a \$600,000-\$700,000 savings to be had through 2046, which is when one loan per the debt schedule is paid off; in addition, \$450,000 currently in the bank will be freed up. Mr. Sneed and he will need to work with the rating agency first, in order to obtain a higher rating than what the district had in 2020 due to several factors, which will affect interest rates. Discussion occurred on the two types of refinancing options recommended, public offering vs. private placement. Public offering will take 2-3 months but most likely the best interest rate. Private could be closed in 5 weeks and would be a higher interest rate. Mr. Zitnik was directed to proceed with the rating structure and based on the rating, move forward with the public offering. He was also requested to provide a breakdown of the two options with all costs involved, which will not exceed 2%. In addition, staff will provide the bond schedules and interest rates pertaining to the loans.

Mr. Burch requested discussion on the District's **Treasury Report** and the **Other Financials**. Mr. Atkinson detailed each report as submitted. Mr. Behl motioned to approve the **September Financials** as submitted. Mr. Judlowe seconded. All ayes. Motion carried.

Mr. Atkinson presented the **List of Bills** as submitted with no further discussion, with the exception of a description on a line item. Staff to verify if correct. Mr. Sergent motioned to approve the list as submitted. Mr. Judlowe seconded. All ayes. Motion carried.

For *Legal Report*, Mr. Piontek reported on the **Re-Zoning of the district**. Discussion occurred on the pros and cons, with the board agreeing with Mr. Piontek's memo advising such is not necessary. Staff will provide a customer count within in each sub-district.

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*Decision
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The **Operations Report** was presented by Mr. Atkinson as submitted. With no further discussion.

The **Engineer's Report** was reported as submitted with no questions, as Mr. Bross was not in attendance.

Water Plant/Water Supply Project Updates:

1A) Reported as submitted.

Water Main Replacement Project Updates:

1A) Reported as submitted.

Norwoods WWTF:

3A) Reported as submitted.

General Information:

4A) Reported as submitted.

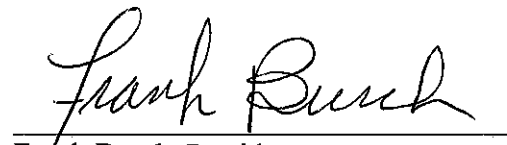
For *Other Old Business*, Mr. Atkinson **distributed** a memo for water treatment plant lime sludge removal. Discussion occurred on land application requirements and type of lime. Mr. Sergent motioned to accept the low bid in the amount of \$82,368 received from Nutri-Ject Systems Inc. Mr. Judlowe seconded. All ayes. Motion carried.

For *Other New Business*, Mr. Atkinson submitted the **Customer Requests for Adjustment**. It was noted the bottom customer, has withdrawn the request. Mr. Behl motioned to approve the amount of \$3,281.32, less the withdrawal of \$90.15. Mr. Sergent seconded. All ayes. Motion carried.

Mr. Sneed **distributed** an updated FY 2022 Budget Preliminary Discussions memo with rate scenarios. Upon discussion, the board directed Mr. Sneed to structure the budget on a 2.5% rate increase which will maintain the district's debt ratio to the required 1.2%. In addition, refinancing of the loans previously discussed, should enable no rate increase for a few years. It was also noted there will be no increased full-time employees for 2022 in order to keep the AWR annual fee increase to 2.5%.

Having no further items for discussion, Mr. Burch requested a motion to adjourn; Mr. Judlowe motioned to adjourn the Open Regular Session. Mrs. Strode seconded. All ayes. Motion carried. Meeting adjourned at 7:45 p.m.


Ronda Caley Barton, District Clerk


Frank Burch, President

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