

Public Water Supply District # 1
Of Ralls County, Missouri
Open Regular Session Board of Directors Meeting
December 17, 2019

The Open Regular Session of the Board of Directors of Public Water Supply District No. 1 of Ralls County, Missouri was held December 17, 2019, at the District office, 3316 Market Street, Hannibal MO, beginning time 6:30 p.m. Ronda Barton served as Clerk of the meeting and 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, Robert Sergent, Danny Behl, and Charles Strode. Also present were District Treasurer, Michelle Lehenbauer; District Clerk, Ronda Barton; Alliance Director of Operations, Tony Sneed; Alliance Local Manager, Lucas Drullinger; and Alliance Operations Supervisor, Tyler Stuhlman. Guests included Cheryl Elliott of USDA; and Alliance President, Tim Geraghty

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

Mr. Burch called for review of the November 26, 2019, Open Regular Session meeting minutes. Having no questions or discussion, Mr. Strode motioned to accept the **November, 2019, Open Regular Session** meeting minutes. Mr. Sergent seconded. All ayes. Motion carried.

Mr. Burch welcomed Cheryl Elliott, and the Board congratulated on her upcoming retirement, and expressed their appreciation for her services throughout the years. Ms. Elliott presented the *discussion of Final Closing of Series F Bond with USDA*. She outlined the documents to be signed, no actions necessary, as the interim loan documents submitted June 2018 included all approvals. She noted the Debt Service monthly requirements did not change and payments will begin in January 17, 2020; however, the interest rate for the loan has decreased to 3%. Funds in the amount of \$2,600,000 will need wired on December 18th in order to pay off the interim loan provider. Ms. Barton submitted a Resolution authorizing the Board to do so. Mr. Behl motioned to approve. Mr. Sergent seconded. All ayes. Motion carried.

Mr. Burch requested discussion on the District's **Treasury Report** and the **Other Financials**. He detailed each report as submitted noting the negative *Available Balance* reflects collections as of 12/4/19; with collections to-date, is positive at \$42,000. The omitted *Summary of Cash and Investments* was **distributed**. Discussion occurred on customer number fluctuations, which is due to monthly transfers of services; and upcoming debt service payment, will decrease the *Total Cash Balance* graph. With no further discussion on the submitted financial reports, Mr. Sergent motioned to approve the **Financials** as submitted. Mr. Behl seconded. All ayes. Motion carried.

Mr. Drullinger presented the **Certificate of Deposits Maturity/Accounts memo** as submitted. Upon discussion, Mr. Sergent motioned to approve the **Wastewater Replacement & Extension Fund Reserve – 2010 Resolution**, establishing an account in the amount of \$32,206.19. Mr. Behl seconded. All ayes. Motion approved. Mr. Sergent motioned to approve the **Debt Service Reserve Fund – 2006 Resolution** establishing an account in the amount of

\$197,520.00. Mr. Judlowe seconded. All ayes. Motion carried. Mr. Sergent motioned to approve closing of the **Water Project Fund Resolution** upon USDA approval. Mr. Judlowe seconded. All ayes. Motion approved. Mr. Judlowe seconded. All ayes. Motion approved. Mr. Sergent motioned to approve closing of the **Series 2017A Resolution**. Mr. Strode seconded. All ayes. Motion carried.

The **List of Bills** was presented by Mr. Drullinger. It was noted this is the final payment to Plocher Construction. Mr. Sergent motioned to approve as submitted. Mr. Judlowe seconded. All ayes. Motion carried.

The **Available for Write-Off List** was reported as submitted by Mr. Drullinger. Mr. Sergent motioned to approve the semi-annual list in the amount of \$3,736.74. Mr. Judlowe seconded. All ayes. Motion carried.

The **Completion Certificates memo** was presented by Mr. Drullinger as submitted. Upon discussion, Mr. Behl motion to approve Board President's signature on the **Series 2017A Completion Certificate**, applying remaining funds to the next payment. Mr. Sergent seconded. All ayes. Motion carries. Mr. Behl then motioned to approve Board President's signature on the **Series 2019 Completion Certificate**, applying the remainder of funds to the first payment. Mr. Sergent seconded. All ayes. Motion approved. Mr. Behl motioned to approve the required **Payment Request Form** for Board President's signature, applying the remainder of funds to the first payment. Mr. Sergent seconded. All ayes. Motion carried.

For the *Legal Report*, Mr. Sneed reported Central Stone is disputing some of the legal fees submitted by Mr. Piontek for reimbursement to the District.

The **Operations Report** was presented by Mr. Stuhlman as submitted. He noted the pressure reducing valves ordered should be in soon. Water loss was discussed at length, and the Flexim meters for leak detection will be better after the booster station is installed, and the District separated into four zones. In the meantime, staff will be sounding valves in order to better isolate leaks.

Mr. Sneed **distributed PWSD #1 of Ralls County Rate History** for to address current District rates. He advised the Board to keep in mind, the need to consider the miles of distribution, number of customers, and the debt load, when comparing with other entities. Based on the HBPW rate increase projections, by 2023 the cost to produce water vs. purchase will be less. He believes the board will accomplish all they set out for with the water treatment plant, within 10 years.

The **Engineer's Report** was given by Mr. Drullinger as follows:

Water Plant/Water Supply Project Updates:

1A) Reported as submitted. Upon discussion, Mr. Judlowe motioned to approved Board President's signature on the **Certificate of Substantial Completion**. Mr. Strode seconded. All ayes. Motion carried. The Board was advised the outstanding balance does not affect the **Certificate**.

1B) Reported as submitted. Upon discussion, Mr. Behl motioned to approve the **Change Order #6** for Plocher Construction in the amount of \$968.50. Mr. Sergent seconded. All ayes. Motion carried. Furthering, Mr. Strode motioned to approve the engineer's final pay request to Plocher Construction in the amount of \$23,149.06. Mr. Sergent seconded. All ayes. Motion

carried. Later in the Agenda, Mr. Strode motioned to approve Board President's signature for the Plocher Construction pay request from the Series 2019B Fund. Mr. Sergent seconded. All ayes. Motion carried.

1C) Reported as submitted. Upon discussion, Mr. Sergent motioned to approve the **Purchase Order** for the booster station equipment in the amount of \$138,000. Mr. Judlowe seconded. All ayes. Motion carried. Furthering, Mr. Sergent motioned to approve signature for the required **DNR Construction Permit for the Booster Station**. Mr. Behl seconded. All ayes. Motion carried.

2A) *Lake Hannibal WWTP Disinfection System*, reported as submitted, with no discussion.

For *Other Old Business*, discussion occurred on the *District Budget FY 2020*. Mr. Sneed reiterated, the AWR increase was all for the annual Electric & Repair Cap and the Chemical Limit, for which the District would be refunded if not all utilized. No management increase is included in the contract. Upon discussion, Mr. Strode motioned to approve the **AWR MOA for FY 2020**. Mr. Behl seconded. All ayes. Motion carried. Furthering, Mr. Strode motioned to approve the *District Budget FY 2020* submitted in October. Mr. Behl seconded. All ayes. Motion carried.

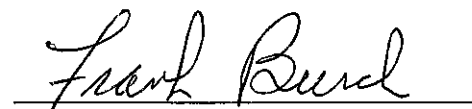
For *Other New Business*, Mr. Drullinger submitted the **Customer Requests for Adjustment**. Upon discussion, regarding Mr. Frankenbach's remaining small leak in which no leak adjustments can be granted in the next 24-month's, Mr. Strode motioned to approve the adjustments. Mr. Sergent seconded. All ayes. Motion carried.

Furthering *Other New Business*, discussion occurred on the need for attorney attendance at every meeting. In 2020, the Board may choose to request quarterly attendance or as needed. Further discussion with Mr. Piontek will occur.

For *Other and Informational*, discussion occurred on the possible need to clarify on customer bills, the service availability charges. Staff is working with the billing program and will attempt to do so.

Having no further items for discussion, Mr. Burch requested a motion to adjourn; Mr. Sergent motioned to adjourn the Open Regular Session. Mr. Strode seconded. All ayes. Motion carried. Meeting adjourned at 8:15 p.m.


Ronda Caley Barton, District Clerk


Frank Burch, President