

Public Water Supply District # 1
Of Ralls County, Missouri
Open Regular Session Board of Directors Meeting
October 22, 2019

The Open Regular Session of the Board of Directors of Public Water Supply District No. 1 of Ralls County, Missouri was held October 22, 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, Danny Behl, Robert Sergent, and Charles Strode. Also present were District Treasurer, Michelle Lehenbauer; District Clerk, Ronda Barton; District Attorney, Mark Piontek of Sandberg Phoenix & VonGontard P.C.; District Engineer, Mark Bross, of Klingner & Associates; Alliance Director of Operations, Tony Sneed; and Alliance Local Manager, Lucas Drullinger; and Alliance Operations Supervisor, Tyler Stuhlman.

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

Mr. Burch called for review of the September 24, 2019, Open Regular Session meeting minutes. Having no questions or discussion, Mr. Strode motioned to accept the **September 24, 2019, Open Regular Session** meeting minutes. Mr. Sergent seconded. All ayes. Motion carried.

Mr. Burch requested discussion on the District's **Treasury Report** and the **Other Financials**. Mr. Drullinger detailed each report as submitted. He noted the interest earned on the newly established money market account; and the water purchased expense, which is over the budget by \$410,940, due to unexpected additional water usage. With no further discussion on the submitted financial reports, Mr. Behl motioned to approve the **Financials** as submitted. Mr. Sergent seconded. All ayes. Motion carried.

Mr. Drullinger presented the **Project Fund Disbursement** request #6, in the amount of \$16,610.30, which included two Klingner & Associates invoices, for Board President's signature. Upon discussion regarding funds remaining, and future engineering expenses, for which Mr. Bross indicated remaining funds available will be close to final engineer expenses. Mr. Strode motioned to approve. Mr. Judlowe seconded. All ayes. Motion carried. It was noted the **Series 2019 Loan Expenses** disbursement numbers were incorrect. Staff will correct the last one to Disbursement #6 vs #7.

The **List of Bills** was presented by Mr. Drullinger. He noted the HBPW payment is the final water purchased invoice; and the Series '17 transfer amount of \$50,000. In order to meet the February payment, the District must transfer \$67,000 for the next 3 months. Mr. Sergent motioned to approve as submitted. Mr. Behl seconded. All ayes. Motion carried.

For the *Legal Report*, in regard to the *Central Stone – Water Line Update*, Mr. Piontek reported he has received the agreement requested by the Board, whereby Central Stone will place the existing main back to original at the end of the project, or within 10 years whichever comes first, as well as reimburse the District all attorney fees. Discussion occurred on how they will proceed, and all agreed they will be approved to do so, once the agreement is signed and

*Decision
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received by Mr. Piontek. He will send them the attorney fees to be reimbursed and sent to the District. Staff will add to annual calendar, to re-visit main placement in October 2039. Mr. Behl motioned to accept the agreement and terms. Mr. Sergent seconded. All ayes. Motion carried.

The **Operations Report** was presented by Mr. Stuhlman as submitted. Additional pressure relief valves should be installed in the County Road 409 area. Mr. Drullinger noted the water loss calculations are skewed this month, due to two separate sources. Discussion occurred on the LHE WWTP, eColi results; and the Norwoods Sandfilter, ammonia results. Both issues in September, and are currently in the monitoring stage; however, would be out of compliance when DNR requirements change in the upcoming year. LHE WWTP is being designed to meet that deadline, and at Norwoods, aeration is being added to remedy the issue. Finalizing the report, Mr. Drullinger submitted the **Hannibal BPW meter charges memo**, and discussion occurred on continuing to pay the monthly availability fees. It was agreed the only need for the meters to remain would be for emergency situations, which most likely the District could re-activate if necessary; otherwise, there is no benefit. Therefore staff will request to have them removed.

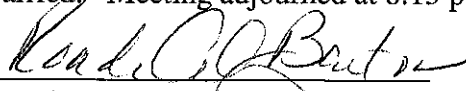
Due to the need for contract discussion, the **Engineer's Report – Water Main, C&S Construction** final pay request (1A), Mr. Burch called for a motion to convene into Closed Executive Session, for the purpose of the aforementioned legal discussion - Section 610.021(1) to discuss matter(s) involving legal actions, confidential and/or privileged communications between District officials, its representatives and its attorneys. Mr. Behl motioned to close into Executive Session. Mr. Sergent seconded. Roll call vote taken. Ayes: Burch, Judlowe, Behl, Sergent, Strode. Nays: 0.

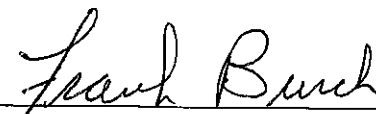
Continuing the **Engineer's Report, Water Plant/Water Supply**

1B) Based on the submitted report, as well as known, agreed upon additional expenses, Mr. Sneed has reached out to lenders for additional funds. Discussion occurred on the costs and needs to finish paying the contractors, and purchase additional items needed such as a new booster station on the East side to alleviate pressure issues. Mr. Bross assured the board 250/300 gpm at the new booster station will be enough pressure to fill the Antioch and T towers. The timeline for completion of the project, which will require DNR permitting, will be 3 months; and there will be no engineering fees charged. Mr. Sneed continued with loan and rates discussion. A budget based on loan amounts will be presented next month; Mr. Sneed noted the AWR portion of the budget will reflect only increases related directly to the plant, such as the Chemical & Electrical costs. Both of those items have a cap. Upon discussion, Mr. Sergent motioned to borrow \$1 million to finish construction and pay for unforeseen items. Mr. Strode seconded. Roll call vote taken. Ayes: Burch, Judlowe, Behl, Sergent, Strode. Nays: 0. There was no *Other Old Business* for discussion.

For *Other New Business*, the **Customer Requests for Adjustment** was submitted by Mr. Drullinger. Upon discussion, Mr. Strode motioned to approve the adjustments. Mr. Sergent seconded. All ayes. Motion carried.

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


Ronda Caley Barton, District Clerk


Frank Burch, President

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