

Public Water Supply District #2 of St. Charles County, Missouri
Minutes of the April 13, 2016 Regular Board Meeting

Virginia Dowden, President
John Cook, Director

John Urban, Director

Mark Piontek, Legal Counsel

Bob Schwermann, Financial Advisor

Ron Smith, General Manager

Tim Geraghty, Treasurer/Clerk

Brian Pieper, Operations Manager

Tony Sneed, Project Manager

Kim Cantrell, Deputy Clerk

Matt Jaspering, District Engineer

The regular meeting of the Board of Directors of Public Water Supply District #2 of St. Charles County, Missouri, was held on April 13, 2016 at the Water District offices, 100 Water Drive, O'Fallon, Missouri, at 7:00 PM.

Virginia Dowden, called the meeting to order. Tim Geraghty served as Clerk of the meeting and attested that notice of the meeting was duly and timely posted. The following directors were present: John Urban, Virginia Dowden and John Cook.

Tim Geraghty presented John Urban and Virginia Dowden with plaques; thanking them both for all their years of service.

Virginia Dowden requested a motion to adopt the meeting agenda. After further discussion, John Urban made a motion to adopt the meeting agenda as written, seconded by John Cook, all yea, motion carried.

Virginia Dowden presented the March 9, 2016 Regular Board meeting minutes for review and approval. After review and discussion, John Cook motioned to accept the March 9, 2016 Regular Board meeting minutes as presented, seconded by John Urban, all yea, motion carried.

Next, Virginia Dowden presented the March 16, 2016 Special Board meeting minutes for review and approval. It was noted that on page 3b1, last paragraph, the word Amendment was spelled incorrectly. After review and discussion, John Cook motioned to accept the March 16, 2016 Special Board meeting minutes as corrected, seconded by John Urban, all yea, motion carried.

Virginia Dowden presented the list of bills for review and consideration. After further discussion, John Urban motioned to approve the bills in the amount of \$2,365,298.37, seconded by John Cook, all yea, motion carried.

Virginia Dowden requested Tim Geraghty review the District's Treasurer's Report. Mr. Geraghty reviewed the District's Treasurer's Report including the Summary of Bank Accounts, Balance Sheet, and revenues and expenses for the period ending February 29, 2016. After further discussion, John Urban motioned to approve the Treasurer's Report as presented, seconded by John Cook, all yea, motion carried.

Tim Geraghty reviewed the term sheet for the Letter of Credit renewal from Bank of America related to the Series 2005A variable rate bonds. After further discussion, John Cook motioned to approve the Letter of Credit term sheet, seconded by John Urban, all yea, motion carried.

Virginia Dowden requested Mike Williams present the Comprehensive Annual Financial Report for the Water District's 2015 fiscal year. Mr. Williams reviewed the District fiscal year 2015 audit in detail, explaining details included in the transmittal letter, reviewing the assets and liabilities of the District, reviewing the statement of revenues and expenses, restricted assets, long term debts, cash and investments as well as reviewing the various supplemental information contained in the report. Mr. Williams answered questions from the Board. Virginia Dowden thanked Mr. Williams for his presentation and Hochschild's thorough work on the audit. After further discussion, John Urban motioned to accept the Water District fiscal year 2015 audit as presented by Mike Williams of Hochschild, Bloom and Company, seconded by John Cook, all yea, motion carried.

Tim Geraghty presented an Amended District Budget for the current 2016 fiscal year. The Amended Budget included the impact of an extended Water Treatment Plant shutdown, the Series 2016B refunding bond issue, and the proposed Lake St. Louis sewer cleaning, inspection and access point construction. No action was taken on the proposed Amended District Budget.

Chuck Ruedebusch of the Lake St. Louis Advisory Committee thanked the Board for allowing the Advisory Committee to be involved in the sewer project. Mr. Ruedebusch stated that the Committee recommends approving Contracts 1 and 2 with IPI and requests regular and periodic project updates for the public. Mrs. Dowden thanked Mr. Ruedebusch.

Ron Smith gave a brief informational presentation on the East Central Missouri Water and Sewer Authority.

Virginia Dowden requested that Brian Pieper provide the Board with an update on the operations of the District. Mr. Pieper reported on the operations and maintenance of the District's water and sewer systems and other facilities during the month of February 2016. Mr. Pieper also presented information on customer service inquiries that were handled during the month.

Brian Pieper informed the Board that staff received the invoice from Heggemann Plumbing and Piping, Inc., for the emergency repair of the 14" piping at Well #8 at the Water Treatment Plant at the cost of \$13,989.00. After further discussion, John Urban motioned to approve the invoice from Heggemann Plumbing and Piping, Inc., for the emergency repair of the 14" piping at Well #8 at the Water Treatment Plant at the cost of \$13,989.00, seconded by John Cook, all yea, motion carried.

Brian Pieper informed the Board that the Siemens high service pump VFD at the Water Treatment Plant is out of service and in need of repair. Mr. Pieper explained that staff received a Purchase Order request and an hourly rate schedule for troubleshooting the VFD from Siemens Industry, Inc., the area's sole service provider for Siemens equipment. At this time staff requests the Board's approval for troubleshooting the VFD equipment at the Water Treatment Plant by Siemens Industry, Inc., at a not-to-exceed cost of \$10,000.00. After further discussion, John Urban motioned to approve Siemens Industry, Inc., troubleshooting the VFD equipment at the Water Treatment Plant at a not-to-exceed cost of \$10,000.00, seconded by John Cook, all yea, motion carried.

Virginia Dowden requested Matt Jaspering present the Engineer's Report. Mr. Jaspering provided updates on the Water District's projects.

Matt Jaspering presented proposed contracts with Interactive Pipe Inspection (IPI) to the Board for locating, inspecting and constructing Lake St. Louis sewer improvements. IPI was previously selected by the Board as the best bidder for the project. After further review and discussion, John Cook motioned to approve Contract 1 in the amount of \$1,265,000.00 and Contract 2 in the amount of \$5,635,000.00 with IPI for the Lake St Louis Sewer Improvement Program, seconded by John Urban, all yea, motion carried.

Mr. Jaspering requested approval from the Board for a press release. After further discussion, the Board directed staff to put together a press release and circulate to the Board within the next few days for approval before distributing to the press and Advisory Committee.

Matt Jaspering informed the Board that staff solicited bids for the annual supply and delivery of propane to the tanks at the Water District Campus and the Water Treatment Plant. Mr. Jaspering stated that the lowest and best bid was received from MFA Oil at the not-to-exceed cost of \$1.05 per gallon for a contract period of one year. After further discussion, John Urban motioned to approve the contract from MFA Oil for the supply of propane to the Water District Campus and the Water Treatment Plant at a not-to-exceed cost of \$1.05 per gallon, seconded by John Cook, all yea, motion carried.

Matt Jaspering informed the Board that the copier/scanner in the Administration Building is in need of repair and/or replacement. Mr. Jaspering stated that Superior Office Solutions has a repossessed Sharp MX-3100N color copier/printer/scanner at the cost of \$750.00 plus an annual maintenance fee of \$1,050.00. Similar copiers from other vendors are only available at retail prices which are in the thousands of dollars. After further discussion, John Urban motioned to approve the purchase of the repossessed Sharp MX-3100N color copier/printer/scanner at the cost of \$750.00 plus an annual maintenance fee of \$1,050.00 from Superior Office Solutions, seconded by John Cook, all yea, motion carried.

Matt Jaspering informed the Board that in February CK Power was the lowest and best bidder for the purchase of a new portable generator, but now states they can no longer provide it at the quoted price so the next lowest and only other bidder was Gateway Industrial Power, Inc. at the total cost of \$56,060.00 for a new trailer mounted portable generator. After further discussion, John Urban motioned to approve the new trailer mounted portable generator from Gateway Industrial Power, Inc., at the total cost of \$56,060.00, seconded by John Cook, all yea, motion carried.

Matt Jaspering informed the Board that Du-Con, Inc., has submitted Change Order #2 on the Water Treatment Plant Booster Pump Station Replacement which reflects a decrease to the contract ceiling amount of \$15,189.52. After further discussion, John Urban motioned to accept Du-Con, Inc.'s Change Order #2 on the Water Treatment Plant Booster Pump Station Replacement which reflects a decrease to the contract ceiling amount of \$15,189.52, seconded by John Cook, all yea, motion carried.

Matt Jaspering stated that staff received a request to release 331 square feet of a utility easement located at the intersection of Hawk's Landing Drive and Myna Drive within the City of Lake St. Louis. After further discussion, John Urban motioned to approve the release of 331 square feet of a utility easement located at the intersection of Hawk's Landing Drive and Myna Drive within the City of Lake St. Louis, seconded by John Cook, all yea, motion carried.

Tim Geraghty stated that staff had received an inquiry form a customer to post approved Board Meeting minutes on the District's website. After further discussion, John Urban motioned to post approved Board Meeting minutes on the District's website, seconded by John Cook, all yea, motion carried.

Tim Geraghty reviewed the memo with regards to the Identity Theft Prevention Program. No changes to the program were recommended or made.

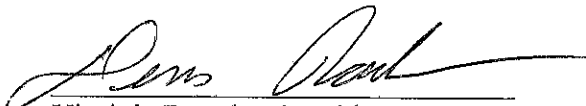
Virginia Dowden opened the floor to public comment. There were no comments from the public.

Virginia Dowden inquired if there was any business that would require an executive session. Mark Piontek stated there were matters for which the Board should convene in executive session pursuant to Section 610.022(1) and Sections 610.021(1) and (2) RSMo to discuss matters involving legal actions, confidential and/or privileged communications between District Officials, its representatives and its attorneys, and/or leasing, purchase or sale of real estate. Virginia Dowden motioned to close the regular session and convene to an executive session; seconded by John Cook. Tim Geraghty called a roll call vote: John Cook voted yea, John Urban voted yea, Virginia Dowden voted yea, all yea, motion carried.

John Urban motioned to adjourn the Executive Session, reopen the Regular Session; John Cook seconded. Tim Geraghty called a roll call vote: John Cook voted yea, John Urban voted yea, Virginia Dowden voted yea, all yea, motion carried.

Virginia Dowden inquired if there was other business to come before the Board. Being no other items for business, John Cook motioned to adjourn; John Urban seconded, all yea, motion carried.

Minutes approved this 11th day of May, 2016.


Virginia Dowden, President
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Tim Geraghty, Clerk

