

Public Water Supply District #2 of St. Charles County, Missouri
Minutes of the April 12, 2017 Regular Board Meeting

John Cook, Vice President
Vicky Steinkamp, Director

Jim Inghram, Director
Kay Schnurr, Director

Mark Piontek, Legal Counsel
Brian Schwermann, Financial Advisor

Bob Schwermann, Financial Advisor

Kim Cantrell, Clerk
Matt Jaspering, District Engineer

Ron Smith, Treasurer
Brian Pieper, Operations Manager

The regular meeting of the Board of Directors of Public Water Supply District #2 of St. Charles County, Missouri, was held on March 8, 2017 at the Water District offices, 100 Water Drive, O'Fallon, Missouri, at 6:00 PM.

John Cook called the meeting to order. Kim Cantrell served as Clerk of the meeting and attested that notice of the meeting was duly and timely posted. The following directors were present: John Cook, Vicky Steinkamp, Kay Schnurr and Jim Inghram.

John Cook moved to adopt the agenda as presented, seconded by Kay Schnurr, all yea, motion carried.

John Cook introduced Hank Hedges to the Board and stated he would like Mr. Hedges to be considered for the ECM Board if a position becomes available.

John Cook recognized Mr. Vincent Brunetto who is the President of the Patio Cove Home Owners Association. Mr. Brunetto showed a brief video of the common ground area in his subdivision where the Henke Force main is due to be installed. Mr. Brunetto explained that the HOA's concern is the loss of all the trees in the common ground area. Ron Smith stated it is the policy of the District to try to the best of their ability to put the landscaping back as best as possible. After further discussion, the Board directed Matt Jaspering to work with Mr. Brunetto on the trees.

John Cook requested review and discussion of the March 8, 2017 Regular Board meeting minutes, Kay Schnurr motioned to accept the March 8, 2017 Regular Board meeting minutes as presented, seconded by Jim Inghram, all yea, motion carried.

Next, John Cook presented the March 13, 2017 Special Board meeting minutes for review and approval. After further review and discussion, Vicky Steinkamp motioned to accept the March 13, 2017 Special Board meeting minutes as corrected, seconded by Kay Schnurr, all yea, motion carried.

Lastly, John Cook presented the March 20, 2017 Special Board meeting minutes for review and approval. After further review and discussion, Jim Inghram motioned to accept the March 20, 2017 Special Board meeting minutes as corrected, seconded by Vicky Steinkamp, all yea, motion carried.

John Cook presented the list of bills for review and consideration. After further discussion, Jim Inghram motioned to approve the bills, seconded by Kay Schnurr, all yea, motion carried.

John Cook requested Ron Smith review the District's Treasurer's Report. Mr. Smith reviewed the District's Treasurer's Report including the Summary of Bank Accounts, Balance Sheet, and revenues and expenses for the period ending February 28, 2017. After further discussion, Kay Schnurr motioned to approve the Treasurer's Report as presented, seconded by Vicky Steinkamp, all yea, motion carried.

Ron Smith explained what happened with the Howard Bend Levee District payment to the Board.

Ron Smith informed the Board that Gilmore Bell submitted a proposal for Post Issuance Tax Compliance Services at a cost of \$3,900.00. After further discussion, Jim Inghram motioned to approve the proposal from Gilmore Bell for Post Issuance Tax Compliance Services at a cost of \$3,900.00, seconded by Vicky Steinkamp, all yea, motion carried.

Ron Smith reviewed the Alliance Water Resources Monthly Financial Status with the Board.

John Cook requested Mike Williams present the Comprehensive Annual Financial Report for the Water District's 2016 fiscal year. Mr. Williams reviewed the District fiscal year 2016 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. John Cook thanked Mr. Williams for his presentation and Hochschild's thorough work on the audit. After further discussion, Kay Schnurr motioned to accept the Water District fiscal year 2016 audit as presented by Mike Williams of Hochschild, Bloom and Company, seconded by Jim Inghram, all yea, motion carried.

John Cook opened discussion of Old Business related to the City of Wright City Sewer System. Vicky Steinkamp requested to attend the next meeting.

Ron Smith informed the Board that Carl Brown would be presenting his Economic Impact findings at the June meeting.

Mr. Smith also stated that Alliance feels that the Alliance contract survives no matter what happens with East Central.

John Cook opened discussion of New Business. Jim Inghram made a motion to sponsor a hole for the O'Fallon Chamber of Commerce Golf Tournament, seconded by Vicky Steinkamp, all yea, motion carried.

John Cook brought up the discussion that he Board should have business cards. After further discussion, Vicky Steinkamp made a motion for staff to order business cards for the Board members, seconded by Jim Inghram, all yea, motion carried.

Vicky Steinkamp made a motion to have a pastor pray before each meeting, seconded by Kay Schnurr. Jim Inghram voted yea, Vicky Steinkamp voted yea, Kay Schnurr voted yea, John Cook voted no, motion carried.

John Cook made a motion to terminate Berry Venz and Ted Gaffney from the ECM Board, effective immediately, per the amended and restated Bylaws of the East Central Missouri Water and Sewer

Authority adopted April 12, 2017 by the ECM Board of Directors, seconded by Kay Schnurr, all yea, motion carried. Mark Piontek will send a certified letter notifying them.

John Cook made a motion to nominate Hank Hedges as an ECM Board member, seconded by Jim Inghram, all yea, motion carried.

Vicky Steinkamp made a motion to have staff draft a letter to send out to the East Central Flint Hill customer separately from the bill announcing a vacancy on the East Central Board and have Darrell Dechant approve it before it is sent out, seconded by Kay Schnurr, all yea, motion carried.

Jim Inghram requested staff check into having the size of their email increased or have a drop box created.

Kim Cantrell gave a brief update on the Identity Theft 'Red Flag' Prevention Program.

John Cook 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 2017. Mr. Pieper also presented information on customer service inquiries that were handled during the month.

Brian Pieper and Matt Jaspering updated the Board on the operational concerns at the New Melle Wastewater Treatment Plant due to the discharge from the meat processing facility in New Melle. After further discussion, the Board directed Mark Piontek to send a certified letter notifying them of potential fines for violation to the Water District's Rules and Regulations as well as the potential possibility of being disconnected from service.

John Cook requested Matt Jaspering present the Engineer's Report. Mr. Jaspering provided updates on the Water District's projects including the Lake St. Louis Sewer Improvement Program.

Matt Jaspering informed the Board that Donohue & Associates, Inc., has submitted Amendment #1 to the District's Miscellaneous Sewer Improvements Projects for tasks to be completed outside of the original scope of work at the additional cost of \$37,895.00. After further discussion, Kay Schnurr motioned to approve Amendment #1 from Donohue & Associates, Inc., for the District's Miscellaneous Sewer Improvement Projects at the increased cost of \$37,895.00, seconded by Jim Inghram, all yea, motion carried.

Matt Jaspering stated that Heneghan and Associates submitted a proposal for the engineering services related to the Foristell Water Main Extensions a cost not to exceed \$43,000.00. After further discussion, Kay Schnurr motioned to approve the proposal from Heneghan and Associates at a cost not to exceed \$43,000.00, seconded by Vicky Steinkamp, all yea, motion carried.

Matt Jaspering stated that ABNA submitted a proposal for the engineering services related to the Highway D Water Main Upgrades from the Highway D/DD Tower east into the Army Area at a cost not to exceed \$128,700.00. After further discussion, Jim Inghram motioned to approve the proposal from ABNA at the cost not to exceed \$128,700.00, seconded by Vicky Steinkamp, all yea, motion carried.

Matt Jaspering explained that due to the age and escalating repair costs of the existing line locating equipment, staff has received quotes for two (2) new Line Locators and the lowest and best bid was received from Subsurface Solutions at the total cost of \$14,780.10. After further discussion, Vicky Steinkamp motioned to accept the quote from Subsurface Solutions for the purchase of two (2) new Line Locators at the total cost of \$14,780.10, seconded by Jim Inghram, all yea, motion carried.

Matt Jaspering informed the Board that the Water District solicits bids annually for supply and delivery of propane to tanks at three (3) locations and this year the lowest and best bid was received from MFA Oil at the rate not to exceed \$0.99 per gallon for a contract of one year. After further discussion, Jim Inghram motioned to approve the bid from MFA Oil for propane for the Water District at a price not to exceed \$0.99 per gallon, seconded by Vicky Steinkamp, all yea, motion carried.

Matt Jaspering informed the Board that Engineered Fluid, Inc., (EFI) submitted a proposal to furnish and install an electronic control valve on Pump #3 at the new WSTA Booster Pump Station at a total cost of \$30,036.00. After further discussion, Vicky Steinkamp motioned to approve the proposal from EFI at the cost of \$30,036.00, seconded by Jim Inghram, all yea, motion carried.

Matt Jaspering stated that the District received five (5) bids for the Sanitary Sewer Improvements at the Augusta WWTP and the lowest and best bid was from Martin General Contractors at the total cost of \$659,950.00. After further discussion, Kay Schnurr motioned to approve the bid from Martin General Contractors at the total cost of \$695,950.00, seconded by Jim Inghram, all yea, motion carried.

Matt Jaspering stated that in 2000, the Water District entered into an Intergovernmental Territorial Agreement with the City of Wentzville delineating a proposed water service boundary between the two entities in an effort to avoid wasteful duplication of facilities and avoid conflict between service areas. Mr. Jaspering went on to explain that at this time the City of Wentzville is requesting a revision to the Territory Agreement, which would modify the water service boundary line so that a tract of land that was developed approximately 10 years ago as the Golf Club at Wentzville Plat 4 would be transferred to Wentzville's side of the boundary line in return, the boundary line would be modified so that tracts of land north and west of Highway W would be transferred to the District's side of the boundary line. After further discussion, Kay Schnurr motioned to approve the proposed PWSD #2/Wentzville water service boundary line modifications, seconded by Vicky Steinkamp, all yea, motion carried.

John Cook opened the floor for Public Comment. There were no comments.

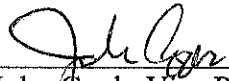
John Cook inquired if there was any business that would require an executive session. Mark Piontek stated there were matters for which the Board should convene in executive session pursuant to Section 610.022(1) and Sections 610.021(1) and (2) RSMo to discuss matters involving legal actions, confidential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

Vicky Steinkamp motioned to adjourn the Executive Session and reopen the Regular Session; Jim Inghram seconded. Kay Schnurr called a roll call vote: Jim Inghram voted yea, Kay Schnurr voted yea, John Cook voted no, Vicky Steinkamp voted yea, all yea, motion carried.

John Cook inquired if there was any other business to come before the Board. Kay Schnurr stated that a Special Meeting is necessary on Wednesday, April 26, 2017 at 6:00 pm at the City of O'Fallon City Hall Multi-Purpose Room located at 100 North Main, O'Fallon, Missouri 63366 from 6:00-9:30 to discuss closed session items. Kay Schnurr moved to hold the Special Meeting, seconded by Vicky Steinkamp, all yea, motion carried.

John Cook inquired if there was any other business to come before the Board. Being no other items for business, Kay Schnurr motioned to adjourn; Vicky Steinkamp seconded, all yea, motion carried

Minutes approved this 10th day of May, 2017.



John Cook, Vice President



Kim Cantrell, Clerk

