

**Public Water Supply District #2 of St. Charles County, Missouri**  
**Minutes of the November 21, 2017 Special Board Meeting**

Denis Raab, President  
Vicky Steinkamp, Director

John Cook, Vice President  
Kay Schnurr, Director

Jim Inghram, Director

Kevin Dunn, General Mgr.  
Matt Jaspering, Engineer

Kim Cantrell, Clerk  
Brian Pieper, Operations Mgr.

Ron Smith, Division Mgr.  
Tim Geraghty, VP Alliance

A special meeting of the Board of Directors of Public Water Supply District #2 of St. Charles County, Missouri, was held on November 21, 2017, at the Water District offices, 100 Water Drive, O'Fallon, Missouri, at 6:30 PM.

Denis Raab, President, requested a motion to open and call the meeting to order. Kay Schnurr motioned to open and call the meeting to order, seconded by Vicky Steinkamp, all yea, motion carried.

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: Denis Raab, John Cook, Vicky Steinkamp, Kay Schnurr and Jim Inghram.

The following guests were present: Tim Baker and Kevin Riggs of Cole & Associates, Josh Mourning of Lowenbaum Law and Craig Biesterfeld of HuschBlackwell

Denis Raab stated there was business that required an executive session. Josh Mourning 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 John Cook. Kim Cantrell called a roll call vote: Denis Raab voted yea, Kay Schnurr voted yea, John Cook voted yea, motion carried.

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

Kay Schnurr motioned to have the District enter into a confidentiality agreement with Alliance for the fact of a financial audit, seconded by Vicky Steinkamp, all yea motion carried.

Kay Schnurr motioned to enter into an agreement with Mueller Prost to conduct the financial audit, seconded by Vicky Steinkamp, all yea, motion carried.

Denis Raab stated that the Water District will be moving forward with the financial audit, but will not be removing the breach of contract.

Cole & Associates presented their findings of the maintenance audit and gave their professional opinion. While replying to a Board directed question as to if the material received is a normal standard for maintenance records; Tim Baker stated that normally a computerized maintenance software or spreadsheet is used.

Denis Raab inquired if Cole & Associates could determine if Alliance had a formalized maintenance program. Tim Baker replied that they did for information in GIS and on some vehicles but nothing else at least from what has been received.

Vicky Steinkamp requested to Alliance if they have a system that tells them when to do maintenance. Tim Geraghty replied yes, they have log sheets and check lists, the Water Plant has a maintenance system, and the rest is in file cabinets.

Tim Geraghty responded to the comment made that there were not maintenance history records on any of the fixed equipment stating that there are records kept in the GIS mapping system.

Denis Raab asked Alliance if they could provide the responses to the deficiencies to the Cole & Associates request of September 14th, Mr. Geraghty stated absolutely, we have more records and welcomes the opportunity to discuss further. Mr. Geraghty requested a copy of the Cole & Associates report. Kevin Dunn will provide.

Kay Schnurr stated that not having this data has caused delays and the new information needs to be provided immediately.

Denis Raab stated that Alliance owes their information on the standard operating procedures and maintenance records by 12/13/17. Mr. Raab requested that there be an item on the agenda under old business for the next regular board meeting.

Denis Raab opened up for Public Comment. Sue Tresbeck asked if the Water District equipment was being used to run other districts. Tim Geraghty responded that there are times when equipment and personnel are loaned out in good faith, but they are also invoiced for the time and materials.

John Cook asked if Alliance had a contract for loaning out the District equipment. Mr. Geraghty stated there was no such contract.

Dan Oberle asked if a file exists for transfer of services when services are done with other entities/utilities. Mr. Geraghty stated there are copies of the invoices. Mr. Oberle expressed his concerns.

Jeff Stone asked if there is ever a time when assets are purchased by the District and they revert over to Alliance. Mr. Geraghty stated this does not happen.

Stephanie Stone asked whose job is it to determine when an agreement is reviewed for change. Kevin Dunn responded to this question.

Sue Tresbeck requested that when the Board is signing documents, it be made public what documents are being signed. She also asked if when guests speak, it be announced who they are.

Stephanie Stone asked who pays for the delay of the audit. Kay Schnurr responded. It was then stated why Alliance is not paying for these delays.

Denis Raab inquired if there was any business that would require an executive session. Kay Schnurr 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 John Cook. Kim Cantrell called a roll call vote: Denis Raab voted yea, Vicky Steinkamp voted yea, Jim Inghram voted yea, Kay Schnurr voted yea, John Cook voted yea, motion carried.

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

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

Minutes approved this 13<sup>th</sup> day of December, 2017

  
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Denis Raab, President

  
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Kim Cantrell, Clerk

