

Public Water Supply District #2 of St. Charles County, Missouri
Minutes of the August 15, 2017 Regular Board Meeting

Denis Raab, President
Vicky Steinkamp, Director
Jim Inghram, Director

John Cook, Vice President
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

The regular meeting of the Board of Directors of Public Water Supply District #2 of St. Charles County, Missouri, was held on August 15, 2017 at the Water District offices, 100 Water Drive, O'Fallon, Missouri, at 6:00 PM.

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

Jim Inghram moved to adopt the agenda as presented, seconded by Vicky Steinkamp, all yea, motion carried.

Denis Raab commented that the Board is still in an ongoing search for a General Manager.

Denis Raab requested review and discussion of the July 12, 2017 Regular Board meeting minutes, Kay Schnurr motioned to accept the July 12, 2017 Regular Board meeting minutes as presented, seconded by Vicky Steinkamp, all yea, motion carried. Next, Denis Raab requested review and discussion of the July 19, 2017 Special Board meeting minutes, Vicky Steinkamp motioned to accept the July 19, 2017 Special Board meeting minutes as presented, seconded by Kay Schnurr, all yea, motion carried.

Denis Raab presented the list of bills for review and consideration. After further discussion, Vicky Steinkamp motioned to approve the bills, seconded by Jim Inghram, all yea, motion carried.

Denis Raab 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 June 30, 2017. After further discussion, Jim Inghram motioned to approve the Treasurer's Report as presented, seconded by Vicky Steinkamp, all yea, motion carried.

Kim Cantrell stated that at the Boards request information was obtained on an Assistance Program where customers could add additional money to their payment to assist others with their delinquent bills. Mrs. Cantrell reported that the District's billing software does have the capability to track this information. Mrs. Cantrell informed the Board that she had interviewed several charitable organizations with regards to their capability of providing support to Water District customers. All were very capable, but it was staff's recommendation to contribute to the Northwest Region of the St. Vincent DePaul Society. After further discussion, Kay Schnurr motioned to approve the Customer Assistance Program and contribute to the Northwest Region of the St. Vincent DePaul Society, seconded by Vicky Steinkamp, all yea, motion carried.

Ron Smith explained the Carl Brown had been attained to provide an analysis report on the Water and Sewer System Development fee structure.

Carl Brown provided a detailed summary of what he believed to be the best recommendation for the Water District to follow when charging Water and Sewer System Development fees (Connection fees). It is Mr. Brown's recommendation to charge based on meter size versus acreage under roof. After further discussion, Denis Raab motioned to table the discussion until the next meeting and have Matt Jaspering and Ron Smith present a summary of what the District will follow, seconded by John Cook, all yea, motion carried.

Ron Smith presented the revised Investment Policy to the Board pointing out the changes and additions that were made. After further discussion, Kay Schnurr motioned to approve the revised Investment Policy, seconded by Vicky Steinkamp, all yea, motion carried.

Denis Raab asked if there were any Legal items to be brought before the Board. Mark Piontek stated there was nothing at this time.

Ron Smith explained the current Backflow policy that the Water District has and the dilemma that staff finds themselves in. Mr. Smith stated that staff will be reviewing the Water District's Rules and Regulations and presenting an amendment at the September meeting.

Denis Raab requested that Ron Smith 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 June 2017. Mr. Smith also presented information on customer service inquiries that were handled during the month.

Ron Smith informed the Board that staff will be meeting with the City of O'Fallon on August 22nd, with regards to the sewer odors.

Matt Jaspering informed the Board that the District has been contacted by a property owner from New Melle that would like to share an entrance with a District facility. After further discussion, John Cook motioned to approve the New Melle property owner be allowed to share the entrance with the District, seconded by Kay Schnurr, all yea, motion carried.

Matt Jaspering opened discussion regarding the fencing around the Heritage at Hawk Ridge Lift Station. After further John Cook motioned to have a 7' tall white vinyl commercial grade fence installed, seconded by Kay Schnurr, all yea, motion carried.

Ron Smith informed the Board that staff solicited bids for testing of the District's large water meters and the lowest and best bid was received from Midwest Meter, Inc. at the total cost of \$24,750.00. After further discussion, Denis Raab motioned to approve the bid from Midwest Meter, Inc. in the amount of \$24,750.00, seconded by Kay Schnurr, all yea, motion carried.

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 Project.

Matt Jaspering informed the Board that Cole & Associates submitted a proposal for engineering services related to the Interstate 64 30" Water Main Extension (Phase 1) at a cost not-to-exceed \$171,730.00. After further discussion, Jim Inghram motioned to approve the proposal from Cole & Associates, seconded by Denis Raab, all yea, motion carried.

Matt Jaspering stated that O.R. Colan submitted Work Authorization No. 43 for the services related to the acquisition of utility easements on thirty-five properties along Highway D between New Melle and Highway DD Tower at a not-to-exceed cost of \$80,600.00. After further discussion, Denis Raab motioned to approve Work Authorization No. 42 from O.R. Colan, seconded by, Jim Inghram, all yea, motion carried.

Matt Jaspering informed the Board that the District received bids for the Water Treatment Plant Roof Replacement and the lowest and best bid was received from Lakeside Roofing Co., at the total cost of \$179,752.00. After further discussion, Denis Raab motioned to approve the bid from Lakeside Roofing Co., seconded by Jim Inghram, all yea, motion carried.

Matt Jaspering stated that the District received bids for Miscellaneous Asphalt Improvements at certain District-owned sites and the lowest and best bid was received from Asphaltic Maintenance & Construction, Inc., at the total cost of \$41,610.00. After further discussion, John Cook requested this item be tabled until he can go view these sites.

Matt Jaspering stated that Electrical Controls, Inc. submitted a proposal for SCADA equipment and programming services related to SCADA improvements at the Hickory Trails SBR Plant at a total not-to-exceed cost of \$46,285.00. After further discussion, Denis Raab motioned to accept Electrical Controls, Inc.'s proposal, seconded by Jim Inghram, all yea, motion carried.

Matt Jaspering reviewed Cochran's final site evaluation report for two new water towers. After further discussion, Denis Raab motioned to have staff contact property owners for the two most cost-effective sites for each proposed tower to determine whether the District purchasing of approximately 1 acre of property is a real possibility, seconded by Vicky Steinkamp, all yea, motion carried.

Matt Jaspering stated that Bax Engineering has completed all obligations to the District at this time for Keighly Crossing Water Main Relocations 3-year escrow agreement and it staff recommends the release of \$1,603.00. After further discussion, Kay Schnurr motioned to release Bax Engineering's escrow money, seconded by John Cook, all yea, motion carried.

Matt Jaspering stated that Sterling & Mary Redfern have completed all obligations to the District at this time for Redfern Manor Phase 2 development's 3-year escrow agreement and it staff recommends the release of \$3,767.72. After further discussion, Kay Schnurr motioned to release Sterling & Mary Redfern's escrow money, seconded by John Cook, all yea, motion carried.

Denis Raab opened the floor for Public Comment. Mr. Al Biemer of the Cottages of Lake St Louis recommended that the Board consider viewing the Cottages as a nursing home and be considered by acreage under roof. After further discussion, Kay Schnurr motioned that due to the benefit to the District and the County, charge the Cottages based on acreage under roof, seconded by Denis Raab. Roll call vote was taken, John Cook voted no, Kay Schnurr voted yea, Vicky Steinkamp voted yea, Denis Raab voted yea, Jim Inghram voted yea, motion carried.

The Mayor of Lake St. Louis thanked the Board.

The Mayor of Lake St. Louis also stated she had received complaints regarding the safety around the structures in the lake and that IPI handled the situation.

Kim Cantrell stated that per John Cook's request, turned over a list of all the Water District bank account numbers.

Denis Raab 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. Denis Raab 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, Denis Raab voted yea, all yea, motion carried.

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

Bob and Brian Schwermann stated that since the Construction Funds will probably be gone by the end of the year, they will be providing a Pro-Forma Income and Expense Statement with a projected bond issue next month.

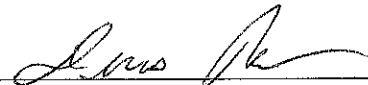
Denis Raab stated that the Board needs to discuss having a Reserve type fund for future infrastructure.

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

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

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

Minutes approved this 13th day of September, 2017.



Denis Raab, President



Kim Cantrell, Clerk

