

Public Water Supply District #2 of St. Charles County, Missouri
Minutes of the May 11, 2016 Regular Board Meeting

Denis Raab, President
John Cook, Vice-President
Ted Gaffney, Director

Kay Schnurr, Director
Vicky Steinkamp, Director

Mark Piontek, Legal Counsel

Bob Schwermann, Financial Advisor
Brian Schwermann, Financial Advisor

Ron Smith, General Manager
Tim Geraghty, Treasurer
Brian Pieper, Operations Manager

Kim Cantrell, 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 May 11, 2016 at the Water District offices, 100 Water Drive, O'Fallon, Missouri, at 7:00 PM.

Ted Gaffney, 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: Denis Raab, John Cook, Kay Schnurr and Vicky Steinkamp.

Denis Raab motioned to amend and adopt the meeting agenda with the Board reorganization being at the beginning of the agenda, seconded by John Cook, all yea, motion carried.

Tim Geraghty stated the need for the Board to reorganize and select its President, Vice President, Treasurer, Clerk and Deputy Clerk for the period of May 2016 through April 2017. After further discussion, Ted Gaffney made a motioned to approve Denis Raab as President, seconded by John Cook, all yea, motion carried. Kay Schnurr nominated John Cook as Vice President, seconded by John Cook. Denis Raab nominated Ted Gaffney as Vice-President. A vote was taken on the first nomination, that of John Cook. Voting yea, in favor of John Cook as Vice President, were John Cook, Kay Schnurr and Vicky Steinkamp. Voting nay, opposed to John Cook's nomination, were Denis Raab and Ted Gaffney; motion passed.

John Cook requested that a decision on the position of Treasurer be tabled until the July Board meeting. The Board agreed to take no action until the July meeting.

Denis Raab nominated Kim Cantrell to be District Clerk, seconded by Ted Gaffney, all yea, motion carried. No action was taken on the position of Deputy Clerk.

Denis Raab presented the April 13, 2016 Regular Board meeting minutes for review and approval. After review and discussion, Ted Gaffney motioned to accept the April 13, 2016 Regular Board meeting minutes as presented, seconded by John Cook, all yea, motion carried.

Denis Raab presented the list of bills for review and consideration. After further discussion, Ted Gaffney motioned to approve the bills in the amount of \$1,790,924.39, seconded by John Cook, all yea, motion carried.

Denis Raab 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 March 31, 2016. After further discussion, Denis Raab motioned to approve the Treasurer's Report as presented, seconded by Ted Gaffney, all yea, motion carried.

Tim Geraghty informed the Board that Gilmore & Bell proposes to conduct the District's required arbitrage rebate analysis for the Series 2015 bonds at an annual cost of \$1,100.00. After further discussion, Denis Raab motioned to accept Gilmore & Bell's proposal to conduct the rebate analysis, seconded by John Cook, all yea, motion carried.

Tim Geraghty presented the 2016 Amended Budget to the Board. After further discussion, Ted Gaffney motioned to approve the 2016 Amended Budget as presented, seconded by John Cook, all yea, motion carried.

Denis Raab 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 March 2016. Mr. Pieper also presented information on customer service inquiries that were handled during the month.

Tim Geraghty explained staff's request to change the description of fees in Rule #8F of the District's Rules and Regulations. After further discussion, John Cook motioned to change the description of fees in Rule #8F of the District's Rules and Regulations as recommended by staff, Vicky Steinkamp seconded, all yea motion carried.

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

Matt Jaspering gave a brief presentation on the Lake St. Louis Sewer Improvement Program. Mr. Jaspering requested the Board's approval to prepare a monthly project update with distribution through the Lake St. Louis Community Association: the Board agreed.

Matt Jaspering informed the Board that as part of the Brookfield Crossing residential subdivision, Rowles Development Company, LLC constructed a lift station on a tract of ground within the development known as Outlot A with the intent to dedicate the property to the District. Mr. Jaspering stated that Mark Piontek has prepared a Warranty Deed for the transfer of the property to the District. After further discussion, Ted Gaffney motioned to approve the Warranty Deed as prepared and approve the transfer to the District of approximately 0.14 acres known as Outlot A of Brookfield Crossing Plat One, seconded by Vicky Steinkamp, all yea, motion carried.

Matt Jaspering stated that the District received bids for the asphalt parking lot improvements at the District's Main Campus. After further discussion, this topic was tabled.

Matt Jaspering informed the Board that bids were requested for replacement of certain power poles, cross arms and associated hardware which are part of the private service lines providing electrical service to the Water Treatment Plant and the lowest and best qualified bid was received from Croft Electric Contractors, Inc., at the total cost of \$42,600.00. After further discussion, Vicky Steinkamp motioned to approve the proposal from Croft Electrical Contractors, Inc., for replacement of power poles at the Water Treatment Plant at the total cost of \$42,600.00, seconded by Kay Schnurr, all yea, motion carried.

Matt Jaspering informed the Board that Microtek provided a proposal for scanning documents in 2016 at the not-to-exceed cost of \$9,850.50. After further discussion, Kay Schnurr motioned to approve the proposal from Microtek for scanning documents in 2016 at the not-to-exceed cost of \$9,850.50, seconded by John Cook, all yea, motion carried.

Matt Jaspering informed the Board that Karrenbrock Construction is proposing to install a 12" public water main extension along Morrison Road in St. Charles County which will cross an existing 8" natural gas pipeline owned by Southern Star Gas Pipeline Company. Mr. Jaspering stated that Southern Star Gas Pipeline Company has requested the District enter into an Encroachment Agreement. After further discussion, Vicky Steinkamp motioned to approve entering into an Encroachment Agreement with Southern Star Gas Pipeline Company, seconded by Ted Gaffney, all yea, motion carried.

Matt Jaspering informed the Board that staff received a request to release 2,939 square feet of utility easement within Lots 56 & 57 of East Hampton Woods. After further discussion, Kay Schnurr motioned to approve the release of 2,939 square feet of utility easement within Lots 56 & 57 of East Hampton Woods, seconded by John Cook, all yea, motion carried.

Matt Jaspering addressed the letter from the Division of Labor Standards regarding Utility Solutions LLC. After further discussion, the staff consented to notify the Board if a low bidder on a District project is under investigation by the Division of Labor on another District project.

Mr. Tony Soukenik, Attorney for Artisan Development and Johnson & Yust Development spoke on behalf of his clients with regards to issues pertaining to the water and sewer service to the Mason Glen, Wyndemere Estates and Brookside Manor Subdivisions. After Mr. Soukenik presented his information, the Board stated this would be discussed in Closed Session and thanked him for coming.

Denis Raab opened the floor to public comment. Mr. Darrell Dechant stated he would give Tim Geraghty a call with questions he had regarding the District's audit.

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. Kay Schnurr 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, Denis Raab voted yea, Kay Schnurr voted yea, Vicky Steinkamp voted yea, all yea, motion carried.

Denis Raab motioned to adjourn the Executive Session, reopen the Regular Session; John Cook seconded. Tim Geraghty called a roll call vote: John Cook voted yea, Denis Raab voted yea, Kay Schnurr voted yea, Vicky Steinkamp voted yea, all yea, motion carried.

Denis Raab inquired if there was other business to come before the Board. Kay Schnurr asked if a date could be picked for the Board to take tours of the District's facilities. It was agreed that all interested staff and Board members would meet at the District office on May 23, 2016 at 8:00 am.

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

Minutes approved this 8th day of June, 2016.

John Cook
Denis Raab, President
John Cook

Kim Cantrell
Kim Cantrell, Clerk

