

Public Water Supply District #2 of St. Charles County, Missouri
Minutes of the January 10, 2018 Regular Board Meeting

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

John Cook, Vice President
Kay Schnurr, Director

Mark Piontek, Legal Counsel

Bob Schwermann, Financial Consultant

Kevin Dunn, General Manager/Treasurer

Kim Cantrell, Clerk
Matt Jaspering, District Engineer

Ron Smith, District Manager
Brian Pieper, Operations Manager

Guests: None

The regular meeting of the Board of Directors of Public Water Supply District #2 of St. Charles County, Missouri, was held on January 10, 2018 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.

Vicky Steinkamp introduced Pastor Kip Lawson of Element Church. Pastor Lawson delivered the invocation.

Kay Schnurr motioned to open the Regular meeting held on January 10, 2018, seconded by Jim Inghram, all yea, motion carried.

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

Denis Raab requested review and discussion of the December 13 2017 Regular Board meeting minutes, John Cook motioned to accept the December 13, 2017 Regular Board meeting minutes as presented, seconded by Kay Schnurr, all yea, motion carried. Next, Denis Raab requested review and discussion of the December 8, 2017 Special Board meeting minutes, Kay Schnurr motioned to accept the December 8, 2017 Special Board meeting minutes as presented, seconded by Jim Inghram, all yea, motion carried, Lastly, Denis Raab requested review and discussion of the December 8, 2017 Special Board meeting minutes, Kay Schnurr motioned to accept the December 8, 2017 Special Board meeting minutes as presented, seconded by Vicky Steinkamp, all yea, motion carried.

Denis Raab presented the list of bills and additions for review and consideration. Kim Cantrell explained there was a correction to the list of bills total. After further discussion, Jim Inghram motioned to approve the bills, seconded by Vicky Steinkamp, all yea, motion carried.

Denis Raab requested Kevin Dunn review the District's Treasurer's Report. Mr. Dunn reviewed the District's Treasurer's Report including the Summary of Bank Accounts, Balance Sheet, and revenues and expenses for the period ending November 30, 2017. After further discussion, John Cook motioned to approve the Treasurer's Report as presented, seconded by Vicky Steinkamp, all yea, motion carried.

Bob Schwermann recommended to consider creating a separate account to put money into for replacement of the plant or for emergencies. Mr. Schwermann stated he and Brian Schwermann would put together additional information and recommendations.

Denis Raab made a motion:

- (a) That the District deliver written notice to Alliance of the termination of the Professional Operating Services and Management Agreement, dated November 14, 2012, as supplemented and amended, under Section 9.4 of the Agreement for Alliance's failure to cure the breaches of contract described in the board's letter to Alliance dated October 11, 2017, with the termination to be effective 90 days from today's date (April 10, 2018); and
- (b) That the notice letter drafted by the board be approved and executed by Denis Raab, thereby terminating the Agreement effective April 10, 2018."

Seconded by Vicky Steinkamp. Kim Cantrell called for a roll call vote: Denis Raab voted yea, Jim Ingram voted yea, Vicky Steinkamp voted yea, Kay Schnurr voted yea, John Cook voted yea, all yea, motion carried.

Matt Jaspering provided an update on the Lake St. Louis Sewer Improvement Program and informed the Board that IPI, Inc., has requested a time extension to June 29, 2018 for both Contracts 1 & 2. Mr. Jaspering stated that staff recommends if the Board approves the time extension that liquidated damages be included in the contract extension. After further discussion, Jim Inghram to allow staff to continue to negotiate with IPI, Inc., on contact extensions and the liquidated damages wording be included, seconded by Kay Schnurr, all yea, motion carried.

Mark Piontek presented the new T-Mobile Antenna lease to the Board. Mr. Piontek explained the new terms. After further discussion, Kay Schnurr motioned to approve the First Amendment to the lease agreement to the T-Mobile contract, seconded by Jim Inghram, 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 November 2017. Mr. Pieper also presented information on customer service inquiries that were handled during the month.

Denis Raab 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 explained to the Board that due to increasing demands from the District's western region, staff has requested a proposal from Engineered Fluid, Inc., (EFI) to furnish and install one 40 HP pump and Variable Frequency Drive (VFD) motor and associated equipment in Position #4 at Hidden Cedar Booster Pump Station. Mr. Jaspering stated that EFI's proposal came in at the total cost of \$61,480.00. After further discussion, Kay Schnurr motioned to approve the proposal from EFI at the total cost of \$61,480.00, seconded by Jim Inghram, all yea, motion carried.

Mark Piontek provided an update on Wright City. Mr. Piontek stated that if the agreement is approved at Wright City's board meeting on 1/11/18, then it will be on the April ballot and should close in June or July if the voters approve the sale and the due diligence is satisfactory.

Denis Raab tabled discussion regarding the SSM-St. Joseph Hospital Connection fees until February.

Kevin Dunn informed the Board that a letter was sent to the Home Builders Association of Greater St. Louis informing them of the rate increase on the water and sewer connection fees.

Kevin Dunn provided an explanation on the invoice he sent regarding the Hickory Trails Surcharge Payments.

Denis Raab requested Kevin Dunn submit recommendations on how to prevent irrigations only systems from becoming delinquent at the February meeting.

Mark Piontek informed the Board that there is a hearing scheduled on January 26, 2018 with regards to the Flint Hill Annexation.

Kevin Dunn informed the Board that he was requested by the East Central Board to review Rule #6 D and #7 G regarding the wording of the multi-unit minimum bills and how they are billed. After further discussion, Denis Raab requested Mr. Dunn to have this information available at the February meeting.

Kevin Dunn stated that accommodations were received regarding a couple employees for good customer service.

Denis Raab stated he received an accommodation from a customer who got a call from one of the staff members regarding a possible leak. Mr. Raab stated this customer was very pleased.

Kay Schnurr thanked the crews for all they work they have been doing out in the extreme cold.

Kevin Dunn thanked the staff for keeping the Augusta system in compliance.

Kim Cantrell informed the Board they could turn in their mileage for reimbursement for the 2017 Fiscal Year.

Denis Raab opened the floor for Public Comment. Dan Oberle made a recommendation to involve the Lake St. Louis Advisory Committee in be an extra set of expertise in the IPI, Inc., extension review. The Board thanked him and said they would consider it.

John Cook moves to change the meeting start time from 6:00 to 6:30 pm, seconded by Kay Schnurr, all yea, motion carried.

Denis Raab stated there are 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: Vicky Steinkamp voted yea, Kay Schnurr voted yea, John Cook voted yea, Denis Raab voted yea, Jim Inghram voted yea, all yea, motion carried.

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

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

Minutes approved this 14th day of February, 2018.



Denis Raab, President



Kim Cantrell, Clerk

