

Public Water Supply District #2 of St. Charles County, Missouri
Minutes of the October 11, 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 Consultant

Kim Cantrell, Clerk

Ron Smith, Treasurer

Kevin Dunn, General Manager

Matt Jaspering, District Engineer

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 October 11, 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.

Denis Raab moved to amend the agenda and move the Ongoing Audits be moved from Other & Informational to top of the list of Old Business, seconded by Jim Inghram, all yea, motion carried.

Denis Raab moved to adopt the agenda as amended, seconded by Kay Schnurr, all yea, motion carried.

Denis Raab requested review and discussion of the September 13, 2017 Regular Board meeting minutes, Mr. Raab motioned to accept the September 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 September 5, 2017 Special Board meeting minutes, John Cook motioned to accept the September 5, 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. After further discussion, Jim Inghram motioned to approve the bills, seconded by Vicky Steinkamp, all yea, motion carried.

Denis Raab thanked everyone for all their thoughts, prayers and well wishes while he was out.

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 August 31, 2017. After further discussion, John Cook motioned to approve the Treasurer's Report as presented, seconded by Kay Schnurr, all yea, motion carried.

John Cook motioned:

(a) To deliver notice to Alliance that it is in breach of contract for its failure:

1. To provide information for review by the board and its auditor to confirm that the costs and Alliance's fees billed to the District under the management agreement are correct and have been correctly allocated as required by the agreement; and

2. To keep documentation of routine maintenance to show that it has been performed in accordance with manufacturer's specifications and to provide such documentation to the board and its designee; and
- (b) Further that the notice letter drafted by the board be approved and executed by Denis Raab, thereby providing Alliance with official notice of these breaches of contract and a 60-day period to cure them as required by the contract.

Seconded by Jim Inghram, all yea, motion carried.

Mr. Joshua Mourning handed the signed letter to Mr. Ron Smith.

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. John Cook 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.

Jim Inghram motioned to adjourn the Executive Session and reopen the Regular Session; Vicky Steinkamp seconded. Kay Schnurr called a roll call vote: Jim Inghram voted yea, Kay Schnurr voted yea, John Cook voted yea, Vicky Steinkamp voted yea, Denis Raab voted yea, motion passed.

Kay Schnurr made a motion to amend the contract with Cole Engineering to include costs of services to prepare a Request for Qualifications for maintenance operations and to authorize the president to sign the amended contract, seconded by John Cook, all yea, motion carried.

John Cook stated that the Board would like to request a meeting with all of the Alliance employees. Ron Smith stated he respectfully declined. Mr. Cook then stated the Board will then post signs requesting the employees to attend.

Kevin Dunn explained the revised Backflow letter that was included in the Board packet.

Kim Cantrell informed the Board that she is working with the St. Vincent DePaul Society on obtaining a contract for Mark Piontek to review.

Brian Pieper provided an update on the Henke Road Lift Station Force Main Odor Control.

Kevin Dunn stated that he has questions with regards to the Carl Brown Connection Fee structure so he and Ron Smith are going to meet with Carl Brown before the next Board meeting.

Kim Cantrell explained that the term of the directors of Sub-districts #3 & 4 comes up for the April 2018 election, and in accordance with the State and County Election Authorities, the filing period opens at 8:00 am on December 12, 2017 and closes January 16, 2018 for the April 3, 2018 election. Mrs. Cantrell stated that the Board should consider and adopt the Resolution and the Notice of Filing of a Declaration of Candidacy. After further discussion, Jim Inghram moved to approve the adoption of the Resolution and approve the Notice of Filing of Declaration of Candidacy, seconded by Kay Schnurr, all yea, motion carried.

Kevin Dunn stated that currently the Purchasing Policy has the Clerk as the Purchasing Agent with a limit of \$5,000.00. Mr. Dunn recommends making the General Manager the Purchasing Agent with a limit of \$50,000.00. After further discussion, Kay Schnurr motioned to amend the Purchasing Policy making the General Manager of the District the Purchasing Agent with a limit of \$50,000.00, seconded by Jim Inghram, all yea, motion carried.

Kevin Dunn reviewed the two Sunshine Law requests included in the Board packet.

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

Brian Pieper stated that in order to continue performing routine and emergency wastewater collection systems CCTV work, staff solicited pricing for the replacement of the District's aging and frequently inoperable CCTV vehicle and equipment. Mr. Pieper stated that the lowest and best bid was received from EJ Equipment, Inc. for a Cues Summit CCTV System & GNet Software Retrofit system at the total cost of \$107,100.00. After further discussion, Jim Inghram motioned to approve the bid from EJ Equipment, Inc. for a Cues Summit CCTV System & GNet Software Retrofit system at the total cost of \$107,100.00, seconded by Vicky Steinkamp, all yea, motion carried.

Brian Pieper informed the Board that following the large meter testing process, it has been determined that 11 of the 76 meters tested require maintenance and/or repairs to restore them into proper operating conditions at the total cost of \$16,417.50 by Midwest Meter, Inc. After further discussion, Kay Schnurr motioned to approve the expenditure of \$16,417.50 to Midwest Meter, Inc., to repair 11 large meters, seconded by Vicky Steinkamp, all yea, motion carried.

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 informed the Board that O.R. Colan provided a proposed Work Authorization No. 45 for the services related to the acquisition of utility easements on 13 properties along Highway W and Dietrich Road north of Foristell in conjunction with the Foristell (Highway W & Sumac Ridge-Phase 1) water main extensions at a not-to-exceed cost of \$30,500.00. After further discussion, Jim Inghram motioned to approve Work Authorization No. 45 from O.R. Colan, seconded by Vicky Steinkamp, all yea, motion carried.

Matt Jaspering stated that the District received bids for the Lakewood Lift Station Improvements Project and the lowest and best bid was received from Lamke Trenching & Excavating at a not-to-exceed cost of \$2,290,097.37. After further discussion, Kay Schnurr motioned to approve the bid from Lamke Trenching & Excavating for the Lakewood Lift Station Improvements Project at a not-to-exceed cost of \$2,290,097.37, seconded by Jim Inghram, all yea, motion carried.

Matt Jaspering informed the Board that Lombardo Homes of St. Louis, LLC has completed all obligations to the District at this time for the Oakhurst Phase 1 three year escrow agreement and at this time staff recommends releasing Lombardo Homes the remaining security deposit of \$5,000.00. After further discussion, Jim Inghram motioned to approve the release of the remaining \$5,000.00 security deposit to Lombardo Homes of St. Louis, LLC, seconded by Denis Raab, all yea, motion carried.

Ron Smith informed the Board that he met with the O'Fallon Chamber of Commerce with regards to the Grow O'Fallon publication and asked direction from the Board if they were interested in placing an ad in this publication. After further discussion, the Board declined.

John Cook suggest the Board consider having the Board meetings audio recorded. After further discussion, Kay Schnurr motioned to table this topic, seconded by Denis Raab, all yea, motion carried.

Kevin Dunn explained to the Board that the District once again received Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting. Denis Raab suggested a press release be issued.

Kevin Dunn informed the Board that the Missouri Department of Natural Resources issued a Letter of Compliance for the Water District facilities. Denis Raab suggested a press release be issued.

Denis Raab brought up items for future discussion such as facility security review, Kay Schnurr motioned to table until next month, seconded by John Cook, all yea, motion carried.

John Cook motioned to table the discussion of the Automatic Dialer Upgrade, seconded by Kay Schnurr, all yea, motion carried.

The topic of District Social Media Capabilities was also tabled until staff can produce additional information.

The Board directed staff to get price quotes for Handicap Access at the District office.

Denis Raab opened the floor for Public Comment. Sue Tresbeck requested the Water District website be updated, it still contains information regarding the 2014 Sewer Improvement Project.

Jim Inghram stated the Board information on the website also needs to have Kevin Dunn's name added. Mr. Inghram also requested the minutes be in most recent order to oldest as well as the minutes be stamped as DRAFT.

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. John Cook 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; Denis Raab 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, motion carried by majority vote.

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; Vicky Steinkamp seconded, all yea, motion carried

Minutes approved this 8th day of November, 2017.

Denis Raab
Denis Raab, President

Kim Cantrell
Kim Cantrell, Clerk

