

THE MINUTES OF THE MEETING OF THE BOARD OF PUBLIC WORKS

October 15, 2018

The regular meeting of the Board of Public Works was held on Monday, October 15, 2018 at 4:00 p.m. in the City Council Chambers. Those in attendance were President Tim Watts, Vice President John Neer, Board Member J.D. King, General Manager Stephanie Wilson, City Administrator Avis Marshall and Controller Jennifer McLeland. Guests present were Brian Bender with Macon Public Water Supply #1, Craig Woycheese with Toth & Associates, Inc. and David Ausmus.

President Tim Watts called the meeting to order at 4:00 p.m. At the opening of the meeting, the unexpected passing of Board Member Jerry Chezum on October 10, 2018 was discussed. At the conclusion of the discussion, Vice President John Neer made a motion, seconded by President Tim Watts, to approve the minutes from the September 17, 2018 meeting. The motion carried with three votes for and none against.

First item on the agenda was a presentation from Craig Woycheese with Toth & Associates, Inc. analyzing MMU's electric and water cost of service and corresponding retail rates to customers. In his presentation he noted each customer class's contribution to the operating margin as a percent of revenue. The recommendation presented for electric rates suggests a winter and summer rate for residential customers and a 2% increase for small commercial customers, under 100 KW. Overall, the electric analysis suggests a 0% rate increase when looking at the net result for all customer classes. For water, based on usage and contribution to net income a 4% rate increase was suggested for in town water customers. The impact to residential customers would be \$0.88 per month for a 5,000-gallon user. The adoption of the suggested rates was tabled until next month so that Board members have a chance to review the studies.

Next item on the agenda was the review of financials for September 2018. Revenue and expense activity for each fund was normal according to the time of year. The Board discussed adjusting the annual allocation to Macon County Ministries to provide utility assistance to residents. Vice President John Neer made the motion, seconded by President Tim Watts, to raise the amount from \$6,000 to \$7,000 to be paid in December 2018. The motion carried with three votes for and none against.

Next item on the agenda was the approval of a bid to finish the interior of the water treatment plant garage. J.D. King made the motion, seconded by John Neer, to accept the bids from Vass Construction and Vass Electric's for a grand total of \$14,685.50. The motion carried with three votes for and none against.

For the next item on the agenda, General Manager Stephanie Wilson requested approval to order additional electric meters needed for the Automated Meter Infrastructure (AMI) overlay project. The request was to order the 1,262 meters and modules needed due to the 16-week delivery lead time. The expense will be budgeted and paid for in the 2019 budget. Vice President John Neer made the motion, seconded by Board Member J.D. King to proceed with the order due to the long lead time. The motion carried with three votes for and none against.

Under General Manger Stephanie Wilson updates, she noted progress work on the 2019 budget with draft of the budget to be given to the Board for review on November 9, 2018. Final budget will be presented to the Board at the November 19, 2018 board meeting for approval. Ms. Wilson then shared with the board that The Evoke Group has completed our new home page and background on the website.

Assistant General Manager Scott Lucas's updates noted operations and inspections for the Macon, Audrain and Fredericktown Energy Centers. In addition, Special Services Group performed routine work, preparing and adding recloser to Substation #3 and replacing regulators with new units. Electric Distribution has assisted the street department in cutting trees, replacing poles. A power outage, due to transmission loss occurred on October 12, 2018. It affected Substation #2 and #3, power was restored within 35 minutes. Also, General Manager Stephanie Wilson noted that on Tuesday, October 9, 2018 Ben Stueve, Jason Carr, Anthony Witt, and Austin Barnett left for Tallahassee, Florida to respond to mutual aid request from Tallahassee. Hurricane Michael mad landfall on October 10, 2018 as a Category 4 hurricane.

Underground Facilities continued dress-up and concrete work in various location and have performed system flushes to remove water affect by taste and order issues from the season change. The natural gas crew has completed valve operations in the distribution system.

Under Manager Roger Rector's updates, he reported that staff worked diligently with the source water to address the taste and odor issues. For the wastewater treatment plant, he noted that the annual inflow and infiltration report was submitted to the Missouri Department of Natural Resources.

After approval of accounts payable and setting the next regular meeting for Monday, November 19, 2018 at 4:00 p.m., a motion was made by President Tim Watts, seconded by Board Member J.D. King to adjourn the meeting. The motion carried with three votes for and none against.

President Tim Watts adjourned the meeting at 5:40 p.m.

Respectfully Submitted:

Renita Waldron Board Secretary

Approved:

Tim Watts President