

## BOARD OF PUBLIC WORKS

Regular Board Meeting

Tuesday, May 15, 2018  
3:00 P.M.

Present:

Lennie Rosenkrans  
Tim Goodman  
Bill Fisher  
Steve Smith

President  
Vice President  
Secretary  
Board Member

Heath Hall  
Courtney Harris  
Mathew Munzlinger  
Abe Gray  
Kari Goodman  
Andrea Campbell

Interim GM/Director of Operations  
Administrative Assistant  
Utility Planning & Construction Engineer  
Finance Director  
Public Relations Coordinator  
Stormwater Coordinator

James Lemon  
George Walley  
Ashley Szatala

City Attorney  
Economic Development  
Quincy Herald Whig

### **CALL TO ORDER**

The meeting was called to order at 3:00P.M. by Lennie Rosenkrans.

### **INVOCATION & PLEDGE OF ALLEGIANCE**

The invocation was given by Mr. Tim Goodman.

### **CONSENT AGENDA**

- A) Minutes – Regular Meeting: April 17, 2018
- B) Payrolls – April 27, 2018 & May 11, 2018
- C) Claims – April 2018

On motion of Tim Goodman, seconded by William Fisher the Board voted unanimously to approve the Consent Agenda.

### **COMMENTS FROM THE AUDIENCE**

None

### **GENERAL MANAGER & OPERATIONS REPORT**

Heath Hall reported there were a few outages during the storm last night, and the Water Treatment Plant had a shut down during the storm due to electrical issues.

Heath Hall reported the river level is at 20 feet and steps are taking place to move forward with the flood prevention plan at this time. Mr. Hall noted the 20 foot level is when the HBPW takes action for the plan.

Heath Hall reported he addressed the City Council at their April 17th and May 1st meetings on financing the Chloramine Alternative project with bonds. The first reading of the bond ordinance was completed at the May 1st meeting, and the second reading will be at the May 15<sup>th</sup> Council meeting. Mr. Hall noted he will attend and answer any questions that may arise as well as update the Council on the Chloramine Alternative project.

Heath Hall reported Matt Munzlinger, George Hausdorf, and he joined two Black & Veatch engineers on a tour of carbon manufacturing facility (Evoqua) near Pittsburg, Pennsylvania last week. They were able to view shipping procedures for GAC material, look at treatment vessels, and learn general information about how the facility processes carbon. Mr. Hall noted they also looked at the regeneration process and discussed obtaining Missouri Department of Natural Resources (MDNR) approvals for the proposed Evoqua's products. After the

manufacturing tour, the crew toured a Water Treatment Plant (WTP) at Penn State University that used GAC within its treatment process.

Heath Hall reported pilot testing of four GACs in parallel that began on May 8<sup>th</sup> at the WTP. Mr. Hall noted the process is very similar to the previous pilot, and they will be testing for TTHMs, Total Organic Carbon (TOC), and perform Simulated Distribution System (SDS) testing.

Heath Hall reported the Reliable Public Power (RP3) announcement and press conference was held on Wednesday, May 9<sup>th</sup>. The Hannibal Board of Public Works earned a Diamond level (the highest level awarded) RP3 designation from the American Public Power Association. Mr. Hall thanked the RP3 team and Courtney Harris for organizing and gathering data for the application submittal.

Heath Hall reported the public notice period for the Stormwater Management Plan ended Tuesday May 1st, and there was only one comment that was received. The final draft of the plan is ready to be submitted to MDNR pending Board approval.

Heath Hall reported outages were normal for the month of April. The rolling 12 month availability rate continues to be pretty good at 99.985%.

Heath Hall reported Prairie State had an annual spring outage on Unit #1.

Heath Hall reported the Line Crew is currently installing new squirrel guards within the subdivisions of El Rancho, Pioneer Trail, Lake Apollo, Coachlight, and Suellen. Mr. Hall noted these areas are vulnerable to squirrel related outages.

Heath Hall reported the Water Department fire hydrant testing typically begins the first week of April, but is currently being postponed to coincide with a total water system flush in combination with disinfecting with free chlorine only. Mr. Hall noted enclosed in the May utility bills is the "Water System Flush Announcement" that contains details of our plans to flush the entire water system in approximately 30 days beginning with the first full week of June.

Heath Hall reported the Water Crew will begin replacing a deteriorated cast iron main along Marsh Avenue from Hwy 61 to Overhill in May.

Heath Hall reported the annual basin cleaning was completed during April with the exception of the filter feed basins and the transfer well. Mr. Hall noted Black & Veatch will be accessing the well during the cleaning process to verify information for the Chloramine Alternative project.

Heath Hall reported Irvinbuilt began construction on the Bar Screens during the month. Mr. Hall noted they removed the HVAC unit for the G&D Building and installed bypass piping that will be used during the project. Peters will reinstall the HVAC unit in May.

Heath Hall reported the nocardia based foam at the WWTP was absent for a short period of time, but is now resurfacing. The WWTP crew will continue to work on eliminating the minor foam issue.

### **FINANCIAL REPORT**

Abe Gray presented the Board with the financial results for the month of April 2018, year to date results, and key financial ratios. Mr. Gray presented the Dashboard presentation to the Board as a review of Key Performance Indicators trailing the last six months.

### **PROJECTS REPORT**

Mathew Munzlinger presented the Board with an updated progress report of ongoing projects. This includes projects from the Water System and Water Treatment Plant, as well as the Sewer System and Wastewater Treatment Plant. Mr. Munzlinger noted the progress of these projects and studies are acceptable and will continue as weather permits.

## **OLD BUSINESS**

### **Stormwater Management Plan – Matt Munzlinger**

Matt Munzlinger reported a copy of the Stormwater Management plan was presented at last month's Board meeting and was set up for review to the public. Mr. Munzlinger noted there was one comment voiced from a customer regarding the plan that entailed a few grammatical and content changes. After review, Mr. Munzlinger recommended approval of the plan to submit the document to MDNR by next week. The document is required to be submitted by July 1, 2018.

On motion of William Fisher, seconded by Steve Smith, the Board voted unanimously to accept the finalized Stormwater Management Plan as presented.

### **Generator Maintenance Agreement – Jared Stewart**

Heath Hall reported on behalf of Jared Stewart, the HBPW has received a quote from Altorfer to maintain all ten new diesel generator units. The agreement also includes generators located at the Southside booster station, Paris Gravel Booster Station, and the unit supporting the Main Office under one contract. The annual cost for all eight diesel units at Oakwood Substation and the two at the treatment plants is \$56,300.00. The annual cost for the two water booster station units is \$3,944.00 and the Main Office unit \$3,467.00. There is also a one-time cost of the Main Office unit of \$6,019.00 to get it back up to the same standards as the other units. Mr. Hall noted at this time it is my recommendation that we approve the Altorfer proposal to ensure the proper and continued maintenance of all our generation fleet.

On motion of William Fisher, seconded by Tim Goodman, the Board voted unanimously to approve the Generator Maintenance Agreement as presented.

## **NEW BUSINESS**

### **Cost of Service Study/Utility Financial Solutions – Abe Gray**

Abe Gray presented the Cost of Service report compiled by Utility Financial Solutions. Mr. Gray noted this report includes results of the Cost of Service, long-term financial projection and recommendations on future rate design of the Water Department. The study recommended a total of 54% more revenue for the Water Department for the next 5 years. After much discussion and review, Mr. Gray noted he would recommend the Board accept the first study as presented.

On motion of William Fisher, seconded by Steve Smith, the Board voted unanimously to accept the first reading of the Cost of Service Study as presented.

### **Proposed Rate Schedules – Abe Gray**

Abe Gray presented the Electric, Water, and Sewer Rate Schedule for FY2018-2019. The proposed revenue increases include Water (3.7%), Sewer (3.7%), and flat Electric rates, and no Stormwater revenue. The schedules were discussed and reviewed for consideration by the Board to be presented at the Public Hearing to be set in the next action item. There is also some proposed language on incentive rate discounts for electric and water.

### **Set Public Hearing Date**

Heath Hall proposed to set the Public Hearing date on June 18, 2018 at 6:00p.m. with the regular meeting to follow.

On motion of William Fisher, seconded by Steve Smith, the Board voted unanimously to hold the public hearing on June 18, 2018 at 6:00p.m. in the Hannibal Board of Public Works conference room.

### **Shinn Lane Property**

Abe Gray presented information regarding the Shinn Lane property that was purchased by the Board 4 years ago, which lies adjacent to the Business Park. The tenants have given the HBPW notice that they intend to vacate the property at the end of July 2018. Mr. Gray noted rather than searching for new tenants, we feel that it is preferable to market the property for sale at this time. All easements have been acquired and annexation has occurred. Mr. Gray recommended the Board formally declare the Shinn Lane property to be "surplus property", and that the Board instructs management to select a qualified Realtor to market the property for sale.

On motion of Tim Goodman, seconded by Steve Smith, the Board voted unanimously to declare the Shinn Lane property as surplus property and select a realtor to market the property for sale.

**Holiday Inn Incentive Rate Proposal – Heath Hall**

Heath Hall reported the owner of the Holiday Inn Express, Spike Ehrhardt, sent a letter to the Hannibal Board of Public Works and the Northeast Economic Development Council in April of 2018 requesting to receive an incentive rate for their electric and water. After much discussion, Mr. Hall proposed beginning the April 2018 billing period and each year after ending in April of the year 2022, the Holiday Inn receive the incentive rate as presented.

On motion of William Fisher, seconded by Steve Smith, the Board voted unanimously to approve the Holiday Inn Incentive Rate incentive rate proposal as presented.

**CITY ATTORNEY – PENDING MATTERS**

NONE

**GENERAL DISCUSSION**

NONE

**CLOSED SESSION**

Lennie Rosenkrans made a motion to convene in closed session, in accordance with Section 610.021(3) & (12) of the Missouri Sunshine Law, to discuss Personnel & Contracts admitting Lennie Rosenkrans, Tim Goodman, William Fisher, Steve Smith, Heath Hall, Beverly Stewart, Courtney Harris, and Kari Goodman. Motion seconded by Steve Smith. ROLL CALL: AYES: Board Members, Lennie Rosenkrans, Tim Goodman, William Fisher, and Steve Smith. NAYS: 0.

On motion of William Fisher, seconded by Steve Smith, the Board voted unanimously to offer the General Manager position to Mr. Heath Hall for a starting pay of \$120,000 annually. ROLL CALL: AYES: Board Members, Lennie Rosenkrans, Tim Goodman, William Fisher, and Steve Smith –NAYS: 0.

**ADJOURNMENT**

Steve Smith made a motion to adjourn. Motion seconded by Lennie Rosenkrans and carried unanimously. The meeting was adjourned at 5:45p.m.



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Heath Hall  
General Manager

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William Fisher  
Board Secretary