

BOARD OF PUBLIC WORKS

Regular Board Meeting

Monday, December 16, 2019

Time: 4:40p.m.

Present:

Steve Smith
Stephan Franke
Bill Fisher

Vice President
Board Member
Secretary

Mathew Munzlinger
Courtney Harris
Abe Gray
Jared Stewart
Andrea Campbell

Interim General Manager
Administrative Assistant
Finance Director
Electric Line Superintendent
Stormwater Coordinator

Drew Ward
Corey Mahaffey
Mike Dobson
Melissa Cogdal
Alan Bowen
Jay Stowe
Anita Failor
Carrie Peters
Danny Henley

Staff Attorney for the Lemon Law Firm
Hannibal Regional Economic Development Council
City Councilman
City Councilman
City Councilman
Stowe Utility Group, LLC
CPA, Wade Stables
CPA, Wade Stables
Hannibal Courier-Post

CALL TO ORDER

The meeting was called to order at 4:40p.m. by Steve Smith.

INVOCATION & PLEDGE OF ALLEGIANCE

The invocation was given by Mr. Steve Smith.

Steve Smith announced the mission statement of the Hannibal Board of Public Works. "The mission of the Hannibal Board of Public Works is to provide safe, reliable utility products with excellent customer service at reasonable prices."

CONSENT AGENDA

- A) Minutes – November 18, 2019
- B) Payrolls – November 22, 2019 & December 6, 2019
- C) Claims – November 2019

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

COMMENTS FROM THE AUDIENCE

NONE

GENERAL MANAGER & OPERATIONS REPORT

Matt Munzlinger reported Prairie State's capacity factor is 86% and the all in energy charge is \$65.47/MWH for the past 12 months.

Matt Munzlinger reported interviewing to fill the vacant Customer Service Representative position has begun and the Business office is hopeful to fill that position before the end of the calendar year.

Matt Munzlinger reported this month the EBTB held mandatory benefit meetings December 12-13th at both City Hall and the HBPW to inform employees of the benefit changes that will be effective January 2020.

Matt Munzlinger congratulated Mat Findlay for being voted the HBPW November 2019 Employee of the month by our staff.

Matt Munzlinger reported the decision made last month for Stormwater to be placed on the November 2020 ballot, fee collection would not begin until Fall 2021.

Matt Munzlinger reported the Army Corps of Engineers completed their annual inspection of the dam and spillway on November 18th.

Matt Munzlinger reported outages were normal except for the high winds at the end of the month of November. The overall availability rate for the past 12 months is 99.987%.

Matt Munzlinger reported the Crew completed 23 excavations during the month resulting in the repair of 2 leaking valves, 2 leaking services and the replacement of 214 feet of water main.

Matt Munzlinger reported there were no SSO's occurred during the month of November.

Matt Munzlinger reported at the Water Treatment Plant (WTP) there is not a loss of water distribution as anticipated due to the loss of Ralls County Water. Mr. Munzlinger noted this is partially due to increased industrial usage.

Matt Munzlinger reported at the Wastewater Treatment Plant (WWTP) the plant is reporting higher flows due to the high river level.

Matt Munzlinger reported the monthly safety meetings were held on Nov. 20, 2019 and the topic was "Winter Safety."

Matt Munzlinger reported Matthew Jones worked with NISC to install a required upgrade to the latest version this month. Mr. Munzlinger noted this upgrade will also allow the staff to continue testing online customer sign-ups.

Matt Munzlinger reported Matthew Jones is preparing to deploy the remaining 100 test meters for the automated meter reading upgrade. The supplies for the 3 DCU installations will begin the first part of December and be conducted by the HBPW line crew.

Mr. Munzlinger reported there were 1,751 delinquents for the month with 109 customers cut off for non-payments.

Matt Munzlinger reported the Facilities Supervisor position will be posted this week.

FINANCIAL REPORT

Abe Gray presented the Board with the financial results for the month of November 2019, 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

WATER RATE SCHEDULE – Abe Gray

Abe Gray presented the Water Rate Schedule for FY2019-2020 during the Public Hearing. The proposed revenue increases include Water (7.5%) rate, and no increases for Electric, Sewer, or Stormwater with a revision to the schedule of fees and charges. The schedule was discussed and reviewed for consideration by the Board and recommended for approval to take affect January 1, 2020.

On motion of Stephan Franke, seconded by William Fisher the Board voted unanimously to approve the Water Rate Schedule and Schedule of fees and charges for FY2019-2020 as presented.

GAC MEDIA CONTRACT – Matt Munzlinger

Matt Munzlinger presented the Calgon contract with Calgon Carbon to supply the GAC media for the initial filling of the GAC vessel and to provide reactivation services for a period of time. Mr. Munzlinger noted based upon the review only a three year contract is recommended. Mr. Munzlinger recommended approving the Calgon contract as presented for a term of three years.

On motion of William Fisher, seconded by Stephan Franke the Board voted unanimously to approve the Calgon GAC media contract as presented.

NEW BUSINESS

FY18-19 Audit Report – Wade Stables

Anita Failor, CPA from Wade Stables presented the Board with the annual Audit results from the FY18-19 fiscal year ending June 30, 2019. Carrie Peters noted overall the HBPW received a clean audit opinion and the financial statements are materially correct.

On motion of Stephan Franke, seconded by William Fisher the Board voted unanimously to accept the FY18-19 annual Audit Report as presented.

Stowe Utility Group Organization Review – Jay Stowe

Jay Stowe, owner of Stowe Utility Group LLC, presented a draft report of the organizational review of the Hannibal Board of Public Works. Mr. Stowe noted the overall areas of improvement include communication, accountability, safety, organizational structure, and high utility rates. Mr. Stowe reported the HBPW has a strong team that provides a valuable service for the Hannibal region every day, and overall the business is thriving.

2013 Sewer Bond Refunding – Abe Gray

Abe Gray reported in the fall of 2013 the HBPW issued approximately \$6.4 million of bonds in the Sewer Fund to pay for several upgrades at the Wastewater Treatment Plant. The current outstanding principal amount of the bonds is \$5.105 million. Mr. Gray noted those bonds are now eligible to be “called”, or paid off early. Two separate elements have combined to make this transaction financially beneficial to the HBPW. For one, market interest rates have fallen. Second, the HBPW’s credit rating has improved. The combination of these two elements will allow the HBPW to save an estimated \$667,000 (including of costs of issuance) over the remaining original life of the bonds, which is 13 years. Mr. Gray noted this would simply be a transaction to essentially “refinance” the bonds, not adding more debt nor extending the life of the debt. Mr. Gray noted due to the amount of cost savings, the HBPW management requests the Board approve the resolution to hire WM Financial Strategies and Gilmore & Bell to assist with the refunding of the 2013 Sewer Bonds.

On motion of William Fisher, seconded by Stephan Franke the Board voted unanimously to hire WM Financial Strategies and Gilmore & Bell to assist with the refunding of the 2013 Sewer Bonds.

Investment Policy Update – Abe Gray

Abe Gray reported last month he updated the Board on the places the HBPW funds are invested and the interest rates that are being earned. Mr. Gray noted the investment policy had not been updated in over 9 years and has revised the policy with current deposit insurance limits, etc. Mr. Gray noted this is a Board-approved policy and HBPW management requests that the Board approve it with the changes proposed.

On motion of William Fisher, seconded by Stephan Franke the Board voted unanimously to accept the Investment policy as presented.

Five Year Capital Plan – Abe Gray

Abe Gray presented the Five Year Capital Plan for the Board members to review. Discussion was held regarding the plan, and Mr. Gray will present the final draft to the Board in a future meeting for approval.

SPECIAL REPORTS

MDNR Sewer Inspection Report & Response – Matt Munzlinger

Matt Munzlinger reported there was and MDNR inspection in October 2019. Mr. Munzlinger updated the Board of the MDNR inspection report and the response to that report.

CITY ATTORNEY – PENDING MATTERS

NONE

GENERAL DISCUSSION

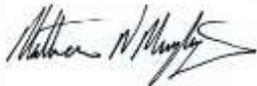
NONE

CLOSED SESSION

Stephan Franke 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 Steve Smith, William Fisher, Stephan Franke, Mathew Munzlinger, Abe Gray, Beverly Stewart, Michael Lowenbaum, Jay Stowe, Drew Ward & Courtney Harris. Motion seconded by William Fisher. ROLL CALL: AYES: Board Members, Lennie Rosenkrans, Steve Smith, & Stephan Franke. NAYS: 0.

ADJOURNMENT

William Fisher made a motion to adjourn. Motion seconded by Stephan Franke and carried unanimously. The meeting was adjourned at 7:53p.m.



Mathew Munzlinger
Interim General Manager

William Fisher
Secretary