

BOARD OF PUBLIC WORKS

Regular Board Meeting

Monday, May 17, 2021

Time: 3:30p.m.

Present:

William Fisher
John Ortwerth
Bill Dees

President
Vice President
Secretary

Kenneth Reasoner
Mathew Munzlinger
Courtney Harris
Matthew Jones
Paul Trenhaile
Jared Stewart
Beverly Stewart
Makayla Robbins

General Manager
Director of Operations
Administrative Support Specialist
Senior IT Specialist
Finance Director
Superintendent of Lineman
Human Resources Director
Coordinator of Customer & Community Relations

James Lemon
Mike Dobson
Stephan Franke
Corey Mehaffey

City Attorney
City Councilman
City Councilman
Northeast Economic Development

CALL TO ORDER

The meeting was called to order at 3:30p.m. by William Fisher.

INVOCATION & PLEDGE OF ALLEGIANCE

The invocation was given by William Fisher.

CONSENT AGENDA

- A) Minutes – April 19, 22 & 30, 2021
- B) Payrolls – April 23, 2021 & May 7, 2021
- C) Claims – April 2021

On motion of Bill Dees, seconded by John Ortwerth the Board voted unanimously to approve the Consent Agenda.

COMMENTS FROM THE AUDIENCE

NONE

GENERAL MANAGER REPORT

Kenneth Reasoner reported Board Calendar of Events for FY20-21 has been updated and distributed to all members.

Kenneth Reasoner reported the Schedule of Rates and Fees is being extensively reviewed and updated for changes to the customer deposit policy and any fee that is driven by billable costs instead of a rate. Mr. Reasoner noted Paul Trenhaile will be giving an update and will plan to schedule a Public Hearing.

Kenneth Reasoner extended the invite to all Board members to attend the upcoming APPA Rates and Cost of Service Seminar.

Kenneth Reasoner reported the AMI Project is currently 25% complete on the electric and water system. Mr. Reasoner noted Matthew Jones will be giving an update during the meeting.

Kenneth Reasoner reported the construction agreement with Ameren is about 99% complete. Mr. Reasoner noted Ameren would like to have an executed construction agreement with Hannibal Board of Public Works by June 1, 2021.

Kenneth Reasoner reported the Joint Use/Shared Facilities Agreement is about 90% complete. The agreement defines maintenance responsibilities and process, outage coordination, and access rights specific to the structures owned by Ameren. Mr. Reasoner noted the major benefits will include wholesale distribution charges, enhanced

reliability and resiliency, allows retirement of aging infrastructure, and expands capacity to the system. Mr. Reasoner noted wholesale distribution service charges at the Marion substation will be eliminated which is an estimated \$400,000 per year in savings.

Kenneth Reasoner discussed the remaining agreements to be finalized with Ameren including the Interconnection Agreement, EEI Agreement, Terminating the Construction Agreement for the metering equipment at Marion substation, and Easement Assignments.

Kenneth Reasoner updated the Board with information regarding the diesel generators and voiced there could be \$5 to \$6 million reinvested over the next few years. Mr. Reasoner noted after much discussion it is recommended the diesel generators be liquidated. This surplus would also allow more economical, diverse, and environmentally friendly electric supply to be pursued in the future.

TECHNOLOGY REPORT (AMI Meter Update)

Matthew Jones gave a presentation to the Board regarding the history and enhancements that have been made to the AMI (Automated Meter Integration) system. Mr. Jones reported the system has allowed water and electric meters to be read daily and the HBPW was one of the first utilities in the nation to test and implement the equipment. Mr. Jones noted based on current active agreements the HBPW is currently 30% complete on installations for roughly 8700 electric meters and 7700 water meters. Mr. Jones noted the new AMI network enables the efficient and effective transport of information from the field to the HBPW Business office and will give customers and HBPW staff many incentives and options moving forward.

OPERATIONS REPORT

Mathew Munzlinger presented the Board with an updated progress report including 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.

FINANCIAL REPORT

Paul Trenhaile presented the Board with the financial results for the month of April 2021, year to date results, and key financial ratios. Mr. Trenhaile presented the Dashboard presentation to the Board as a review of Key Performance Indicators trailing the last six months.

NEW BUSINESS

Proposed Schedule of Rates & Fees – Paul Trenhaile

Paul Trenhaile presented a draft of the proposed Schedule of Rates and Fees. Mr. Trenhaile also included the redlined version to allow the Board to view each of the proposed changes. Mr. Trenhaile noted these changes would be presented again at a rate hearing that would need to be scheduled by the Board. Mr. Trenhaile noted with the information provided, the HBPW Management requests the Board consider setting a rate hearing at a future date to allow for any public comment on the proposed changes. No action was needed at this time.

Financial Advisor Service Agreement for Financing – Paul Trenhaile

Paul Trenhaile presented the agreements with WM Financial Strategies and Gillmore & Bell. Mr. Trenhaile noted the agreement for Gillmore & Bell was for services performed in 2018 but is still applicable to the current transaction. Mr. Trenhaile noted these do not require additional authorization but are included for reference. After much discussion, Mr. Trenhaile reported Management is requesting the Board authorize the agreement to retain the services of WM Financial Strategies and authorize the reimbursement resolution as presented.

On motion of Bill Dees, seconded by John Ortwerth the Board voted unanimously to approve the WM Financial Strategies Agreement and authorize the reimbursement resolution.

Surplus of Diesel Generators – Paul Trenhaile

Paul Trenhaile presented the background of the CAT diesel generators and voiced Management is requesting the Board authorize moving forward with the surplus of the diesel generators. Mr. Trenhaile noted the proceeds from the sale along with additional excess funds if needed will be used to pay off the remaining lease financing. Mr. Trenhaile noted if the surplus is authorized, management is also requesting the Board approve using Gillmore & Bell to assist with the prepayment of the lease certificates.

On motion of Bill Dees, seconded by John Ortwerth the Board voted unanimously to approve the HBPW Management seek bids for the CAT diesel generators as presented.

On motion of John Ortwerth, seconded by Bill Dees the Board voted unanimously to authorize Gillmore & Bell as the Bond Council to assist with the prepayment of the lease certificates.

Ameren Construction Agreement – Ken Reasoner

Ken Reasoner presented the Ameren construction agreement that has been reviewed by legal counsel noting Hannibal and Ameren’s responsibilities within the agreement. Mr. Reasoner reported the Joint Use Agreement will be the next piece that will need to be signed by Administration moving forward. Mr. Reasoner recommended approving the Ameren Construction Agreement as presented.

On motion of Bill Dees, seconded by John Ortwerth the Board voted unanimously to approve the Ameren Construction Agreement as presented.

CITY ATTORNEY – PENDING MATTERS

NONE

GENERAL DISCUSSION

NONE

CLOSED SESSION

Bill Dees made a motion to convene in closed session, in accordance with Section 610.021(3)(12) of the Missouri Sunshine Law, to convene in closed session to discuss Personnel admitting William Fisher, Bill Dees, John Ortwerth, James Lemon, Kenneth Reasoner, Mathew Munzlinger, Matthew Jones, Jared Stewart, Paul Trenhaile, Beverly Stewart & Courtney Harris. Motion seconded by John Ortwerth. ROLL CALL: AYES: Board Members, Bill Fisher, John Ortwerth & Bill Dees. NAYS: 0.

ADJOURNMENT

Bill Dees made a motion to adjourn. Motion seconded by John Ortwerth and carried unanimously. The meeting was adjourned at 6:35p.m.



Kenneth Reasoner
General Manager



Bill Dees
Secretary