

BOARD OF PUBLIC WORKS

Regular Board Meeting

Monday, May 17, 2021
Time: 3:30p.m.

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| Present: | William Fisher | President |
| | John Ortwerth | Vice President |
| | Bill Dees | Secretary |
| | Melissa Cogdal | Board Member |
| | Mathew Munzlinger | Director of Operations |
| | Courtney Harris | Administrative Support Specialist |
| | Matthew Jones | Senior IT Specialist |
| | Paul Trenhaile | Finance Director |
| | Jared Stewart | Superintendent of Lineman |
| | Makayla Robbins | Coordinator of Customer & Community Relations |
| | James Lemon | City Attorney |
| | Corey Mehaffey | HREDC |
| | Dalton Goewey | HREDC Intern |
| | Jay Bradford | Altorfer CAT |

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 – May 17, 21, 24, & 26, 2021
- B) Payrolls – May 21, 2021, June 4 & 18, 2021
- C) Claims – May 2021

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

COMMENTS FROM THE AUDIENCE

NONE

GENERAL MANAGER REPORT

Mathew Munzlinger reported the interview committee has completed the selection process for the Utility Planning and Construction Engineer position. Mr. Alex Dunker was the candidate selected and will be joining the HBPW effective July 6, 2021.

Mathew Munzlinger reported on the electrical side we continue to watch the LMP price gradually increasing. Mr. Munzlinger noted we will continue to monitor it moving forward.

Mathew Munzlinger reported water usage has been down the last several months throughout the unseasonably cool month of May. Mr. Munzlinger noted the second quarter THM samples were taken at the Water Treatment Plant, and they were all within regulatory limits.

Mr. Munzlinger reported the second two vessels of the GAC (Granulated Activated Carbon) media will be changed out tomorrow with a total of four being changed out since the beginning of the year. Mr. Munzlinger noted moving forward there will most likely be six vessels changed out annually.

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 reported the travel policy was updated and given to the HBPW staff to view the changes. Mr. Trenhaile presented the Board with the financial results for the month of May 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.

OLD BUSINESS

Schedule of Rates & Fees – Paul Trenhaile

Paul Trenhaile presented a draft proposal of the Schedule of Rates & Fees. Mr. Trenhaile reviewed the proposed changes and noted management requests the Board to schedule a Public Hearing that would need to take place in July 2021. Mr. Trenhaile noted a Public Hearing is required by City Charter and approval will be asked during New Business.

Diesel Generator Sales Agreement – Paul Trenhaile

Paul Trenhaile reported in order to complete the upgrade of the Oakwood Substation, the eight diesel generators onsite would need to be moved with an estimated cost of \$800,000-\$1 million. Mr. Trenhaile noted the HBPW currently owns ten diesel generators, and owes \$3.6 million dollars on the lease. Mr. Trenhaile noted at last month's meeting the Board authorized a request for proposal to sell the generators and since had received 3 bids with the best bid from Iron Flag Power Systems at \$5,025,000. Mr. Trenhaile noted the bid could go up slightly due to a transformer not being included and recommended the Board accept the bid from Iron Flag Power Systems to pay off the lease and voiced it would be an immediate cash positive impact.

On motion of John Ortwerth, seconded by Bill Dees the Board voted unanimously to accept the bid from Iron Flag Power Systems to sell the 10 diesel generators at a price of \$5,025,000. as presented.

Martin Street Change Order No. 2 – Mathew Munzlinger

Mathew Munzlinger reported the Martin Street contract was awarded to Mick Mehler and Sons in August 2020 with an estimated Spring 2021 completion date. Mr. Munzlinger noted the Martin Street Change Order No. 2 is a result of an increase in the overall contract price by \$3,128.00. This additional cost will be charged to the Stormwater budget as the cost increase was associated with quantities related to street paving. Mr. Munzlinger requested the Board approve Change Order No. 2 as submitted for the Martin Street Project.

On motion of John Ortwerth, seconded by Bill Dees the Board voted unanimously to approve the Martin Street Change Order No. 2 as presented.

NEW BUSINESS

Discuss Date/Time of Monthly Board Meetings – Mathew Munzlinger

Mathew Munzlinger recommended holding the regular Board meeting the third Monday of the month beginning at 4:00p.m.

Mathew Munzlinger recommended to hold a Public Hearing regarding the Schedule of Rates & Fees on July 19, 2021, at 4:00p.m. with the regular meeting to follow.

On motion of Bill Dees, seconded by John Ortwerth the Board voted unanimously to approve the regular monthly HBPW Board meetings be held the third Monday of the month beginning at 4:00p.m., and to hold a Public Hearing on July 19, 2021, to begin at 4:00p.m. with the regular meeting to follow.

Mathew Munzlinger requested the August 16, 2021, regular HBPW Board meeting be moved to August 23, 2021, at 4:00p.m. Mr. Munzlinger requested to hold a Special Meeting on September 7, 2021, beginning at 4:00p.m.

On motion of Bill Dees, seconded by Melissa Cogdal the Board voted unanimously to approve the August regular Board meeting be held August 23, 2021, at 4:00p.m., and a Special Meeting be held on September 7, 2021, at 4:00p.m.

Mr. Munzlinger reported Social Media Training is scheduled for the Board Members August 16, 2021, at 2:30p.m.

Municipal Utility Emergency Loan Application – Paul Trenhaile

Paul Trenhaile reported Governor Parson signed legislation on May 13, 2021, to provide \$50 million for no-interest emergency loans to municipal electric and natural gas utilities, as well as municipal utility commissions, for wholesale electricity or natural gas costs incurred as a result of extraordinary prices between February 10-20, 2021. Mr. Trenhaile noted during this time, the HBPW was severely impacted by Winter Storm Uri and the overall net impact was determined to be \$814,006.48. Mr. Trenhaile noted Management plans to apply for a \$750,000 loan under the program and voiced these funds would free up excess cash flow to be used for the electrical financing later this fall or whenever necessary. Mr. Trenhaile reported Management is requesting the Board authorize moving forward with the application process that would also include a resolution and ordinance requiring City Council approval before the application could be submitted.

On motion of Bill Dees, seconded by Melissa Cogdal the Board voted unanimously to approve applying for the Municipal Utility Loan as presented.

CITY ATTORNEY – PENDING MATTERS

NONE

GENERAL DISCUSSION

NONE

ADJOURNMENT

Bill Dees made a motion to adjourn. Motion seconded by John Ortwerth and carried unanimously. The meeting was adjourned at 4:18p.m.



Mathew Munzlinger
Director of Operations



Bill Dees
Secretary