

KREBS UTILITIES AUTHORITY
BOARD MEETING MINUTES
JANUARY 16, 2024

1. MEETING CALLED TO ORDER – By David Bailey
2. ROLL CALL- By Cindy Cooper, City Clerk. Chairman Walker- absent, Dan Heathcock- present, - absent, Connie Poole- present, Jason Wagnon- absent, David Bailey- present
3. DISCUSS AND ACT TO APPROVE/DISAPPROVE THE MINUTES OF THE DECEMBER 19, 2023 BOARD MEETING- Connie Poole made a motion to approve the minutes. Dan Heathcock seconded.
David Bailey called for a vote. Connie Poole- yes, Dan Heathcock- yes, David Bailey-yes
Motion passed.
4. DISCUSS AND ACT TO APPROVE/DISAPPROVE THE CLAIMS – David Bailey made a motion to approve.
Connie Poole seconded. David Bailey called for a vote. Dan Heathcock- yes, Connie Poole- yes, David Bailey-yes. **Motion passed.**
5. FINANCIAL REVIEW WITH MIKE KERN - Nic DeTello, accountant, states they have some information about the water tower, and how much money Krebs has for that. Just for information. Nic DeTello states PWA has about \$432,000.00 for projects like the water tower. Nic DeTello refers to page two (2) of financials There is only a debt of \$82,000.00 for the whole PWA which is unreal for a town this size. Nic DeTello states this debt will be paid off, if we use some of the money set aside in the reserve account which we don't need anymore. That's just to make payments in case we default. Rural Development makes us put the money back. If we did all that, paid the note down, we would only have six (6) more payments to get completely out from rural development. Nic DeTello states that is without touching the \$400,000 plus that we have set aside for water projects, and everything else. I don't know if they have discussed the amount, they need for the water tower.
David Bailey states, no, they have not discussed any of that.
Nic DeTello states, that is money just sitting there, before anyone gets too nervous about talking about a water tower or an additional water tower. Not having the debt, having the money set aside we are sitting really good for starting to talk about the water tower.
David Bailey states, that is something we can talk about at the finance meeting.
Nic DeTello states to go to page three (3) of the financials. The revenues were \$103,603.14 for the month, the expenses were \$119,658.74 for the month. We are still paying for a lot of supplies and repairs, that was \$33,000. Nic DeTello states we are about even. The water revenues are lower than budgeted for the six (6) months, hopefully that will come back this spring. Everything else looks pretty good. We have spent \$30,000 in capital outlay for PWA so far. We have \$75,000 budgeted so still sitting on \$50,000 for any additional problems we might have or things we want to do.
6. BUSINESS PREVIOUSLY DISCUSSED- None
7. BUSINESS NOT PREVIOUSLY DISCUSSED
- A. DISCUSS AND ACT TO APPROVE/DISAPPROVE THE PURCHASE OF A 7.5 HP, 900 RPM PUMP, FOR THE MAIN LIFT STATION AT THE SEWER PLANT, FROM HAYNES EQUIPMENT CO. IN THE AMOUNT OF \$18,905.00. THIS DOES INCLUDE FREIGHT. –
Jonathan Clifton, Water/Sewer Plant Supervisor states, this is the main lift station at the sewer plant that takes the whole sewer system, and kind of lifts it up to the treatment process. It has two of these motors in it. One of the motors was replaced in 2016, the one, that has failed was from 2009. It has an internal fault in it. We are currently back up right now. Jonathan states, if it is ordered today there will be a four month ship out time. Jonathan states we need this pretty bad.

David Bailey states we do need it, if that one goes down, we don't have one. Our back up is what we are using four months out. That's not good. David Bailey asks for a motion.

Kay Scott, city treasurer asks that the funds be taken out of special repair fund instead of the general KUA fund. Kay Scott states it is monies that have been set aside for cases like this.

David Bailey states he thinks that will be fine and ask council for their opinion.

Dan Heathcock makes an amended motion to order this motor, to be paid for out of the special repair fund instead of the general fund. Connie Poole seconds. David calls for a for a vote. Dan Heathcock- yes, Connie Poole- yes, David Bailey- yes. **Motion passed.**

B. DISCUSS AND ACT TO APPROVE/DISAPPROVE A CONSULTATION AT THE SEWER PLANT WITH HAYNES EQUIPMENT, AND FOX ENGINEERING TO DISCUSS THE AERATION BRUSH EQUIPMENT ISSUES –

Jonathan Clifton advises council to refer to picture in books for visual. Jonathan states there are four of these brushes, they are sewer plate treatment process. We have been having a lot of problems with them over the last three years. Jonathan states we actually had a gear box fail on them last week. Jonathan states they have been trying to repair them, but a lot of the parts they can't get. They can get the gear box, but a lot of the hubs, and stuff they are having to machine, and they are not as good, and not lasting. Jonathan states we are going to have to look at replacing the unit as a whole and it is probably something we would have to get a loan for. Jonathan states we could go back to Haynes equipment to get something exact, or get something else. Jonathan states we need to get the engineer on it to do anything.

David Bailey asks Jonathan if he was wanting to get with the engineer and discuss this with him.

Jonathan Clifton affirms yes.

Dan Heathcock asks if this was an emergency

Jonathan Clifton responds that it is not an emergency yet, but that the gear box that failed, will have to be replaced, and up kept until they can get something more reliable.

David Bailey makes a motion to approve it. Dan Heathcock seconds. David Bailey calls for a vote.

Connie Poole- yes, Dan Heathcock- yes, David Bailey- yes. **Motion passed.**

C. DISCUSS AND ACT TO APPROVE/DISAPPROVE REPAIRS TO 2010 FORD F-150. METER READER TRUCK. REPLACE TRANSMISSION FOR A COST OF \$5,791.91. THIS WOULD HAVE A THREE (3) YEAR/100,000 MILE WARRANTY. –

Billy Robinson, maintenance supervisor states this is Donny's (meter reader) truck, and that it has lost three gears. The transmission is shot. Billy states, he believes that this quote is for a new transmission.

David Bailey states the price and warranty are not a bad, and that we do have to have it.

Dan Heathcock clarifies, that this is a different truck, than the one that they recently put the salt machine on.

Billy Robinson states yes, it is a different truck. This one is designated for the meter reader.

Dan Heathcock makes a motion. Connie Poole seconds. David Baily calls for a vote. Dan Heathcock- yes,

Connie Poole- yes, David Bailey- yes. **Motion passed.**

8. COMMENTS FROM THE CHAIRMAN AND BOARD –

Dan Heathcock praised the maintenance crews that are working out in this extremely cold weather.

9. ADJOURN- David Bailey asks for a motion. Connie Poole makes a motion to adjourn.

Dan Heathcock seconds. David Bailey calls for a vote. Dan Heathcock- yes, Connie Poole- yes, David Bailey- yes. **Motion passed.**