KREBS UTILITIES AUTHORITY

BOARD MEETING MINUTES

MAY 21, 2019

1. Chairman Bobby Watkins called the meeting to order.
2. Julia Casey, City Clerk, called roll. Bobby Watkins – Present, Tommy Walker – Present, Connie Poole –Present, Jason Wagnon – Present, Daulfin Bennett – Present.
3. CONSIDER AND ACT TO APPROVE THE MINUTES OF THE APRIL 16, 2019 KUA BOARD MEETING. Chairman Watkins asks for a motion to approve. Connie Poole makes the motion. Jason Wagnon seconds the motion. Chairman Watkins takes vote. Tommy Walker – yes, Connie Poole- yes, Jason Wagnon – yes, Daulfin Bennett – yes. Motion to approve minutes passes.
4. CONSIDER AND ACT TO APPROVE THE CLAIMS. Connie Poole makes the motion. Jason Wagnon seconds the motion. Chairman Watkins takes vote. Daulfin Bennett – yes, Jason Wagnon – yes, Connie Poole – yes, Tommy Walker – yes. Motion to approve claims passes.

1. FINANCIAL REVIEW WITH MIKE KERN. Mike Kern addresses board. Page 3 – 10 months ending April 30th revenues $956,248.28. Budget was $1,071,000 will exceed the revenues. Good news the operating expenses were $827,348.55. Profit of $180,379.94 which is positive income. Page 7 – Same kind of cash flow report that was in the audit. Net increase in cash $168,371.74 making some progress. Still owe general fund the money on page 2 on liabilities section shows we owe $200,000 and we are starting to pay that back at $1000 a month. Cash Balances on page 1 shows $134,509.16. $58,0000 in water tower account. We are accumulating some funds because we know we are going to have to replace some lift stations so we do have funds available. Budget packet – page 8 projecting for year $1,199,024 for revenue. $992,859 for expenses. Positive income of $206,165. Budget for next year. Not budgeting a transfer for this year. Putting extra money for repairs only budgeting positive income of next year of $13,000. Revenues will increase. Will look at rate increase and included fee schedule in budget won’t be effective until the January 1 billing. $1.00 increase on average user of 5000 gallons. $1.00 increase on average sewer user so over all a $2.00 increase on bills where 5000 gallons being used. On the 1000 gallons users there will be no increase. 2000-gallon users will have a $.25 increase. 3000-gallon users will $.50. As we have done in past the lower usage people we don’t increase that much. High users are where we put the increase. Comes out to be a 2.89% increase. Keeps it in the 3% range. Proves that works because we are able to accumulate some cash because we got to take care of the equipment. Asks for any questions. None.
2. BUSINESS PREVIOUSLY CONSIDERED.

None

1. BUSINESS NOT PREVIOUSLY CONSIDERED.

A. CONSIDER AND ACT TO APPROVE THE VARIOUS OPTIONS TO REPAIR THE ELECTIRCAL PORTION OF THE SOUTH LIFT STATION QUOTED BY GLOBAL ENERGY SOLOUTIONS. SEE GLOBALENERGY ATTACHMENT 1. Ed Klink addresses board. Have spent considerable amount of time over last 2 months getting quotes for lift stations. Had to make sure found someone who could fix a multi-manufactured pump. Got a quote for north lift station, south lift station and water plant. Didn’t take Haynes offer because it was over $100,000 for south and $123,00 for north. Got quote from Warren Cat out of Oklahoma City quoted for north lift station cost $2350.94. For south $2922.05. Quotes are for rebuilding pump system that we have. Won’t buy new pumps, just put them back into service. Each has 2 pumps and only one pump is working on both. Another obstacle, can’t find anyone to do electrical in Oklahoma. Found one in Fort Smith. Gives 3 options. For cost of $1500 per site they will change out electrical system replace what needs to be replaced for cost of $5500. Requesting that we use Warren Cat and the Global Energy that will handle the electrical. We are in violation in state of Oklahoma for not taking care of pump stations. We lose pumps and water is going where its not supposed to. Ask for questions. None. Mayor asks for a motion. Connie Poole makes motion. Jason Wagnon seconds motion. Mayor takes vote. Daulfin Bennett – yes, Jason Wagnon – yes, Connie Poole – yes, Tommy Walker – yes. Julia Casey states an option has to be picked. Confusion of the options. Ed doesn’t know anything about options. Julia states there is options to choose from in the quotes that were sent out. Ed says there is 2 separate option because there are 2 separate pumps. Mayor asks if it passed. Julia says yes. Motion passes.

B. CONSIDER AND ACT TO APPROVE THE QUOTE FOR MECHANICAL REPAIRS TO THE SOUTH LIFT STATION FROM WARREN CATAT A COST OF $2,922.05 SEE WARREN CAT ATTACHMENT 1. Chairman Watkins asks Ed if this goes along with the other one. Ed says yes and he’ll make sure he’ll get a dollar amount. Chairman Watkins ask Atty Pat Layden if he’s ok with this. Pat says yes. Chairman Watkins asks for a motion. Connie Poole makes motion. Daulfin Bennett seconds motion. Chairman Watkins asks for a vote. Daulfin Bennett – yes, Jason Wagnon – yes, Connie Poole – yes, Tommy Walker – yes. Motion passes.

C. CONSIDER AND ACT TO APPROVE THE VARIOUS OPTIONS TO REPAIR THE ELECTRICAL PORTION OF THE NORTH LIFT STATION QUOTED BY GLOBAL ENERGY SOLOUTIONS SEE GLOBAL ENERGY ATTACHMENT 1. Ed Klink addresses board. Says we just did this. He requested that we go ahead and use the figures we already discussed. There is confusion about the options that is supposed to be picked from and what lift station it is for. Discussion between Ed and Council about the options. Pat Layden brings the meeting back on track and tells Chairman Watkins they need to pick option and go back and pick for item A and item C. Chairman Watkins states needs to go back to 7A and pick option, asks Ed which option he is wanting to use. Ed talks about the north lift station. He wants option 2 and is talking about Warren Cat not discussing the south station. More confusion on what line item we are talking about. Connie Poole ask if we can pick more than 1 option. Kay says yes. 2,3,4 and 5 are what Jonathan says are the options we need. Chairman Watkins asks for motion to choose option. Pat again tries to get the meeting back on track telling them they are voting on picking options 2,3,4 and 5 on the south lift station. Tommy Walker makes motion to pick 2,3,4 and 5. Daulfin Bennett seconds motion. Chairman Watkins takes vote. Daulfin Bennett – yes, Jason Wagnon – yes, Connie Poole – yes, Tommy Walker – yes. Motion to pick 2,3,4 and 5 for south lift station (line item 7A) passes. Back to line item 7 C north lift station, Chairman Watkins asks what options. Connie Poole says option 2 & 3. Ed Klink brings up Warren Cat. Pat asks why are we talking about that when it is item D and we are not there yet. He says stick with line item we are on. Chairman Watkins asks for a motion to pick option 2&3 for north lift station. Tommy Walker makes a motion. Jason Wagnon seconds the motion. Chairman Watkins takes a vote. Daulfin Bennett – yes, Jason Wagnon – yes, Connie Poole – yes, Tommy Walker – yes. Motion to pick options 2&3 for north lift station passes.

D. CONSIDER AND ACT TO APPROVE THE QUOTE FOR MECHANICAL REPAIRS TO THE NORTH LIFT STATION FROM WARREN CAT AT A COST OF $2,350.94. SEE WARREN CAT ATTACHMENT 2. Tommy Walker makes a motion. Daulfin Bennett seconds the motion. Chairman Watkins takes a vote. Daulfin Bennett – yes, Jason Wagnon – yes, Connie Poole – yes, Tommy Walker – yes. Motion to approve mechanical repair to North Lift station passes.

E. CONSIDER AND ACT TO ACCEPT QUOTE FOR THE PUMP FOR THE NORTH LIFT STATION FROM HAYNES EQUIPMENT CO IN THE AMOUTN OF $10,336.34. Ed Klink says he doesn’t know how this got in there. Jonathan Clifton steps up and reminds Ed that we only have 1 pump on the north side and this would be a backup pump. There is an 8 week ship out time and if we were without a pump the sewage would be going where it shouldn’t. Kay states there will be $700 shipping charge that’s not listed. Chairman Watkins asks Jonathan if we need pump. Jonathan says yes. Chairman Watkins asks for a motion. Tommy Walker makes a motion. Daulfin Bennett seconds motion. Chairman Watkins takes a vote. Tommy Walker – yes, Connie Poole – yes, Jason Wagnon – yes, Daulfin Bennett – yes. Motion to buy pump from Haynes passes.

F. CONSIDER AND ACT TO ACCEPT QUOTE FOR A PUMP FOR THE WATER PLANT FROM GLOBAL ENERGY SOLUTIONS AT A COST OF $5500. Jonathan Clifton addresses board. Have pumps in there from 1960’s this one will replace 2 pumps. Old pumps use twice as much electricity as new pump. No way to repair or rebuild. Tommy asks if this is for 2 pumps or 1. Jonathan says the 1 pump will replace the 2 old ones. Tommy Walker makes motion. Connie Poole seconds the motion. Chairman Watkins takes vote. Daulfin Bennett – yes, Jason Wagnon – yes, Connie Poole – yes, Tommy Walker – yes.

G. CONSIDER AND ACT TO APPROVE RESTROOM AT WATER PLANT BUILT BY GRACELAND DBA DS PORTABLE BUILDING QUOTED AT $2820.00. Kay Scott states doesn’t have bathroom. This will be an outdoor building for the bathroom. Julia Casey states will have the plumbing inside. Ed says never has had bathroom there. Tommy Walker makes motion. Daulfin Bennett seconds motion. Chairman Watkins takes vote. Tommy Walker – yes, Connie Poole – yes, Jason Wagnon – yes, Daulfin Bennett – yes. Motion to approve restroom for water plant passes.

1. COMMENTS FROM THE CHAIRMAN AND THE BOARD. Tommy Walker asks if the restroom just voted on has anything to do with the park. Chairman Watkins says no.
2. ADJOURN. Chairman Watkins asks for a motion to adjourn. Daulfin Bennett makes the motion. Jason Wagnon seconds the motion. Chairman Watkins takes vote. Tommy Walker – yes, Connie Poole – yes, Jason Wagnon – yes, Daulfin Bennett – yes. Motion to adjourn passes.
3. Meeting Adjourned.