

KREBS UTILITIES AUTHORITY
BOARD MEETING MINUTES
AUGUST 21, 2018

1. Chairman Bobby Watkins called the meeting to order.
2. Julia Casey, Interim 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 JULY 17, 2018 KUA BOARD MEETING. Chairman Watkins asked for a motion to approve. Daulfin Bennett made the motion. Connie Poole seconded the motion. Chairman Watkins called for a vote. Tommy Walker – yes, Connie Poole – yes, Jason Wagnon – yes, Daulfin Bennett - yes. Motion passes.
4. CONSIDER AND ACT TO APPROVE THE MINUTES OF THE AUGUST 2, 2018 SPECIAL KUA BOARD MEETING. Chairman Watkins asked for a motion to approve. Connie Poole makes the motion. Jason Wagnon seconded the motion. Chairman Watkins called for a vote. Daulfin Bennett – yes, Jason Wagnon – yes, Connie Poole – yes, Tommy Walker – yes. Motion passes.
5. CONSIDER AND ACT TO APPROVE THE CLAIMS. Chairman Watkins asked for a motion to approve. Daulfin Bennett made the motion. Jason Wagnon seconded. Chairman Watkins called for a vote. Daulfin Bennett – yes, Jason Wagnon – yes, Connie Poole – yes Tommy Walker – yes. Motion passes.
6. FINANCIAL REVIEW WITH MIKE KERN. Mike Kern addressed board. He states on page 3 income statement, even though out of order he states July’s revenues were \$93,757.90 and on page 4 the expenses were \$80,109.20, so for the operating income was \$13,648.70. He states for the first month we are off to a positive start. He says he has to figure out why the email came over like this, but he knows that the revenues and expenses were. He states will discuss budge when we get to that line item. Chairman Watkins asked if anyone had anything for Mike. There was none.
7. BUSINESS PREVIOUSLY CONSIDERED. None
8. BUSINESS NOT PREVIOUSLY CONSIDERED.
 - A. CONSIDER AND ACT TO APPROVE THE 2018/2019 FISCAL YEAR BUDGET. Mike Kern addressed the board. Referred to page 2a which is the personnel service requirement says we are roughly at \$280,000 then said to look at page 8 for final budge for the revenues \$1,121,000.00 and expenses are \$1,108,000.00. He states we are budgeting a \$13,000 profit. He says this includes the \$50,000 transfer from the general fund, it was taken out of the Capital Outlay down on the expense list. The money is being used from the General Fund going to try and use that for the meters, but there are other things that we have had to purchase as well. He states we did end up with a good year last year, compared to what we’ve had before. He states we got a grant in for \$44,000 and did transfer over from the general fund \$25,000 so ended up with a positive income last year of \$150,000. He states we still as yet to pay back some of the general fund money, things we transferred over the past. The KUA as stated in the financials is off to a good

start. He states we have a good budget going. He states we will look at the water rate increases in January like we always do in the past. Tommy Walker asked if the \$153,000 was our net profit. Mike confirmed. Tommy states considering \$11,000 one year and \$17,000 another year we are doing really well. Mike Kern states part of that was the \$44,000 that came in from the grant. Tommy states that still leaves \$110,000 profit. Mike states that is why he is always preaching about keeping the water rates going. He states we still have to pay the bills and still have to pay back the City. Mike states that we keep coming up with equipment problems. Tommy said if you have to you have to. Mike states at least we have something to work with. Chairman Watkins said they will have to deal with the water tower eventually. Chairman Watkins asked for a motion. Connie Poole makes the motion. Jason Wagnon seconded the motion. Chairman Watkins asked for a vote. Daulfin Bennett – yes, Jason Wagnon – yes, Connie Poole – yes, Tommy Walker – yes. Motion passes.

B. CONSIDER AND ACT TO APPROVE PURCHASE OF A CAR PORT IN THE AMOUNT OF \$5825.00 FOR THE WASTE WATER TREATMENT PLANT FROM TEXWIN. THERE WILL BE A DEPOSIT OF \$2912.50 AND PAYMENT UPON COMPLETION \$2912.50. Ed Klink had Jonathan Clifton address the board. Jonathan states the price has gone up the last couple months from the last time that they checked on it because of the increased cost of steel. Connie Poole asked the size of the car port. Ed states this is used to put equipment under, more specifically our Comboda tractor which is considered a critical element of our waste water plant, without it and before we purchased it, you had to take a shovel and shovel the debris left over from the sanitation. Ed states another thing we are going to do to be energy sufficient at water plant is taking down garage door on north side of building, they will close it up and block it off so it will better withstand the weather. Jonathan states size on it will be 20x25. Chairman Watkins asked for a motion. Daulfin Bennett made the motion. Connie Poole seconded the motion. Chairman Watkins asked for a vote. Daulfin Bennett – yes, Jason Wagnon – yes, Connie Poole – yes, Tommy Walker – yes. Motion passes.

C. CONSIDER AND ACT TO APPROVE PURCHASE OF A NEW CONTROL SYSTEM IN THE AMOUNT OF \$3400 FROM HAYNES EQUIPMENT. Jonathan Clifton addressed the board. He states that it shows there is a control system in place, but they have never been able to get it to work properly. He states they want to get it fixed because currently they are running everything on manual, which means all the motors are running 24/7. With a working control system in place it wouldn't run the motors unless needed. He states a new system, will cut back on electricity and mechanical wear & tear. He states the \$3400 replaces some of the hardware that has been messed up over the years and is some of the software equipment that when originally built did not work right and needs to be updated. Tommy Walker asked if this was for the sewer plant that we are talking about. Chairman Watkins asked Jonathan if he was sure we needed it. Jonathan said yes. Chairman Watkins asked for a motion. Connie Poole made the motion. Jason Wagnon seconded the motion. Chairman Watkins asked for a vote. Daulfin Bennett – yes, Jason Wagnon – yes, Connie Poole – yes Tommy Walker – yes. Motion passes.

9. COMMENTS FROM THE CHAIRMAN AND THE BOARD. Tommy Walker asked Ed if he had any idea when we would have the surplus sale. Ed states as soon as Nick gets back to work from his class they would go over it. This week he says first they have to clean out the intake line on the pump, because that is a critical thing. He states another thing they are going to get done not this week but next week they are going over to Red Oak Trailer park and they are going to take out anything that is a hinderance to water flow. He states he knows he can not control of all of the flooding events that happen on Bocci street due to elevation and when houses built there were no thought about flood

control. He states what they can do is clean out the creek bed, so the water flow to lake Eufaula is better. He says they have cleaned part of it up and it has made a big difference in the amount of water that is being held back and being allowed to run. Chairman Watkins asked if anyone had anything else. Chief Cook wanted to invite everyone to the annual Mayor-Employee appreciation cook out on October 19th @ 11:30am. No one had anything else.

10. ADJOURN. Chairman Watkins asked for a motion to adjourn. Tommy Walker made the motion. Daulfin Bennett seconded the motion. Chairman Watkins called for a vote. Daulfin Bennett – yes, Jason Wagnon – yes, Connie Poole – yes, Tommy Walker – yes. Motion passes.

Meeting Adjourned.