

CWEP BOARD MEETING MINUTES

January 21, 2021

The Carthage Water & Electric Plant Board met in regular session January 21, 2021, 4:00 p.m. at the CWEP Office, 627 W Centennial, Carthage, MO.

Board:

G. Stephen Beimdiek- President
 Danny Lambeth -Vice President
 Ron Ross -Secretary
 Alan Snow -Liaison

Brian Schmidt - Member
 Pat Goff – Member
 Neel Baucom - Member

Staff:

Chuck Bryant-General Manager
 Cassandra Ludwig-General Counsel
 Jason Peterson-Director IT & Broadband
 Megan Stump- Executive Assistant
 Megan Milliken-Customer Relations Mgr.

Jason Choate-Director of Water Services
 Kelli Nugent/CFO
 Kevin Emery-Director of Power Services
 Stephanie Howard-Director of Business & ED

Vice President Lambeth called the meeting to order at 4:00 p.m.

ADDITIONS/CHANGES TO THE AGENDA: None.

APPROVAL OF MINUTES:

A motion by Beimdiek and seconded by Baucom to approve the minutes of the regular meeting of December 17, 2020 as presented, passed unanimously.

APPROVAL OF DISBURSEMENTS:

A motion by Baucom and seconded by Goff to approve disbursements for December in the amount of \$3,392,508.78, passed unanimously.

FINANCIAL STATEMENT:

CFO Nugent presented the financials for December noting that the net income for the company exceeded budget for the month and year to date by \$141,000 and \$999,000, respectively. Operating revenues for the company exceeded budget and prior year for the month. Expenses were slightly lower than budget for the month. She noted in all departments, a significant variance is in education and training because of COVID related travel constraints. She reported that power and water loss percentages for the month were 12.01% and 12.89%, respectively. The year to date is 1.84% and 2.74% for power and water, respectively.

A motion by Baucom and seconded by Goff to approve December financials passed unanimously.

COMMITTEE REPORTS: None.

OLD BUSINESS: None.

NEW BUSINESS:

RECOMMENDATION FOR VISU-SEWER OF MISSOURI CONTRACT RENEWAL AND PRICE INCREASE REQUEST

General Manager Bryant reported Mr. James Bohn, Vice President of Visu-Sewer, is requesting an Annual Economic Price Adjustment of 1.7% increase for CWEP's manhole repair, rehabilitation, and maintenance services. Bryant explained the increase is based on the US Department of Labor Consumer Price Index for All Urban Consumers. GM Bryant recommends the 1.7% increase be granted to Visu-Sewer.

A motion by Baucom and seconded by Schmidt to grant the 1.7% increase to Visu-Sewer, passed unanimously.

RECOMMENDATION REQUEST TO PURCHASE A NEW KNUCKLE BOOM TRUCK

General Manager Bryant reported a request of approve to proceed with the purchase of a 2021 Kenworth T370 Knuckle Boom truck from MHC Kenworth of Joplin. This Vehicle will meet CWEP's required specifications and will be purchased under a cooperative contract agreement in the amount of \$167,500.00. GM Bryant recommends moving forward with the purchase of this truck to MHC Kenworth of Joplin.

A motion by Goff and seconded by Schmidt to proceed with the purchase of a 2021 Kenworth T370 Knuckle Boom Truck, passed unanimously.

RECOMMENDATION OF CWEP WELL MAINTENANCE SERVICES

General Manger Bryant announced formal bids were received from three established companies for CWEP's well maintenance and repair services. Bids received were from Brotcke Well & Pump, Flynn Drilling Company, and Layne Christensen Company.

Bryant noted after bid evaluations, it was determined that Flynn Drilling Company provided the best offer for CWEP. Flynn Drilling has provided exceptional skills and maintenance and repair services for CWEP in previous years. They are also offering a percentage reduction making their labor and material costs lower.

Bryant recommends awarding the well and maintenance services to Flynn Drilling Company.

A motion by Baucom and seconded by Beimdiek to award the well and maintenance services to Flynn Drilling Company, passed unanimously.

RECOMMENDATION OF A HIGH VOLTAGE BUSHING REPLACEMENT PROJECT

General Manager Bryant noted a formal request was issued seeking qualified contractors to replace high voltage bushing on a substation transformer. Proposals were received from Becker Mitchell Services in the amount of \$23,983.00, SPX Transformer Solutions for \$26,645.00, Delta Star Incorporated for \$32,400.00, and Emerald Transformer submitted two proposal options in the amounts of \$45,496.50 and \$47,337.50. Bryant reported after a thorough assessment, Becker Mitchell Services met all specifications and requirements of CWEP's request and offered the lowest project cost. Bryant recommends awarding this project to Becker Mitchell Services in the amount of \$23,983.00.

A motion by Goff and seconded by Beimdiek to award the High voltage Bushing replacement project to Becker Mitchell Services in the amount of \$23,983.00.

CONSIDERATION OF REVISIONS TO CWEP'S VACATION POLICY

General Counsel Ludwig presented the revisions to CWEP's Vacation Policy to the Board. She explained the proposed vacation leave rates as well as the newly proposed Accrual Method and how these revisions will benefit CWEP employees.

A motion by Baucom and seconded by Schmidt to accept the revisions to CWEP's vacation Policy, passed unanimously.

CONSIDERATION OF REVISIONS TO CWEP'S EMPLOYMENT RULES POLICY

General Counsel Ludwig explained the revisions to CWEP's employment rules policy to the Board. Ludwig noted these changes include revised language to coincide with the vacation policy revisions.

A motion by Schmidt and seconded by Baucom to accept the revisions to CWEP's employment rules policy, passed unanimously.

CONSIDERATION OF REVISIONS TO CWEP'S HOLIDAY POLICY

General Counsel Ludwig presented the revisions to CWEP's Holiday policy to the Board. Ludwig explained the proposed Floating Holiday revisions.

A motion by Ross and seconded by Schmidt to accept the revisions to CWEP's Holiday policy, passed unanimously.

STAFF REPORTS:

General Manager Bryant updated the Board on Butterball and how the changes they are making will affect CWEP's electric, water and wastewater services. Bryant commended the water department for all their hard work in managing all the main breaks through the last several weeks.

CFO Nugent announced the Kiosk is now up and running in the drive thru.

Customer Relations Manager Milliken noted she is planning on doing the Tower to Tower Run. She also reported she has been working on marketing materials for the AMI project and Kiosk.

General Counsel Ludwig reported Kyle and herself have been working really hard on figuring out when the COVID vaccine will become available to employees.

Director of Power Services Emery informed the Board on the Ice Storm that hit Carthage over New Year's causing a large outage, he commended his staff on doing a great job getting majority of customers back on within an hour.

Director of Water Services Choate announced sodium hypochlorite is now being used to disinfect in the Water Treatment Plant.

Director of Business and ED Howard gave an update on the Schreiber development.

Director IT and Broadband Peterson reported the AMI project is still underway.

BOARD MEMBER COMMENTS:

City Liaison Snow announced the City is back to its pre- COVID budget schedule.

President Beimdiek noted his appreciation to City Liaison Snow for being an active participant on the Board.

At 5:11 p.m. the meeting adjourned.

President – Steve Beimdiek

Secretary – Ron Ross