

CWEP BOARD MEETING MINUTES

October 17, 2019

The Carthage Water & Electric Plant Board met in regular session October 17, 2019, 4:00 p.m. at the CWEP Office, 627 W Centennial, Carthage, MO.

Board:

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| <input checked="" type="checkbox"/> Neel Baucom- President | <input checked="" type="checkbox"/> Brian Schmidt - Member |
| <input checked="" type="checkbox"/> Danny Lambeth -Vice President | <input type="checkbox"/> Ron Ross – Member |
| <input checked="" type="checkbox"/> G. Stephen Beimdiek -Secretary | <input checked="" type="checkbox"/> Pat Goff - Member |
| <input checked="" type="checkbox"/> Darren Collier -Liaison | |

Staff:

- | | |
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| <input checked="" type="checkbox"/> Chuck Bryant-General Manager | <input checked="" type="checkbox"/> Jason Choate-Director of Water Services |
| <input checked="" type="checkbox"/> Cassandra Ludwig-General Counsel | <input checked="" type="checkbox"/> Kelli Nugent/CFO |
| <input checked="" type="checkbox"/> Jason Peterson-Director IT & Broadband | <input checked="" type="checkbox"/> Kevin Emery-Director of Power Services |
| <input checked="" type="checkbox"/> Megan Stump- Executive Assistant | <input type="checkbox"/> Stephanie Howard-Director of Business & ED |
| <input type="checkbox"/> Meagan Milliken-Customer Relations Mgr. | |

President Baucom called the meeting to order at 4:02 p.m.

ADDITIONS/CHANGES TO THE AGENDA: None.

APPROVAL OF MINUTES:

A motion by Lambeth and seconded by Beimdiek to approve the minutes of the regular meeting of August 15, 2019 as presented passed unanimously.

APPROVAL OF DISBURSEMENTS:

A motion by Goff and seconded by Beimdiek to approve disbursements for August in the amount of \$3,465,347.45 passed unanimously.

A motion by Lambeth and seconded by Goff to approve disbursements for September in the amount of \$3,155,893.53 passed unanimously.

FINANCIAL STATEMENT:

CFO Nugent presented the financials for August noting that the net income for the utility combined is ahead of both budget and prior year by \$306,000 and \$346,000 respectively for the month. Included in this net income is approximately \$170,000 of back interest income. This

was due to a clerical error with the bank. She noted that for the year to date power and water loss percentages came in at 7.09% and 9.85%, respectively.

A motion by Lambeth and seconded by Goff to approve August financials passed unanimously.

CFO Nugent presented the financials for September noting that the net income for the utility combined was ahead of both budget and prior year by approximately \$50,000 for the month. She noted that for the year to date power and water loss percentages came in at 5.43% and 8.51%, respectively.

A motion by Goff and seconded by Beimdiek to approve September financials passed unanimously.

COMMITTEE REPORTS: None.

CITIZEN'S PARTICIPATION PERIOD: General Manager Bryant introduced four new employees to the Board. The following employees were recognized: IT Help Desk Technician: Sabrina Menapace; Field Service Representative: Michael Greenstreet; Water Distribution/Collections Operator: Scott Gardner; Electrical Technician B: Jacob Terry. GM Bryant commended them for the work they have already done and is excited for what the future is to hold with these individuals on staff.

OLD BUSINESS: None.

NEW BUSINESS:

CONSIDERATION FOR THE PURCHASE OF FIBER CABLE AND MATERIALS FOR THE "MACON-02" FIBER EXTENSION

General Manager Bryant reported that the Carthage Water and Electric communications department is requesting to purchase fiber cable and materials which is needed to extend residential fiber service to prospective service locations in the vicinity of the Macon Street Water Tower. Bryant noted that this area will consist of approximately 292 service locations. The cost of purchasing this material will be in the amount of \$42,963.47, which will exceed the \$25,000.00 threshold that requires formal bidding.

GM Bryant recommends moving forward with this request of purchasing the material which is needed to extend residential fiber service to prospective service locations.

A motion by Lambeth and seconded by Schmidt to approve the purchase of fiber cable and materials for the "Macon-02" fiber extension, passed unanimously.

CONSIDERATION OF HEALTH INSURANCE PROPOSAL

General Counsel Ludwig reviewed the proposal from Cox Health Insurance for renewing the existing plan as is with no change in coverage and 0% increase in premium. Tobacco policies will also stay the same, tobacco users will pay 25% of the cost of their premiums. Ludwig outlined with the Board the method the Board has authorized in the past and noted that other proposals received were not competitive when comparing the plan coverage and rates.

A motion by Goff and seconded by Schmidt to accept the Cox Partners 80 Plan, with no change in coverage and 0% increase in premium, passed unanimously. Beimdiek was present in the meeting but abstained from voting.

CONSIDERATION OF DENTAL INSURANCE PROPOSAL

General Counsel Ludwig reviewed the Dental Insurance Proposal, reporting that it would be 100% voluntary and employee funded. Ludwig noted that other proposals received did not compete when comparing plan coverage and rates, she added that this proposal made the most sense for our employees.

A motion by Lambeth and seconded by Goff to accept the Principal Voluntary Dental Insurance, passed unanimously. Beimdiek was present in the meeting but abstained from voting.

STAFF REPORTS:

General Manager Bryant noted that Natural gas prices are getting pretty low. He reported he attended a meeting with the Mayor and Public Works Director of Lockwood to discuss the work our crews have been doing for them. Bryant commended our Electric crews on the lights they have installed for the Fair Acres YMCA, he added that he has received a lot of compliments from that project and is glad we could be a part of it. GM Bryant updated the Board on the status of DNR's investigation into the PCE plume discovered in groundwater in the Carthage area. Bryant also mentioned the tech team have been hard at work with locking down websites in an effort to secure our system, Cyber security has become a main priority for the tech team. He also reported the RP3 application has been completed and submitted, results are expected early 2020.

CFO Nugent stated the bond issue closed on the wastewater treatment plant.

General Counsel Ludwig informed the board that Carthage water and electric is fully staffed, there are currently no open positions.

Director of Power Services Emery reported the repairs on generator #11 are finished.

Executive Assistant Stump announced the date of the Company Christmas Party.

BOARD MEMBER COMMENTS:

City Liaison Collier thanked GM Bryant for diffusing a lot of questions about the PCE Plume site at the City Counsel Meeting.

At 5:00 p.m. the meeting adjourned.

President – Neel Baucom

Secretary – Steve Beimdiek