

**BOONE COUNTY REGIONAL SEWER DISTRICT
BOARD OF TRUSTEES MEETING
DECEMBER 20th, 2022
BOONE COUNTY COMMISSION CHAMBERS
801 E WALNUT**

Trustees Present: Randy Chann, Chair
Deborah Schnedler, Secretary
John Massey, Trustee
Justin Aldred, Trustee

Absent: David Shorr, Vice Chair

Others Present: Tom Ratermann, General Manager
Virgil Farnen, Operations Manager
Andy Lister, Project Manager
Bill Florea, Boone County Resource Management Director
Chris Pieper, Blitz, Bardgett & Deutsch, General Counsel
Angela Burke, Blitz, Bardgett & Deutsch, General Counsel
Sandi Clark, Office Administrator
Meg Petrillose, Administrative Assistant
Jason Vann, Convergence Accounting LLC
Jay Burchfield, LeMone Trust

The meeting was held in person and as a GoToMeeting video with telephone conference.

Randy Chann, Chair, called the December 20th, 2022 Board of Trustees meeting to order at 5:30 p.m. Chann noted there was a quorum.

ADOPTION OF REVISED AGENDA

The revised agenda was included in the packet. It was revised to add Item S.1. Consider Acceptance of 2022 Write Offs; and to include Personnel Matters (13) to the Closed Session.

On a motion by John Massey and a second by Debbie Schnedler, the Board moved to approve the Revised Agenda as presented. Motion carried.

APPROVAL OF MINUTES

The minutes for the November 2022 and October 2022 Board of Trustees Meetings were included in the packet.

On a motion by Justin Aldred and a second by John Massey, the Board moved to approve the minutes for the November 2022 Board of Trustees meeting as written. Motion carried.

On a motion presented by Debbie Schnedler and a second by John Massey, the Board moved to approve the minutes for the October 2022 Board of Trustees meeting as written. Motion carried.

PUBLIC COMMENT

See also- Agenda Item K.9, Manager's Report - LeMone Trust- United Parcel Service (UPS)
Jay Burchfield was present to represent the LeMone Trust in their request for the wastewater allocation permit.

Ratermann advised that the Board adopted a regulation 10 years ago that set up a permit system that required property owners to get a permit to limit wastewater discharged. Predicting wastewater flow from commercial and industrial properties is difficult, which is why an allocation permit was set up. There is a concern with chloride removal since there is a truck wash going in as a part of the UPS lot development. Ratermann reviewed a permit application that included protocols for vehicle washing that he will provide to the property owner.

Burchfield commented that UPS has allocated the remaining wastewater for the site, but the capacity was a total requested for the original 40 acres, and not just for the one lot for UPS. He wanted to ensure the permit is completed to include only the capacity needed for the single lot connecting.

VOTE TO HOLD CLOSED SESSION UNDER SECTION 610.021 (1), (2), & (13)

On a motion by Randy Chann and a second by John Massey, the Board moved that the Boone County Regional Sewer District Board of Trustees authorize a closed meeting at 5:42 PM on December 20, 2022, as authorized by: 610.021(1) RSMo. to discuss legal actions, causes of action or litigation involving a public governmental body and any confidential or privileged communications between a public governmental body or its representatives and its attorneys and as authorized by section 610.021; (2) RSMo. to discuss the leasing, purchase or sale of real estate by a public governmental body where public knowledge of the transaction might adversely affect the legal consideration therefore; and (13) RSMo. to discuss individually identifiable personnel records, performance ratings or records pertaining to employees or applicants for employment, except that exemption shall not apply to names, positions, salaries and lengths of service of officers and employees of public agencies once they are employed as such, and the names of private sources donating or contributing money to the salary of a Chancellor or president at all public colleges and universities in the state of Missouri and the amount of money contributed by the source.

Randy Chann, Debbie Schnedler, John Massey and Justin Aldred voted in favor.
David Shorr was absent. Motion carried.

On a motion by Justin Aldred and a second by John Massey, the Board moved to re-open the regular meeting at 6:04 PM on December 20, 2022.

PUBLIC COMMENT (continued)

See also- Agenda Item N, Proposal from Convergence Accounting

Jason Vann from Convergence Accounting was present to speak to the proposal from Convergence Accounting included in the packet.

Ratermann referenced the memo included in the packet for Item K.10 - Finance & Administration.

Schnedler requested that staff narrow down the list of support tasks required of Convergence to include only critical tasks that cannot be completed in house, and expects to require these support tasks for approximately six to eight months before a new finance staff member is trained by Convergence. She also suggested that the Office Administrator take over some administrative tasks permanently with a change in salary.

Ratermann assured the Board that Lara Florea will be working part-time and working with Convergence in the next three to six months to ease the transition of her leaving. Ratermann advised 15 candidates applied for the open finance position, and 9 have been deemed eligible for interviews. Chann asked that Ratermann include trustees in the review of finance candidates.

Trustees agreed that Convergence's services were necessary, but the scope of services is still to be determined.

Vann commented that he and Tom and Lara had met the week prior. He assured the Board that Convergence is available to assist in payroll, audit preparation, and keeping financials in order. He advised Accounts Receivable and Accounts Payable tasks will remain in house. After 30-45 days, Convergence can reevaluate the BCRSD's needs for a modified level of service as needed. Vann commented that monthly tax deposits and quarterly tax filings, etc., are included with payroll proposal and quote, which Florea was managing.

Schnedler reviewed software security matters with Convergence concerning bank account access, recommending a separate account be set up for payroll specifically. Vann observed that they use a third-party payroll software, and it is secure. Payments would be pulled from the BCRSD's checking account in one lump-sum. Schnedler suggested another engagement letter in the January Board meeting be presented with a revised scope of services.

See Agenda Item N for motion.

CONSENT AGENDA
Easement Acquisition Report
Permit Status Report
Monthly Financial Reports
Bills of Note
Quarterly Lien Reports
Safety Minutes
Status Report (Work in Progress)
Planning and Zoning (P&Z) Update

Operations & Maintenance (O&M) Reports

Bill Florea reviewed the Planning and Zoning update. There is no P&Z meeting scheduled for January 2023.

Virgil Farnen reviewed the O&M reports included in the packet. A generator at the Prairie Meadows facility caught fire and needs repair, now in progress. He reported repair was needed for a service truck due to a deer hit.

Other reports listed on the Consent Agenda were included in the packet.

On a motion by Randy Chann and a second by John Massey, the Board moved to approve the reports included on the Consent Agenda as presented. Motion carried.

MANAGER'S REPORT

MDNR Inspections/ Letters of Warning (LOW)/

Notices of Violation (NOV)/ Unsatisfactory Features/ Return to Compliance

The report was included in the packet. There were no new warnings or violations to report.

Operation Committee Meeting, 12/29/2022, 10 AM – 12 PM

Ratermann advised the next Operations Committee meeting is scheduled for December 29th.

Sun Valley – Excess Real Estate

Ratermann explained that he spoke with Greg Harmon, and a concept review is scheduled with Resource Management for subdivision of the parcel.

Procurement Policy

The report was included in the packet and is under review.

ARPA Application with Boone County

Ratermann explained the ARPA application for Boone County, included in packet, will be completed to apply for funding for part of the Midway Area Facility Plan. A draft will be presented at the January meeting.

ARPA Application with MDNR Not Selected for Funding

Ratermann explained the ARPA application from DNR was not selected for funding. There were 329 applicants, 35 were either fully or partially funded.

Ravenwood

Ratermann explained Fred Overton wants to convert the two commercial lots to multi-family residential, which requires an amendment to the agreement between Overton and the District.

Smithview Mobile Home Park (MHP)

Ratermann reviewed the agreement included in the packet.

LeMone Trust – United Parcel Service (UPS) – Wastewater Allocation Permit

See also Public Comment.

Finance and Administration

See also Public Comment.

Rollingwood

Ratermann reviewed the email included in the packet, explaining that DNR has approved the plans and specifications. DNR will send a formal letter of approval, which will allow BCRSD to open bidding on the project. Ratermann advised this may be advertised first week of January, 2023.

Khan's Subdivision

Ratermann explained the connection of this lot is subject to a connection agreement between the City of Columbia and the District. The property owner seeks to subdivide the 6-acre lot, and will require annexation per the redevelopment clause included in the Connection Agreement.

Private MDNR Permitted Facilities in Boone County

- A) Cornell's Friendly Area WWTF**
- B) Midway Auto/ Truck Plaza WWTF**
- C) Page Property WWTF**
- D) Pierpont Store**

Ratermann explained all four facilities are on Public Notice. He advised DNR should be reminded that BCRSD is the continuing authority, and these private facilities need to engage in public sewer connection feasibility review each time the property changes owners or the when permits renew.

On a motion by Randy Chann and a second by John Massey, the Board moved to accept the Manager's Report as presented. Motion carried.

(Agenda Items)

CONSIDER APPROVAL OF 2023 BUDGET

The proposed 2023 budget was included in the packet. Ratermann advised that one of the issues was how to handle lease purchases. It should not be an operating expense, it should be considered a capital lease and recorded as an asset on the books and an offsetting liability.

Schnedler asked staff write a resolution for the Board to appropriate the money towards the lease purchase payments, so that BCRSD is not in violation of the lease agreement, since the money won't be allocated in the budget; it is noted in the narrative. Ratermann advised General Counsel will return in January with a draft resolution.

Ratermann suggested that Chris and Angela review the lease, and come back with a resolution in January.

Chann noted wage increases and the proposed total of 8%. He would like to see a COLA of 5% and 3% merit, changed from a COLA of 6% and a 2% merit raise.

Schnedler inquired about System Repairs & Maintenance item 50700 Operating Budget which is 10% less than 2022's projected amount, and staff will investigate why. Schnedler inquired about expense item 850000 – Other Expenses; Ratermann advised this is the loss of the depreciation of the Rollingwood facility that will be closed.

Ratermann explained that rate increases were moved to July 1st, and state law requires a Public

Hearing be completed by May. He stated that the Board needs to make a decision regarding rate increases by March or early April in order to get the public hearing done in time.

Chann noted that customers seem to be happier with smaller, regular rate increases rather than large ones less frequently. Ratermann noted that the budget for 2023 doesn't seem to call for a rate increase, however it still calls for more discussion. Schnedler noted it is difficult to call for an increase when the District appears to have a cash surplus. She advised it is important to denote such funds as encumbered funds for future expenses.

On a motion by Randy Chann and a second by John Massey, the Board moved to approve the 2023 BCRSD Operating Budget as presented, provided that the narrative include funds denoted for future expenses as reviewed.

Randy Chann, Debbie Schnedler, John Massey and Justin Aldred voted in favor. David Shorr was absent. Motion carried.

CONSIDER REVISION TO BANK SIGNATURE CARDS TO ADD DANIEL CUNNINGHAM
Ratermann reviewed who is currently authorized on the bank signature cards. Schnedler approved with the caveat that the Board may have to readdress the bank signature cards after the new finance employee is hired.

On a motion by Debbie Schnedler and a second by Justin Aldred, the Board moved to approve revising BCRSD bank signature cards to add Daniel Cunningham. Motion carried.

CONSIDER PROPOSAL FROM CONVERGENCE ACCOUNTING FOR FULL PAYROLL SERVICES AND ADDITIONAL SERVICES

See also Public Comment.

On a motion by Debbie Schnedler and a second by Justin Aldred, the Board moved to approve the agreement with Convergence Accounting LLC for finance and payroll services as presented, subject to the establishment of a separate payroll account for the BCRSD, and with a revised scope of services to be presented in the January BCRSD Board Meeting. Motion carried.

Randy Chann, Debbie Schnedler, John Massey and Justin Aldred voted in favor. David Shorr was absent. Motion carried.

CONSIDER TEMPORARY EXTRA RESPONSIBILITY PAY

A memo request for temporary responsibility pay was included in the packet. Ratermann recommended raising the Office Administrator's pay temporarily, until a new finance staff member is hired. Schnedler stated she did not feel like this was a temporary situation, as the job description had been changed, suggesting a raise was in order. Ratermann stated this was within his authority to implement as a raise.

**CONSIDER ACCEPTANCE OF THE BILL OF SALE AND EASEMENTS
FOR EAGLE'S NEST SUBDIVISION**

Ratermann explained that there is a mandrel testing issue, and it should be resolved after the weather warms up. He recommended the Board accept the bill of sale and easements subject to the testing.

On a motion by Debbie Schnedler and a second by John Massey, the Board moved to accept the bill of sale and easements for Eagle's Nest subdivision, subject to the General Manager's (GM) approval of the mandrel testing. Motion carried.

**CONSIDER 3-PHASE ELECTRIC AGREEMENT AT BROOKEFIELD ESTATES WITH
BOONE ELECTRIC COOPERATIVE**

Ratermann recommended the Board authorize the GM to sign the 3-phase agreement with Boone Electric, agreeing to spread out construction costs over 4 years, with a minimum payment of about \$60 per month.

On a motion by Debbie Schnedler and a second by John Massey, the Board moved to authorize the GM to enter into a 3-phase agreement with Boone Electric Cooperative for the Brookfield Estates facility. Motion passed.

**CONSIDER ACCEPTANCE OF THE BILL OF SALE AND EASEMENTS FOR ROCK
BRIDGE BUSINESS PARK**

Ratermann stated the extension was completed and ready for acceptance.

On a motion by Debbie Schnedler and a second by Justin Aldred, the Board moved to accept the Bill of Sale and easements for Rock Bridge Business Park. Motion passed.

**NEW BUSINESS
Consider Acceptance of 2022 Write Offs**

The 2022 Year-End Write Offs were included in the packet.

On a motion by John Massey and a second by Randy Chann, the Board moved to approve 2022 Year-End Write Offs as presented. Motion carried.

Cost Effectiveness Chart

Chann distributed a graph to add to the packet. The graph showed rate increases over time, reviewing trends in write-off percentages, annual change in increase, rate impact, inflation, cumulative impact, and Median Household Income. He asked trustees and staff to consider these trends during cost-efficiency planning.

VOTE TO HOLD CLOSED SESSION UNDER SECTION 610.021 (1), (2), & (13)

On a motion by Debbie Schnedler and a second by John Massey, the Board moved that the Boone County Regional Sewer District Board of Trustees authorize a closed meeting at 7:22 PM on December 20, 2022, as authorized by: 610.021(1) RSMo. to discuss legal actions, causes of action or litigation involving a public governmental body and any

confidential or privileged communications between a public governmental body or its representatives and its attorneys and as authorized by section 610.021; (2) RSMo. to discuss the leasing, purchase or sale of real estate by a public governmental body where public knowledge of the transaction might adversely affect the legal consideration therefore; and (13) RSMo. to discuss individually identifiable personnel records, performance ratings or records pertaining to employees or applicants for employment, except that exemption shall not apply to names, positions, salaries and lengths of service of officers and employees of public agencies once they are employed as such, and the names of private sources donating or contributing money to the salary of a Chancellor or president at all public colleges and universities in the state of Missouri and the amount of money contributed by the source.

Randy Chann, Debbie Schnedler, John Massey and Justin Aldred voted in favor. David Shorr was absent. Motion carried.

ADJOURNMENT

Randy Chann, Debbie Schnedler, John Massey and Justin Aldred voted in favor. David Shorr was absent. Motion carried.

Meeting was adjourned at 7:30 PM.

Approved by:




