

**BOONE COUNTY REGIONAL SEWER DISTRICT  
BOARD OF TRUSTEES REGULAR MEETING  
APRIL 18, 2023 - 5:30 PM  
BOONE COUNTY COMMISSION CHAMBERS  
801 E WALNUT ST**

**Trustees Present:** Randy Chann, Chair (virtual)  
Debbie Schnedler, Secretary  
John L Whiteside, Trustee (virtual)  
Justin Aldred, Trustee

**Absent:** John Massey, Vice Chair

**Others Present:** Tom Ratermann, General Manager  
Wendy Wieggers, Board Treasurer & Finance Manager  
Sandi Clark, Assistant Board Secretary & Office Administrator  
Virgil Farnen, Operations Manager  
Daniel Cunningham, Project Manager  
Meg Petrillose, Administrative Assistant  
Bill Florea, Boone County Resource Management Director  
Chris Pieper, Blitz, Bardgett & Deutsch, General Counsel  
Angela Burke, Blitz, Bardgett & Deutsch, General Counsel

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

Randy Chann, Chair, called the April 18, 2023 Board of Trustees meeting to order at 5:30 p.m. Chann noted there was a quorum.

**ADOPTION OF REVISED AGENDA**

The Agenda was revised to add five (5) items to New Business.

**APPROVAL OF MINUTES**

The minutes for the March 2023 Board of Trustees Meeting were included in the packet.

On a motion by Randy Chann and a second by John Whiteside, the Board moved to approve the minutes for the March 2023 Board of Trustees meeting as written. Motion carried.

## **APPROVAL OF CLOSED SESSION MINUTES**

The Closed Session Minutes for the March 2023 Board of Trustees Meeting were included in the packet.

On a motion by Randy Chann and a second by Justin Aldred, the Board moved to approve the minutes for the March 2023 Closed Session as written. Motion carried.

## **PUBLIC COMMENT**

There was no Public Comment.

## **OLD BUSINESS**

There was no Old Business.

## **CONSENT AGENDA**

**Easement Acquisition Report**  
**Permit Status Report**  
**Monthly Financial Reports**  
**Bills of Note: Spring Park and Green Hills Pumps**  
**Status Report (Work in Progress)**  
**Planning and Zoning Update**  
**Operations & Maintenance (O&M) Reports**  
**Quarterly Lien & Litigation Reports**  
**Safety Minutes**

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

Schnedler stated there were no financial reports this month, and there were no bills of note included in the report.

Ratermann reviewed the bills of note, advising that the Spring Park lift station pump was repaired, and the Green Hills lift station pump was replaced. Schnedler questioned if they were pumps that BCRSD stores in inventory, and Farnen responded that they were not, and had to be ordered.

Farnen reported on the service call labor report included in the packet. Chann noted that the crew response and labor costs will be items of interest for the Operation Excellence Committee in May.

On a motion by Randy Chann and a second by Debbie Schnedler, the Board moved to accept 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.

Ratermann stated BCRSD is continuing to follow up with Hartsburg to assist with May's warning

for the Hartsburg facility. All the paperwork has been signed and sent to DNR. The O&M plan on the collections systems has an extension requested by Hartsburg. Chann questioned if BCRSD's assistance with the warning falls into additional scope, and if there is a predetermined charge rate. Ratermann responded that he would have to check the Hartsburg contract.

### **Operation Committee Meeting, 05/03/2023, 10 AM – 12 PM**

Ratermann advised the next Operations Committee meeting is scheduled for May 3<sup>rd</sup>. Chann stated the RACI analysis will be a topic for discussion.

### **User Rates**

The user rate memo was included in the packet. Ratermann recommended no rate increase due to the 2019 rate study, BCRSD's refinancing, and grant money potential. He compared Sewer District rates to the median household income (MHI) and BCRSD is at 1.3% MHI.

Chann suggested a nominal regular rate increase over the next five years, subject to change. He stated that it would avoid the large increases recommended by the 2019 rate study, and customers may be more amenable to smaller, regular increases. He recommended BCRSD adopt a 2.5-3% increase per year going forward until additional information is acquired and there is a substantial rate stabilization fund.

Schnedler questioned if construction spending, such as the Midway project, was included in the 2019 rate study fund, and Ratermann assured the Board that it was. Schnedler stated if BCRSD is not making not regular increases, it may deplete the cash reserves, and she supports small, regular increases each year.

Schnedler said BCRSD should be able to complete a detailed rate study in-house whenever there are significant changes. She opposed establishing a set rate for a specific number of years, but wanted to do a rate increase this year. Aldred agreed with Chann that there should be consistent rate increases over time.

Whiteside explained there needs to be a rationale for staff to tell customers, and the Board needs to set that verbiage for staff. Schnedler suggested the verbiage state that, 'the Board is attempting to avoid large, one-time increases and make everything more level, and that based upon what we understand today about pressures of running the District and unknowns about future grant potential, this is the number that the Board approved.'

Ratermann stated he would be in favor of a 2.5% increase. He said there will be a resolution by May 2024 for the increase. The rate increase will be communicated through the website, newsletter, and a one-time rate letter sent to all customers. Ratermann stated BCRSD will have the public hearing in May, and a resolution and communications plan will be queued up by the May Board meeting.

### **Request for Qualifications for Area-Wide Management Plan**

Ratermann explained the Request for Qualifications went out in the mail Friday, April 14<sup>th</sup>. He stated the deadline is June 16<sup>th</sup> for Statements of Qualifications, and when those come in there will be a committee put together to do interviews.

### **Design Regulations for Subsurface Drip Dispersal Systems**

Ratermann advised the design regulations for subsurface drip dispersal memo was not included in

the packet. He stated the design regulations were adopted in 2018 and revised in July 2021. He explained the revision in 2021 was to remove the maximum design flow, but clarification is needed on the minimum design flow. Ratermann recommended drip dispersal fields should always serve two or more residential units; either 370 gallons per day per residential unit, or 100 gallons per day per bedroom. He stated there needed to be an agreement for service between the developer and BCRSD, stipulating monthly rates applied, the pressurized system charge, and a charge for mowing. He also recommended that there be a notice in land records letting the property owners know what services they are receiving.

Ratermann's memo is meant to modify the regulation to be inclusive of the six items listed on the memo, and was also a response to Jay Gebhardt's previous concerns with regards to housing development.

Chann suggested that Farnen develop a rate structure that covers the specific equipment involved in drip dispersal maintenance.

### **Request for Proposals for Classifications, Wage and Benefits Study and Analysis**

Included in the packet was a request for a wage and benefit survey and analysis. The Request for Proposal was also included in the packet.

Schnedler stated she wanted to examine and compare an in-house analysis vs. a contracted study. She stated that job classifications were last done in 2004, and assumed they have not changed much. Schnedler asked Trustees and staff to consider what information needs to be collected, and what methods of getting that information are available. She said a big issue is in determining who is BCRSD's global competitor. She suggested starting with a list of reasonable candidates BCRSD can survey, such as: the City of Columbia, the University of Missouri, other utilities, and the private sector. Whiteside agreed with Schnedler that a more local or regional study should be done. Chann stated that he thought in order to lower costs that BCRSD should complete as much of the study as possible in-house, then bring in an outside firm when appropriate.

Ratermann stated that the City of Columbia has a wage and benefit survey being completed before October 1, 2023, that may contain a lot of data that BCRSD would require for its pending wage and benefit study.

### **Ashland**

Nothing to report.

### **Collateral Control Agreement: Central Trust Bank – US Bank National Association – BCRSD**

The memo was included in packet. Wiegiers met with Central Bank to discuss collateralization of the BCRSD's deposits. She indicated BCRSD is collateralized, and securities were held with the Federal Home Loan Mortgage Corporation at approximately 92%, and at 8% with the Trenton Missouri Reorganized School District.

Ratermann stated the US Bank of Minnesota is now the third-party trustee bank, and they provided receipts of the securities held to secure the BCRSD's deposits. He noted the Collateral Control Agreement should be updated as there were changes made in October, 2021, when the banks were consolidated.

Pieper advised that the agreement is subject to Minnesota law, there is an arbitration clause, and there are no additional obligations in place outside the norm for collateralizing securities. Pieper stated there is a securities account pursuant to a safekeeping agreement between bank and owner, and US Bank is now the trustee.

Schnedler noted that Central Bank has invalidated the safekeeping agreement by shifting the collateral to US Bank without prior notification. Wiegers stated she had trouble identifying who was managing the funds based on the documents available. Schnedler stated she had concerns that the transfer process had already been completed, and the BCRSD would be forced to sign the documentation with US Bank. Pieper responded that there are agreements in place already between US Bank and Central Bank, which defined the safekeeping agreement, but there was no agreement between US Bank and the BCRSD. He noted it would be easier to switch banks than it would be to change the safekeeping agreement. Schnedler requested a Request for Proposals (RFP) be considered for banking services.

### **ARPA**

The packet included a press release from Boone County discussing the County's timeline for approving ARPA grant-funded projects. Ratermann stated that he is hopeful that projects approved for ARPA grants will be announced by June 2023.

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

### **(Agenda Items)**

#### **CONSIDER REAL ESTATE PURCHASE AND SALE AGREEMENT BETWEEN BCRSD AND GHP CONSTRUCTION SERVICES FOR REAL ESTATE IN SUN VALLEY ESTATES IN THE AMOUNT OF \$6,000.00**

The agreement was included in the packet. Ratermann explained the agreement is ready for the Board's consideration. He advised that the Board may want to consider noting that the real estate is surplus, and in excess to the needs of the BCRSD. He stated Harmon wanted to disclose he is a broker. Ratermann recommended approval of the agreement.

On a motion by Debbie Schnedler and a second by Justin Aldred, the Board moved to approve the real estate purchase and sale agreement between BCRSD and GHP Construction Services for real estate that is surplus and in excess to the needs of the BCRSD in Sun Valley Estates in the amount of \$6,000, and authorize the General Manager to sign the agreement. Motion carried.

#### **CONSIDER WASTEWATER OPERATIONS AND MAINTENANCE AGREEMENT BETWEEN THE BCRSD AND THE CITY OF ASHLAND**

The agreement was included in the packet. Ratermann advised on what the annual fee for this year and last year was. He stated that the Ashland Board of Aldermen was reviewing the agreement for approval. Ratermann recommended the Board's approval of the agreement. Peiper explained that there is a mutual indemnity policy in place.

Chann stated he would like to discuss the lab testing component and how the charge rate for vehicles is configured. He suggested making these items future OEC discussion items.

On a motion by Randy Chann and a second by John Whiteside, the Board moved to approve the wastewater operations and maintenance agreement between the BCRSD and the City of Ashland as proposed. Motion carried.

## **NEW BUSINESS**

### **Boone County Missouri Housing Study**

Chann submitted a draft scope letter for the Boone County, Missouri Housing Study, included in the packet. He has asked staff to contribute any input regarding the scope, and to send comments to Community Services as soon as possible. Chann suggested a BCRSD supplemental study be available to include in the housing study.

### **Boone County Fire Protection District New Building Sewer Connection**

Ratermann explained Boone County Fire Protection District is building a firehouse on Route K. He stated the fire district is on property that will connect as a City customer connecting to a BCRSD sewer. He explained the City is asking for written consent to tap into the BCRSD's main line, and the request complies, so Ratermann will provide the consent.

### **BEC Ribbon Cutting**

Ratermann stated that Boone Electric Cooperative was having their ribbon cutting April 26th between 3-3:30.

### **2023 1st Quarter Assistance Report**

Sandi Clark from BCRSD reviewed the 1<sup>st</sup> Quarter Assistance Report, included in the packet.

Chann questioned how far the assistance went in helping cover the customers' bill. Clark responded that the assistance generally alleviates all the past due amount on the customers' account.

### **Retirement Plan Information Update**

Schnedler discussed some of the differences between defined benefit and defined contribution plans. She requested that the BCRSD give all staff information on the difference between the 457(b) and the LAGERS plan.

## **VOTE TO HOLD CLOSED SESSION UNDER SECTION 610.021 (1) & (13)**

On a motion by Debbie Schnedler and a second by Justin Aldred, the Board moved that the Boone County Regional Sewer District Board of Trustees authorize a closed meeting at 6:58 PM on April 18, 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; 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, Justin Aldred, and John Whiteside voted in favor. John Massey was absent. Motion carried.

On a motion by Justin Aldred and a second by John Whiteside, the Board moved to re-open the regular meeting at 7:07 PM on Tuesday, April 18, 2022.

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

### **ADJOURNMENT**

Randy Chann, Debbie Schnedler, Justin Aldred and John Whiteside voted in favor. Motion carried.

Meeting was adjourned at 7:07 PM.

Approved by:

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