

**BOONE COUNTY REGIONAL SEWER DISTRICT
BOARD OF TRUSTEES REGULAR MEETING
DECEMBER 19, 2023 - 5:30 PM
BOONE COUNTY GOVERNMENT CENTER - COMMISSION CHAMBERS
801 E WALNUT STREET**

Trustees Present: Randy Chann, Chair
John Massey, Vice Chair
Debbie Schnedler, Secretary
John L Whiteside, Trustee
Justin Aldred, Trustee

Trustees Absent:

Others Present: Tom Ratermann, General Manager
Wendy Wieggers, Board Treasurer & Finance Manager
Sandi Clark, Assistant Board Secretary & Manager - Administration
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 December 19, 2023 Board of Trustees meeting to order at 5:37 PM. Chann noted there was a quorum.

ADOPTION OF REVISED AGENDA

The Agenda was revised to add Not to Exceed amounts to Agenda Items M, N and O.

On a motion by Debbie Schnedler and a second by Randy Chann, the Board moved to approve the Revised Agenda. Motion carried.

APPROVAL OF MINUTES

The minutes for the November 2023 Board of Trustees Regular Meeting were included in the

packet. Debbie Schnedler advised the last paragraph under the 2024 Budget discussion should be moved to the 2023 Audit discussion. Sandi Clark will make the edits and post per approval.

On a motion by Randy Chann and a second by John Massey, the Board moved to approve the minutes for the November 2023 Board of Trustees, pending revisions as noted. Motion carried.

APPROVAL OF CLOSED SESSION MINUTES

The Closed Session Minutes for the November 2023 were included in the packet.

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

PUBLIC COMMENT

There was no Public Comment.

OLD BUSINESS

Schnedler reminded staff to provide updates on activities of the Missouri Association of Sewer Districts (MASD). Ratermann advised reports on MASD will begin in January 2024.

CONSENT AGENDA

Easement Acquisition Report
Permit Status Report
Status Report (Work in Progress)
Planning and Zoning Update
Operations & Maintenance (O&M) Reports
Invoices of Note (none reported)
Safety Minutes

The reports listed on the Consent Agenda were included in the packet. Commissioner Justin Aldred advised Ashland plans to place a Bond Issue on the February 2024 ballot for water and wastewater utilities. Ratermann explained that if Ashland decides to terminate the contract agreement with the BCRSD, then it is anticipated that BCRSD will be reserved for on-call services.

Trustees inquired about non-safety information distributed at Safety Meetings. Clark advised that staff Safety Meetings include safety topics along with administrative and other updates for the team. These discussions are noted in the Safety Minutes.

On a motion by Randy Chann and a second by Debbie Schnedler, 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.

Customer Count Report

The report was included in the packet.

Boone County Master Plan

Ratermann reported the project manager for the consultant's firm will meet with him to discuss BCRSD's service territory, connection agreements, and annexation agreements. Ratermann invited the project manager to the kickoff meeting for the BCRSD's Area-Wide Management Plan (AWMP).

Health Insurance – Assured Partners at January Meeting

Ratermann explained Assured Partners offered to present at the January Board meeting. Schnedler suggested this presentation be postponed in light of changes that will impact health insurance. She noted the policy should be reviewed again by October 2024.

Wendy Wieggers reported that Assured Partners understands they will build quotes for BCRSD policy renewal. She advised that if BCRSD terminated the policy with Missouri Public Entity Risk Management (MOPERM), it would not be reinstated for a minimum of three years. If the Anthem policy is altered, the BCRSD will lose the low-cost plan for employees altogether.

Randy Chann commented that policy renewals should be scheduled for a time that does not fall at the end of the fiscal year.

Personnel Policy

Ratermann reported the policy was revised in 2022 and then was tabled. He explained General Counsel intends to review the policy again so that it can come back to the Board for approval. Schnedler requested a cumulative black-line version.

Executive Director Position

The revised job description and a draft job-posting were included in the packet. Ratermann advised that having BCRSD staff manage the applications, candidates or interviews is a conflict for staff who might intend to apply for the Executive Director position. He recommended options of having a Trustee, General Counsel or an outside firm manage the applications. Schnedler expressed that there would not be enough time to allow for hiring an outside firm, and John Whiteside advised that having General Counsel manage the responses to the job posting would be appropriate. Schnedler and Chann agreed that Wieggers as Human Resource Manager should be involved in the posting and interview process. Trustees determined responses will be submitted to the General Counsel. Whiteside noted the job posting should make clear that this role is for a governmental entity. Wieggers advised the posting will run from January to February on Indeed and in the newspaper.

Chann asked for feedback on interview panel participation. Ratermann suggested that in order for eligible staff to apply for the position, it might be better to determine panel participants once responses to the job posting start coming in. Schnedler suggested staff interested in applying should notify the Trustees of their intent by a certain date, so that the interview panel could be established as soon as possible.

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 2024 BUDGET

The proposed budget was included in the packet.

Chann asked and Ratermann clarified that there was a proposed 2.5% increase to the base service fee and treatment cost, along with an additional 2.5% increase proposed for pressure sewer surcharges. Chann inquired about the strategic reasoning about why 2.5% was proposed, and if it was intended to be the annual increase going forward. Ratermann advised the User Rate Study (URS) was the benchmark for increases, but another URS is being sought. If another URS is preferred, then a Request for Proposal should be issued. Schnedler reminded Trustees that in recent years, the Board recommended small and consistent increments to rate increases; a strategy was not documented, and the 2.5% was not intended to be an annual increase in each year.

Chann advised staff should take a broader look at the scopes and conditions of contract services to support the fees associated with them.

Chann stated there should be a time allocation study and quantitative justification for additional crew positions requested. He felt the Executive Director position budgeted in 2024 was adequate.

Schnedler stated that career development, which is expanding staff expertise, is different from required training for a current role held. She noted training and career development should be categorized under Personnel Expenses. She and Chann agreed the Board should approve training plans before the expenditures take place, and this would be a condition of Budget approval.

Chann asked for clarification on why the BCRSD wanted to buy a 5-ton truck instead of renting one. Ratermann advised the truck is typically used 3 days out of a week, which justifies a purchase over renting one.

Chann asked about the budget proposed for the 2024 AWMP, which is higher than the last AWMP completed. Ratermann advised the AWMP from 2013 cost \$150,000, and this one in 2024 will cost \$160,000.

Chann inquired and Ratermann answered that the grant at Highfield Acres is a Water Quality Incentive Grant, to be applied to the cost of the Capital Improvement Project (CIP) construction at Highfield Acres.

Chann noted that Operating expense is outpacing the growth of incoming revenues.

Schnedler noted that the Executive Director position will fall strictly under an Administrative role.

Schnedler asked Wieggers to determine why fees to Boone Electric Cooperative (BEC) continue to increase. Schnedler noted that payroll fees to BEC should be removed from the budget as a category as payroll is now handled by Convergence Accounting.

Schnedler noted that Capital Additions and Improvements should not be expensed, as they are going to be assets with depreciation schedules. She said expenses should be tagged as being paid from cash or from borrowed funds.

Schnedler noted that the useful life of the AWMP may not be 20 years, and it might not truly be an intangible asset. She advised that if the AWMP is not to be expensed, it should be reviewed to ensure compliance with the Governmental Accounting Standards Board as an intangible asset. She recommended a written policy on fixed assets which outlines how to define a tangible asset.

Schnedler noted that the User Rate Study should be completed in-house. She advised that Wiegers intends to implement some zero-based budgeting going forward.

On a motion by Debbie Schnedler and a second by John Whiteside, the Board moved to approve the 2024 Budget, subject to Board receipt and approval of a plan in connection with Operations additive positions prior to any expenditure thereunder, and also subject to the Board's approval of career development training plans. Motion carried.

**CONSIDER APPROVAL OF 2023 END-OF-YEAR WRITE OFFS
IN THE AMOUNT OF \$30,055.45**

The 2023 Write Off Summary and a history of year-end write offs were included in the packet. Ratermann noted that 2023 write offs amount to less than 1% of customer fees, and collection efforts will continue for the accounts written off. Clark advised the Low-Income Household Water & Wastewater Program alleviated some account balances, and the write off amount may increase slightly after the assistance program ends.

On a motion by Debbie Schnedler and a second by Justin Aldred, the Board moved to approve the 2023 year-end write offs in the amount of \$30,055.45. Motion carried.

**CONSIDER PROPOSAL FROM HDR ENGINEERING
FOR A HYDRAULIC MODEL FOR COUNTY DOWNS SUBDIVISION
IN A NOT TO EXCEED AMOUNT OF \$3,850.00**

Ratermann reviewed the proposal and area map included in the packet. He explained the District requires the hydraulic model to determine if additional pressure sewer connections will adversely affect the other lots connected to the sewer main. He explained the BCRSD should own the hydraulic model to provide timely answers about additional connections. Chann noted that a calibrated model is more useful than an uncalibrated model, and recommended staff verify what the model predicts.

On a motion by Randy Chann and a second by John Whiteside, the Board moved to accept the proposal from HDR Engineering for a hydraulic model for County Downs subdivision in a not to exceed amount of \$3,850.00. Motion carried.

**CONSIDER PROPOSAL FROM HDR ENGINEERING FOR
A HYDRAULIC MODEL FOR MARTHA'S GROVE FORCE MAIN IN A
NOT TO EXCEED AMOUNT OF \$3,250.00**

Ratermann reviewed the area map and proposal included in the packet. He advised the pumps in this region do not communicate with each other, and it could be problematic if all pumps in the area kick on at the same time. This hydraulic model is required to determine the force main's capacity for additional connections.

On a motion by Randy Chann and a second by John Whiteside, the Board moved to

accept the proposal from HDR Engineering for a hydraulic model for Martha's Grove force main in a not to exceed amount of \$3,250.00. Motion carried.

CONSIDER PROPOSAL FROM COCHRAN ENGINEERING FOR SERVICES IN SUPPORT OF EASEMENT ACQUISITION ON THE HIGHFIELD ACRES PROJECT IN A NOT TO EXCEED AMOUNT OF \$6,750.00.00

Ratermann reviewed the area map included in the packet. He advised additional easements are required for the Highfield Acres project.

On a motion by Randy Chann and a second by John Whiteside, the Board moved to accept the proposal from Cochran Engineering for services in support of easement acquisition for the Highfield Acres project in the amount not to exceed \$6,750.00. Motion carried.

CONSIDER VARIANCE FOR REDUCED CONNECTION FEES FOR SMITHVIEW DEVELOPMENT (FORMERLY KNOWN AS WAGON WHEEL MOBILE HOME PARK)

Ratermann advised this item should be tabled. Trustees agreed to table this item without a motion.

CONSIDER FUNDING THE BUDGET STABILIZATION FUND IN THE AMOUNT OF \$567,167.32

Ratermann reviewed the revised resolution included in the packet, which states the BOT will fund the Budget Stabilization Fund in the amount of \$567,167.32 in February of 2024.

On a motion by Debbie Schnedler and a second by Justin Aldred, the Board moved to approve the resolution funding the Budget Stabilization Fund in the amount of \$567,167.32. Motion carried.

NEW BUSINESS

Consider Acceptance of Engagement Letter with Convergence Accounting for Payroll Services

Ratermann advised that Chann still needs to sign the engagement letter with Gerding, Korte & Chitwood for the 2023 Fiscal Audit.

Boone County ARPA Funding

Aldred advised the Boone County Commission is accepting a second round of ARPA funds, and the deadline for application is January 26, 2024, at 5 PM. He will recuse himself from any ARPA decisions that the BCRSD Board makes.

VOTE TO HOLD CLOSED SESSION UNDER SECTION 610.021 (1)

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 7:07 PM on December 19, 2023, 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, John Massey, Debbie Schnedler, John Whiteside and Justin Aldred voted in favor. Motion carried.

On a motion by John Massey and a second by John Whiteside, the Board moved to reopen the regular meeting at 7:35 PM on Tuesday, December 19, 2023.

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

ADJOURNMENT

On a motion by John Massey and a second by John Whiteside, the Board moved to adjourn the meeting at 7:36 PM. Motion carried.

Meeting was adjourned at 7:36 PM.

Approved by:




