

CWEP BOARD MEETING MINUTES

November 16, 2023

The Carthage Water & Electric Plant Board met in regular session November 16, 2023, 4:00 p.m. at the CWEP Office, 627 W Centennial, Carthage, MO.

Board:

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| <input checked="" type="checkbox"/> Brian Schmidt - President | <input checked="" type="checkbox"/> Sid Teel - Member |
| <input checked="" type="checkbox"/> Ron Ross- Vice President | <input checked="" type="checkbox"/> Tom Garrison – Member |
| <input checked="" type="checkbox"/> Darren Collier -Secretary | <input checked="" type="checkbox"/> G. Stephen Beimdiek- Member |
| <input checked="" type="checkbox"/> Alan Snow -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 type="checkbox"/> Jason Peterson-Director of IT & Broadband | <input checked="" type="checkbox"/> Kevin Emery-Director of Power Services* |
| <input checked="" type="checkbox"/> Megan Kirby- Executive Assistant | <input checked="" type="checkbox"/> Stephanie Howard-Director of Business & ED |

* Attended via videoconference

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

ADDITIONS/CHANGES TO THE AGENDA: None.

APPROVAL OF MINUTES:

A motion by Beimdiek and seconded by Collier to approve the minutes of the regular meeting of October 25, 2023, as presented, passed unanimously.

APPROVAL OF DISBURSEMENTS:

A motion by Ross and seconded by Collier to approve disbursements for October in the amount of \$5,320,656.47, passed unanimously.

FINANCIAL STATEMENT:

CFO Nugent presented the October 2023 financials to the Board, noting that combined net income exceeded budget for the year primarily due to the timing of the industrial park contribution. Combined operating expenses were under budget for the month and combined operating revenues fell short of budget for the month. Purchased power expense for the month was higher than budget. Water revenues for the month of October were under budget for the month. Wastewater revenues exceeded budget, and water operating expenses were under budget. Communication revenues exceeded budget for the month and communication

operating expenses continue to be less than budget partially due to key personnel vacancies in addition to the timing of budgeted amounts.

A motion by Beimdiek and seconded by Ross to approve the October 2023 financials passed unanimously.

COMMITTEE REPORTS: None.

CITIZENS PARTICIPATION PERIOD: None.

OLD BUSINESS: None.

NEW BUSINESS:

1. FY 2023.11.01 Board Retirement Resolution for Danny Lambeth

General Manager Bryant acknowledged the retirement of Board Member Danny Lambeth, reading a resolution in his honor. GM Bryant thanked Lambeth for his 8 years of faithful service noting his contributions as a highly intelligent, thoughtful, hard-working, kind, dedicated and generous person are unparalleled, and he will be greatly missed.

2. FY 2023.11.02 Board Retirement Resolution for Pat Goff

General Manager Bryant recognized the retirement of Board Member Pat Goff, reading a resolution in his honor. GM Bryant expressed his appreciation for Goff and his 8 years of faithful service noting he has generously devoted his time and talents with the simple goals of giving back and improving his community, and he will be greatly missed.

A motion by Collier and seconded by Beimdiek to approve the retirement resolutions for Pat Goff and Danny Lambeth, passed unanimously.

3. Presentation of the Fiscal Year 2023 Audit

Rebecca Baker, CPA with KPM CPAS & Advisors of Springfield, MO, presented the FY 2022-2023 audit report stating this was an unmodified clean opinion. It was also reported that KPM found no material weaknesses, no non-compliance issues, and no significant control deficiencies. Baker commended CWEP staff for their cooperation through the audit process. GM Bryant expressed appreciation for KPM's professionalism and efficiency in the audit process as well as their guidance when needed throughout the year.

A motion by Ross and seconded by Beimdiek to accept the audit for FY 2022-2023 as presented passed unanimously.

4. Consideration of bids for Substation 2 Galvanized Steel Structures

GM Bryant reported a formal request was issued seeking qualified vendors to supply galvanized steel structures for the upgrade at substation 2. He noted a proposal from Advanced Steel & Crane, Inc. in the amount of \$76,963.00, Galvanizer, Inc. in the amount of \$76,760.20.00, Meyer Utility Structures, LLC in the amount of \$94,585.00, dis-Tran Steel, LLC in the amount of \$133,752.00, and MICA Steelworks, Inc. in the amount of \$186,825.00. Whitlow Electric Co., Inc., Valmont Industries, Inc, and Parks Metal Fabricators all had incomplete bids.

After a thorough assessment, Advanced Steel & Crane, Inc. met the specifications and requirements of Allgeier, Martin and Associates, Inc.'s request on behalf of CWEP.

GM Bryant recommends awarding this project, based on price and past experiences, to Advanced Steel & Crane, Inc. in the amount of \$76,963.00.

A motion by Collier and seconded by Beimdiek to award the Substation 2 galvanized steel structures project to Advanced Steel & Crane, Inc. in the amount of \$76,963.00, passed unanimously.

STAFF REPORTS:

GM Bryant gave an update on Sikeston and Plum Point capacity factors. He mentioned the changes of internal staffing with the departure of a couple key employees and noted how tough the hiring process has been with turnover and an aggressive labor market. He reviewed the Company Organizational Chart of departments.

CFO Nugent announced Mandy Bates was hired as the new accountant and noted she was born and raised in Carthage and seems to be a good fit for the company. Nugent noted she has given her team a list of projects to get through. She reported she is working with PCS and Toth Associates on a Cost-of-Service model.

General Counsel Ludwig gave an update on the status of the commercial customer that filed bankruptcy.

Director of Water Services Choate discussed the gas company's work in town and how it affects CWEP.

Director of Power Services Emery informed the Board that the Sparkle in the Park is almost complete.

BOARD MEMBER COMMENTS:

Board President Schmidt announced his recommendation to move the CWEP Board meetings to 3:00pm every Third Thursday of the month.

At 5:32, a motion by Beimdiek and seconded by Collier to adjourn the meeting passed unanimously.

President – Brian Schmidt

Secretary – Darren Collier