

CWEP BOARD MEETING MINUTES

October 25, 2023

The Carthage Water & Electric Plant Board met in regular session October 25, 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 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 type="checkbox"/> Stephanie Howard-Director of Business & ED |

* Attended via videoconference

President Schmidt called the meeting to order at 4:00 p.m.

ADDITIONS/CHANGES TO THE AGENDA:

Staff and Board members that were present introduced themselves to the two new board members, Sid Teel and Tom Garrison.

APPROVAL OF MINUTES:

A motion by Beimdiek and seconded by Collier to approve the minutes of the regular meeting of September 21, 2023, as presented, passed unanimously.

APPROVAL OF DISBURSEMENTS:

A motion by Ross and seconded by Beimdiek to approve disbursements for September in the amount of \$5,060,128.65, passed unanimously.

FINANCIAL STATEMENT:

GM Bryant presented the September 2023 financials to the Board, noting that combined net income exceeded budget for the month and year to date. Combined operating expenses were under budget for the month and combined operating revenues exceeded budget for the month. Purchased power expense for the month was slightly higher than budget, but lower

than last year due to stabilizing marketing conditions. Notable expenses include repairs to cooling tower fans, ongoing engineering distribution system study expenses from prior year and the timing of tree trimming costs. Water revenues for the month of September were under budget. Wastewater revenues exceeded budget, and water operating expenses were under budget. Communication revenues were over budget due to higher-than-expected fiber installation revenue, 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 Collier to approve the September 2023 financials passed unanimously.

COMMITTEE REPORTS: None.

CITIZENS PARTICIPATION PERIOD: None.

OLD BUSINESS: None.

NEW BUSINESS:

1. Consideration of Resolution 2023.10.01, A Resolution Adopting the Rural Economic Development Revolving Loan Fund Plan

GM Bryant presented Resolution 2023.10.01 to the Board, A resolution adopting the Rural Economic Development Revolving Loan Fund Plan. GM Bryant noted the application of the Rural Economic Development Loan Plan had previously been approved in July's Board meeting, and that this resolution adopting the Loan Fund Plan is the next step required.

A motion was made by Ross and seconded by Beimdiek to approve Resolution 2023.10.01, A Resolution adopting the Rural Economic Development Revolving Loan Fund Plan.

2. Consideration of bids for Wastewater Treatment Plant Clarifier Painting

GM Bryant noted bids were requested from contractors to provide industrial preparation and painting services that will comply with industry standards on a clarifier at the CWEP Wastewater Treatment Plant. He reported CWEP held two project site tours for interested respondents and contractors, which provided an opportunity to view the site and better understand the project and required work. Three contractors participated in the project site tours. CWEP received two bids for the painting project. Yakel Painting Company submitted a bid for \$74,312.10, and Bussey's Painting, Inc. for \$79,528.00. CWEP's estimated budget for this project was \$77,000.00

After reviewing and evaluating both bids, Bryant recommends awarding this project to Yakel Painting Company in the amount of \$74,312.10.

A motion by Beimdiek and seconded by Collier to approve awarding this project to Yakel Painting Company in the amount of \$74,312.10, passed unanimously.

3. Consideration of bids for Diesel Crew Cab Truck

GM Bryant reported a request was issued seeking proposals on a new or used 3/4-ton 4x4 diesel crew cab truck for the electric distribution department. CWEP received a proposal from Rush Truck Centers, in Joplin, on a 2023 Ford F250 for \$64,655.00. Premier Auto Sales in Carthage submitted a proposal on a 2022 model Ram 2500, with less than 90 miles and a full warranty, for \$59,900.00. Both proposals came in under CWEP's budgeted amount of \$80,250.00.

GM Bryant recommends awarding the purchase of the 2022 Ram 2500 truck to Premier Auto Sales in the amount of \$59,900.00.

A motion by Ross and seconded by Beimdiek to award the purchase of the 2022 Ran 2500 truck to Premier Auto Sales in the amount of \$59,900.00, passed unanimously.

4. Recommendation of Hydraulic Excavator Lease Extension

GM Bryant reported CWEP has the option to extend the lease on the current hydraulic excavator for another two years. The unit is still in good mechanical condition and should be able to continue providing services that the departments will need. The annual costs for extending the lease will decrease since the unit is a 2021 model. Fabick Cat will add the Powertrain and Hydraulics Warranty to this unit for 24 months or 1,000 hours. The annual cost to extend the lease for another two years will be \$11,926.98. This renewal option will save CWEP approximately \$7,700.00 per year instead of leasing a new model excavator.

After discussing the options, CWEP's departments determined the best and most economical decision would be to extend the current lease.

GM Bryant recommends that CWEP extend the lease on the existing excavator with Fabick Cat for another two years.

A motion by Beimdiek and seconded by Ross to extend the lease on the existing excavator with Fabick Cat for another two years, passed unanimously.

STAFF REPORTS:

GM Bryant spent some time talking about natural gas prices and how they are the driving force for deciding on whether to purchase or generate power. He gave an overview of Sikeston and Plum Point. He also discussed the process CWEP goes through during outages, noting all the

statistical information collected helps make CWEP the most reliable utility in southwest Missouri.

GM Bryant gave an overview of the AMI System and praised Jason Peterson and Elvis Castor for all their efforts in the project. He noted that the two of them got an invite from the vendor of the project to present at the Itron conference.

General Counsel Ludwig noted staff is currently working with PCS on getting new statements designed that will include more usage information. PCS is also working on allowing customers to be able to login and view more usage information. Ludwig reported a commercial customer has filed for bankruptcy and noted the steps that will be taken going forward. Ludwig commended Meagan Milliken on a job well done and highlighted all her efforts with spearheading public power week events, Maple Leaf events and 125 Year Anniversary events in the past month.

Director of Power Services Emery informed the Board that the cause of the True up from Sikeston was due to a turbine being damaged and problem with the boiler. He reported crews are busy getting ready for Sparkle in the Park.

BOARD MEMBER COMMENTS:

Secretary Collier inquired about the status of the Salary Study. GM Bryant informed the Board that a committee has been formed that includes himself, Darren Collier, Brian Schmidt, Mark Elliff, Alan Snow and Traci Cox. GM Bryant estimated the Salary Study taking 4-5 months to complete.

Secretary Collier asked about changing the regular CWEP Board meeting time from 4:00pm to 3:00pm on every third Thursday of the month. Board President Schmidt suggested we table the idea until next Board meeting to allow time to think about it before making a decision.

Secretary Collier commended CWEP Staff on all their efforts in getting the community room ready for the City Council meeting and noted how great it looked.

Board Member Beimdiek acknowledged CWEP being featured as the Show me Magazine cover story and noted how great that was for the company.

City Council Member Snow praised Meagan Milliken on a fantastic job with all the community events in the past month.

Vice President Ross commented on the impressive tree trimming work being done.

Board Member Garrison commended CWEP and all the work they do, he understands there is a lot to learn and is proud to be a part of it.

Board Member Teel expressed his appreciation to join the Board.

At 5:39, a motion by Beimdiek and seconded by Collier to adjourn the meeting passed unanimously.

President – Brian Schmidt

Secretary – Darren Collier