

**PUBLIC UTILITY BOARD MINUTES
OCTOBER 24, 2022**

The Public Utility Board met in regular session on Monday, October 24, 2022, at 1:02 p.m. in the Executive Conference Room located on the Upper Level of City Hall. Roll call was taken, and members of the Board present were: John Bell, Richard Vaughn, and Charles Williams. Absent was member Whit McCoskrie. Also present were: Lauren EH Nelson, Council Liaison; Courtney L. Doyle, Asst. Deputy Director of Administration/City Clerk; Darrell Dunlap, Superintendent of Utilities; Kathy Holschlag, Chief Financial Officer; and Trisha Reno, Utility Administrative Assistant/OM Coordinator. Absent were Lowe Cannell, Mayor; Renee Tyler, Director of Administration.

APPROVAL OF MINUTES:

The minutes of the September 26, 2022 Board meeting were presented for approval.

Motion was offered by Charles Williams and seconded by Richard Vaughn to approve the minutes of September 26, 2022, as presented. Motion carried with three members of the Board voting in favor, and one member (McCoskrie) absent.

FINANCIAL REPORT:

The Utility Financial Report for September 2022 was presented to the Board for review and discussion. Kathy Holschlag, Chief Financial Officer, offered to answer any questions.

Holschlag stated sales tax collections are up 6.2% in comparison to this period of time in 2022 and noted this rate is not keeping up with the current rate of inflation. Holschlag also reported use tax collections are up 12.2%, approximately \$43,000.

Holschlag noted the Electric fund experienced an operational loss due to cost of purchased power; this fund is down approximately \$850,000 year-to-date. The Gas fund experienced a loss of approximately \$205,000 month-to-date due to increased costs; the fund is down roughly \$924,000 year-to-date.

Both the Water fund and the Sewer fund remain in the black for the year. Lastly, the Solid Waste fund is a loss month-to-date due to the purchase of a new trash truck in September.

After some review and discussion, motion was offered by Charles Williams and seconded by Richard Vaughn to accept the Financial Report for September 2022, as presented. Motion carried with three members of the Board voting in favor, and one member (McCoskrie) absent.

SUBJECTS OF DISCUSSION:

a. Utility Rates Discussion

Superintendent of Utilities Darrell Dunlap presented the Board with a power point presentation showing gas meter rates compared to other local utility providers. Darrell pointed out the City residential meter charge (\$6) in comparison to Ameren (\$15) and Kennett (\$15.45). Kathy Holschlag stated using different increases on base rates especially commercial would assist the budget.

Whit McCoskrie entered the meeting at 1:15pm

After much discussion and review of other nearby cities a motion was offered by Richard Vaughn and seconded by Charles Williams to recommend the City Council authorize the Director of Administration, with the advice of the Superintendent of Utilities, to book natural gas commodity purchases when the city's proposed cost falls to \$5.70 or less for an allowable term of up to five years. Motion passed with

four members of the Board voting in favor.” (This will be added as new business to the 10/25 meeting agenda)

Charles Williams suggested the City hold a town meeting to discuss the importance of raising utility rates so that the citizens obtain a better understanding for the increase.

A second motion was offered by Richard Vaughn and seconded by Charles Williams to recommend the City Council implement a gas meter base rate charge increase at the following rates: residential, \$15; commercial, \$30; industrial, \$275. Motion passed with four members of the Board voting in favor.” (This will be added as a proposed ordinance to the 11/08 Council agenda)

b. Recommendation Regarding Mutual Aid with MPUA

Dunlap discussed the purpose of the contract with MPUA is to aid as needed the City with additional linemen. This contract is not exclusive.

A motion was offered by Whit McCoskrie and seconded by Richard Vaughn to accept the contract as written. Motion passed with four members of the Board voting in favor.

c. Recommendation Regarding the Contract with Burns & McDonnell

Dunlap informed the Board of the contract to perform additional work at the Wastewater Treatment Plant for upgrades to meet DNR regulations. According to Dunlap, this contract will not exceed \$72,062.

A motion was offered by Whit McCoskrie and seconded by Richard Vaughn to move forward. Motion passed with four members of the Board voting in favor.

EXECUTIVE SESSION:

There was no need for an executive session at this Board meeting.

ADJOURNMENT:

There being no further business to come before the Public Utility Board, motion was offered by Charles Williams and seconded by Whit McCoskrie to adjourn the meeting. Motion carried with four members of the Board voting in favor. The meeting adjourned at 2:03 p.m.

Respectfully submitted,

Trisha Reno,
Utility Administrative Assistant/ OM Coordinator