

MARSHALL MUNICIPAL UTILITIES

75 East Morgan
Marshall, MO 65340

September 3, 2021

The Board of Public Works convened in regular session in the MMU Service Center Conference Room at 8:30 a.m. Board members present were Wick Jacobi, President; Ken Bryant, Vice President; Steve Mills, Secretary and Spencer Fricke, Member. Also in attendance were City Council Member Dewey Hendrix and representatives of engineering firm Burns & McDonnell.

The agenda was approved on a motion made by Mr. Bryant, seconded by Mr. Mills, with a vote of 3-0. The minutes of the August 12th meeting were approved as printed on a motion by Mr. Bryant, seconded by Mr. Mills, with a vote of 3-0.

In business from the audience, the engineering firm of Burns & McDonnell presented the scope of work for phase 3 of the design-build upgrade the Wastewater Treatment Plant.

Electric Distribution Director Doug Root presented the bid for construction of the Southeast Substation foundation that was opened August 3rd. Of the nine bids sent out, only one contractor responded. Three additional contractors were contacted for a mailing address but indicated they would not be bidding. The single bid received came from Septagon Industries, Sedalia MO in the amount of \$43,074. Both MMU management and the consulting engineering firm reviewed the bid and recommended using Septagon. Mr. Fricke made a motion to accept the bid from Septagon Construction for Southeast Substation concrete foundation construction in the amount of \$43,074. The motion was seconded by Mr. Mills and passed with a vote of 3-0.

Director Root also stated that the tree trimming company was called out of town to aid in hurricane clean-up, they will be back Tuesday, September 7th. The overhead to underground conversion is complete, 16 services have been buried. He then gave an update on equipment that had been ordered: the cab and chassis is still on order, the forklift is scheduled for delivery November 19th, and the personnel lift is scheduled for delivery February 11th, 2022.

Controller Tony Bersano presented and went over highlights of the budget for fiscal year 2021-2022; it will be presented to the City Council at their September 7th meeting if approved by the Board. Mr. Mills made a motion to approve the Annual Budget for Fiscal Year 2021-2022 for MMU as presented. The motion was seconded by Mr. Bryant and passed with a vote of 3-0.

Controller Bersano then presented an updated loan disbursement schedule paying for the demolition at the Hab Center for the City of Marshall. To date, MMU has paid \$719,800 to Remco Demolition. Training on the new accounting software started; plans are to go live with the financials in February and billing in April.

Wastewater Treatment Plant Superintendent Nolan Townsend requested approval to have KimHEC assist in applying for the National Pollutant Discharge Elimination System (NPDES) Permit. He stated this is the state operating permit for the Wastewater Treatment Plant. KimHEC has agreed to assist in the process for a not exceed price of \$15,000. Mr. Bryant made a motion to accept the proposal from KimHEC for a not to exceed price of \$15,000 for NPDES Permit renewal assistance. The motion was seconded by Mr. Mills and passed with a vote of 3-0.

Electric Production Director Carl Crawford stated the demolition is winding down, the fence will be installed in a few weeks. He also had the fuel in the large storage tanks tested and the cloud point for both tanks is 15 – 16 degrees below zero, and both tanks are full.

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Underground Facilities Director Grant Piper provided pictures and information of the inspection of Reservoir #3. The diving crew was able to remove and replace the failed mixers and reported there was no structural damage. Proceanic will be sending a full report with the cost of cleaning in a few weeks. He also stated the annual fire hydrant flushing will be started October 10th. The cross-town tie is complete; all customers have been moved to the new main.

Water Treatment Plant Superintendent Travis Boss provided a report showing total chlorine, monochloramine and free ammonia residuals leaving the Water Treatment Plant and another showing total chlorine residuals in the water distribution system in response to a customer concern. He also added his crew is preparing to spread lime sludge on some local farms.

IT & Broadband Director Jim Widel reported that work at Lakeview Trailer Park is complete. Construction for the first broadband grant will begin the week of September 6th. He also stated that customer internet installations may have to be paused due to lack of supplies.

Human Resources Manager Megan Baldrige stated insurance renewals were received and the current medical carrier will increase rates 39% due to MMU's loss ratio. She will be requesting proposals from other carriers. The dental and vision renewals were also an increase; dental by 10.9% and vision by 7.2%. She will also be requesting competitive quotes for these. Manager Baldrige then stated she and Safety Specialist Chase Brackman are doing department specific safety reviews with each Director.

General Manager Jeff Bergstrom presented financing options to fund the Wastewater Treatment Plant. An interdepartmental loan is what has been used in the past but there isn't enough money in the Electric Department to cover the entire amount needed. He still hopes to be able to finance a portion of it this way. Missouri Association of Municipal Utilities (MAMU) has a finance program available for capital infrastructure improvements or equipment purchases through which MMU could borrow up to the entire amount required to complete the project. Another option may be American Rescue Plan Act (ARPA) funds. This is a federally funded program for specified infrastructure improvements; water and wastewater treatment systems are listed as some of the items eligible for these funds. Any of these funding options could be used individually or in combination, depending on how things develop. However, a wastewater rate increase is needed to cover loan payments regardless of the funding source. Mr. Mills made a motion to approve applying for Missouri Association of Municipal Utilities (MAMU) Finance program funding up to \$9,100,000 to pay for improvements at the Wastewater Treatment Plant. The motion was seconded by Mr. Bryant and passed with a vote of 3-0.

General Manager Bergstrom also presented the annual funding agreement to assist the Marshall Saline Development Corporation (MSDC). The agreement states that MMU will pay MSDC \$30,000 annually, in quarterly payments, in exchange for their economic development efforts. The agreement renews automatically unless terminated. No action was taken, allowing the agreement and funding to continue through September 30, 2022.

General Manager Bergstrom then presented phase 3 of the design build agreement from Burns & McDonnell Engineering Co. for improvements to the Wastewater Treatment Plant. The price for Phase 3 of this project, which includes general contractor, aeration equipment, final clarifier equipment, and blower pricing in the amount of \$8,944,500. The price includes project engineering, management and oversight and \$250,000 allowance to cover unknown issues. Mr. Bryant made a motion to request the City Council authorize the Mayor to sign the design build agreement with Burns & McDonnell Engineering Co. for improvements to the Marshall Wastewater Treatment Plant in the amount of \$8,944,500. The motion was seconded by Mr. Fricke and passed with a vote of 3-0.

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General Manager then went on to add that with the completion of the Power Plant demolition he has been speaking with staff at Missouri Joint Municipal Electric Utility Commission (MJMEUC) and MoPEP about the availability of that site for future generation for the Pool. He also spent two days at the MPUA executive Board Meeting and reported on the top topics of those meetings.

Mr. Mills made a motion to approve and issue warrants from the following funds for cash disbursements to accounts payable.

WATER OPERATING FUND	\$ 220,962.73
ELECTRIC OPERATING FUND	\$ 851,642.57
SEWER REVENUE FUND	\$ 224,372.80
INTERNET OPERATING FUND	\$ 96,159.55
NATURAL GAS OPERATING FUND	\$ 2,818.42
ELECTRIC CONSUMER DEPOSIT FUND	\$ 2,300.00
Total	\$ 1,398,256.07

The motion was seconded by Mr. Bryant and passed with a vote of 3-0.

The next Regular Board meeting will be Friday, September 17th, 2021.

Following a motion by Mr. Mills, seconded by Mr. Fricke, the Board adjourned the regular meeting at 10:14 a.m. to go into an Executive Session to discuss matters under Mo Rev. Stat. 610.021 (Supp. 2009) concerning: legal, confidential or privileged information [1]. The motion passed by a vote of 3-0.

Roll call: Steve Mills yes
 Ken Bryant yes
 Spencer Fricke yes
 Wick Jacobi yes

BOARD OF PUBLIC WORKS
/s/Steve Mills, Secretary