

Cape Girardeau County Reorganized Common Sewer District
Board Meeting Minutes – August 17, 2021

I. Call to Order

Joe Tousignant, President, called the meeting to order on August 17, 2021 at 6:35 pm at Wesley United Methodist Church, Jackson, MO. Board members present were Betty Brooks, Joe Garvey, Tommy Halford, and Greg Steiner. Present also were Dana Felton, accounting clerk, Juanita Holderbaugh, office clerk, Jenny Macke, accountant/treasurer, and Brian Strickland, from Strickland Engineering. Guests present were Nate O'Bryan, project manager, and Augie Luma, operations manager, both from Carstensen's Constructing. Mr. Tousignant declared a quorum was present.

II. Guest Comments/Questions – Mr. O'Bryan and Mr. Luma presented an update on Carstensen's progress with the Fruitland Collection project. They reported that 23 miles of the 40 miles total pipe have been installed to date, 4 of 6 duplex lift stations have been installed, and work continues in those areas. Mr. Luma reported a shortage of resin has resulted in pipe delays, but they are working with various vendors to keep the project moving forward. They have also started asphalt repairs and reseeded areas as needed with additional work projected for Spring of 2022. Mr. Luma stated their focus is on completing the lift station installations and pipe installations, while working diligently to deal with the shortage of pipes. Ms. Brooks inquired about the current and possible future asphalt repairs on Lynn Drive in Spring Lake Estates. Mr. Luma stated they would reevaluate possible future repairs on Lynn Drive as it pertains to their equipment when the project is near completion. Discussion was held.

III. Reports

A. Engineering Update:

1. Fruitland Wastewater Collection and Treatment Project:

- a. Mr. Strickland confirmed the progress by Carstensen's Constructing continues along Highways W and 177 to Homestead Place on lift stations and installing pipes. He stated Penzel Construction is also progressing with the treatment plant site and the office building. He said the mechanical is mostly done and plant concrete work is completed. No delays have been reported from Penzel Construction. Discussion was held.
- b. Mr. Strickland presented the Payment Estimate of Funds #10 for 08/01/2021 for \$1,463,206.93 for the monthly construction reimbursement invoices for development, engineering fees, and construction observation. It also included a Change Order #2 from Carstensen's for \$10,173.28 for multi-tap connectors for electrical meters on homes for the pump stations, as required and approved by Citizens' Electric. Discussion was held.
- c. Phase 3 of the Project regarding lagoon closures was discussed. Mr. Strickland stated the work would be bid through USDA for funding which could start in 2022, pending progress of the treatment plan.

Recommendations/Actions:

1. It was moved, seconded, and approved unanimously to approve the request for Payment Estimate of Funds #10 for 08/01/2021 for \$1,463,206.93 for the monthly construction reimbursement invoices for development, engineering fees, and construction observation.
2. It was moved, seconded, and approved unanimously to approve the request for Change Order #2 from Carstensen's Constructing for \$10,173.28, included in the Fund request #10, for the multi-tap connectors for electrical meters on homes for the pump stations, as required and approved by Citizens' Electric.

2. Permit Renewals: No new information.

Recommendations/Actions: Follow up as needed.

3. **Facility Updates:** Mr. Strickland reported the following underlined updates:
- a. Arbor Trails: Wastewater treatment facility (WWTF) good.
 - b. Bella Vista Estates: no grass seed needed for the banks; will need engineering report for onsite upgrade in the next 4-5 years.
 - c. Cedar Meadows: New control panel installed with ammonia levels within limits; need to address issues with the other pea gravel bed.
 - d. Essex Place: WWTF good; muskrats continue to degrade the berms.
 - e. Forest Meadows: WWTF good.
 - f. Homestead Place: WWTF good
 - g. Major Custom Cable: WWTF good
 - h. Midwest Energy/ LLC: WWTF good; aerators are hold due to improved BOD and TSS levels; muskrat damage to be addressed.
 - i. Mulberry Acres: WWTF good
 - j. Pleasant Lake Estates: WWTF good
 - k. Oak Creek Estates: WWTF good; issues with high flows.
 - l. Red Barn/Las Brisas Restaurant: pumping to Major Custom Cable; grease problems and related system clogs continued with the restaurant; continued grease/clog problems reported.
 - m. Saddlebrooke Ridge: UV system in operation.
 - n. Saxony High School: No discharge.
 - o. Seabaugh Acres: WWTF good.
 - p. Spring Lake Estates: WWTF good; concrete/brick foundation around the manhole on the levee is crumbling; drainage from manhole reported and will be addressed as soon as possible.
 - q. Sun Valley Estates: Pumping discharge to Tamarac Estates; will restart lagoon soon.
 - r. Tamarac Estates: WWTF good
 - s. Twin Oaks: Facility meeting limits; plan to submit paperwork to re-rate facility for usage due to new development being built nearby; to add more diffusers to address ammonia levels.
 - t. Westbridge Place: WWTF good.

Recommendations/Actions:

1. Las Brisas Restaurant: Mr. Tousignant will ask Bill Bonney to contact Las Brisas re: their grease trap and if not installed, will have them pay for unclogging their affected lines or not connecting them to the Treatment Project until the grease trap is installed. Mr. Strickland recommended contacting the county Health Department for enforcement assistance.

4. **Project Reports:**

- a. **Bella Vista Estates:** No new information.

Recommendations/Actions: Mr. Strickland will follow up with Danny Monroe about removing the old pipes and the concrete piers as soon as possible since the repairs. Mr. Steiner said their homeowner's association will provide the rip-rap for the stream bank and Mr. Strickland is to let them know when and where to put it when ground is drier.

- B. **Secretary's Report:** The minutes from the previous regular Board meeting minutes of July 20, 2021 were reviewed. Discussion was held.

Recommendations/Actions: It was moved, seconded, and approved unanimously to approve the minutes of July 20, 2021.

C. **Financial Report:** Ms. Macke, accountant/treasurer, presented the Profit and Loss report, Balance Sheet, Checks report, Payroll report, Profit/Loss Budget vs. Actual report, Expenses by Class report, and General Ledger report for July 2021. She reviewed the documents and discussion was held. See attachments. Discussion was also held regarding monthly transfers to the sewer deposit fund from the general account, the fixed asset limit, and bills paid to Public Water Supply District #2 for utility fees. Ms. Macke reported she is backing up data from QuickBooks regularly.

Recommendations/Actions:

1. It was moved, seconded, and approved unanimously to approve the Checks Report and Payroll reports for July 2021. Both reports were signed.
2. It was moved, seconded, and approved unanimously to approve the automatic transfer of customers' paid service deposits plus \$5000 each month from the General Checking Account to the Service Deposit Refund Checking Account.
3. It was moved, seconded, and approved unanimously to approve the fixed asset limit at \$5000.00.
4. Payments to Public Water Sewer District #2 for utility fees will be done online through their website effective immediately to avoid late fees.
5. The Profit/Loss Report, Balance Sheet, Checks Report, and Payroll Report will be attached to the Board meeting minutes effective with the August 2021 meeting and placed on the District's website. The minutes will be placed on the website in the future and available additionally by request per the Sunshine Law.

D. **Clerks' Report:** Ms. Felton reported there were 10 total shut-off notices mailed in July, 9 in PWSD #1 and 1 in PWSD #2, and all were reinstated upon payment. There were 8 new customers and seven (7) who moved into the District. Ms. Holderbaugh reported she continues to work on payment of past due bills and requested the application purchase of White Pages to aid in securing delinquent customer's addresses and/or phone numbers. Ms. Holderbaugh and Ms. Felton reported they have selected possible office furniture for the new office building for \$6498.94 including delivery and set-up from Reppert's Office Supplies in Anna, IL after researching other vendors. Discussion was held.

Recommendations/Actions:

1. It was moved, seconded, and approved unanimously to purchase the White Pages application at \$125.99 per year to aid in securing delinquent customer's addresses and/or phone numbers to obtain past due bill payments.
2. It was moved, seconded, and approved unanimously to purchase the office furniture as described from Reppert's Office Supplies in Anna, IL for the new office building for \$6498.94.

E. **Mowing Report:** Joe Garvey presented the Mowing Contract Report of 08/04/2021 of the 18 District facilities; He reported most areas have been mowed and look good. Discussion was held.

Recommendations/Actions: Follow up at the next meeting.

IV. Old Business

A. **Resolution to Accept Audit for Fiscal Year Ending June 30, 2019:** The draft Audit for Fiscal Year ending 06/30/2019 was received from Gina Donze, CPA. Discussion was held.

Recommendations/Actions: The draft budget was signed and will be returned to Ms. Donze, CPA for review and receipt of the Final Audit Report for Fiscal Year ending June 30, 2019.

- B. Resolution to Adopt 2021-2022 Proposed Fiscal Year Budget:** Ms. Macke presented a resolution to adopt the 2021-2022 proposed fiscal year budget, plus a budget message and the proposed budget. Discussion was held.
Recommendations/Actions: It was moved, seconded, and approved unanimously to accept Resolution 2021-01 to Adopt the 2021-2022 Fiscal Year Budget through June 30, 2022. The Resolution was signed, will be sealed with the District’s seal, and placed with the meeting minutes.
- C. Customer Billing Proposal (CUSI-CBSW):** Ms. Felton reported no additional information had been received regarding other customer billing systems. She stated CUSI reduced their quote for upgrading the District from CBSW to UMS from \$15,270.00 to \$9,250.00 initially, \$50.00 monthly, and \$2200.00 annually. It will also include a change in IVR Services from Bluefin to Stripe. It was noted the PWSD #1 also uses the UMS system which would enhance communication of data. Discussion was held.
Recommendations/Actions: It was moved, seconded, and approved unanimously to accept the reduced quoted upgrade to UMS for the customer billing systems.
- D. Rules and Regulations Updates: Collections, Refunds to Customers with No Forwarding Information, December Shut-Off Policy, Customer Deposit Refund Policy:** No new information.
Recommendations/Actions: Tabled until the next meeting.
- E. T-Shirts/Caps:** No new information.
Recommendations/Actions: Follow up at the next meeting.
- F. District Credit Card:** Ms. Brooks reported communication continues with Patty Harrell at Montgomery Bank and their representatives for the District’s corporate credit card. Discussion was held.
Recommendations/Actions: Ms. Brooks will continue efforts with Montgomery Bank regarding the credit card and contact Ms. Macke for assistance, if delays continue.

V. New Business

- A. Fiscal Years 2020-2021 Audits:** Ms. Macke reported she contacted Stanley, Dirnberger, Hopper, and Associates, CPAs about performing audits for fiscal years ending 06/30/2020 and 06/30/2021. A letter from their firm was reviewed which presented two (2) options to perform the audits with one (1) or two (2) reports. She reported their firm stated that, if agreed, future audits could be performed at \$4600 per year. Discussion was held.
Recommendations/Actions: It was moved, seconded, and approved unanimously to accept Option #2 from Stanley, Dirnberger, Hopper, and Associates, CPAs to complete separate audits for each of the years ended June 30, 2020 and 2021, but issue one comparative audited financial statement with comparative notes to the financials at a total cost of \$9,000.00. Ms. Macke will contact their firm to implement the actions and obtain their letter of engagement.

B. Service Disconnection Fees: It was recommended the customer service disconnection fee be revised from \$50 to \$75 to allow for the administrative services required since the District is charged \$50 per disconnection. Discussion was held.

Recommendations/Actions: It was moved, seconded, and approved to revise the customer service disconnection fee from \$50 to \$75 in the 2021-2022 Rate and Fee Schedule.

VI. Closed Session for Personnel Business - 610.021 (3): None.

VII. Announcements

The next regular monthly meeting will be changed to **Tuesday, September 14, 2021** at 6:30pm in the lower-level meeting room at the Wesley United Methodist Church, Jackson, MO in Jackson, MO, due to schedule changes of the Board members.

VIII. Adjournment: Being no further business, the regular meeting adjourned at 9:15pm.

Respectfully submitted,

Betty Brooks, Board Secretary

Attachments:

Profit/Loss Report

Balance Sheet

Checks Report

Payroll Report

Resolution 2021-01: Adopting a Budget for the 2021-2022 Fiscal Year

Budget Message

2021-2022 Fiscal Year Budget