

**GROVE MUNICIPAL SERVICES AUTHORITY
REGULAR MEETING
TUESDAY, JULY 19, 2016
4:30 PM**

The Grove Municipal Services Authority met in regular session on Tuesday, July 19, 2016 at 4:30 PM with Chairman Robert Plunk presiding. Member present were Bill Dyer, Berwin Kock, Mike Ferguson and Don Nielsen. Also present was General Manager, Bill Keefer; Attorney, Darren Cook; Assistant General Manager, Debbie Bottoroff; Public Works Director, Jack Bower and City Clerk, Bonnie Buzzard. City Treasurer, Lisa Allred was absent.

Chairman, Plunk welcomed Mike Ferguson to the Board.

Nielsen made the motion to approve the minutes from the previous meeting. Seconded by Dyer. AYE: Dyer, Kock, Ferguson, Nielsen and Plunk. NAY: None. Motion carried.

Kock made the motion to approve the purchase order register. Seconded by Nielsen. AYE: Dyer, Kock, Ferguson, Nielsen and Plunk. NAY: None. Motion carried.

Plunk opened the floor for discussion with respect to approval of a Resolution amending the rates for Sanitary Sewer Service. Keefer reported that during the budget process he discussed with the Board a proposed rate increase for sanitary sewer. Keefer noted that over the past years the cost to operate the wastewater treatment plant and sanitary sewer system along with the system debt far exceeds the revenue generated by the sale of services by an annual average of \$745,000. Keefer noted that the Staff is proposing stair stepping the increase to the base rate over the next 3-5 years. The revisions of the sewer rates for the first year will be as follows:

1. Reduce the amount of gallons included in the minimum charge from 2,000 gallons to 1,000 gallons
2. Increase the minimum charge by \$3.25

Keefer added that the City Council will entertain discussion on this item from their agenda later this evening. Keefer entertained questions, comments and concerns from the Board. Dyer made the motion to approve the Resolution amending the rates for sanitary sewer service as presented and discussed upon recommendation to the Mayor and City Council. Seconded by Kock. AYE: Dyer, Kock, Ferguson, Nielsen and Plunk. NAY: None. Motion carried.

Plunk opened the floor for discussion with respect to bids for the relocation and replacement of gas and water lines along North Cherokee Street. Keefer reported that funds were provided in the 2016-2017 GMSA Capital Fund budget for this project including \$438,500 in the Water Distribution Capital budget, and \$158,000 in the Natural Gas Capital budget. The Board will recall that GMSA will use the balance of the revolving loan funds (\$360,000) from the water plant project to assist with funding this project. In addition, there was only \$67,000 identified in the revenue's as a reimbursement from the County for this project whereas GMSA should be reimbursed approximately \$104,000. Keefer noted that the bid tabulation for Project 1 (portion related to the bridge replacement), the low bid is from Cherokee Pride Construction in the amount of \$133,333.00, and the low bid for Project 2 (water line replacement South of bridge project to 3rd Street) is from Cole Excavating, Inc. in the amount of \$583,625. Project Engineer, Tim McCrary was present to entertain questions, comments and concerns from the Board and Staff. Kock made the motion to award Bid #1 (portion related to the bridge replacement) to Cherokee Pride Construction in the amount of \$133,333. Seconded by Dyer.

AYE: Dyer, Kock, Ferguson, Nielsen and Plunk. NAY: None. Motion carried. Dyer made the motion to award Bid #2 (water line replacement South of bridge project to 3rd Street) to Cole Excavating, Inc. in the amount of \$583,625. Seconded by Kock. AYE: Dyer, Kock, Ferguson, Nielsen and Plunk. NAY: None. Motion carried.

Kock made the motion to approve a Resolution amending the 2016-2017 Capital Budget. Seconded by Dyer. AYE: Dyer, Kock, Ferguson, Nielsen and Plunk. NAY: None. Motion carried.

Dyer made the motion to approve the Bad Debt Write-Off in the Amount of \$26,887.93 for a two year period from 07-02-13 through 06-20-15. Seconded by Nielsen. AYE: Dyer, Kock, Ferguson, Nielsen and Plunk. NAY: None. Motion carried.

Dyer made the motion to approve the denial of Claim #202132-ME by Ginger Hutnik upon recommendation from the Oklahoma Municipal Assurance Group. Seconded by Kock. AYE: Dyer, Kock, Ferguson, Nielsen and Plunk. NAY: None. Motion carried.

STAFF REPORTS:

Keefer reported that within the next thirty days he has scheduled with Fire Chief, Mike Reed to tour all of the facilities for condition review. Keefer extended an invitation to the Board if they want to participate.

Keefer reported that GMSA is stilling waiting on plan revisions and cost estimates updates for the gas line relocation South of Grove as part of the South Highway 59 improvement project. The Staff is hoping that these plan revisions will be submitted to ODOT in the near future for their approval.

Bower updated the Board on the following projects:

- Industrial Park Annex – line flushing & pulling samples
- Harbor Loop – gas lines – entertained questions & concerns from Ms. Judith Read
- Continual water leaks
- Water Plant Issues:
 - Chemical feed
 - Blower #1 starter condition

At 5:20 PM Dyer made the motion to adjourn. Seconded by Nielsen. AYE: Dyer, Kock, Ferguson, Nielsen and Plunk. NAY: None. Motion carried.