

**GROVE MUNICIPAL SERVICES AUTHORITY
REGULAR MEETING
TUESDAY, AUGUST 20, 2019
4:30 PM
MINUTES**

The Grove Municipal Services Authority met in regular session on Tuesday, August 20, 2019 at 4:30 PM with Chairman, Andy Stewart presiding. Members present were Marty Follis, Berwin Kock and Don Nielsen. Member Ivan Devitt was absent. Also present was General Manager, Bill Keefer; Attorney Darren Cook; Public Works Director, Jack Bower; City Treasurer, Lisa Allred; Assistant City Manager, Debbie Bottoroff and City Clerk, Bonnie Buzzard.

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

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

Stewart opened the floor for discussion with respect to a Resolution amending the schedule for sewer rate fees and water and gas meter fees. Keefer reported that this item was preliminary discussed at the last Board meeting, and that the Board asked the Staff to prepare a cost comparison spreadsheet of the three (3) different options discussed to sewer rates for the Board to consider. Keefer reported that City Treasurer, Lisa Allred did an extensive cost comparison on the various options, and it is Staff recommendation for the Board to consider the option that would include a \$2 increase in the base rate as well as a \$0.25 increase in the rate per 1,000 gallons. This option would generate an estimated \$90,000 over a fiscal year. Keefer added that as the rates increase, the likelihood of more residential accounts reaching or exceeding the \$100 maximum charge for residential customer's increases. Therefore, is there a need to increase the maximum to \$125 which would only effect approximately seven (7) residential customers? Keefer and Staff entertained questions, comments and concerns from the Board in regards to the proposed increase(s). Follis made the motion to approve the Resolution as presented upon Staff recommendation. Seconded by Kock. AYE: Follis, Kock, Nielsen and Stewart. NAY: None. Motion carried.

Stewart then opened the floor for discussion with respect to approval of contract amendments to the Natural Gas Service Agreements. Keefer announced that GMSA has yet to receive the new amended contracts from the City of Afton and RWD #10, therefore no action is necessary from the Board in regards to this item.

Stewart opened the floor for discussion with respect to Notice of Termination of Natural Gas Service Agreements with wholesale customers without executed contract amendments. Keefer announced that the Staff is recommending that GMSA take action to notify each of the mentioned entities that the agreements are considered to be terminated and gas will be sold and billed after October 1st at the outside city rate for our customers versus at the wholesale customer rate. Keefer added that this notice would provide additional time for them to execute the agreement and return to GMSA for Board approval at their September meeting. Follis made the motion to authorize the Staff to proceed with the Notice of Termination of Natural Gas Service Agreements with wholesale customers without executed contract amendments. Seconded by Nielsen. AYE: Follis, Kock, Nielsen and Stewart. NAY: None. Motion carried.

Stewart opened the floor for discussion with respect to declaring various equipment, supplies and materials as surplus property to be disposed of through public auction on September 28, 2019. Bottoroff reported that

per the Purchasing Policy prior to selling surplus items it all must be declared surplus and obsolete from the Board. Bottoroff reported that all of the departments has submitted their list of items, and that the auction is scheduled for Saturday, September 28th @ the Public Works Facility. Nielsen made the motion to declare the list of items supplied by the various departments to be obsolete and surplus and authorized the disposal of the items through public auction as discussed. Seconded by Follis. AYE: Follis, Kock, Nielsen and Stewart. NAY: None. Motion carried.

Stewart lastly opened the floor for discussion with respect to rescheduling the September 17, 2019 meeting. Keefer noted that the majority of the City Council members along with a couple of Staff members will be attending the OML Conference the week of September 17th thru 19th therefore suggested that GMSA consider rescheduling their September 17th meeting in order to allow sufficient time for the members and Staff to depart to Tulsa. Keefer added that he will be addressing this to the City Council this evening for possible rescheduling of their meeting as well. Stewart made the motion to reschedule the Tuesday, September 17th regular scheduled meeting to Tuesday, September 24th @ 4:30 PM. Seconded by Follis. AYE: Follis, Kock, Nielsen and Stewart. NAY: None. Motion carried.

STAFF REPORTS:

Keefer reported that the crews are preparing to proof the gas meters, and the he will follow up with the Board with any issues, especially with the larger meters.

Keefer announced that GMSA received notice from ODOT back in June in regards to their financial audit they did on the Highway 59 gas line relocation project in which they identified several items for which GMSA did not receive reimbursement. Keefer noted that GMSA is allowed to appeal the audit report and did so by responding back indicating for the appeal. Keefer indicated that as to date no acknowledgement of the appeal has been received.

Keefer reported that the GMSA Staff will be meeting with a project engineer contracted by ODOT to work on the acquisition of right-of-way and the relocation of utilities as part of their North Highway 59 Improvement Project which included the highway between SH 125 and Buffalo Ranch which involves a portion of the GMSA gas transmission line, and will need to be relocated prior to the construction portion of the project. Staff will report back to the Board on the specifics related to the relocation of the gas line which will include the preparation of plans and specifications that will need to be completed in the near future.

Keefer noted that the Staff has submitted a Bid Proposal to the City of Eufaula on the used 2005 Vaccon Combination Sewer Maintenance/Hydro-Excavator Truck in the amount of \$95,000. Keefer added the bids are scheduled to be opened Wednesday, August 28th.

Keefer at last reported that the Staff is preparing to advertise for letters of application for a Board Trustees for a term that expires in September which is currently seated by Ivan Devitt.

Bower reported that the crews are repairing leaks, checking gas meters in preparation of the meter audit starting the first of next month.

Bower expressed his personal thanks to the crews at the Water Treatment Plant for their quick response to the recent chlorine level incident.

At 5:10 PM Follis made the motion to adjourn. Seconded by Nielsen. AYE: Follis, Kock, Nielsen and Stewart. NAY: None. Motion carried.