

**GROVE MUNICIPAL SERVICES AUTHORITY
REGULAR MEETING
TUESDAY, JANUARY 21, 2020
4:30 PM
MINUTES**

The Grove Municipal Services Authority met in regular session on Tuesday, January 21, 2020 at 4:30 PM with Chairman, Andy Stewart presiding. Members present were Marty Follis, Berwin Kock, Ivan Devitt and Don Nielsen. Also present were General Manager, Bill Keefer; Attorney, Darren Cook; Public Works Director, Jack Bower; City Treasurer, Lisa Allred; Assistant General Manager, Debbie Bottoroff and City Clerk, Bonnie Buzzard.

PUBLIC COMMENTS:

Mr. William Majhor addressed the Board with a request for consideration to waive the requirement to provide his social security number as part of his application for utility service. Majhor reported that he would like to omit the SSN process on his utility application due to privacy concerns to members of Staff and offered an alternative by paying a higher deposit fee. Keefer reported that without a SSN, GMSA forfeits any ability to pursue collections on an unpaid utility bill, and that upon discoveries it was found that all utility providers that were contacted require the social security number as part of the application for service(s). Majhor entertained questions, comments and concerns from the Board and Staff. The Board agreed to entertain a possible change in the current application policy and procedures to reflect a substantial higher deposit in lieu of a SSN. Keefer indicated that he would report back to the Board with a proposed policy.

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

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

Stewart opened the floor for discussion with to the 2018-2019 Annual Financial Report (Audit). Anna Elfrink – MS, CPA presented and discussed in detail her report on the Audit of Financial Statement for the year ending 06.30.19. Elfrink reported that this audit was conducted for the purpose of forming opinions on the financial statement that collectively comprise the Grove Municipal Services Authority / City of Grove’s financial statements as a whole. Elfrink reported no major discrepancies in the audit being presented. Elfrink fielded questions from the Board. The audit presentation last for approximately 10 minutes. Elfrink added that this is an unqualified opinion of the audit, and that it contains no issues. Elfrink commended Lisa Allred and Staff on their helpfulness that was offered to her during the audit process. Follis made the motion to accept the 2018 – 2019 Fiscal Year audit as presented and discussed. Seconded by Devitt. AYE: Follis, Kock, Devitt, Nielsen and Stewart. NAY: None. Motion carried.

Stewart opened the floor for discussion with respect to designating the use of refunding proceeds for the following Oklahoma Water Resources Board Loans. Keefer reported that the Oklahoma Water Resources Board had refinanced two of GMSA loans (bonds), and in turn, wanted to share the cost

savings that they received through the refinancing of those bonds. Keefer noted that OWRB has proposed three options on how to apply the cost savings to each loan:

1. An amount that would be prorated and credited over the balance of the life of the loan
2. An amount that would be applied in a lump sum as a reduction of one time monthly debt payment, and
3. Amount to be used to pay off loan

Keefer entertained each option with the Board, and reported that it is Staff recommendation that the Board select Option #2 to each project:

1. Loan No. ORF-02-0003-CW. (Wastewater Plant) - Devitt made the motion to take all of the savings in the form of approximately \$40,822 up-front credit towards our monthly debt service payment, and keep the remaining debt service payments and final maturity the same. Seconded by Follis. AYE: Follis, Kock, Devitt, Nielson and Stewart. NAY: None. Motion carried.
2. Loan No. ORF-07-0008-CW. (Wastewater Plant Expansion) - Follis made the motion to take all of the savings in the form of approximately \$4,544 up-front credit towards our monthly debt service payment, and keep the remaining debt service payments and final maturity the same. Seconded by Devitt. AYE: Follis, Kock, Devitt, Nielson and Stewart. NAY: None. Motion carried.

Stewart opened the floor for discussion with respect to future gas nominations and gas broker services. Keefer reported that the Board has entertain interest in the past from another gas broker to provide gas service and assist with managing nomination and storage. Keefer noted that it is time again to begin looking at long term nominations that will extend out beyond that date for additional 18-24 months. Keefer added that our current gas broker is Constellation, whose contract expires in December 2020, and they have done a very good job in particular over the past year as they have taken a more active role in assisting with the management of our gas nominations and storage levels. Therefore, the Staff is seeking directions from the Board in regards to whether to move forward with Constellation or solicit proposals from various gas brokers, who would begin to provide those services starting on January 1, 2021. Keefer entertains questions from the Board. Devitt made the motion to remain with Constellation. Seconded by Nielsen. AYE: Kock, Devitt, Nielsen and Stewart. NAY: None. Motion carried. Follis existed the meeting at 5:10 PM during the discussion.

Nielsen made the motion to approve a Resolution amending the 2019-2020 Fiscal Year Budget. Seconded by Kock. AYE: Kock, Devitt, Nielsen and Stewart. NAY: None. Motion carried.

STAFF REPORTS:

Keefer reported that GMSA will be replacing a portion of an old transit (concrete asbestos) water line out at the Ballerina Trailer Park property that will serve a fire hydrant for the site. The property owners has approached GMSA to use this line as part of their private water system and pay to oversize the line to accommodate future developments on their property. Keefer announced that the City Attorney is researching this request and whether GMSA can "Lease" the line and extend their private line from the line that will serve the fire hydrant. GMSA will place a master meter at the property line from which the owner would be billed for all water usage. Keefer added that the owners has agreed to pay the difference between a 6" to 8" waterline. Utility Superintendent, Deric Douthit suggested that his crews go out and inspect the taps because those lines will eventually become GMSA responsibility someday.

Keefer reported that the Staff has entered into discussions with the Cherokee Nation about the transition of the ownership of the sewer force main that they installed a few years ago to serve the casino project. It is anticipated that GMSA will have an agreement for consideration by the next meeting that will include a provision to address periodic problems that have occurred with the line freezing over the bridge in extreme winter weather conditions.

Keefer then reported that as a result of the recent meter audits the Staff has uncovered approximately five (5) meters that were programmed incorrectly when installed therefore, have been billing in error. Keefer noted that the meters all have been reprogrammed and should calculate a correct bill starting with their February statement. Keefer noted that he anticipates 1 or 2 of those customers to release frustration upon receiving of their statement.

At 5:40 PM Kock made the motion to adjourn. Seconded by Devitt, AYE: Kock, Devitt, Nielsen and Stewart. NAY: None. Motion carried.