

**GROVE MUNICIPAL SERVICES AUTHORITY
REGULAR MEETING
TUESDAY, MARCH 7, 2023
3:00 PM
MINUTES**

The Grove Municipal Services Authority met in regular session on Tuesday, March 7, 2023 at 3:00 PM with Chairman, Andy Stewart presiding. Members present were Marty Follis, Berwin Kock, Ivan Devitt and Don Nielsen. Also present was General Manager, Debbie Bottoroff; Attorney, Darren Cook; City Treasurer, Lisa Allred; Public Works Director, Deric Douthit and City Clerk, Bonnie Buzzard.

ADDITIONAL STAFF PRESENT:

Public Works Superintendent – Jeremy Brown
Utility Office Manager – Jen Harmon
Water / Wastewater Superintendent – Aston York

Devitt made the motion to approve the minutes from the February 7, 2023 regular meeting. Seconded by Nielsen. AYE: Follis, Kock, Devitt, Nielsen, and Stewart. NAY: None. Motion carried.

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

Stewart opened the floor for discussion with respect to amending the Engineering Agreement with Holloway, Updike and Belen, Inc. Engineer for Sanitary Sewer Improvements. Douthit reported that the Engineers has requested an amendment to the sewer rehabilitation contract with cover the following described projects:

- Preliminary and final designs
- Bid services
- Construction services, and
- Record drawings

Douthit entertained questions from the Board. Devitt made the motion to approve the amended Engineering Agreement as presented and discussed. Seconded by Kock. AYE: Follis, Kock, Devitt, Nielsen, and Stewart. NAY: None. Motion carried.

Stewart opened the floor for discussion with respect to the presentation of the 2021-2022 Annual Financial report (Audit) for Grove Municipal Services Authority. Anna Elfrink – MS, CPA presented and discussed in detail her report on the Audit of Financial Statement for the year ending 06-30-22. Elfrink reported that this audit was conducted for the purpose of forming opinions on the financial statement that collectively comprise the GMSA / City of Grove’s financial statements as a whole. Elfrink reported no major discrepancies in the audit being presented other than the following two (2) Schedule of Findings:

2022-01 – Internal Controls over Financial Reporting

Condition: Upon audit review of capitalization of fixed asset costs revealed several material items that has not been properly capitalized. It is their recommendation that the management consider policies and procedures to ensure that a thorough search for fixed asset additions is performed.

2022-02 – Cash Receipt Deposits

Condition: That upon testing of cash deposits, it was noted that deposits are not being made timely; some of the deposits were made 5 to 11 days after receipt. It is their recommendation that management enforce the policy of timely deposits, to include periodic monitoring by someone outside of the cash receipt process.

Elfrink fielded questions from the Board. The audit presentation last for approximately 15 minutes. Elfrink added that this is an unqualified opinion of the audit, and that it contains no other issues. Follis made the motion to accept the 2021-2022 Fiscal Year audit as presented and discussed. Seconded by Devitt. AYE: Follis, Kock, Devitt, Nielsen, and Stewart. NAY: None. Motion carried.

Follis made the motion to approve the Acknowledgement of Receipt of permit #SL000021230024 for the construction of 1,481 linear feet of eight (8) inch PVC sanitary sewer line and all appurtenances to serve the property located on US 59 and 21st Street, Delaware County, Oklahoma. Seconded by Kock. AYE: Follis, Kock, Devitt, Nielsen, and Stewart. NAY: None. Motion carried.

Stewart opened the floor for discussion with respect to a Resolution amending Section A15, and Section A23 of the GMSA Policy and Procedures Manual. GMSA Office Manager, Jen Harmon reported that this Resolution authorizes the following policy changes as discussed before the Board at their last meeting:

A15: ...if the customer has discontinuance of service *two (2) or more times*, GMSA will collect the larger deposit amount.

A23: *GMSA reserves the right to deny service to customers with past due balances.*

Devitt made the motion to approve the Resolution amending the GMSA Policy & Procedures Manual as presented and discussed. Seconded by Follis. AYE: Follis, Kock, Devitt, Nielsen, and Stewart. NAY: None. Motion carried.

STAFF REPORT:

Bottoroff added that the contract between the City of Grove and Blue Energy Fuels, LLC for the CNG Fueling Station is due to expire on July 16, 2023. The CNG station has minimal usage and is an eye sore at the entrance of the community. Staff would like to terminate the contract, allow Blue Energy Fuels to come in and remove their equipment, and have the crew clean-up that corner. Bottoroff entertained questions, and comments from the Board.

Cook reported that he will be entertaining an aide from the office of U. S. House Representative, Josh Brecheen later this week. Cook reported that he will be touring Grove and all its amenities.

Harmon reported that the March billing reflected the higher gas prices, and that the Staff is repetitively justifying the higher billing consumption to the residents. Allred reported that she created a GMSA gas cost / billed calculation worksheet for the 2022-2023 calendar year. Allred noted that the worksheet reflects the gas cost from December 2022 in amount of \$2.95 compared to January 2023 gas cost of \$6.41, which would help explain the high utility bills the residents are all experiencing.

Douthit reported that he is having problems getting parts for the various lift stations, and that material prices are still increasing.

TRUSTEES REPORT:

Devitt expressed his thanks to Jen for her professional service she displayed to an infuriate customer who phoned into the GMSA offices expressing his frustration over his utility service being shut off, and to Deric for his professional service he extended to the same resident out in the field.

At 3:35 PM Follis made the motion to adjourn. Seconded by Nielsen. AYE: Follis, Kock, Devitt, Nielsen, and Stewart. NAY: None. Motion carried.