

**MOREHEAD UTILITY PLANT BOARD
BOARD MEETING @ 12:00PM
October 31, 2017**

Place of Meeting

A board meeting of the Morehead Utility Plant Board was held Tuesday, October 31, 2017, at 12:00 p.m. at the office of the Morehead Utility Plant Board 135 South Wilson Ave, Morehead, KY.

Board Members Present

Russ Ward, Chairman
Jeff Barker, Vice Chairman-**Absent**
Glen Teager, City Council Representative
Tracy Williams, Board Member
Porter Dailey-Board Member-**Absent**

Also, Present

Holly McGrath-Rosas, General Manager
Benita Hammonds, Administrative Manager
Larry Tackett, Operations Manager
Kevin Mayhorn, Financial Coordinator
Earl Rogers, Attorney
Billy Winkleman, Consultant
Brad Stacy, Morehead News

Call to Order & Confirmation of Quorum

Chairman, Russ Ward, declared a quorum and called the meeting to order at 12:00 p.m. He welcomed all visitors and staff.

Approval of September 26, 2017 Board Meeting Minutes

A motion was made by Glen Teager, and seconded by Tracy Williams to approve the minutes of the board meeting held on September 26, 2017. The motion was unanimously approved.

Accept August 2017 Financial Reports

Holly McGrath-Rosas, General Manager, goes over the financial highlights for September 2017. This includes:

- (1) Water and sewer revenue is 2.8 % (\$55,000) above the budgeted amounts.
- (2) The WTP expenditures are \$37,000 (8.5%) below budget. Chemicals and utilities are still running below budgeted amounts.

- (3) The WWTP expenses are 20.2% or (\$81,000) over year to date budget. There were some capital items in the Lift Station expense category that were reclassified and improved this during September but is still over budget by \$47,000. Utilities and repair/maintenance are adding another \$35,000 to that difference. We anticipate that these accounts should still annualize much closer to budget as we go through the year.
- (4) The maintenance department expense is 2.2% (\$9,000) over budget for the year with most of that variance due to system repair and maintenance which can also vary greatly over a short time period.
- (5) The margin on the gas sold for the year is favorable to budget by about \$50,000.
- (6) \$433,000 (35%) of the budgeted \$1,235,000 in capital projects have been expended.
- (7) Overall through 3 months, operations show a favorable variance of actual to budget for net income by approximately \$100,000, however it is still very early in the year.

A motion was made by Tracy Williams, and seconded by Glen Teager to approve financial reports for September 2017. The motion was unanimously approved.

Reports-General Manager

Water Treatment Plant (WTP)-

Ms. McGrath-Rosas states that the maximum daily treated for the month was 6.49 million gallons. (87%) and a daily average of 5.46 million gallon (73%) She reports that the WTP has been approved for Alternative Staffing which allows MUPB to temporarily use a class II-A operator to operator the plant. See the October 2017 WTP Report for additional information.

Wastewater Treatment Plant (WWTP)-

The General Manager reports that the WWTP has been working with Fox Three, Inc. to fix various SCADA issues at the WWTP and hopefully in the future to set up a work order system that will over lay with GIS to be able to track and map all repairs and maintenance associated with lift stations. This is our long term goal. Ms. Rosas informs the board that MUPB has replaced lift station pumps at the Dollar General station and the Dogwood Station. See the October 2017 WWTP Report for additional information.

Maintenance Department-

The General Manager reports that maintenance department has been working with the State Road Department and plant to install a fire hydrant at Lakeside Christian Academy. See attached October 2017 Maintenance Department Report for additional information.

Administration Department-

The Administrative Department reports a water loss of 10.86% for October 2017 and the yearly average is 12.20%. The General Manager informs the board that the water loss it up this month due to leaks. Automatic bank draft payments are at 1179. See the Administrative Office October 2017 Report for additional information.

A motion was made by Glen Teager and seconded by Tracy Williams to accept the General Managers report. The motion was unanimously approved.

New Business

Repurpose \$150,000 from MMRC Tank Rehab to WWTP SCADA/Lift station

Ms. McGrath-Rosas informs the board that MUPB was not selected to receive the ARC Grant to Rehab the MMRC Tank. She ask the board to repurpose the \$150,000 from MMRC Tank rehab to WWTP SCADA/Lift Stations.

A motion was made by Glen Teager, seconded by Tracy Williams to repurpose the \$150,000 from MMRC Tank rehab to WWTP SCADA/Lift Stations The motion was unanimously approved.

Ratify Payment of Monthly Bills

Mr. Mayhorn, presented the board with checks that had been written for the months and ask if there is any questions.

A motion was made by Glen Teager, seconded by Tracy Williams to ratify payment of monthly bills for October 2017. The motion was unanimously approved.

Storm Sewer Discussion

Ms. McGrath-Rosas ask, Glen Teager, City Council Representative the plans for Storm Sewer due to preparing budget for 2018-2019 year. Mr. Teager suggest a joint meeting with MUPB board and the City Council in January 2018. Ms. McGrath-Rosas agrees.

No action was taken.

Meeting Adjourned

A motion was made by Glen Teager, seconded by Tracy Williams to adjourn the meetings.

Meeting Adjourned at 12:30 p.m.

The next meeting is on November 28, 2017 at noon.

Russ Ward, Chairman

Holly McGrath- Rosas, General Manager