

**MOREHEAD UTILITY PLANT BOARD
BOARD MEETING @ 12:00PM
September 26, 2017**

Place of Meeting

A board meeting of the Morehead Utility Plant Board was held Tuesday, September 26, 2017, at 12:00 p.m. at the office of the Morehead Utility Plant Board 135 South Wilson Ave, Morehead, KY.

Board Members Present

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

Also, Present

Holly McGrath-Rosas, General Manager
Benita Hammonds, Administrative Manager
Kevin Mayhorn, Financial Coordinator
Earl Rogers, Attorney

Call to Order & Confirmation of Quorum

Vice-Chairman, Jeff Barker, declared a quorum and called the meeting to order at 12:00 p.m. He welcomed all visitors and staff.

Approval of August 29, 2017 Board Meeting Minutes

A motion was made by Glen Teager, and seconded by Porter Dailey to approve the minutes of the board meeting held on August 29, 2017. The motion was unanimously approved.

Accept August 2017 Financial Reports

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

- (1) Water and sewer revenue is .5% (\$6,000) below the budgeted amounts
- (2) The WTP expenditures are \$22,000 (7.5%) below budget. Chemicals are still running below budgeted amounts.
- (3) The WWTP expenses are 42.6% or (\$114,000) over budget. Lift Station expenses are currently over budget by \$72,000 leading the way, with utilities, repair, maintenance and chemicals adding another \$38,000 to that total differences and should equalize over the year.

We will continue to closely evaluate the spending amount in these categories throughout the year.

- (4) The maintenance department expense is 16.1% (\$16,000) under budget for the year with most of that variance due to system repair and maintenance and some personnel costs.
- (5) The margin on the gas sold for the year is favorable to budget by about \$46,000.
- (6) \$304,000 (25%) of the budgeted \$1,235,000 in capital projects have been expended.
- (7) Overall through 2 months, operations show a slightly unfavorable variance of actual to budget for net income by \$11,000.

Please remember that these large percentage variances at the beginning of the year are to be expected and we will begin to see these normalize as we get farther to the year.

A motion was made by Glen Teager, and seconded by Tracy Williams to approve financial reports for August 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 6.86 million gallons. She reports that the WTP employees have been collecting water samples for Cave Run Lake. See the September 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 evaluate plant SCADA system and work on installing firewall. Ms. Rosas informs the board that the Kentucky Division of Water requests that MUPB install audible alarms on grinder stations. See the September 2017 WWTP Report for additional information.

Maintenance Department-

The General Manager reports that maintenance department has completed general operations and maintenance. Ms. McGrath-Rosas reports that there were 3 water breaks this month. Two on Whittaker Street and one at Short Street. See attached September 2017 Maintenance Department Report for additional information.

Administration Department-

The Administrative Department reports a water loss of 18.25% for August 2017 and the yearly average is 11.68%. The General Manager informs the board that the water loss it up this month due to leaks and flushing. Automatic bank draft payments are at 1170. See the Administrative Office September 2017 Report for additional information.

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

New Business

Ratify Payment of Monthly Bills

Mr. Mayhorn, presented the board with checks that had been written for the months and explained what those payments were for.

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

Meeting Adjourned

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

Meeting Adjourned at 12:29 p.m.

The next meeting is on October 31, 2017 at noon.

Russ Ward, Chairman

Holly McGrath- Rosas, General Manager