KREBS UTILITIES AUTHORITY
BOARD SPECIAL MEETING MINUTES
JUNE 9, 2026

1. MEETING CALLED TO ORDER (48:24) by Chairman Zella Kincaid

2. ROLL CALL- by Cindy Cooper, City Clerk

Larry Coxsey- present
Sherry DeFrange- present
Chairman Zella Kincaid- present
Jeanetta Hauck- present
Dan Heathcock- present

3. BUSINESS PREVIOUSLY DISCUSSED

A. DISCUSS AND ACT TO APPROVE/DISAPPROVE ALLOWING CONNECTION TO KREBS WATER FOR PROPERTY (APPROXIMATELY 25 ACRES) LOCATED AT NE CREEK AND KREBS LAKE ROAD, PITTSBURG COUNTY, OKLAHOMA FOR THE PURPOSE OF BUILDING 12 NEW HOUSES, EACH HOUSE TO BE 1,900 TO 2,200 SQUARE FEET. STATES ADAMSON CANNOT SUPPLY WATER. (53:40)

*Out of order this item discussed after item B.

Alan Martin, this is not the only development that outside the city limits that gets its water from Krebs and has trash service through Krebs. There is absolutely zero liability on the city of Krebs. This development must be engineered then it goes to DEQ to make sure it will work. I am not asking for a hard yes, I am asking for the same thing the city of McAlester did. If DEQ approves it and it doesn't cost the city of Krebs any money I just need Krebs to agree to sell me water. I will sign a paper if the city agrees to this to only 12 houses at a minimum of 2,400 square feet under one roof. Single family home. All these will be over an acre so they will have an aerobic drip system. It will bring good families to Krebs; it will increase property values and help with population density. No liability we pay for everything.

Larry Coxsey, from what we sent Mr. Fox he looked it over and what he looked at he said all he could see was a four inch out there and I talked to him on the phone and his opinion was not to do it. He said because even if you go to the six inch which is up Creek we don't have hydraulic study if we can supply the pressure. He also said the development is going to require six-inch line throughout and fire hydrants at 400-500 feet intervals

Alan Martin, if you were within the city limits that would be true**.**

Larry Coxsey makes a motion to disapprove. Jeanetta Hauck seconds.

Chairman Kincaid calls for a vote. Dan Heathcock- yes, Sherry DeFrange-yes, Jeanetta Hauck- yes, Larry Coxsey- yes. **Motion to disapprove passed**.

B. DISCUSSION FROM MARK MOY, CHAIRMAN OF PLANNING AND ZONING BOARD ABOUT ABOVE LISTED AGENDA ITEM: *ALLOWING CONNECTION TO KREBS WATERFOR PROPERTY LOCATED AT NE CREEK AND KREBS LAKE ROAD*. (50:07)

*Out of order this item discussed before A.

Mark Moy, I am supposed to be here to talk about some of the things we need to do to improve the City of Krebs. We can't survive on water alone. We need to start getting water and sewer to our outer perimeters

so we can get business. We have no water and no sewer on Hwy 69. We don't have a big enough water line or sewer line on 270. We need to be doing that. You have to developer looking to buy across from Allsup's. We had to let McAlester have the water there because we couldn't furnish the water and didn't have sewer. If Krebs is going to grow, I think we need to try and put money towards that way, the business. That's called a comprehensive plan. At one time were we not putting money back for certain things like streets water, and sewer improvements?

Mike Kern we haven't been able to save much money, we have had to spend a lot of money on Momar supplies (chemicals), and we had to rebuild the dam. So, we don't have big savings set up right now.

Mark Moy, I understand, I don't have your financials but I'm saying…

Mike Kern, right now we are working on the payroll side so until we get to the actual budget side its oranges and apples. We need to stay on one or the other.

Mark Moy, that's what I was supposed to be here for. I just got the deal from Alan that ya'll just got. We were supposed to have it on our agenda (planning & zoning) but it didn't work out that way. If you want my opinion on that unless you are willing to annex it later, I think it's a liability more than an asset.

Larry Coxsey, if we annex it, we aren't going to be able to supply the sewer?

Mark Moy, that would be my next thing. What are we going to do about sewer what about water. If we get a DEQ approval on that I think that's the way we need to do it.

Once you get the DEQ they are going to tell you that you have to bring a six-inch line. That's my opinion.

Mike Kern, I don't want to cut you off Mark, but we are only looking at this year coming not the long term.

Mark Moy, planning & zoning should have something entered, that's why I'm here

Mike Kern, they need to put it in the budget

Mark Moy, that's the reason I'm here.

C. DISCUSS THE KUA BUDGET FOR THE 2026-2027 FISCAL YEAR

*Done out of order.

Mike Kern, what we need to look at first on the KUA budget is the salaries. Mike read each employee and what is the proposed raise. Go to the actual total budget. With the increase in water rates discussed the revenues should be in the neighborhood of $600,000. No legal requirement to have a budget for KUA they are a title 60 trust.

Mike talks about what increase in water rates and sewer rates would be. Mike states there will be a $100,000 transfer from the city general fund to KUA. Pleasantly surprised we can appropriate $228,491 for capital outlay. This is just a starting point.

Larry Coxsey on the raises there was not a certain percentage across the board suggested raise

Mike Kern, no it was based on the numbers the mayor gave me, proposed numbers.

Larry Coxsey, where did you get the numbers?

Chairman Kincaid, I did estimates. I put in what the job roles are and what they are making.

Larry Coxsey, did you check surrounding areas to see what they are making?

Chairman Kincaid, yes, I did. Our sewer plant water plant is a lot different than most of the surrounding area.

Mike Kern, that's why you must go person to person looking at each individual person. It is just a proposal right now. Council will give the final word, and I will put it in there. Look at each person one at a time.

Larry Coxsey, do you need the numbers tonight?

Mike Kern, we can do it however you want. Give me five minutes to update this.

Larry Coxsey is our water, and sewer plant monitored 24 hours a day?

Chairman Kincaid it is monitored.

Larry Coxsey but there is no one physically there?

Cindy Cooper, they look on their phone anytime and can see the readings and if anything is amiss, they go over there and take care of it right then. Jonathan created an app for phones for them to be able to do that so every time they wake up during the night they check the phone.

4. BUSINESS NOT PREVIOUSLY DISCUSSED

A. DISCUSS AND ACT TO APPROVE/DISAPPROVE THE ADJUSTMENTS OF THE FOLLOWING PERMIT FEES TO THE UPDATED FEES LISTED IN THIS BOOK. EACH ITEM IS TO BE DISCUSSED AND VOTED ON SEPARATELY. (1:04:01)

*Done out of order

1. **NEW ACCOUNT DEPOSIT**:
   RESIDENTIAL -CURRENT $100 RECOMMENDED $125 PLUS $25 NON-REFUNDABLE TURN ON
   COMMERCIAL –CURRENT $85 PLUS FIRST MONTH'S TRASH SERVICE RECOMMENDED $200 PLUS $25 NON-REFUNDABLE TURN ON
   TRASH ONLY - CURRENT $ AMOUNT EQUAL TO ONE MONTH'S TRASH SERVICE RECOMMENDED AMOUNT EQUAL TO ONE MONTH'S TRASH SERVICE RAISED TO NEXT WHOLE DOLLAR PLUS $25 NON-REFUNDABLE FEE

2. **RE-CONNECT FEE**: CURRENT- $50 RECOMMENDED $50 THEN INCREASE BY $25 FOR EACH SUBSEQUENT TURN OFF IN A CALENDAR OR FISCAL YEAR

3. **TRANSFER**: CURRENT $0 RECOMMENDED $50 (ALLOW SERVICE AT BOTH LOCATIONS FOR ONE WEEK THEN INCREASE $25 FOR EACH ADDITIONAL WEEK)

4. **TAMPERING FINE**:
   CURRENT- $100 THEN ADD $100 PER DAY AFTER PLUS COSTS
   RECOMMENDED- $200 PLUST COST OF PARTS REPAIR DAMAGE

5. **RETURNED CHECK**: CURRENT $35 RECOMMENDED $35 (NO CHANGE)

6. **TRASH**: 3% - 6% INCREASE *SEE ATTACHED

Jayme Busby, you have the printout in your books of my recommendations for rate increases.

Dan Heathcock request items 1 through 6 to be deferred.

All Items (1-6) Deferred

5. COMMENTS FROM THE CHAIRMAN AND THE BOARD - None

6. ADJOURN (1:31:50)

Jeanetta Hauck makes a motion to adjourn. Dan Heathcock seconds

Chairman Kincaid calls for a vote. Dan Heathcock -yes, Sherry DeFrange- yes, Jeanetta Hauck- yes.

Motion passed

*Larry Coxsey left at 1:30:00 recording time