

MINUTES OF THE
KREBS UTILITIES AUTHORITY
COUNCIL MEETING
KREBS CITY HALL
AUGUST 16, 2016
AFTER REGULAR CITY COUNCIL MEETING

1. Chairman Bobby Watkins called the meeting to order.
2. Clerk/Treasurer W Kay Scott called the Roll. Chairman Bobby Watkins – Present, Tommy Walker – Present, Connie Poole – Present, Jason Wagnon – Present, Daulfin Bennett – Present.
3. CONSIDER AND ACT TO APPROVE THE MINUTES OF THE JULY 19, 2016 KUA MEETING. Chairman Bobby Watkins asked for a motion. Daulfin Bennett made the motion. Jason Wagnon seconded the motion. Chairman Watkins called for a vote. Daulfin Bennett – yes, Jason Wagnon – yes, Connie Poole – yes, Tommy Walker - yes. Motion passes.
4. CONSIDER AND ACT TO APPROVE THE CLAIMS. Chairman Watkins asked for a motion. Connie Poole made the motion. Daulfin Bennett seconded the motion. Chairman Watkins called for a vote. Daulfin Bennett – yes, Jason Wagnon – yes, Connie Poole – yes, Tommy Walker - yes. Motion passes.
5. REVIEW KREBS UTILITIES AUTHORITY FINANCIAL STATEMENT WITH MIKE KERN. Page 3 - Income Statement – Revenues were \$88,395.83 and Expenses were \$86,159.96 for a profit of \$2,235.87. Page 7 our Net Increase/Decrease in Cash is on the plus side with \$1,729.75. Revenues and expenses are right in line with the budget. Any questions?
6. PUBLIC COMMENTS, QUESTIONS AND ANSWERS CONCERNING THE KREBS UTILITIES AUTHORITY BUSINESS. David Miller addressed the board. Spoke to you about 2 months ago about the fluctuating water bill. What is the reason for bill fluctuating. No one has been in touch. Ed Klink stated that we have gone back over the last 2 years and was waiting on the reading for this month, he will receive a letter before the 1st of September that his water bill or the gallons used has not been constant by any means. There are times that it is up and times that it is down. Unless he has a method of measuring the exact amount of water that he is using, I don't know anybody's bill that is flat lined across 12 months. Mr. Miller stated that he has plotted this on a graph for the last 2 years. Mayor Watkins stated the only tool we have is a meter. Mr. Miller asked if the meter could travel backwards and then restart the meter. Mrs. Bennett asked if Mr. Miller waters his yard. Mr. Miller responded rarely, we use rain water for the garden. Mayor Watkins asked if his bill is back to normal. Mr. Miller stated yes. We don't have any leaks, we've had Humphrey Plumbing out and they don't find any leaks. Mayor Watkins stated that the meter wouldn't fix itself. Lisa Mills addressed the board about her water bills. There are 5 people in the house. Water bill was from \$108 to \$171 but had a leak and it cost \$400 to get it fixed. The girl in the office was very nice because they noticed extra usage and had it checked. The plumber said the small leak wouldn't have caused this much usage. We don't have a pool. The last usage was 21,000 gallons. You replaced the meter last year. Ed Klink stated we will replace the meters at both Mr. Miller's and Mrs. Mills'.
7. BUSINESS PREVIOUSLY CONSIDERED. None

8. BUSINESS NOT PREVIOUSLY CONSIDERED.

- A. CONSIDER AND ACT TO SUSPEND REPAYMENT OF \$1,000 PER MONTH TO THE CITY GENERAL FUND TEMPORARILY. Ed Klink stated it is important that we run an inspection on the water tower this next year in May. We also need to pass the next item to divert the money into the account that is strictly for the inspection fees that will be due for water tower. Chairman Watkins asked for a motion. Connie Poole made the motion. Jason Wagnon seconded the motion. Chairman Watkins called for a vote. Daulfin Bennett – yes, Jason Wagnon – yes, Connie Poole – yes, Tommy Walker – yes. Motion passes.
- B. CONSIDER AND ACT TO TRANSFER \$1,000 PER MONTH FROM KUA GROSS REVENUE FUND INTO THE KUA WATER TOWER ACCOUNT. Chairman Watkins asked for a motion. Connie Poole made the motion. Daulfin Bennett seconded the motion. Chairman Watkins called for a vote. Daulfin Bennett – yes, Jason Wagnon – yes, Connie Poole – yes, Tommy Walker – yes. Motion passes.
- C. CONSIDER AND ACT TO APPROVE THE FISCAL 2016/2017 KUA BUDGET. Mike Kern turn to page 6 in your Budget Packet – Water and Sewer combined and you will see the budget is close to what our actual numbers were for last year. The KUA is not bound by the 90% rule that the General Fund is and overall the KUA still owes the City General Fund \$213,000. We talked about this at the Finance Meeting, we thought it was more important to set money aside to have the water tower inspected because the last time we had to have it painted it was in the neighborhood of \$50,000. We have to start accumulating that money so we don't have to borrow from the City. We didn't put on the agenda, so we can't act on it, but it is in the budget packet to increase the water and sewer rates. Your chemical, pipe and other cost continue to increase. For the low users an increase of 25 cents for the water and no increase for the sewer. The heavy users have higher rates. If we don't raise the rates, the City will have to subsidize the KUA. We will need to put on the next agenda to act and discuss when to put it into effect. I believe we have been putting it into effect in January. Any other questions.
- D. Chairman Watkins asked for a motion to be made to approve or disapprove the budget. Jason Wagnon made the motion to approve the budget. Connie Poole seconded the motion. Chairman Watkins called for a vote. Daulfin Bennett – yes, Jason Wagnon – yes, Connie Poole – yes, Tommy Walker – yes. Motion passes.

9. COMMENTS FROM THE BOARD AND CHAIRMAN. Chairman Watkins asked Ed Klink if he would tell the board what was occurring at the water and sewer. Mr. Klink stated we had an electrical storm about a week ago. We lost power at the water plant and PSO came out. An arrestor and a PSO transformer blew out. We lost about \$1,500 work of equipment and will turn into the insurance company. At the Lake Eufaula pump site, one of the fuses had been destroyed as well as the fuse holder. Had to purchase new fuses and fuse holders because they were redesigned. We got the pump removed, cleaned out, and re-installed and we went from 200 to 500 gallons per minute. Silt and debris had gotten into the intake and now it is working. The total cost of all of this including the lightning is about \$6,000. That includes the pulling of the pump, cleaning it out, re-installing it plus all the hook-ups and the storm damage at the water plant. The water plant has one backwash pump that was installed in 1961 and we are currently installing a second pump. Cost looks like it will be around \$4,000 for the fittings and materials to install the pump. The pump itself was \$10,000.

Abatements – vehicles, high grass – had some successes. House torn down on Maple Street and a couple blocks over. Sent a letter to the police department to look at a house on NW Blake and will

probably cost the City about \$3,000. We will put it on the tax roll and hopefully recover some of the money.

Mrs. Bennett told Mr. Klink that he is doing a fabulous job.

Mr. Klink stated the crew has been tirelessly working to get the major part of the streets fixed this year. We will undergo a FEMA inspection in approximately 2 months. We will complete the street repairs with a suspense date of September 1st. After that we will get started on some of the canal repairs that was damaged from the rain. We will keep you informed. If you have questions, please call or email me. I will send an email to everyone.

10. ADJOURN MEETING. Chairman Watkins asked for a motion to adjourn the meeting. Connie Poole made the motion. Jason Wagnon seconded the motion. Chairman Watkins called for a vote. Daulfin Bennett – yes, Jason Wagnon – yes, Connie Poole – yes, Tommy Walker - yes. Motion passes.