**GROVE MUNICIPAL SERVICES AUTHORITY**

**REGULAR MEETING**

**TUESDAY, FEBRUARY 17, 2015**

**4:30 PM**

The Grove Municipal Services Authority met in regular session on Tuesday, February 17, 2015 at 4:30 PM with Chairman, Robert Plunk presiding. Members present were Berwin Kock, Kenneth Fitch and Don Nielsen. Member Bill Dyer was absent. Also present was General Manager, Bill Keefer; Attorney, Brandon Watkins; Public Works Director, Jack Bower; City Treasurer, Lisa Allred; Assistant General Manager, Debbie Bottoroff and City Clerk, Bonnie Buzzard.

Nielsen made the motion to approve the minutes from the previous meeting. Seconded by Kock. AYE: Kock, Fitch, Nielsen and Plunk. NAY: None. Motion carried.

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

Plunk opened the floor for discussion with respect to acceptance of the 2013/2014 Fiscal Year Audit. City Treasurer, Lisa Allred presented and discussed in detail the report on the Audit of Financial Statement for the year ending 06.30.14. Allred added that this audit was conducted for the purpose of forming opinions on the financial statement that collectively comprise the GMSA financial statements as a whole. Allred reported no major discrepancies in the audit being presented. Allred fielded questions from the Board and Staff. The audit presentation last for approximately 15 minutes. Allred added that this is an unqualified opinion of the audit, and that it contains no issues. Nielsen made the motion to approve the 2013/2014 Fiscal Year Audit as presented. Seconded by Fitch. AYE: Kock, Fitch, Nielsen and Plunk. NAY: None. Motion carried.

Kock made the motion to approve the Natural Gas Service Agreement with Simmons Foods, Inc. Seconded by Fitch. AYE: Kock, Fitch, Nielsen and Plunk. NAY: None. Motion carried.

Nielsen made the motion to approve Acknowledgment of Receipt of Permit # SX000211421140767 from the Oklahoma Department of Environmental Quality to receive, transport and/or treat flow from the Lodges at Pier III. Seconded by Fitch. AYE: Kock, Fitch, Nielsen and Plunk. NAY: None. Motion carried.

Plunk opened the floor for discussion with respect to a Resolution amending the 2014/2015 Fiscal Year GMSA General and Capital Budget(s). Allred reported that the Resolution needs to be amended to reflect Exhibit A thru C:

* Exhibit A – reflects the 2% employees pay increase effective as of 01-01-15.
* Exhibit B – water intake incident
* Exhibit C – automatic meter reader(s) additional cost

Fitch made the motion to approve the Resolution amending the 2014-2015 FY budget as presented by Allred. Seconded by Nielsen. AYE: Kock, Fitch, Nielsen and Plunk. NAY: None. Motion carried.

Plunk opened the floor for discussion with respect to approval of a Resolution establishing an annual goal for the reduction of unaccounted water loss within the water distribution system. Keefer reported that in response to a request from the Board, he has prepared a Resolution for consideration that sets forth and annual goal for the reduction of the unaccounted water loss in the distribution system for the 2015 calendar year. The goal for this calendar year will be to reduce the unaccounted water loss by 5% or 1.95 million gallons during 2015. The percentage is based upon the actual average monthly unaccounted water loss numbers that occurred during the 2013-2014 budget year. The average was 39.01 million gallons or 48.64% of the total amount of water produced per month. The Staff believes that this is a reasonable number that should be achievable for this purpose. Keefer added that the Resolution also provided for an annual report to the Board to summarize the results and progress made towards achieving the goal. Keefer entertained questions, comments and concerns from the Board. Kock reported that he didn’t understand the full reasoning for the Resolution if this project is something that the Staff is already working towards to achieve. Fitch made the motion to approve the Resolution as presented. Seconded by Nielsen. AYE: Fitch, Nielsen and Plunk. NAY: Kock. Motion carried.

Plunk opened the floor for discussion with respect to Water Rates and Fees. Keefer reported that the at the last meeting, the Board reviewed the information presented by Staff regarding various water rate options that might be considered to generate the revenue necessary to cover the new debt service payments for the water plant improvements. Plunk reported that he has reviewed the proposed water rate increase options in detail, and that he favors Options #9, 10 and 11. Kock suggested that the Board use this topic for a Workshop Session in the near future prior to April 2015. Keefer entertained questions, comments and concerns from the Board. No action was taken.

Plunk opened the floor for discussion with respect to a Resolution approving a community service by providing a credit to Grove Public Schools & Lendonwood Gardens for water & sewer usage. Keefer reported that in June 2013 the Board approved a Resolution providing a credit to the Grove Public Schools in an amount not to exceed $3,000 and a credit to Lendonwood Gardens in an amount not to exceed $6,000 for water and sewer usage during the 2013-2014 FY. Keefer added that the Grove Public School is requesting a retro-active credit for the 2014-2015 fiscal year not to exceed the amount they received in the previous fiscal year, and in addition, Grove Public School and Lendonwood Gardens request the Board consideration in providing them with a credit when creating the 2015-2016 FY budget. Fitch made the motion to approve a Resolution approving a community service retro-active credit to Grove Public Schools for the 2014-2015 FY, and then for Grove Public School and Lendonwood Gardens for water and sewer usage for the 2015-2016 FY budget. Seconded by Nielsen. AYE: Kock, Fitch, Nielsen and Plunk. NAY: None. Motion carried.

Plunk opened the floor for discussion with respect to a Letter of Agreement with Aha Consulting for website design. Keefer added that funds were provided in the 2014-2015 City and GMSA budgets for this project. In addition to the budgeted funds, the City was awarded a $5,000 grant from PSO to be used to develop and enhance pages devoted to support economic development efforts for our community. The fees for this design and implementation is $16,000. There is an annual fee of $3,000 for hosting and support services. Kock made the motion to approve the Letter of Agreement with Aha Consulting for the website design as discussed. Seconded by Fitch. AYE: Kock, Fitch, Nielsen and Plunk. NAY: None. Motion carried.

Nielsen made the motion to approve an Agreement with Blue Energy Fuels, LLC for the transportation of natural gas for the CNG Station. Seconded by Kock. AYE: Kock, Fitch, Nielsen and Plunk. NAY: None. Motion carried.

Fitch made the motion to approve Change Order # 6 for the Water Treatment Plant Project retro-active back to January 29, 2015 the date of execution by General Manager, Bill Keefer. Seconded by Nielsen. AYE: Kock, Fitch, Nielsen and Plunk. NAY: None. Motion carried.

**STAFF REPORT**:

Bower expressed thanks to the Buildings and Grounds crews for their assistance with two additional trucks in clearing of the streets during the recent weather.

**TRUSTEES REPORT**:

Nielsen expressed thanks to the Street Department with their quick response in clearing the streets during the recent ice & snow weather.

At 5:42 PM Kock made the motion to adjourn. Seconded by Nielsen. AYE: Kock, Fitch, Nielsen and Plunk. NAY: None. Motion carried.