

**MOREHEAD UTILITY PLANT BOARD
BOARD MEETING @ 12:00PM
February 26, 2019**

Place of Meeting

A board meeting of the Morehead Utility Plant Board was held Tuesday, February 26, 2019 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
Heather Neff-Perkins, Board Member

Also, Present

Holly McGrath-Rosas, General Manager
Benita Hammonds, Administration Manager
Larry Tackett, Operations Manager
Kevin Mayhorn, Financial Coordinator
Laura White-Brown, Mayor

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 January 29, 2019 Board Meeting Minutes

A motion was made by Glen Teager and seconded by Heather Neff-Perkins to approve the minutes of the board meeting held on January 29, 2019. The motion was unanimously approved.

January 2019 Financial Reports

Holly McGrath-Rosas, General Manager, goes over the financial highlights for January 2019. This includes:

- (1) Water and sewer service revenue together is \$8,000 (.1%) above budgeted amounts.
- (2) The WTP expenditures are \$123,000 (11.6%) below budget.
- (3) The WWTP expenses are under budget by \$12,000 (1.1%)
- (4) The maintenance department is about \$126,000 (11.9%) over budget. \$80,000 of that overage is directly related to the increase in system repair and maintenance and continues to drive the overage. January maintenance was about \$21,000 under the budget amount.
- (5) The margin on the gas sold for the month is about \$270,000 less than budgeted year to date. This is a reflection of the beginning of colder temperatures and a short spike in the increase in the price of natural gas. Since we recover the gas paid for with the following month's bill, this difference has improved slightly this month and should fully correct itself toward the end of the cold season.
- (6) Administrative expenses are \$65,000 (9.1%) more than budget and reflect some seasonal work and timing differences in employee training as well as telephone and professional services. Expenses are expected to level out over the next few months.
- (7) \$1,241,000 (50%) of the budgeted \$2,500,000 in capital projects have been expended
- (8) Overall through seven months net income shows \$117,000 less than budgeted, however the gas margin is the largest factor and we expect that to recover by the end of the cold weather.

A motion was made by Glen Teager and seconded by Tracy Williams to approve financial reports for January 2019. The motion was unanimously approved.

Reports-General Manager

Water Treatment Plant (WTP)-

Ms. McGrath-Rosas states that the maximum daily treated for the month of January was 5.9 million gallons. (79%) and a daily average of 5.2 million gallon (69%) The General Manager also informed the board that the High Service Pump had been rebuilt. Ms. McGrath-Rosas stated that the Bull Fork Pump Station improvement project was advertised for bids. See the February 2019 WTP Report for additional information.

Wastewater Treatment Plant (WWTP)-

The General Manager reports that the WWTP has performed routine operations and maintenance. Ms. McGrath-Rosas also informs the board that the WWTP received notification that they passed 1st quarter biomonitoring. See the February 2019 WWTP Report for additional information.

Maintenance Department-

The General Manager reports that the maintenance department is running as normal. Ms. McGrath-Rosas informs the board that crews have been working to repair several main line leaks. The General Manager stated that water loss was down for the month of January. See February 2019 Maintenance Department Report for additional information.

Administration Department-

The Administrative Department reports a water loss of 10.85% for January 2019 the yearly average is 11.50%. Automatic bank draft payments are at 1335. Service orders for the month 590. See the Administrative Office February 2019 Report for additional information.

A motion was made by Tracy Williams and seconded by Heather Neff-Perkins to accept the General Managers report. The motion was unanimously approved.

New Business

Approve Vehicle Donation to City of Salt Lake

MUPB acquired the 2008 Dodge Ram 1500 RWD for operations; due to age and maintenance costs it is now the best interests of the Board to surplus and replace it; it is determined that it shall be transferred without compensation to The City of Salt Lick for municipal responsibilities for which The City of Salt Lick was statutorily created under KRS 102.00 pursuant 82.083(4)(b).

A motion was made by Tracy Williams, seconded by Glen Teager to approve the donation of the 2008 Dodge Ram 1500 to The City of Salt Lick. The motion was unanimously approved.

Ratify Payment of Monthly Bills

Mr. Mayhorn, presented the board with checks that had been written for the month.

A motion was made by Tracy Williams, seconded by Glen Teager to ratify payment of monthly bills for January 2019. The motion was unanimously approved.

Old Business

None

Other Business

None

Executive Session

A motion was made by Glen Teager, seconded by Tracy Williams to go into Executive Session to Discuss Property Purchase at 12:43 PM

A motion was made by Glen Teager, seconded by Heather Neff-Perkins to come out of Executive Session at 12:59 PM

Meeting Adjourned

A motion was made by Glen Teager seconded by Heather Neff-Perkins to adjourn the meetings.

Meeting Adjourned at 1:00 p.m.

The next meeting is on March 26, 2019 at noon.

Russ Ward, Chairman

Holly McGrath- Rosas, General Manager