



Duckett Creek Sanitary District

APPROVED AS
SUBMITTED
OCTOBER 24, 2023

3550 Hwy K, O'Fallon, Missouri 63368-8384

Ph: (636) 441-1244
Customer Service Fax: (636) 498-8100
Engineering Fax: (636) 498-8150

The Duckett Creek Sanitary District Board of Trustees held their regular monthly board meeting on Tuesday, September 26, 2023 at 3:00 p.m. at the District Administration Office located at 3550 Highway K, O'Fallon, Missouri.

Trustees present were:

Dr. William Rebore	Board Member
Mr. Greg Dohrman	Chairperson
Mr. John Harshbarger	Board Member
Mr. Bob Schnur	Board Member
Ms. Linda Wibbenmeyer	Vice-Chairperson

Staff Members present:

Mr. Keith Arbuckle	Executive Director
Mr. Brad Meyers	Manager of Information Systems
Ms. Julie O'Guinn	Director of Finance and Administration
Dr. Luke Kehoe	Director of Engineering and Operations
Ms. Sarah Marien	Recording Secretary
Ms. Justine Glancy	Customer Service Manager
Ms. Sarah Beckmann	Administrative Analyst

Others present:

Ms. Amy Stegman	Marsh McLennan
Mr. Scott Knight	Crawford, Murphy & Tilley, Inc.

CALL TO ORDER

Chairperson Dohrman of the Board of Trustees of Duckett Creek Sanitary District called the meeting to order at 3:06 p.m.

APPROVAL OF MINUTES

(THE REGULAR MINUTES WERE INCLUDED IN THE SEPTEMBER 26, 2023 BOARD PACKET AND THE CLOSED SESSION MINUTES WERE AVAILABLE IN THE DCSD DROP BOX)

Board Member Schnur moved and Board Member Harshbarger seconded the motion to approve the following board minutes as submitted:

- *August 22, 2023 Board of Trustees' meeting minutes*
- *August 22, 2023 Executive Closed Session meeting minutes*

By roll call vote,

Board Member Rebore – Aye

Chairperson Dohrman – Aye

Board Member Harshbarger – Aye



Duckett Creek Sanitary District

3550 Hwy K, O'Fallon, Missouri 63368-8384

Ph: (636) 441-1244
Customer Service Fax: (636) 498-8100
Engineering Fax: (636) 498-8150

*Vice-Chairperson Wibbenmeyer – Aye
Board Member Schnur - Aye*

Motion passed unanimously.

PUBLIC COMMENTS

OLD BUSINESS

Health Insurance Update

Ms. Amy Stegman with Marsh McLennan gave a brief update on our health insurance YTD through August and what to expect for the 2024 renewal with the following comments:

- The surplus projection that is monitored monthly shows a deficit of \$14,430.00 with four months remaining for the year.
- The medical and prescription projection sheet takes a twelve-month period which is projected forward and is used to predict trends for renewal.
- Several plan options have been requested and were sent out for market.
- Meetings with the Director of Finance and Administration are set to go over information currently available while awaiting market response. Final figures are expected from Cigna next week.

NEW BUSINESS

The Director of Finance and Administration introduced Justine Glancy, the new Customer Service Manager who joined the District on August 1st, previously working at UMB Bank where she held the role of Branch Manager. She also introduced Sarah Beckmann, the new Administrative Analyst who joined the District on August 28th and who previously worked at Collaborative Governance where she held the role of accountant. The board welcomed the new staff members.

Monthly Financial Reports - Period Ending August 31, 2023

(INCLUDED IN THE SEPTEMBER 26, 2023 BOARD PACKET)

The Director of Finance and Administration gave a brief update on the monthly financial reports for period ending August 31, 2023. She provided an overview of residential charge revenue increases as a result of the March rate change and indicated she found a variance of just under \$400,000 from Stantec projection due to an inaccuracy in how the rate model accounted for our billing. This has been corrected in the new version of the rate model and staff will be trained and take over the rate model after this year. Interest revenue offsets the Stantec revenue variance, as it is much higher than expected with 5% yields on investments including our TP4 project fund investments. The budget and budget projection was based on 1% interest yields. Overall revenues, excluding interest, are 21% higher compared to last August. The main reasons for the higher revenues are charge revenues and connection fees. All expenses year to date are 48.63% lower than the year to date budget due mainly to the timing of our TP4 project. Merchant service fees are increasing and different options are being explored with more information to be provided to the board at a later date. The Director of Finance and Administration referred to a more detailed informational report in her memo and addressed all questions from the Board.



Duckett Creek Sanitary District

3550 Hwy K, O'Fallon, Missouri 63368-8384

Ph: (636) 441-1244
Customer Service Fax: (636) 498-8100
Engineering Fax: (636) 498-8150

Board Member Rebore moved and Board Member Wibbenmeyer seconded the motion to approve the monthly financial statement for period ending August 31, 2023, as submitted.

By roll call vote,

Board Member Rebore – Aye

Chairperson Dohrman – Aye

Board Member Harsbarger – Aye

Vice-Chairperson Wibbenmeyer – Aye

Board Member Schnur - Aye

Motion passed unanimously.

2024 Budget

The Director of Finance and Administration gave a brief overview of the 2024 Budget, providing a handout with the budget transmittal letter and budget spreadsheets which is also posted to the board's web packet. She reviewed budgeted revenues and expenses and advised that the capital budget has also been drafted and will be presented to the board in October along with any operation budget updates. The total budget will be presented once again for approval and vote in November. She indicated that \$29 million is budgeted for TP4 construction in the 2024 year and includes the introduction of a second aeration tank for TP4, an overall increase of \$3.675 million from the original River City project cost. The combination of cost savings from the two concurrent TP4 projects for Wyndgate and the TP4 collection line as well as capital budget modifications and the addition of over \$2 million in project fund interest earnings will help offset this project addition. She also added the draft operational and capital budgets to the district's long term plan as well as met with Stantec to update the rate tool to confirm rate sufficiency and coverage ratio with the inputs provided to date. The Director of Finance and Administration indicated the transmittal letter includes a thorough overview of all departments as well as the personnel budget which includes a 5% cost of living adjustment as well as step increases for all employees not at the maximum of their salary range. The Director of Finance and Administration addressed all questions from the Board.

Performance Based Annual Employee Evaluations

The Director of Engineering and Operations gave a brief summary of the new Performance Review eForm system that he prepared using Microsoft Excel with input from the other directors and supervisors. The system aligns with the salary step system approved by the Board. The Performance Review eForm system has thirty base metrics with expanded metrics specific to each employment position and allows employees to develop professionally at their own pace. There are controlled salary increases with a cap of one step annually. Results allow supervisors to assess employee strengths and to provide employees opportunities for improvement in performance. The Director of Engineering and Operations showed the District's previous short version of performance review form, and demonstrated the new Performance Review eForm including how metrics can have administrative weightings giving the employee a score, which is used to calculate a performance review overall score within the permitted salary step scoring guide. The dashboard controls allow supervisors to generate reports and isolate employees or compare a group of employees with the same job description. There is designated space for supervisors to make comments on



Duckett Creek Sanitary District

3550 Hwy K, O'Fallon, Missouri 63368-8384

Ph: (636) 441-1244
Customer Service Fax: (636) 498-8100
Engineering Fax: (636) 498-8150

metrics and to generate goals with the employee who is being reviewed. The Directors addressed all questions from the Board.

Resolution 23-08 – Administration Building Chiller Replacement

(INCLUDED IN THE SEPTEMBER 26, 2023 BOARD PACKET)

The Director of Operations and Engineering stated Resolution #23-08 was for the purchase and delivery of a closed-loop building chiller for the administration building that will be manufactured and received in 2024, when it is budgeted. We received three bids through the cooperative bid process, with Daikin-TMI, LLC of Chesterfield, Missouri being selected. The Director of Operations and Engineering addressed all questions from the Board.

Board Member Schnur moved and Board Member Wibbenmeyer seconded the motion to approve Resolution #23-08 approving the purchase and installation of a closed-loop building chiller from Daikin-TMI, LLC of Chesterfield, Missouri, in the amount of \$121,146.00 with a 5% contingency for a not to exceed the project cost of \$127,203.30.

By roll call vote,

Board Member Rebore – Aye

Chairperson Dohrman – Aye

Board Member Harshbarger – Aye

Vice-Chairperson Wibbenmeyer – Aye

Board Member Schnur - Aye

Motion passed unanimously.

Resolution 23-09 – Treatment Plant No. 4 Change Order No. 1, River City Construction

(INCLUDED IN THE SEPTEMBER 26, 2023 BOARD PACKET)

The Director of Engineering and Operations stated Resolution #23-09 is for the approval of Treatment Plant No. 4 Improvements Project Change Order No. 1. The District's design engineering consultant Scott Knight with Crawford, Murphy & Tilley, Inc., gave a presentation on the proposed expansion of the oxidation ditch at Treatment Plant No. 4, which would effectively increase the wastewater treatment capacity of this plant from 2.5 MGD to 5.0 MGD. Mr. Knight stated that if Change Order One is approved, it would be significantly easier and less expensive to construct now as it can be added to the existing Treatment Plant No. 4 construction currently underway by the District's contractor, River City Construction, LLC. A majority of the second ring has already been constructed and excavation can be expanded to include new outer third ring for expansion of the oxidation ditch. Mr. Knight showed images of current construction and concrete placement. Mr. Knight indicated that if expansion happens after the treatment plant is functioning, there are other structures and a roadway that would be impacted by the construction that is a part of this proposed change order. The cost for the work in this change order is \$3,635,775, whereas, if expanded at a later date, the cost could be \$5-10 million. Change Order No. 1 will result in a four-month extension of the current contract completion date, which will mean the plant would be substantially completed at the end of 2024 and fully completed in early 2025. The Director of Engineering and Operations addressed all questions from the Board.



Duckett Creek Sanitary District

3550 Hwy K, O'Fallon, Missouri 63368-8384

Ph: (636) 441-1244
Customer Service Fax: (636) 498-8100
Engineering Fax: (636) 498-8150

Board Member Rebore moved and Board Member Schnur seconded the motion to approve Resolution 23-09 approving Treatment Plant No. 4 improvements project Change Order No. 1 with River City Construction, LLC for the expansion of the proposed oxidation ditch effectively increasing the wastewater treatment capacity of this plant from 2.5 MGD to 5.0 MGD with a proposed cost not to exceed \$3,635,775.00.

By roll call vote,

Board Member Rebore – Aye

Chairperson Dohrman – Aye

Board Member Harshbarger – Aye

Vice-Chairperson Wibbenmeyer – Aye

Board Member Schnur - Aye

Motion passed unanimously.

For Approval – Purchase of a Sole Source Sludge Spreader

The Director of Engineering and Operations discussed the sludge spreader approved and purchased in 2022 that was delivered this year. He has stated that the purchase of an additional sludge spreader is scheduled for 2024 and is asking for Board approval to move forward with the purchase now due to the extended delivery schedule. The cost is 7% higher than the last purchase of the same spreader. The Director of Engineering and Operations addressed all questions from the Board.

Board Member Schnur moved and Board Member Harshbarger seconded the motion to the sole source purchase of a John Deere sludge spreader from Sydenstricker Nobbe Partners located in Moscow Mills, MO with a not to exceed price of \$166,000.00.

By roll call vote,

Board Member Rebore – Aye

Chairperson Dohrman – Aye

Board Member Harshbarger – Aye

Vice-Chairperson Wibbenmeyer – Aye

Board Member Schnur - Aye

Motion passed unanimously

For Approval – Additional cost of Engineering Services for Treatment Plant No. 4, Crawford, Murphy & Tilley, Inc.

The Director of Engineering and Operations gave an update on the additional cost of engineering services for Treatment Plant No. 4 related to adding additional task for the additional oxidation ditch which was just approved as resolution 23-09. He asked for Board approval to increase the current contract with Crawford, Murphy & Tilley, Inc. by \$191,700 for the additional design work required for Change Order No. 1.



Duckett Creek Sanitary District

3550 Hwy K, O'Fallon, Missouri 63368-8384

Ph: (636) 441-1244
Customer Service Fax: (636) 498-8100
Engineering Fax: (636) 498-8150

Board Member Schnur moved and Vice-Chairperson Wibbenmeyer seconded the motion to approve a \$191,700 increase in the engineering services contract for the addition of the \$3.675M Change Order No. 1 for the oxidation ditch expansion at Treatment Plant No. 4.

By roll call vote,

Board Member Rebore – Aye

Chairperson Dohrman – Aye

Board Member Harsbarger – Aye

Vice-Chairperson Wibbenmeyer – Aye

Board Member Schnur - Aye

Motion passed unanimously

DIRECTORS' REPORTS

The Executive Director gave an update on the following:

- Next month will hopefully have more detail about conversations regarding a potential service contract with another city.

The Director of Engineering and Operations gave an update on the following:

- Summary of developments shown in board packet.
- Backup related to the pump station in O'Fallon Hills.
- Sewer Lateral Repair program costs year to date. Overall costs of repairs have been increasing.

The Director of Finance & Administration gave an update on the following:

- She stated that a Board Member is eligible to attend the LAGERS annual meeting in October and if anyone is interested now or in future years to please let her know.
- Moody analyzed and reconfirmed the district's rating which is the highest we can receive for our type of entity and our system size.
- Customer letter received and included in our packet - praising our staff assistance with a manhole lid replacement.

The Manager of Information Systems gave an update on the following:

- Showed video of T01 aeration ditch with new floating rotors.
- Showed video of T04 construction progress.

OPEN SESSION

Chairperson Dohrman asked if there was any further discussion.



Duckett Creek Sanitary District

3550 Hwy K, O'Fallon, Missouri 63368-8384

Ph: (636) 441-1244
Customer Service Fax: (636) 498-8100
Engineering Fax: (636) 498-8150

There being no further comments, Board Member Rebore moved and Board Member Harshbarger seconded the motion to close the September 26, 2023 Board of Trustee meeting.

By roll call vote,

Board Member Rebore – Aye

Chairperson Dohrman – Aye

Board Member Harshbarger – Aye

Vice-Chairperson Wibbenmeyer – Aye

Board Member Schnur - Aye

Motion passed unanimously.

ADJOURNMENT

The board meeting adjourned at 4:51 p.m.

Respectfully Submitted,

S. Marien

Recording Secretary

Duckett Creek Sanitary District