

**REGULAR MEETING OF THE  
ROCKWOOD WATER, WASTEWATER & NATURAL GAS BOARD**

**May 28, 2019 @ 6:00 P.M.**

The meeting was called to order at the Rockwood City Hall at 6:00 P.M. with Chairman Darryl Meadows presiding. Commissioners Bobby Anderson, Loren Bone, and Joe Moore were present; Commissioner Jeff Penley was absent.

**Public Comment:** None.

**Approval of April Minutes:** Commissioner Moore made a motion to approve the minutes as presented and Commissioner Bone seconded. The motion passed unanimously.

**Approval of financials for April 2019:** Joan Kerley reported that water and sewer revenues for April were \$336,922; expenses were \$210,061. Year to date, water and sewer revenue exceeded expenses by \$158,724. Gas operating revenues totaled \$308,440; operating expenses not including the cost of gas were \$75,465. Year to date, gas revenue exceeded expenses by \$753,620. Commissioner Bone made a motion to accept the financials as presented and Commissioner Moore seconded. The motion passed unanimously.

**General Manager's Report:** Kim Ramsey reported that an emergency repair was performed due to a chlorine leak at the WTP. The quote from Norwood Fiberglass was in excess of \$16k and requires Board approval. She asked for ratification of the emergency purchase. Commissioner Moore made a motion to ratify and Commissioner Bone seconded. The motion passed unanimously. Uselton Clay & Bright notified Ms. Ramsey this week that their firm is scaling back and can no longer perform our audits. She asked Commissioners if they wanted her to send out requests for proposals or to asked the City's auditor Mitchell Emert & Hill for a proposal. City Attorney Greg Leffew gave his opinion that this is a professional service and there is no requirement to bid the service. Commissioner Moore made a motion to ask Mitchell Emert & Hill for a proposal and Commissioner Bone seconded. The motion passed unanimously. The meeting with TEMA and Senator Ken Yager has been scheduled on June 10<sup>th</sup> at 10:00 CST. The floodway as related to the two building sites will be discussed.

**Executive Session – Letter from attorney for Victor Bond:** Commissioners, Ms. Ramsey, and Attorney Leffew adjourned to discuss the letter. Upon their return, Commissioner Moore made a motion to respond to the letter as advised by Mr. Leffew and Commissioner Bone seconded. The motion passed unanimously.

**OLD BUSINESS:**

- a. **I&I report:** A written report was provided to all Commissioners.
- b. **Consideration and approval of payment of revised Audit for FY 2018:** The previously approved audit has been revised due to an adjustment made to coordinate with the City Pension fund reporting. Commissioner Bone made a motion to approve the adjustment and Commissioner Moore seconded. The motion passed unanimously.

**NEW BUSINESS:**

- a. Consideration and approval to investment of cash reserves – Raymond James:** Stephen Rosen with Raymond James discussed options for investment of funds. He suggested that \$2m from the Debt Service Fund should be invested in CD's and \$2.5m from the Revenue Account should be invested in six-month Treasury Bills to make the building construction funds more readily available. Commissioner Bone made a motion to open the two accounts and move forward with the investment plan per Comptroller 656-106 guidelines and Commissioner Moore seconded. The motion passed unanimously.
- b. Consideration and approval of gas purchase for winter season 2019-2020:** Earl Burton stated that gas futures are currently selling at \$3.05 per Dth . Approximately \$50k would be saved by purchasing 40% of the winter load at this rate. Commissioner Bone made a motion to purchase 40% of our winter load at \$3.05 and Commissioner Moore seconded. The motion passed unanimously.
- c. Consideration and approval of Water and Sewer Budget for FY 2020:** Adjustments were made based on input from the workshop on May 15<sup>th</sup>. One new position and a 3% COLA were also included. Commissioner Bone made a motion to approve the w/s budget as presented and Commissioner Moore seconded. The motion passed unanimously.
- d. Consideration and approval of Gas Budget for FY 2020:** Ms. Ramsey noted that gas revenues were increased as advised in the workshop. Commissioner Bone made a motion to approve the gas budget as presented and Commissioner Moore seconded. The motion passed unanimously.

After a brief communication from board members and recommendation by Chairman Meadows that Ms. Ramsey's contract is renewed, he appointed Commissioner Moore, Commissioner Bone, and himself as a committee to review said contract. The meeting was adjourned at 7:04 PM by motion of Commissioner Anderson and seconded by Commissioner Moore.



Darryl Meadows, Chairman



Joan Kerley, Secretary