



MINUTES

REGULAR MEETING OF THE HOLDEN BOARD OF PUBLIC WORKS

December 3, 2024

Members Present:

Mr. Al West	Chairman
Ms. Kim Holger	Secretary
Mr. Rob Hough	Member
Mr. Allen Mensch	Council Liaison

Guests Present:

Mr. Tony Lerda	Superintendent
Ms. Christie Reed	Financial Coordinator
Ms. Kim Morrow	Billing Specialist
Mr. Ray Briscoe	Mayor
Mr. Jim McDaniel	Mayor Pro Tem
Mr. Larry Miller	Council Member

The meeting was called to order at 6:00PM.

Mr. West asked if the board had a chance to look over the minutes?

Ms. Holger had looked over the minutes and made a motion to accept them as presented.

Mr. Miller made a point about the notes under "comments from the floor, reflecting that he had contacted companies regarding our search for an operating firm. Mr. Miller wished to clarify that he had not called other companies, but they had called him. It was decided that the minutes of November 6, 2024, would be approved reflecting what was stated during that meeting and the discrepancy could be corrected in the minutes of this meeting.

Clarification to the minutes of 11/6/2024: Councilman Miller had not called any company regarding our search for an operating firm, but one company (CWS) had contacted him.

Motion by Ms. Holger to approve the minutes, Mr. Hough seconded the motion, Mr. West called for a vote. The motion passed with no dissenting votes.

Financial Report: Following some discussion, **Motion** by Ms. Holger to approve the financial statement to pay the invoices, Mr. Hough seconded the motion, Mr. West called for a vote. The motion passed with no dissenting votes.

OLD BUSINESS

WATER SYSTEM –

GENERAL ACTIVITIES

Mr. Lerda stated that for the first time this year there has been some taste and odor issues, but it has not been too bad. The water has been good. There have been some main repairs due to the dry spell causing the Earth to move. One repair on Market in particular, was difficult due to the new asphalt cap. Missouri Rural Water Association came in and assisted with their leak locating equipment. The actual leak was a good distance from where the water was coming up.

LEAD & COPPER

Mr. Lerda informed the Board that it was completed. Letters have been mailed to all residents who could potentially have lead that will eventually require removal. Home/building owners will be responsible for lead and galvanized pipe removal from the delivery point to the house, and the City will be responsible for the same removal from the main to the delivery point of each service. We are now required to submit an annual Lead inventory report to DNR for the next 10 years reflecting 10% less inventory that reflected on our initial report.

SEWER SYSTEM –

GENERAL ACTIVITIES

Mr. Lerda informed the Board that there were no sewer issues in November. Routine jetting was done on all known problem areas. We have replaced most of the bad sections of the sewer collection system except for two areas along S. Main Street and about half a block of S. Lexington. We will continue precautionary maintenance and monitoring on those areas until we can correct them permanently.

AOC

The project is completed. Mr. Lerda stated that he had sent City Attorney Mr. Harris, an email and was waiting to hear back. Mr. Briscoe informed Mr. Lerda that Mr. Harris was leaving personal law, and the City had been searching for a new attorney. Mr. Lerda replied that he had not been notified of this and was not aware of the situation. Mr. Lerda is going to get in touch with DNR enforcement for instructions for final closure of this matter. If necessary, he will contact the engineer and have him produce a letter. The Mayor agreed and stated he believed that he should also cosign on the letter and then it can be forwarded to the new contact with DNR.

NEW BUSINESS

PUBLIC WORKS & INFRASTRUCTURE COMMITTEE

Mr. Miller began by referring to a November 15th meeting of the PW&I committee questioning why no one from the BPW were present. This is why he requested to be on the BPW agenda tonight. Mr. Miller continued by referencing a letter that the City Council had sent to the BPW dated November 5. Mr. West and Ms. Holger both stated clearly that the BPW did not agree with said letter, but did acknowledge receiving it. In summary, the letter references three items that the council will require before they approve any new contract for management and operations of these utilities. The first item was the procurement procedures outlined in Chapter 25 of Holden Ordinances. The second item stated that the BPW must perform due diligence by researching and investigating all potential operators and do so by showing the Council their correspondence and reasons for their decisions. The last item stated that the Council is concerned there is an appearance of conflict of interest by allowing Mr. Lerda to be part of the process, stating “the final decision should be ONLY the decision of the BPW.” The original letter will be attached to these minutes for official recordkeeping purposes. Mr. West stated there has been no action on this matter since the last meeting, and everything this board has done in this matter has been made public. Mr. Miller changed topics citing the current contract with O&M Enterprises requires a letter giving 2 years notification of either party wishing to terminate this agreement. Mr. Miller asked if anyone has any such letter. Mr. Lerda informed Mr. Miller no letter has been served in this case because he would rather work with the BPW towards the replacement of his services to help them

find the best direction for the future. We have begun by familiarizing The Board with possible companies and the process we are facing. The goal is to be sure the Board understands all they can about all of the services required to manage and operate these facilities, then solicit qualifications and references from like companies. The BPW is not even close to making any decisions. However, the BPW received this letter and was mandated to write a scope of services and put it out for a bid in a newspaper or something. Mr. Lerda went on to say that is not how this business works. In this business you do interviews, you give tours, you talk to references and the two parties have discussions. Then after that, the other company/s will give the BPW their proposal and scope of work. Once the BPW has gathered all of the information about our needs, and all proposals, they will present their findings to the City Council with their recommendation for consideration. Mr. Lerda informed the group that there has been no action on this subject since learning about the City Council's vote in a closed session on October 17, 2024, to hire an engineering firm to help develop a scope of work to create water and sewer services contract for the City. Mr. Miller did not recall any such motion or vote by the City Council, and they were waiting on reports from the BPW. Mr. Lerda insisted it was in the minutes from their closed executive session minutes from October 17, 2024. This disagreement remained on the table with Mr. Miller denying any such motion or vote took place. Changing the subject Mr. Miller stated that the BPW needs to start coming to his PW&I committee meetings to communicate progress, referring to activities in the search for a future management firm. Miller stated his committee is the one who is responsible to communicate to the council. During this discussion Mr. Lerda began speaking to Mr. Miller, to clarify that in fact, the BPW is not required to report to the PW&I, and the PW&I committee is not the communicator to the city council for the BPW. By Statute, and by ordinance, the BPW has direct communications with the City Council through their liaison, who is sitting right here, motioning towards Mr. Mensch. Mr. Lerda continued to clarify that the BPW is an administrative extension of the council in the management of these utilities, and the PW&I committee has no official authority in this matter. Mr. Miller again asked for a time frame in this research for a future water and sewer service provider. Mr. Lerda answered, there is not one at this time. It is a long process, and we are still researching options. Mr. Lerda thanked Mr. Miller for the email concerning Clear Water Services who he believes to be very good plant operators. Mr. Lerda explained that they do not offer full services as O&M does at this time in Missouri, but they do in other states. They may turn out to be a very good candidate for our needs. Mr. Lerda stated that he will be having a meeting with their COO in the near future. Mr. McDaniel commented that it appears there is the request for qualifications process happening right now by the BPW. Mr. Lerda agreed. He mentioned that he strongly disagreed that it would be a conflict of interest for the BPW to allow him to assist in this search. Mr. Lerda has never voted on decisions of the board but has provided information to help with those decisions. Mr. McDaniel referred to legal representation requiring bids and Mr. Briscoe clarified that Mr. Lerda had addressed this already and it would be provided albeit in a different format. Mr. Lerda suggested that they allow the BPW to do their job pointing out their decades of success. Mr. Miller stated that the intention is only to get a time frame, indicating Mr. Lerda should submit a letter of two-year notice. Mr. Lerda tried to describe to the group that the relationship between the BPW and O&M has been more than just a contract, but it has functioned as a partnership, very successfully, and he intends to continue this partnership, working together through this matter. Mr. Miller felt he was being misunderstood and wanted to clarify that they do not feel like a bad job was being done by anyone. Mr. Lerda replied by asking why the committee and council were then trying to take control over them. Mr. Miller stated he wasn't trying to take control, but they were just wanting answers to questions. Mr. Lerda asked what the question was. Mr. Miller wanted clarification on the term of the contract, referring to the two-year notification. Mr. Lerda clarified that in a contract, if two parties agree, the two years is irrelevant. Mr. Briscoe clarified for Mr. Miller that if the two parties are in agreement before the two year term is up, it is okay to amicably part ways. Mr. Lerda explained that a major hurdle will be the total scope of services offered. Interested parties may not have all that O&M provides. Mr. Lerda said that he has been upfront and above board with everyone. Alliance Water and MECO Engineers have been introduced and given tours and he was clear with them about other companies being involved, just as he has now said to Clear Water Services. We are not to a point of any decision making. Mr. Miller wanted clarification about if there would ever be any type of document to be given out to companies. Mr. Lerda clarified that it is a document that will not be produced by the Board, but by the proposals from the interested companies. O & M will share with all the companies what has been provided and then the companies will produce a document that details what they are able to provide. The Board will score all those results, and the cost will be a factor as well. Everyone agreed that they were not that far off from each other. Mr. Briscoe stated that this was the first that the request for qualifications had been discussed, however Ms. Holger audibly disagreed, and Mr. Lerda clarified that he has been stating that since the beginning. Mr. McDaniel stated that there was a stringent box to be checked and a release for what you are looking for from those contractors. Mr. McDaniel continued by saying that the Board is bypassing all that by talking to them individually. Mr. Lerda disagreed stating there is no single requirement for soliciting Q&R with

proposals. Mr. McDaniel insisted there is. Mr. Lerda told Mr. McDaniel to write it up and put it in an outline what scope of services you want. Mr. McDaniel replied he does not have that skill set and is why the motion was made in the closed session to retain an engineer but should have stated they needed a request for qualifications. Mr. Briscoe clarified that the motion made to retain an engineer had not been carried and has gone nowhere. If it had gone somewhere, it would have been turned over to the BPW to look at. Mr. McDaniel was in agreeance. However, it all goes back to the scope of work because whoever is part of the process will submit their scope of services or scope of work, and they will be scored. The group was in agreeance on this. Mr. Lerda also clarified that in the history of the Board that he has never voted, so there is no risk of him being a conflict of interest. Mr. West apologized to Mr. Miller for not attending his meeting, but he didn't have anything to report. Mr. Miller clarified that he was using it as a groundbreaker. However, Mr. West reminded him there had already been a meeting between all the BPW and all the Committee back in October, so there had already been a groundbreaker. Mr. Lerda took the opportunity to express this has been a very successful BPW since 1962. The lake was built, the water plant was built, the sewer plant was built, the entire system has been upgraded to meet federal regulations, over 15,000 feet of bad sewer mains have been replaced, and it's all been done within a budget. It's all been done in the same process for every contract, it goes through the Mayor and the Council approves. If there was ever anything that needed further clarification that the liaison couldn't convey, we were invited to a council meeting to help explain. Mr. Lerda verbalized that he feels like the BPW is being accused of trying to pull a fast one. Mr. Miller emphatically denied that was the case and clearly stated that at no time has he ever questioned the work of Mr. Lerda or this Board since he has been a councilman. He continued that this is a big endeavor and whenever it happens, they have to be sure that the new people begin, that it is something that the Council can deal with. Mr. West stated that they agree 100% with what he is saying, but he believes their process will do it and the way the BPW is doing it will yield results to find out more of what is needed in the company. He continued that they do rely on Mr. Lerda for guidance because he knows the industry. Mr. Lerda said that it's a big job and not done by one person and the group at O & M has the knowledge and experience with this system. Mr. McDaniel said they can write it in the proposal that the current employees must stay for 5 years, and Mr. Miller agreed that he assumed that was part of the deal. Mr. Lerda clarified that no one can tell the employees who they have to work for, and they cannot tell him who he is going to sell his company to. Mr. Miller explained that they wouldn't know as much as they do if they hadn't come to this meeting. Mr. West reminded him that his liaison is at every meeting, so that should not be the case. Ms. Holger stated that it was offensive when the Mayor has said a few times that he is trying to prevent a train wreck, suggesting that the BPW can't do the job properly. Mr. Briscoe stated that he is only repeating what he hears from council members and there was a large amount of concern based on what was in the minutes and it was being perceived as Alliance Water was getting the contract. Mr. Lerda stated that he could understand how that could be perceived from the minutes. Mr. Briscoe stated that he too believes that Alliance is the best choice, however there are moving pieces and Mr. Lerda agreed by stating that he believes currently that Alliance appears to be the best. Mr. Lerda continued that he is seeking a company that is going to be engaged in the community and look out for people that need help as much as they can. O & M does things that the City can't do for the public. Mr. Miller voiced his concern that the incoming company might not do things like that or do the great job that O & M has done. Mr. Lerda replied that there are no guarantees in life, to which Mr. Miller agreed. Mr. West said they are trying their best and reminded Mr. Miller that he lives here too. Discussion concerning BPW term limits and Council turnover was discussed. Mr. Lerda expressed how lucky Holden is that when the water tower was built, they were required to create a BPW. With that creation, politics was taken out of it and the terms were set up to always have experienced management in the seat. This topic concluded with everyone understanding that there is a process that is happening but no timelines, no proposals, noting that when there is new information it will be shared.

CAMP VALOR/RV PARK

Camp Valor is wanting to set up five lots as RV lots. There's nothing in the policies regarding this situation. It is not logical to bill separately each lot for short term lodging. This would function like a motel where the owner would have one water & sewer bill for all lodgers. Mr. Lerda's recommendation is to combine the five RV lots a one bill to the Host.

MOTION by Mr. Hough to all Camp Valor to proceed with the RV park to function as hotel regarding the water and wastewater, seconded by Ms. Holger, Mr. West called for a vote. The motion passed with no dissenting votes.

MAINTENANCE OF THE STORMWATER BASIN

Mr. Lerda said that the ground above the sewer plant needs to be maintained and the BPW doesn't handle stormwater, they were just assisting in executing the grant and that has concluded. He believes the street department should take over maintenance going forward but there doesn't need to be a decision made tonight, just wanted to start the discussion. During discussion with Mr. McDaniel stated there is a dollar figure involved and that it is his opinion that since the basin is protecting the sewer plant, that their revenues should maintain it and he believes that is in the contract. Mr. Lerda did not agree with Mr. McDaniel. He stated that the only maintaining that will be needed is mowing and some spraying of weeds and vegetation control. It is a stormwater facility, and it is not in the BPW rate structure to handle another 5 acres of stormwater facility. Mr. Briscoe was in agreement with Mr. Lerda. Mr. Lerda clarified historically the street department has handled the streets and stormwater however since this is a gray area, Mr. Lerda stated he wanted it discussed and clarified. The only reason the BPW was involved in this basin to begin with was because of the AOC from DNR. It concluded with no decision.

COMMENTS FROM THE FLOOR

None

With no further comments offered, a motion was made to adjourn.

MOTION by Ms. Holger to adjourn, seconded by Mr. Hough, Mr. West called for a vote. The motion passed with no dissenting votes.

Meeting adjournment at 7:16 P.M.

Signed _____
Secretary

Date _____