

P.W.S.D. #1 OF STONE COUNTY
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MINUTES OF THE MEETING FOR THE BOARD OF DIRECTORS
P.W.S.D. #1 OF STONE COUNTY

June 23, 2025

The regular Board of Directors meeting took place on Monday, June 23, 2025, at the Kimberling City Community Center on 34 Kimberling City Blvd.

1. Call to Order & Welcome: The meeting was called to order at 7:08 PM. The board acknowledged the slight delay due to a venue change and ensured all attendees had arrived.

2. Approval of Previous Meeting Minutes: A motion was made and seconded to approve the minutes from the previous board meeting.

- **Motion:** Approved
- **Vote:** All in favor. Motion passed.

3. Current Events & Staffing Changes: The board addressed significant recent personnel changes:

- **Jerry Nyberger:** Resigned from the board as of Friday (written notice pending).
- **Amanda (Office Staff):** Resigned her position as of Sunday, 8:06 PM.
- **Mona:** Gave a partial resignation, offering limited assistance for a few days. The district currently has three board members, no office staff, and no operator. This situation has led to a lack of access to the website, Facebook page, and computer systems. The majority of the meeting would focus on addressing these changes.

4. Discussion on Policies, Procedures & Facebook Access: Concerns were raised regarding the lack of backup access to passwords and the district's social media. A recent unprofessional Facebook post prompted discussion on whether the page was hacked or accessed by someone with knowledge of the district's internal situation. The board plans to create a new Facebook page if quick access to the old one cannot be restored, and will report the old page as fraudulent if unauthorized posts continue.

5. Financial Report (Presented by Alan): Alan presented the financial report for the month of May and year-to-date:

- **Employee Wages:** One full-time employee, consistent wages.
- **Disbursements (May):** Totaled \$45,942. Notable expenditures included over \$23,000 for contractor repairs and \$7,400 to the former operator for catch-up checks.
- **Balance Sheet:** Cash position continues to strengthen, with \$90,074 in the bank (up from \$18,000 last year) and \$294,000 in CDs. Total assets are \$961,000 with a net position of \$848,000, indicating a stronger financial standing than the previous year.
- **Revenues and Expenses (May):** Water sales were significantly higher at \$57,000 (budgeted \$42,000), contributing to a total revenue of nearly \$60,000. Operating expenses totaled \$56,000, resulting in a net income of \$3,100 for the month. Year-to-date net income is \$28,000.
- **Contracted Labor Expenditures (Year-to-Date):** \$86,000 for contracted repairs.

6. Water Usage and Data Report (Presented by Alan):

- **Accounts:** 873 total accounts, with 798 (91%) actively using water.
- **Late Fees:** 9.85% of customers (86 people) incurred a \$15 late fee.
- **Average Usage:** Most customers (83%) use between 1,000 and 6,000 gallons per month, with an average usage of 3,062 gallons.
- **Water Loss:** A significant concern, with 12 million gallons pumped in May but only 2.882 million gallons sold, resulting in a 24% water loss. This is consistent with the year-to-date average and is higher than the previous year.

7. Staffing Projections & Scenarios (Presented by Alan): Alan presented three informal scenarios for future staffing, aiming for solvency and reserve building without immediate rate increases:

- **Scenario 1:** Hiring a full-time office manager (\$24/hour) and a licensed water operator (\$30/hour). This scenario projects a cash surplus, suggesting financial viability.
- **Scenario 2:** Includes the office manager and licensed operator, plus an additional labor position (crew member) to perform more in-house repairs, potentially reducing contracted repairs by 50-60%. This scenario shows an even larger surplus.



- **Scenario 3:** Adds an equipment operator, further reducing contracted labor and potentially leading to the largest surplus, while increasing the district's internal capacity. The board acknowledged these scenarios as a good starting point for future planning, emphasizing the potential financial and operational benefits of self-performing more work.

8. Approval of Disbursements & Financials: A motion was made and seconded to approve the total disbursements of \$45,942.52.

- **Motion:** Approved
- **Vote:** All in favor. Motion passed. The board discussed the need to address situations where contractors cause damage to district pipes, emphasizing the need for future policies and procedures.

9. Old Business:

- **Fencing:** Tabled due to lack of staff representation. DNR will be contacted for clarification on fencing requirements for water districts. Discussion included replacing the problematic single gate near the office.
- **Missouri American:** Discussion continues with Missouri American regarding the legal process for dissolution. Matt Barnhart (representative) is compiling information. The ultimate decision on dissolution will be by member vote.
 - **Motion:** Richard made a motion to vote on proceeding with the dissolution process, stating the board's intention to pursue this path. Seconded.
 - **Vote:** All in favor. Motion passed.
 - **Discussion:** The board acknowledged the upcoming August 26th deadline for the November ballot and the need to work quickly with legal counsel to file the petition with the Circuit Court. The goal is to educate members on both the dissolution process and the financial realities of remaining independent, including potential significant rate increases if the district continues to operate on its own and addresses necessary capital improvements. The board plans to hold additional public educational meetings.
 - **Community Involvement:** The board welcomes community involvement in committees to assist with tasks like hanging door hangers and raising awareness.
 - **Engineer Study:** The board will contact Olsson Engineering for a quote on a revised engineering study to provide accurate data for future planning.

10. Declaration of Operations Emergency:

- **Motion:** A motion was made to declare an operations emergency for six months to allow the board to address unforeseen circumstances, hire personnel, and restore normal functioning. Seconded.
- **Vote:** All in favor. Motion passed. This declaration will provide flexibility for immediate decision-making regarding staffing and billing. The after-hours phone is currently being monitored by John Dowdy for emergencies. Billing will be a priority, and the board will work with customers on potential billing issues due to staffing changes.

11. Office Staff Interviews & Access: Kristie has two interviews scheduled for office staff on Thursday, with both candidates appearing well-qualified and able to start soon. Kristie is also working on creating a new PWSD1 email and Facebook page, and gaining access to the Google page. The board publicly thanked Kristie for her diligent work.

12. Legal Counsel Selection:

- **Process:** The board followed an informal solicitation process, receiving two responses. Kristie led the evaluation based on qualifications.
- **Recommendation:** Kristie recommended Healy Law Firm due to Mr. Healy's experience with water districts, dissolution, and a strong support team.
- **Motion:** A motion was made to award legal counsel services to Healy Law Firm. Seconded.
- **Vote:** All in favor. Motion passed. The board will request a full rate sheet for all attorneys working on their behalf.

13. Employee Discussion (Moved from Closed Session): The board decided not to go into closed session for employee discussion, opting to utilize Alan's staffing projection sheet as a roadmap for hiring. The board acknowledged the lack of current job descriptions and employee handbooks, emphasizing the need to develop these.

14. New Business:

- **Repair Maintenance Contracts for RQ:** Tabled due to the emergency declaration and the board's intent to explore in-house options.



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- **2026 Rate Increases:** Discussion acknowledged the potential for future rate increases based on engineer studies and capital improvement plans, but no specific plan was adopted. The board expressed a desire for smaller, incremental cost-of-living increases rather than large, infrequent ones.
- **Lead Lines:** The district is conducting an inventory of lead lines due to EPA mandates and will actively work towards their replacement, seeking grants and extensions.
- **IT Support:** The board will seek bids for an IT company to enhance cybersecurity, given the high risk for water districts and the current lack of centralized information security.
- **Phone Answering Service:** Kristie researched a phone answering service for after-hours calls, which could temporarily handle daytime calls. The proposed service is high-trust certified, affordable, and month-to-month.
 - **Motion:** A motion was made to approve moving forward with the phone answering service, pending gathering necessary information before signing. Seconded.
 - **Vote:** All in favor. Motion passed.
 - **Discussion:** The service offers significant cost savings compared to current arrangements and a 7-day free trial. The board will work to transfer the emergency phone number.

15. Office Access & Transparency: The board plans to schedule times for at least two board members to be present at the office for tasks requiring access, ensuring transparency with recorded cameras. Community members willing to serve as secondary witnesses are welcome.

16. Next Board Meeting: The next board meeting will be held on **Monday, July 7th, at 7:00 PM at City Hall.** This will be an additional meeting to provide more frequent updates to the community, focusing on staffing, phone changes, legal matters, Missouri American discussions, and education.

17. Call for New Board Members: The board will put out a call for new board members, as they are currently two members short. Interested individuals are encouraged to attend the July 7th meeting to introduce themselves. Applications and necessary forms will be sought out.

18. Bank Account Access Resolution:

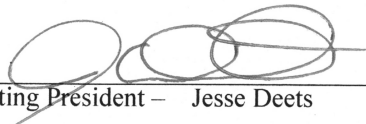
- **Motion:** A motion was made to accept Amanda Squire's resignation as of June 22nd. Seconded.
- **Vote:** All in favor. Motion passed. This resolution is needed for the bank to update account signers. The board will also investigate PTO payout for former employees based on available employee handbooks.

19. Electronic Bill Payment Authorization: Alan offered to pay electronic bills if authorized via email by board members, to ensure bills are paid during the transition period. The board also needs to gain access to the district's credit card.

20. Adjournment: A motion was made to adjourn the meeting.

- **Motion:** Adjourned
- **Vote:** All in favor. Motion passed. The meeting was adjourned.

Next meeting July 7, 2025



Acting President – Jesse Deets



District Clerk –unfilled at time of meeting