

SPECIAL CALLED CITY COUNCIL SESSION

MALDEN CITY COUNCIL

Thursday, February 1, 2024 -2:00 P.M.

VIA ZOOM- MEETING ID 255 098 5566

ROLL CALL:	<u>PRESENT</u>	<u>ABSENT</u>
Council Member Wilkerson	<u>X</u>	<u> </u>
Council Member Jenkins (President Pro Tem)	<u>X</u>	<u> </u>
Council Member Lefler	<u> </u>	<u>X</u>
Council Member House	<u>X</u>	<u> </u>
Council Member Joyce	<u>X</u>	<u> </u>
Council Member Jones	<u>X</u>	<u> </u>
Council Member Beckett	<u>X</u>	<u> </u>
Council Member Coleman	<u>X</u>	<u> </u>
Members Present		<u> 7 </u>

Others Attending: Mayor Denton Kooyman, City Administrator Ivone Smith, City Attorney Jonce Chidister, Public Works Superintendent Kurt Krepps, DED/Airport Director David Blalock and Deputy City Clerk Jessie Cobb.

Dunklin County Sewer District #1 Receivership:

City Attorney Chidister states that the stay order expired in August and that we could request the court to relieve the city of receivership of the Sewer District. There are 3 separate pieces we can get out of depending on board approval and certain notice preventions. The Receivership Agreement; Service, Maintenance and Repair Agreement and the Billing and Collection Agreement. If the city wants to be relieved of some or all responsibilities, the council can authorize Attorney Chidister to start that process. Chidister stated that he cannot promise it will be fast but if we file a petition to be relieved of the receivership it will probably be heard in March. USDA acknowledged that they can be the receiver but they don't have any way of running them. They didn't realize how bad the system is so they want to start talking with us more frequently. We need to put pressure on them to be checking on this weekly. They have a little bit more of an understanding of what is going on. We can't keep working on the Sewer District because we have city projects that need to be worked on and need done but our city workers have to keep working on the Sewer District. It is a faulty system with faulty parts and this weather really hit them hard. Council member Coleman agrees that we need to do this and that we need to put pressure on USDA to let them know how dire the situation is. He states that the one piece on the city side that we forget is we do have to treat all that comes out of there and they pay us to do that. It's easy to say let's just pull away but we will lose a lot of money if the Sewer District doesn't pay their bills to us. There's a lot of money at stake for the BPW that we have to be careful of. It is still a burden on the city if they aren't going to pay their bills to us. City Administrator Smith states that when we took the receivership over, the Sewer District owed the City/BPW \$144,000. We have an agreement where we are collecting on the arrears on that flow and we still have \$70,000 to collect. That is in addition to the \$3,500 they pay for the monthly flow. They owe \$25,000 for billing and collections. They are paying for one of our employees and then they pay for any additional services and payroll to other city employees if they have to work on the system.

Our city employees have been out there nonstop and the Sewer District owes us \$7,000 just for one payroll because of all of the overtime. Kooyman states that when talking with USDA yesterday, they asked if we knew of any board members. Some talked about going to an election type process but that wouldn't be until next April. Kooyman told USDA that they have some very angry people out there that would probably volunteer to be on that board but they are going to drop the rates again and the Sewer District will be back in the same situation and the city is not going to be getting paid. Kooyman states he is giving USDA some guidance but he is not going to tell them who to put on there and who not. Smith states that they are supposed to be giving us a letter to put in the district's sewer bill that goes out each month. It goes out to about 300 customers. Maybe some of those people will volunteer to be on the board. It is the simplest way to get the word out. Kooyman states that if we vote on this today it doesn't mean we have to act on it today but we could have it ready.

MOTION: By Council Member Coleman to authorize City Attorney Chidister to file appropriate pleadings requesting that the city be relieved from the receivership of the Dunklin County Sewer District.

SECOND: By Council Member House

Motion Carried 7/0

Dunklin County Sewer District #1 Agreements:

Chidister states that we are going to ask USDA to be appointed as the receiver, unless they find someone else that is willing to except it. Once we get out of the Receivership, it is just a matter of giving notice of termination for the Maintenance Agreement and Billing and Collection Agreement. We have to give a 30-day notice on the Maintenance Agreement and a 60-day notice on the Billing and Collection Agreement to allow them to get the customer list and billing all set up and how they want to handle that moving forward. Chidister states that we could be completely out of all Agreements by May or June if we start now, if that is where the city wants to go. Council Member Coleman states that he is reluctant to just walk away from all Agreements because we still want to get paid. Chidister states that we do not have to completely cut ties. Getting rid of the Receivership Agreement is just the first step. We can get rid of the receivership and still continue to assist in the maintenance of the system so long as the city and whoever winds up being in charge down the road wants those agreement to continue. Kooyman states that he is fine with being a part of the billing and collecting, but as far as the maintenance, our employees have to get back to working on our system and they can't be out there all the time. After further discussion the agreements will be visited at a later date.

Economic Development Incentive:

Smith stated that Missouri Delta Medical Center is coming into Malden and they are going to be going into the old Victorian Gift Shoppe building. They have asked for an Economic Development Incentive from Board of Public Works. Their request is to have \$10,000 worth of free utilities to get them up and running and to show good faith that they are wanted in Malden. That request went to the Board of Public Works Board and was approved. They would receive a \$10,000 credit on their bill until that \$10,000 is exhausted and then they would start paying. This also has to be brought to the City Council for approval since it is an Economic Development Incentive.

MOTION: By Council Member Jenkins to approve the \$10,000 Economic Development Incentive for Delta Medical, so long as the business remains open.

SECOND: By Council Member Wilkerson

Motion Carried 7/0

Other Business Deemed Necessary:

With no other business deemed necessary, a Motion to adjourn was entertained.

MOTION: By Council Member Jenkins to adjourn the Special Called City Council Session at 2:33 p.m.

SECOND: By Council Member Wilkerson

Motion Carried 7/0

ATTEST:



Jessie Cobb- Deputy City Clerk



Denton Kooyman- Mayor