

OSKALOOSA WATER BOARD
REGULAR MEETING
9/15/14

Members Present:

Joe Ryan
Jon Zobel

Others Present:

Chad Coon
Crystal Breuklander
Ken Allsup
Andrew Jensen
Trinity Allen

A motion was made by Jon Zobel and 2nd by Joe Ryan to approve the agenda as presented. The motion carried with all members voting yes.

Minutes of the 8/11/14 regular meeting were read. A motion was made by Jon Zobel to approve the minutes. The motion was 2nd by Joe Ryan. The motion carried with all members voting yes.

The attached vouchers totaling \$222,978.87 were presented for approval. A motion was made by Joe Ryan to approve the vouchers for payment. The motion was 2nd by Jon Zobel. The motion carried with all members voting yes. The Balance Statements were also reviewed. Motion by Joe Ryan and second by Jon Zobel to approve balance statements. The motion carried with all members voting yes.

1. The first item on the agenda was Customer Forum. Trinity Allen was present, as a property manager, to seek relief from a high water bill for 602 4th Avenue East. She presented her case to the Board. Both Board members discussed the issue and highlighted different points of concern along the way. The General Manager was instructed to set up payment arrangements for the full bill. The Board felt that a bill reduction was unwarranted at this time.
2. The next agenda item was Discussion and Consideration of Online Bill Payment Option. Chad presented information to the Board regarding moving forward with an online bill payment option. There was considerable discussion between Board and staff regarding this topic. Chad indicated that he had set up a survey, per Joe's request, to query OMWD customers about their willingness to use online bill pay if OMWD were to offer it. Chad stated that he would like to use the local media to promote the survey as well as the City. Andrew Jensen, Executive Director of Mahaska Community Development Group, was in attendance and was asked if

MCDG would be willing to promote the survey amongst its members as well. Jon stated that he believed the more exposure the survey had the better the results would be. Chad stated that he would finish up the survey and send it to the Board for their review before sending it out to the general public. Joe asked that Chad be sure to present this to the City Council so that the Council is aware of what OMWD is doing in regard to this topic. Chad stated that he had sent an email to the City Manager about this and also to ask if the City had any specific questions that they would like to see on the survey. Chad then talked about the cost of this feature. He presented a spreadsheet showing expected costs for varying levels of usage by OMWD's customers. In looking at this option it was also discussed that an additional cost would be incurred by both OMWD and the City for this service, but that at some point it would decrease the amount of time spent on payment processing by OMWD staff and thereby presented an opportunity for future savings. Chad stated that he would move forward with the survey and continuing to gather data for the Board. There was no formal action taken by the Board.

3. The next agenda item was Discussion and Consideration of Water Rate Structure. Chad presented a report from the Iowa Rural Water Association titled "Water Rate Study for the Oskaloosa Municipal Water Department, August 2014." This study was done with information provided by OMWD to staff at Iowa Rural Water. The study looked at OMWD's current rates and future Capital Improvement Planning needs. There were a variety of topics covered and needs that were considered. In the end, it was suggested in the report that OMWD consider raising its base rate to \$15.06 to help fund future capital needs while continuing to support current operations. The unit rate for water was suggested to remain the same. Chad then presented a spreadsheet that was formulated by the Iowa Association of Municipal Utilities for water rates. He talked about several different approaches to water rate structures. There was considerable discussion between staff and Board members looking at all of the data presented. One of the questions raised was how any rate change would affect the average customer. Chad stated that there needs to be a balanced approach in rate setting so that one class of customer was not disproportionately affected at the gain of another class of customer. He also said that this topic was one that would require months of discussion and study before determining the correct course of action. One of the questions raised was how our rates would stack up to other communities if we changed our rate structure. Chad stated that there are several different ways to set up rates and variable structures that could be implemented. Chad was asked to look at a rate structure with a base rate determined by meter size. He was also instructed to look at an inclining block rate as well. Jon asked if Chad would send him the spreadsheet that he used from IAMU to determine some of the different rates.

4. General Manager's Update was next on the agenda. Chad discussed the availability of Board members to attend the Water Working Committee with City Council members. Joe stated that he would be interested in this committee in order to continue moving forward with discussions. Chad updated the Board on the current budget expenditures and highlighted some areas of concern. He also talked to the Board about the funding summit that he had attended at the end of August. He stated that the Community Development Block Grant was an avenue of funding that was available to OMWD and that he was inquiring with the Iowa Association of Municipal Utilities about writing a grant application to fund the 3rd Avenue East project this year and the Carbonado Road project for next year.
5. Miscellaneous was the last agenda item. Chad stated that there were no leaks for the last month. He also informed the Board that work on two wells was waiting until the river could go down and the well field could dry up. He then informed the Board that there had been a lightning strike out at the well field on August 23rd and that he had filed an insurance claim.

There being no further items to discuss, it was moved by Jon Zobel and second by Joe Ryan to adjourn.

ATTEST

Meeting Adjourned 7:16 PM

Joe Ryan – Chairman

Jon Zobel – Secretary

The Oskaloosa Water Department Board of Trustees met in regular session Monday October 13, 2014, at 5:00 PM with board members Zobel, and Ryan present. The agenda was approved as presented. Minutes of the 9/15/14 regular meeting were approved as presented, all ayes.

Following Warrants Allowed: (see attached sheet)

The first item on the agenda was Customer Forum. There were no items presented.

Next agenda item was Approve Resolution #1403, A Resolution Naming Depositories. Joe Ryan moved to introduce and approve Resolution #1403. Jon Zobel second the motion. Ayes all, motion passed.

Discussion and Consideration of Awarding of Bids to Sell Modular Home Located Behind Office was next on the agenda. Tabulated bids were presented, one bid was received from Century Homes in the amount of \$19,010. Motion to accept winning bid of \$19,010 from Century Homes was made by Jon Zobel. Seconded by Joe Ryan. Ayes all, motion carried. Discussion and Consideration of Annual Dental Insurance Renewal was next on the agenda. Motion to continue with current coverage was made by Jon Zobel and second by Joe Ryan. Ayes all, motion passed.

The next two items were discussed at length by the Board of Trustees with no formal action taken.

Motion was made for adjournment by Zobel. Ryan seconded the motion. Ayes all, meeting adjourned. 6:18 PM.

Jon Zobel, Secretary