

OSKALOOSA WATER BOARD
REGULAR MEETING
12/15/14

Members Present:

Joe Ryan
Jon Zobel
Mike Vore

Others Present:

Chad Coon
Crystal Breuklander
Justin Scholtus

A motion was made by Jon Zobel and by Mike Vore to approve the agenda as presented. The motion carried with all members voting yes.

Minutes of the 11/10/14 regular meeting, 11/20/14 and 12/4/14 Wastewater/Water Working Committee Meeting were read. A motion was made by Mike Vore to approve the minutes. The motion was by Joe Ryan. The motion carried with all members voting yes.

The attached vouchers totaling \$305,635.01 were presented for approval. A motion was made by Joe Ryan to approve the vouchers for payment. The motion was by Jon Zobel. The motion carried with all members voting aye. The Balance Statements were also reviewed. Motion by Mike Vore and second by Jon Zobel to approve balance statements. Ayes all, motion carried.

1. The first item on the agenda was Customer Forum. There were no items presented.
2. The next item on the agenda was Consideration and Discussion of Marketing Agreement with HomeServe. This item was tabled at the last meeting. Chad informed the Board that he had requested and received the additional information from HomeServe that the Board had inquired about. He also stated that he had talked to a representative of another company that offers a similar product and has more clients enrolled across the United States. Chad asked the Board to Postpone Indefinitely the action on this item until such time as he had the opportunity to gather more information and present that to the Board. Motion by Jon Zobel to Postpone Indefinitely the action on this item. Second by Mike Vore. Ayes all, motion passed.
3. The next item was General Manager's Update. Chad discussed the updated 2014-2019 CIP Worksheet. This is the list of projects and equipment purchases for the next five years that was discussed at the previous week's work session. Chad then presented an updated version of the Water Enterprise Fund worksheet. This showed

CIP projects and equipment purchases as well as operating revenue and expenses, fund balances and possible rate increases. This worksheet showed that if rates continue at a 5% annual increase with no change in consumption, which appears to be declining on a yearly basis, and OMWD moves forward with all of the projects that the City is recommending as well as projects OMWD needs to pursue on its own infrastructure, that at the end of 5 years there would be an \$800,000 deficit where there is currently a fund surplus of \$1.1M. This topic was widely discussed amongst all Board members. Ways to fund these projects were discussed. One of the areas also talked about was replacing water meters and what progress has been made in that area. Chad discussed where OMWD was at with this process and where and when he saw this moving forward on a larger scale. It was also discussed to again ask the City if they would be willing to help fund the replacement of water meters. As far as options for funding projects, there were a few that were discussed to prevent deficit spending; not participate in some of the projects, borrow money (SRF loan), raise rates to support the level of spending, approach the City for assistance on infrastructure improvements. There will be more discussion on this topic moving forward. Chad also queried the Board on the topics of online bill pay, quarterly billing/monthly billing, and the website. With regard to online bill pay, Jon asked what it would take to move to electronic billing and eliminate postcard billing entirely. As this discussion evolved, then Jon also asked Crystal what would benefit OMWD the most in the front office to help reduce manual payment processing. Crystal answered that ACH (Automatic Clearing House) payments do the most right now to eliminate this work. Jon then asked what could be done to help steer customers to sign up for ACH. The possibility of offering an incentive was discussed and how to handle current customers who already use this service as well. The cost of offering online bill pay, as well as the cost for moving to monthly billing were talked about. It was mentioned that the Board may consider adding a line item for billing contingency fees on the upcoming budget to cover the possibility of making the move to either or both of these items. Chad cautioned that by doing so they also would affect the loan parity amount that must be covered to satisfy our SRF loan. Costs of moving forward with changes to the website were discussed. Chad was instructed to provide a cost comparison between keeping the website in-house and putting a page on the City's website.

4. Miscellaneous was the last agenda item. Chad added a leak in front of Heslinga Law Offices to the other two that were reported in the agenda.

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

ATTEST

Meeting Adjourned 5:36 PM

Joe Ryan – Chairman

Jon Zobel – Secretary

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12/15/14

The Oskaloosa Water Department Board of Trustees met in regular session Monday December 15, 2014, at 5:00 PM with board members Ryan, Vore and Zobel present. The agenda was approved as presented. Minutes of the 11/10/14 regular meeting, 11/20/14 and 12/4/14 Wastewater/Water Working Committee 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 on the agenda was Consideration and Discussion of Marketing Agreement with HomeServe. Motion by Zobel to postpone indefinitely. Second by Vore. Ayes all, motion passed.

The next two agenda items saw discussion by the Board of Trustees with no action taken. Motion was made for adjournment by Zobel. Vore seconded the motion. Ayes all, meeting adjourned. 5:36 PM.

Jon Zobel, Secretary