

**WATER BOARD OF TRUSTEES
Regular Meeting**

June 15, 2015

4:00 PM

Location: 1208 South 7th St.

Agenda

1. Approve Agenda.
2. Approve Minutes of the May 18, 2015, Regular Meeting.
3. Approve Invoices and Financial Statements.
4. Customer Forum.
5. Consideration and Discussion of OMWD Reserve Requirement.
6. Consideration and Discussion of Potential Need for Distribution Position.
7. Consideration and Discussion of Possible Meeting Date for July Board of Trustees Meeting.
8. Discussion of Draft 28E Agreement with City of Oskaloosa.
9. Consideration and Discussion Regarding Size of Water Department Board of Trustees.
10. Consideration and Discussion of Annual Cost of Living Adjustment.
11. Discussion of Updated Employee Manual.
12. General Manager's Update.
13. Miscellaneous.
14. Adjourn.

INFORMATION CONCERNING AGENDA ITEMS:

Agenda Item #4

“This is the item reserved to receive comments from the community, our customers, for concerns whether or not they are included in the current agenda. The community is encouraged to come and speak before the Water Board of Trustees and asked to keep statements brief. Any questions are to be asked of the Water Department staff and Board of Trustee members prior to speaking to the full Board of Trustees so concerns may be properly researched and answered away from the meeting. Comments are to be directed to the Board of Trustees only.”

There are no items to present at this time because the next two items will be related to this issue.

Agenda Item #5

This is an item that has been discussed in the past on various occasions. Joe and Chad discussed it on Monday the 8th and decided to add it as agenda item for further discussion by the full Board of Trustees. Attached to your packets you will see the document Water Enterprise Fund. This is a spreadsheet that is used during our budgeting process the last year or so. It has been modified to show a reserve requirement of \$1,000,000 starting June 30, 2015. There is then a 3% inflationary index added, as well as a line showing surplus or deficit. There is a need to address the status of OMWD's reserve level and where the Board desires to maintain that level.

Agenda Item #6

Since the end of December OMWD has been operating with one less employee. Our plant operator has been assisting the City at their Waste Water facilities, and what was supposed to be a short term engagement is no longer looking that way. Operationally we have pulled different distribution operators to work out at the plant the last six months and this has caused a number of issues. This is leaving us short-handed in town to accomplish normal tasks, as well as not providing the needed consistency of operations that are necessary at our treatment plant. I have spoken with our operator who is assisting the City and given the nature of the City's needs for the services that that operator is providing, that operator will continue to spend a majority of their time at the City's facilities and not be able to spend much time operating our water treatment plant. I would ask that we discuss the merits of how best to proceed.

Agenda Item #7

Gentlemen, I will be out of town in July when the next Board meeting is normally scheduled, the 20th of July. You have several options at your disposal. Hold the meeting in my absence, reschedule the meeting for the week prior, do not hold a regular meeting and have one of the members stop in and sign off on accounts payable.

Agenda Item #8

As OMWD and the City continue to progress towards an agreement for assisting with waste water operations, another draft of the agreement has been drawn up. OMWD's attorneys have a short list of high level items that need to be discussed by the Board for further action. They are: Budget, Employees, Role of Shared Services Committee, and Billing Practices. Once the Board discusses this information I will take those topics and relay that information to the attorneys. It may be necessary to schedule a special meeting to discuss the agreement at a later date.

Agenda Item #9

At one of the last Water/Wastewater Working Committee meetings there was a brief discussion about the possibility of expanding the Board of Trustees from its current size of three members up to five members. This is also a topic that has been discussed in various forms over the years. The obvious advantage to the Board would be in communication. If the Board were to go to five members, two Board members would have the ability to discuss OMWD business outside of a meeting without violating Iowa's Open Meetings Laws, this is currently impossible. It would also allow for a larger variety of viewpoints on matters.

Let's have a discussion about this topic and if you decide you wish to move forward at the next meeting there would be a need for formal action, i.e. Resolution, to indicate your wishes for the City Council.

Agenda Item #10

I have the following information:

City of Oskaloosa—2.75%

Mahaska County—2% for union

Oskaloosa Community Schools—3.25% for teachers (2.5% for wage and 0.75% for insurance)

Ottumwa Water Works—3.2% management \$0.75/hr. for labor (which is > than 3% for most staff)

Knoxville Water Works—3% (1st year of two year deal)

City of Pella—2.5% for non-union \$0.55/hr. for labor

Osceola Water Works—Went to a merit based system.

Grinnell—\$1.00/hr. for all union employees

We budgeted a 3% increase in January when we were going through our budget process and I would like to recommend that given what other water works organizations are doing that you approve the 3% COLA that was budgeted.

Agenda Item #11

I sent out the updated copy of the employee manual to you earlier this week. I hope that you have had an opportunity to review it. There are a couple of items that I see that need to be addressed from an operational standpoint. One is the hours of work for plant operations, we are no longer running more than one shift. Also, there is a provision mandating direct deposit of payroll, and vacation needing to be taken during the calendar year it is earned. There are a lot of new policies in this update and I would like to discuss them and get your opinion and what you feel needs to be added and what can be dropped.

Agenda Item #12

- ✓ The filter media in filter #1 was removed and replaced the week of June 1st. The filter has passed bacteriological testing and is back in service. The operation was fairly smooth this time around.
- ✓ We have replaced a valve on our 20" transmission main north of Glendale Road this month. That work, while stressful, was handled very well by staff.
- ✓ The 3rd Avenue East project continues to progress. Most of the water main is installed. They should finish installation this next week and then make a tie-in on South 7th. After that they will need to pressurize the system, take a number of bacteriological tests and then start on completing service line connections. Tie-ins to the rest of the system should be one of the last steps they take.
- ✓ The new backhoe was delivered at the end of May and we will be invoiced in July. I was able to go back and negotiate the price and get them to drop to the budgeted price of \$35,000.
- ✓ Last month you discussed a bill for Liebus Concrete Products. Joe and I met and discussed the possibility of OMWD being able to send out mass emails to notify customers of hydrant flushing, water main leaks and repairs, etc. We have researched this with our software provider and we would have the capability to perform this action if OMWD would like to add additional modules to our system. There would then also be additional cost for these modules to perform this work. Something to think about for future uses.
- ✓ In our desire to apply for CDBG funding, one of the items necessary for better scoring is an up-to-date Preliminary Engineering Report. OMWD's current PER is dated 2006. I believe that it is necessary to have this item updated anyway. I would like to reach out to a couple different firms and get some estimates of what it would take to complete this work.
- ✓ The computer at the treatment plant that runs the operating system is now 5 years old. We have a backup computer that is older yet. If this system crashes we cannot operate automatically anymore. We would have to be staffed around the clock again and OMWD no longer has the amount of staff necessary to accomplish this task. The issue stems from Windows XP no longer being available and supported by Microsoft. I have gotten a quote from the company that provided the software and computer system during our renovations. It would cost us \$16,510.00 to replace and update our system. This is something that we do not have in our current budget for the next year. I am wondering what your thoughts are on how best to proceed. I do not believe we should duck our heads and hope for the best, but without having budget available for this item, it makes it difficult to plan accordingly. Thoughts?
- ✓ I have met with a rep from Badger Meters out of Minnesota and discussed a system similar to what Neptune has available for figuring out when to replace meters. This issue for both Badger and Neptune is that they would like to have individual income from each

meter. This would take hundreds of staff hours to accumulate. We have reached out to our software company and looked for different ways to approach this and there is not one that does not involve a huge amount of time from office staff for inputting data.

- ✓ We had budgeted an amplified leak listening device this last winter. The unit that we originally priced and budgeted was tested and found by staff to be inadequate in the field. We will therefore not end up purchasing one of these units at this time, but will look at other options for future purchase.

Agenda Item #13

There have been two leaks this last month outside of what the contractor working on 3rd Avenue East has caused.

C Avenue West between North B and North C – shear break 4”

Edmundson Drive, by the park entrance – shear break 6”

Progress on finding applicants for our two openings has been slow. The applications and resumes are not coming in as I had hoped that they would.