

OSKALOOSA WATER BOARD
REGULAR MEETING
11/21/16

Members Present:

Jason Carter (arrived 3:07)
Brad Hodges
Dan Nance
Kevin Tacke
Mike Vore

Others Present:

Chad Coon
Crystal Breuklander
Scott VerSteeg
Jim Anderson
Doug Hunt
John Pape

Ex-Officio Members Present:

Mike Schrock
Mayor Krutzfeldt
Tom Jimenez (arrived 3:04)

A motion was made by Brad Hodges and 2nd by Dan Nance to approve the agenda as presented. All ayes, motion carried.

A motion was made Kevin Tacke to approve the minutes of the 10/17/16 regular meeting. The motion was 2nd by Mike Vore. The motion carried with all ayes.

Board member Jason Carter entered the meeting after approval of the minutes and before approval of invoices and financial statements was considered. The attached vouchers totaling \$352,729.48 were presented for approval as well as Financial Statements. A motion was made by Brad Hodges to approve the vouchers for payment and to also approve the Financial Statements. This was second by Mike Vore. The motion carried with all members voting yes.

1. Customer Forum was the next agenda item. There were no items presented to the Board of Trustees.
2. Next on the agenda was discussion of wastewater operations. Plant operations were discussed, specifically the removal of bio-solids from the equalization basin at the southwest treatment plant. The discussion then turned towards an end-of-year report on the 28E Agreement. Chad went through the spreadsheet discussing the reason for the colors and drawing attention to the areas that were red. These items had not been completed by the date established within the parameters of the 28E. There was a discussion about why those timelines were not met that revolved around staff and other work obligations. Mike Vore informed the rest of the group that he and Chad would be

presenting this information at the City Council later tonight. The discussion turned towards billing collections fee assessment and the breakdown of how those fees are applied between water and sewer accounts. Mike Schrock had noted that when looking at delinquent accounts, monies were applied to water accounts first and then towards sewer and storm sewer. He asked the Board if it was possible that an even split be applied between water and sewer. Mike Vore commented that the Board had not been formally asked this question before. Crystal was asked if it would be possible to proceed with implementing this type of change. She stated that it would, but that we would need to work with our software vendor to make those changes. Chad was instructed to have a policy written to outline a split of revenue on delinquent account collections. There was also a request for an aging report on delinquent accounts to be included in a monthly report for the Board. Mike Schrock then asked if it would be possible to have a monthly report for sanitary and storm sewer provided by the Water Department as part of its operations. He showed the group a copy of a similar report provided by People Service as a communications tool for the communities that they serve. Chad was instructed to work on providing these reports to the City.

3. The next agenda item was consideration and discussion of bill adjustment for Scott VerSteeg, 2064 245th Street. Mr. VerSteeg was in attendance and discussed the issue of his leaking service line with the Board. Mike Vore talked about what standing Board policy has been with assuring that customers paid for water that went through the water meters. Mr. VerSteeg also talked about the issue of the private water main that he is on and the repair costs of that main that he must pay for. There was no action taken by the Board of Trustees.
4. The next agenda item was to approve acceptance of the annual financial report for fiscal year 2105-2016 as prepared by Hunt & Associates. Doug Hunt was in attendance to present the findings of the audit. Doug discussed the high points of the audit with the group. There were a few questions by different people that Doug was able to answer. There was a motion by Mike Vore to accept the audit. Second by Kevin Tacke. Ayes all, motion passed.
5. Consideration and discussion of annual health insurance premiums was the next item on the agenda. Jim Anderson, Anderson Insurance Services, was in attendance to discuss the renewal of OMWD's health insurance. It was noted that this year there was a 15.5% increase in the policy price, but that the last two years there had only been minimal increases that followed a 25% decrease three years ago. Jim stated that OMWD currently had a grandfathered plan that allowed them to stay well below what the rest of the individual ACA market was seeing. Jim also presented an ACA plan for comparison. The ACA plan actually had a higher price point than the grandfathered plan and provided less coverage for employees. There was a question by Brad Hodges to have more

alternatives to look at next year, and have them earlier so that the Board would have proper time to review them before needing to make a decision. Mike Vore made a motion to renew the current policy with the 15.5% increase. This was second by Brad Hodges.

6. Next on the agenda was consideration and discussion of billing and rate structure for World Food Processing. John Pape was in attendance to address the Board about a couple of issues of concern to World Foods. He talked about a high water bill that had occurred a few months prior and wondered about getting a reduction on that bill. Chad went and retrieved account information regarding this issue for the Board. John also talked about the current rate structure for water and sewer and wondered about the possibility of instituting a declining block rate structure for large water users. He talked about a possible expansion that would dramatically increase the amount of water, and also sewer, that the facility would use and what that could do to their bills and revenue for OMWD and the City. He asked the group if rates would hold steady in the future based on current plans for CIP and operations. There was a good discussion by all in attendance with regard to this issue. In the end, the Board took no action on providing a bill adjustment for this account.
7. Consideration and discussion of amendment to employment agreement for General Manager was next on the agenda. Chad presented the updated amendment to the Board. There were a couple of discrepancies that were noted that needed to be fixed. First the wage was reported as an hourly wage instead of a yearly salary. Next it was noted that there was an issue with how the last sentence of Section 8(A) seemed to contradict how wage adjustments are handled with a previous sentence in the same section. There was discussion about how the City handled the City Manager's contract and wage adjustments at evaluation time. Mike Vore asked Chad if he would be alright with removing the last sentence of Section 8(A) given the discussion. Chad indicated that he would be alright with the removal. In Section 8(B) there was a wording change needed. Chad was instructed to send the changes back to the attorneys and present this again next month for action. Motion to table for revisions was made by Dan Nance and second by Mike Vore. Ayes all, motion passed.
8. The next item was general manager's update. Chad presented the information that was in the Board's packet and also discussed some recent issues that the water treatment plant was experiencing with obtaining replacement parts for some vital equipment. Several Board members asked to have equipment specifications sent to them so that they could contact some vendors that they work with and try to assist with finding replacement parts.

9. The next agenda item was updates from members of the Board of Trustees. Chad was asked to see if he could get the agenda out to the Board a little sooner so that there was plenty of time to review the material before coming to the meeting.

There being no further items to discuss, it was moved by Brad Hodges and second by Kevin Tacke to adjourn.

ATTEST

Meeting Adjourned 5:23 PM

Mike Vore – Chairman

Kevin Tacke– Secretary

The Oskaloosa Water Department Board of Trustees met in regular session Monday November 21, 2016 at 3:00 PM with board members Hodges, Nance, Tacke and Vore present. The agenda was approved as presented. All members voting aye. Minutes of the 10/17/16 regular meeting were approved as presented, all ayes. Carter joined the meeting at this point in the agenda. The time was 3:07 PM. Invoices and financial statements were approved for payment, ayes all.

Following Warrants Allowed: (see attached sheet)

The first item on the agenda was Customer Forum. There were no items presented to the Board of Trustees.

The next agenda item, Discussion of wastewater operations was discussed by the Board and Ex-Officio members. There was considerable discussion on this topic, but no action was taken by the Board.

Next on the agenda was consideration and discussion of bill adjustment for Scott VerSteeg, 2064 245th Street. VerSteeg was in attendance to present his request to the Board of Trustees. There was no action taken to reduce the bill by the Board of Trustees.

Approve acceptance of the annual financial report for fiscal year 2015-2016 as prepared by Hunt & Associates was next on the agenda. Doug Hunt, Hunt & Associates, presented the audit to the Board. After having their questions answered, the Board moved to accept the audit findings. Motion by Vore and second by Tacke to accept the audit. Ayes all, motion passed.

Next on the agenda was consideration and discussion of annual health insurance premiums. Jim Anderson, Anderson Insurance Services, presented the renewal and an ACA comparison plan to the Board. Motion by Vore to renew the current policy with the 15.5 % increase. Second by Hodges. Ayes all, motion carried.

Consideration and discussion of billing and rate structure for World Food Processing was next on the agenda. There was no action taken by the Board of Trustees.

Consideration and discussion of amendment to employment agreement for General Manager was next on the agenda. The Board discussed the amendment as presented and asked that changes be made to it. Motion to table for revisions was made by Nance and second by Vore. Ayes all, item tabled.

The next two agenda items, General Manager's Update and Updates from members of the Board of Trustees, saw discussion, but no formal action taken by the Board.

Motion was made for adjournment by Hodges, and second by Tacke. Ayes all, meeting adjourned. 5:23 PM.

Kevin Tacke, Secretary