

OSKALOOSA WATER BOARD
REGULAR MEETING
12/10/18

Members Present:

Brad Hodges
Brandon Strasser
Kevin Tacke

Ex-Officio Members Present:

Mayor Dave Krutzfeldt
Mike Schrock

Others Present:

Chad Coon
Crystal Breuklander
Cameron Parker
Kelsey Thomas
Ken Allsup
Zach York

The meeting was called to order at 4:02 PM.

Motion by Brad Hodges to approve the agenda as presented. Second by Kevin Tacke. Ayes; Hodges, Strasser and Tacke. Nays; none. Absent: Carter. Motion carried.

Motion by Kevin Tacke to approve the minutes of the November 13, 2018 regular meeting. Second by Brandon Strasser. Ayes; Hodges, Strasser and Tacke. Nays; none. Absent; Carter. Motion carried.

The attached vouchers totaling \$503,047.35 were presented for approval as well as the financial statements. Motion by Kevin Tacke to approve the financial statements and invoices as presented. Brad Hodges second the motion. Ayes; Hodges, Strasser and Tacke. Nays; none. Absent; Carter. Motion carried.

1. Customer Forum was next on the agenda. There were no items presented.

2. Consideration and discussion of sewer backup complaint for 1506 A Avenue East was the next agenda item. Board member Jason Carter arrived during the discussion of this topic. The time was 4:26 PM. Kelsey Thomas, owner of 1506 A Avenue East was in attendance and addressed the group about the sewer backup that occurred on or around October 8th. She explained that due to the circumstances surrounding the issue, she was requesting assistance to offset the cost of cleanup. Chad explained that he had talked with the service provider performing the cleanup and indicated that the City of Oskaloosa's insurance would be covering the loss, only to later learn that the City had a rider that provided exclusion in high rainfall events. There was considerable discussion that involved City Manager Mike Schrock explaining City policy and the issues involved. Ultimately, there was a motion to recommend to the City Council that the City help offset the cost of cleanup for 1506 A Avenue East made by Kevin Tacke and second by Brandon Strasser. Ayes; Carter, Hodges, Strasser and Tacke. Nays; none. Absent; none. Motion passed.

3. Consideration and discussion of billing issue for 413 E Avenue East Apartment 4 was the next agenda item. Zach York was in attendance to address the Board. Chad explained that in December of 2016 OMWD staff had completed a meter change out and in the course of the change out, staff had inadvertently switched meter numbers between apartments 2 and 4 at the above address. The issue was resolved in October of 2018 when staff verified meter numbers and account numbers and issued a credit for overpayment in the amount of \$942.99 to the account holder for apartment 2 and then applied the underpayment in the same amount to apartment 4. Mr. York disputed the underpayment charge and asked that the Board address the issue. There was discussion about OMWD policy allowing for collection of billing issues resulting in under- or over-payments for a time period of 5 years from the time of discovery. Board member Tacke stated that since the error was due to staff he felt that OMWD should not collect the underpayment. Board member Carter agreed. Board member Hodges dissented stating that there was clear policy in place to address issues of this nature and that while it was unfortunate, Mr. York did use the water and did not pay for what he used. There was a motion from Kevin Tacke to credit Mr. York's account for the water portion of the billing error. This was second by Jason Carter. Ayes; Carter, Strasser and Tacke. Nays; Hodges. Absent; none. Motion passed. Jason Carter left the meeting after this vote, the time was 5:00 PM.
4. Consideration and discussion of high water bill for 1606 South 5th Street was the next item on the agenda. Cameron Parker was in attendance to address the Board about a high water bill he received due to a leaking toilet in the basement of his residence. Mr. Parker had several questions and made different statements about the billing for the leak and wondered if it were possible that a leaking toilet could actually use that much water. Chad explained that Mr. Parker had submitted a sewer adjustment form and had been granted a sewer reduction in the amount of \$630.84. While Mr. Parker was thankful for the reduction on sewer he was also seeking a reduction on the water portion of the bill. The Board explained that OMWD policy states that once water passes through a meter, the resulting bill must be paid. Kevin Tacke made a motion to set up payment arrangements with Mr. Parker in the amount of \$100.00 per month on top of regular current billing. Brad Hodges second the motion. There was a question from Mr. Parker about whether or not interest would be charged. Crystal Breuklander informed Mr. Parker that there would not be interest charges for the arrangement amount. Ayes: Hodges, Strasser and Tacke. Nays; none. Absent; Carter. Motion carries.
5. Consideration and discussion of pay application #6 from Dave Schmitt Construction Company, Inc. for South D water main replacement was the next item before the Board. Chad explained that at this point, there was no new work and OMWD was only paying down the retainage portion as the other divisions cost continue to increase. Motion to

approve pay application #6 as presented was made by Brad Hodges and second by Kevin Tacke. Ayes: Hodges, Strasser and Tacke. Nays; none. Absent; Carter. Motion carries.

6. The next agenda item was consideration and discussion of Change Order #2 from Maguire Iron for the Elevated Storage Tanks Preparation & Painting Project. Chad presented information from Maguire Iron and verified by Garden & Associates for Change Order #2 for a reduction in the amount of \$6,600.00, which was the amount of additional expense OMWD incurred for inspection services from Garden due to the extended time needed to complete the project. Motion by Kevin Tacke to accept Change Order #2 from Maguire Iron as presented. Brandon Strasser second the motion. Ayes: Hodges, Strasser and Tacke. Nays; none. Absent; Carter. Motion carries.
7. Up next was consideration and discussion of Final pay application from Maguire Iron for the Elevated Storage Tanks Preparation & Painting Project. Chad presented the final pay application which releases the retainage on this project. It was noted that Garden & Associates staff had provided review of the application and sent it to the Board for approval. With the change order just approved, the total amount remaining for release was \$8,705.00 for the north tower and \$7,775.00 for the south tower. Motion to approve the final pay application as presented was made by Kevin Tacke and second by Brad Hodges. Ayes: Hodges, Strasser and Tacke. Nays; none. Absent; Carter. Motion carries.
8. The next agenda item was to consider and discuss updating Employee Manual Section 5, Insurance Benefits, A. Health Insurance. This was an item that was requested for addition at the last Board meeting. The Board was provided information showing that for 2019 employees were cost sharing in premium expenses at the rate of approximately \$7,400 using the rate of 2.5% of premiums as passed by the Board in 2017. Should the Board choose to increase that rate to 5%, the maximum allowed while still maintaining a grandfathered policy, the employee participation would be approximately \$14,800 for 2019. Brad Hodges made a motion to increase the participation rate by 2.5% up to 5% for employees effective January 1, 2019 and to change the policy manual accordingly. Kevin Tacke second the motion. Ayes: Hodges, Strasser and Tacke. Nays; none. Absent; Carter. Motion passed.
9. Discussion of waste water operations was the next agenda item. Chad had provided information to the group showing what had happened throughout the last month for the collection system, plant operations, and the storm sewer system. Chad explained that he would be giving the annual presentation to the City Council at an upcoming meeting and asked if what had been included in the agenda packets would be sufficient for the Council. Mike Schrock stated that he would like to see the 28E tracking spreadsheet included to maintain consistency. Chad then informed the group that he would also be seeking affirmation from the Council at the next meeting for purchase of a 2019

combination jetter/vacuum sewer truck in the amount of approximately \$410,749.28. There was discussion within the group about what it looked like for timing of delivery and expected cost increases if the affirmation had to wait. There were no other questions and the Board took no action.

10. Next up was the General Manager's update. Chad informed the group that staff had been sending financial information to PFM for their work on our budget and that there was a need to set a date for the budget work session. Typically it would be held January 7th. Mike Schrock stated that there was a City Council work session on that date. Chad asked everyone what dates would work to reschedule the meeting. The consensus was January 3rd or 4th would be the best alternative. Chad stated that he would check with Jason Carter and get back to everyone with a firm date. On the topic of the budgets and rates, Chad and Crystal were asked to see what could be developed to show a 0% rate increase for water as well as determine what would happen if consumption continues to stay 9% below budgeted expectations. The Board took no action on this topic.
11. Updates from members of the Board was the last agenda item. There were no updates provided.

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

ATTEST

Meeting Adjourned 5:58 PM

Kevin Tacke – Chairman

Brad Hodges– Secretary

The Oskaloosa Water Department Board of Trustees met in regular session Monday December 10, 2018 with board members Hodges, Strasser, and Tacke present. The meeting was called to order at 4:02 PM. Motion to approve the agenda as presented made by Hodges and second by Tacke. Ayes; Hodges, Strasser and Tacke. Nays; none. Absent; Carter. Motion carried. Motion to approve minutes of the 11/13/18 regular meeting as presented was made by Tacke and second by Strasser. Ayes; Hodges, Strasser and Tacke. Nays; none. Absent; Carter. Motion carried. Motion to approve the invoices and financial statements was made by Tacke and second by Hodges. Ayes; Hodges, Strasser and Tacke. Nays; none. Absent; Carter. Motion carried.

Following Warrants Allowed: **(see attached sheet)**

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

Board member Carter entered the meeting at 4:26 PM.

Consideration and discussion of sewer backup complaint for 1506 A Avenue East was the next agenda item. Tacke made motion to recommend to City Council that City help offset cost of cleanup of 1506 A Avenue East. Strasser second the motion. Ayes; Carter, Hodges, Strasser and Tacke. Nays; none. Absent, none. Motion passed.

Consideration and discussion of billing issue for 513 E Avenue East, Apartment 4, was next on the agenda. Motion by Tacke and second by Carter to credit the account for the under-payment for the water portion of the bill. Ayes; Carter, Strasser and Tacke. Nays, Hodges. Absent, none. Motion passed.

Board member Carter left the meeting at 5:00 PM.

The next agenda item was consideration and discussion of high water bill for 1606 South 5th Street. Motion by Tacke and second by Hodges to set up payment arrangements in the amount of \$100.00 per month on top of regular current billing. Ayes; Hodges, Strasser and Tacke. Nays, none. Absent; Carter. Motion carried.

The next agenda item was consideration and discussion of pay application #6 from Dave Schmitt Construction Company, Inc. for South D water main replacement. Motion by Hodges to approve \$522.11 as presented in pay application #6 to Dave Schmitt Construction Company, Inc. Second by Tacke. Ayes; Hodges, Strasser and Tacke. Nays; none. Absent; Carter. Motion carried.

Next item on the agenda was consideration and discussion of Change Order #2 from Maguire Iron for the Elevated Storage Tanks Preparation & Painting Project. Motion by Tacke and second by Strasser to accept Change Order #2 from Maguire Iron for stated project as presented. Ayes; Hodges, Strasser and Tacke. Nays; none. Absent; Carter. Motion carried.

Consideration and discussion of Final pay application from Maguire Iron for the Elevated Storage Tanks Preparation & Painting Project. Motion by Tacke to approve final pay application as presented. Second by Hodges. Ayes; Hodges, Strasser and Tacke. Nays; none. Absent; Carter. Motion carried.

Next agenda item was consideration and discussion of updating Employee Manual Section 5, Insurance Benefits, A. Health Insurance. Motion by Hodges to implement a 2.5% increase for employee participation in health insurance premiums and to make the corresponding changes to the employee manual effective January 1, 2019. This was second by Tacke. Ayes; Hodges, Strasser and Tacke. Nays; none. Absent; Carter. Motion carried.

The next three items, Discussion of waste water operations, General Manager's update, and updates from members of the Board of Trustees all saw discussion but no action taken by the Board of Trustees.

Motion was made for adjournment by Hodges, and second by Tacke. Ayes; Hodges, Strasser and Tacke. Nays; none. Absent; Carter. Motion carried. Meeting adjourned. 5:58 PM.

Brad Hodges, Secretary