

WATER BOARD OF TRUSTEES
Regular Meeting
May 13, 2019
4:00 PM
Location: 1208 South 7th St.

1. Approve Agenda.
2. Approve minutes of the April 8, 2019 regular meeting
3. Approve invoices and Financial Statements.
4. Customer Forum.
5. Consideration and discussion of pay application #1 for KLC construction.
6. Discussion and consideration of Resolution # 1908, Resolution approving and authorizing Amendment to Loan and Disbursement Agreement by and between the City of Oskaloosa and the Iowa Finance Authority, and authorizing and providing for the reissuance of the \$6,500,000 Water Revenue Capital Loan Note, Series 2008.
7. Discussion and consideration of cost sharing for CIP project expansion to meet Musco MSO fire protection needs.
8. Discussion and consideration of cost sharing for Byrnes and Rupkey search fees.
9. Discussion of waste water operations.
10. General Manager's update.
11. Updates from members of the Board of Trustees.
12. Adjourn.

INFORMATION CONCERNING AGENDA ITEMS:

Agenda Item #4

Chair – Please read this statement to the audience.

“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. Time may be limited to 3 minutes.”

Agenda Item #5

Pay application #1 from KLC has been turned in. This is for work on the CIP project on North L St. and by HWY 432. The Total due is \$201,679.30 – \$10,083.97 (Retainage) = \$191,595.34. Garden & Associates has reviewed the application and quantities and is presenting it to the Board for approval. It is staff recommendation to approve pay application #1 to KLC in the amount of \$191,595.34.

Agenda Item #6

This is the item for reducing the interest rate on the 2008 SRF loan that was used to pay for the Treatment Plant renovation. As allowed through the SRF loan program, we are now at the time period where the interest rate can be reset from 3% to 1.75%. This will afford the Water Department a savings of \$302,150.00 over the remainder of the loan term. Included in your packets will be the letter from the State Revolving Fund with the new debt schedule, a letter from our bonding attorneys Ahlers and Cooney with instructions on procedures, as well as the resolution that will need action. There will need to be a motion to approve and introduce Resolution #1908, then the resolution will need to be read. There will need to be a second on the approval with a vote to follow. It is staff’s recommendation to approve the resolution.

Agenda Item #7

We currently have a CIP project that the engineering has started on that will replace main on 11th Ave W from South F Street to South H Street and will be installing new main along South H from 11th Avenue to 9th Avenue as part of the planned development for housing. We had also been approached by Musco to flow test the water main where Musco’s new MSO building will be constructed at the corner of Edmundson Drive and 11th Avenue West. During this time it was discovered that the current flow does not meet the needs of the required fire suppression system they are installing. A meeting was held with Musco, the City of Oskaloosa, Garden and Associates and the Water Department represented. During this meeting cost sharing of the project was discussed. Water Department staff stated that they had \$35,000 budgeted for engineering during the current fiscal year and \$200,000 budgeted for installation next fiscal year. According to information provided by Garden staff at the meeting, the cost estimates to run

appropriately sized main to reach the desired fire flow for the new building were between \$650,000 and \$750,000. Musco representatives stated at this meeting that they were willing to contribute \$250,000 to the project as that was the expected cost for a new fire suppression tank and pump system. Musco representatives further stated that they would rather partner with the City and the Water Department to install the needed water main than to go through the process of building the tank and pump system. The big question being who could bridge the funding shortfall based on estimated costs. At this meeting City representatives stated that they would be willing to find a way to bridge the gap through different funding mechanisms available to them. It now appears as though the City is wanting to merely front the funding and has asked the Water Department to discuss a repayment schedule. The installation of the majority of this water main will be of no benefit to the Water Department. The new water main will be used to supply fire protection, for which the Water Department will not receive revenue to recoup its installation expense. The new main will benefit the City in the form of a new tax base for the Musco facility. There needs to be both a broad and a detailed discussion of how this should proceed. The additional funding is not identified anywhere in the CIP for the next several years, in fact, the CIP was altered this last year to pull back on the amount of projects that were being done to help build cash back because of the number of projects that have been completed as well as the overall cost of those projects. With looking at the out year CIP staff does not feel that covering the excess cost of this project is viable without a rate increase.

Agenda Item #8

As the General Manager's position is a split funded position with both the Water Department and the City's Waste Water Department sharing the expenses, it should follow that both the Water Department and the City's Waste Water Department would also share the expense for finding the next General Manager. During a recent conversation it was noted that the City did not share that sentiment for splitting the expenses related to replacing the General Manager. The expenses related to the search are approximately \$30,000. Splitting this between both Water and Waste Water would leave about \$15,000 per entity. There needs to be a discussion about how to proceed. It is staff recommendation that the expenses be split between Water and Waste Water equally.

Agenda Item #9

Collection System Operations; Staff jetted a line on High Ave E by Hy-Vee after a call from Roto-Rooter. The line was determined to come from Hy-Vee and was plugged completely with grease as well as having the manhole full of grease. Staff televised on 9th Ave E and South 4th St. due to a sinking concrete complaint. A bad abandoned tap was found and is one of the issues CIT will address. Concrete will need to be poured here once the fix is complete. Staff currently has a contract with CIT to come and spot line four spots in the system, work should begin this week. Jetting is to be done in preparation for CIT to do their work. Maintenance has been done on the trucks. We had a plugged pump at West End lift station. Staff was able to get it unclogged and operational again. A PO has been approved for improvements to the level sensor and floats at M St. lift station. During high flows we tend to have issues related to the current system. A PO has

also been issued for replacement of the Armory lift station control panel. Currently the panel will not alternate the pumps, so that we have one running all the time and the other one does not run at all. We have also received the rotating assembly for University Park lift station pump that is down. This will be replaced within the next month. Staff has also been working to finish up grease trap inspections. They have also assisted the water distribution crew with hydro excavating.

Plant Operations; This month staff has been working to get the old chlorine building at the north plant ready to be taken down. The contractor taking down the old animal shelter is wanting to do both buildings at the same time. Staff has gotten a new water line ran into the north plant office building that will back feed the entire plant. Staff is currently working with the water department to schedule a time to cap the old water lines running through the chlorine building. Gas to both buildings has been disconnected. Once water is capped, we will just be waiting on Overbergen Electric to move the electrical panel outside. A PO for a new burner line for the digester has been approved to have CL Carroll do the work. The mixer motor on the number one side of the digester burned up and it has been replaced and is operational again. Staff also has the irrigation line to the golf course up and going. On Monday May 6th, summer help started and has taken over mowing responsibilities as well as maintenance of the clarifiers to keep algae growth down. Staff has been working, when there is time, to clean up the building we will be keeping at the animal shelter. We are currently waiting on bids for lighting and emergency lighting replacement at the plants that is part of Fox's short-term improvements.

Storm Water Operations; A PO has been issued for work to begin at Edmundson park installing a new 18" storm sewer line. This line will also be tied in to the property at 1402 11th Ave W. This is a current year CIP project. Staff has been assisting Popson Construction with the cleaning out of intake as he is rebuilding them. They have also responded to complaints of storm intakes that are not taking water and unplugging them. In the last month a storm culvert at 6th Ave W and the railroad tracks was replaced. This pipe was taking dirt and was creating a sink hole. This was done in conjunction with the railroad doing improvements at this location. The concrete has been poured and the project is completed.

Agenda Item #10

Distribution System Operations; Staff currently have the hydrant flushing done. We have found some hydrants that will need to be addressed for either maintenance or replacement. Work continues at North L St. and 432. Some section of new line has been filled and will need samples taken this week. We have also sampled the new line going in for the new Fairfield Inn. We have ordered more meters in to continue with our replacement program. We had two leaks last month, one was a crack on Maywood Dr. and the other was a shear break on 9th Ave. E. Staff assisted the parks department with a leak at Edmundson Park and it is now fixed.

Plant Operations; We have a well motor that has gone bad. It was taken to Jacobs in Newton to be looked at and it was determined that the winding are bad. They quoted a new motor at

\$2600.00 with freight and this item has been ordered. Jeff Bittner started on May 6 and has been training at the plant. He is currently a Grade II in water treatment and water distribution. He is eligible for his Grade III. My hope is to have him up to speed quickly and have him as main plant operator. This will move Michelle and Shawn back into town for the distribution crew and we will be fully staffed again.

Office Operations; This month we have roughly 70 shutoffs, which is slightly higher than in the previous month. We are waiting on pricing for jumpers that need to be installed in Oak Creek. Once we have pricing these will be ordered, and the work will be scheduled.

Agenda Item #11

This is an item for members of the Board to provide updates or request future agenda items.