

The regular monthly meeting of the Marion Water Department's Board of Trustees was called to order at 5:15 PM, on January 12, 2016, in the executive conference room of City Hall, Marion, Iowa. Trustees Mary Ann McComas, William Kling, John McIntosh, John Bender and Greg Hapgood were present. Chairman Kling called the meeting to order. Other people attending the meeting included Todd Steigerwaldt, Board Secretary, Curt Huhndorf, Distribution Foreman and two Marion High School students also attended the meeting for class credit.

Minutes of the special work session meeting held at 4:30 PM on December 8th, 2015 were reviewed. Motion by McComas, seconded by Hapgood to approve same. Vote: all Ayes (5-0)

Minutes of the regular monthly board meeting held at 5:15 PM on December 8th, 2015 were reviewed along with the December disbursements and the December 2015 fund balance report. Motion by McIntosh, seconded by McComas to approve same. McIntosh asked if the employees accepted their wage benefit packages for FY16-17. Steigerwaldt stated that no employees spoke to him with any issues or concerns. He also noted that the raises would not go into effect until July 1, 2016. Vote: all Ayes (5-0)

Resolution 16-01, adopting the fiscal year 2016-2017 budget for the Marion Municipal Water Department, Marion, Iowa. Motion by McComas, seconded by Hapgood. Steigerwaldt discussed the expected revenues and expenditures for the next fiscal year. Due to several larger projects being delayed the next fiscal year will have a larger than usual transfer of funds from cash reserves to cover the anticipated expenses. \$1,738,270 is anticipated being needed from cash reserves to balance the proposed FY16-18 budget. Kling asked if the proposed rate increase is enough to cover the future department expenditures for the coming years as listed in exhibit B. Steigerwaldt stated he would provide the board several water rate increase options for them to consider at the next board meeting. At a minimum, he was considering a flat \$1 per month increase for all customers and either a 3% rate increase and/or a decrease in the monthly allocation of 300 cubic feet to 200 or 100 cubic feet per month.

Bender mentioned that we collected close to \$300,000 of sales tax last year. Steigerwaldt stated he had reached out to the local legislators to see if this tax on water could be phased out. Steigerwaldt stated revenues are 6% higher so far for the current fiscal year and he didn't anticipate the expenditures to be as high as some of the larger projects which have been delayed. He reviewed the new look of the budget spreadsheet with the board. Several board members asked if some of the coloring could be changed next time so the totals are more legible. Roll Call Vote: all Ayes (5-0)

Motion by Bender, seconded by Hapgood approving water main application for the Gemstone Estates 3rd Addition to the city of Marion. Steigerwaldt reviewed the location of this development with the board and stated the developers, Jon Morris and Todd Wood, will be building 34 condo units in this addition. Construction is expected to begin this spring. Vote: all Ayes (5-0)

Motion by McIntosh, seconded by McComas approving the 2016 IRS mileage reimbursement amount of 54 cents per mile. Steigerwaldt noted this is 3.5 cents less than last year. Vote: all Ayes (5-0)

Motion by McIntosh, seconded by McComas to approve the bids and award the contract to WRH, Inc. from Amana, Iowa for the Well #4 Aerator Modification Project in the amount of \$52,200.00. Steigerwaldt stated there were only two bidders and the bids were close. They were both slightly above the engineer's cost estimate of \$50,000.00. McIntosh asked if this company used to be called Wendler Inc. Steigerwaldt stated it was the same company and they have done work for us in the past on the Well #7 ground storage tank project. The project completion deadline is April 1st 2016. Vote: all Ayes (5-0)

Motion by Bender, seconded by Hapgood approving payment to Veenstra and Kimm, Inc. for \$1,234.30. Steigerwaldt stated they continue to perform work on the aerator replacement at Well #4. Vote: all Ayes (5-0)

Motion by McIntosh, seconded by Hapgood approving partial payment #3 to Quality Excavating Inc. for the 2015-2016 Waterous Hydrant Replacement Project in the amount of \$10,770.27. Steigerwaldt stated the contractor has completed 10 of the 14 fire hydrants to date. Staff is considering having the contractor replace a couple more hydrants if the contractor is interested. Huhndorf stated the distribution crew is also replacing hydrants as well. The more difficult ones are being done by the contractor. Vote: all Ayes (5-0)

Motion by McComas, seconded by Bender approving payment to Sam's Well Drilling, Inc. for work associated with the Silurian Aquifer pump test study on wells #8 & #9 in the amount of \$7,270.00. Steigerwaldt stated the contractor performed efficiently and the job is complete. Vote: all Ayes (5-0)

Resolution 16-02, approving Resolution of Necessity for the 35th Street Water Main Relay Project Phase 1. Motion by McComas, seconded by McIntosh. Steigerwaldt told the board this particular stretch of road has had multiple water main breaks over the past 5 years and needs to be replaced. Roll Call Vote: all Ayes (5-0)

Resolution 16-03, ordering preparation of detailed plans, specifications, notice of hearing, notice to bidders, and form of contract for the 35th Street Water Main Relay Project Phase 1. Motion by McComas, seconded by Bender. Roll Call Vote: all Ayes (5-0)

Resolution 16-04, approving detailed plans, specifications, notice of hearing, notice to bidders, and form of contract for the 35th Street Water Main Relay Project Phase 1. Motion by McComas, seconded by Hapgood. Steigerwaldt shared with the board the plans and new SUDAS specification manual that was recently created for this project. The new SUDAS specifications were recently adopted by the board and the city. The engineer's estimate is \$98,060.00. The completion date was set for September 9th 2016. The board asked if the city was going to reconstruct 35th Street in this area. Steigerwaldt stated he checked with both Public Service and the Engineering

Department and neither group had this area on a foreseeable reconstruction list. Steigerwaldt stated they are increasing the water main size from an 8" to a 12" to accommodate future growth between Munier Road and Highway 100. They would be stopping short of the intersection of 35th Street and Munier Road as they know this will be reconstructed and lowered in the future. Roll Call Vote: all Ayes (5-0)

Motion by Hapgood, seconded by Bender to pledge \$500 towards the Marion Leadership in Action Committee for installation of additional winter snowflake lights on the new city street light poles along the corridors of South 11th Street and Boyson Road. Steigerwaldt told the board that they have supported this project in the past. Vote: all Ayes (5-0)

Motion by McComas, seconded by Bender to approve the purchase of a Ford F250 Regular Cab XL 4-wheel drive service vehicle in the amount of \$25,725.00. Steigerwaldt stated staff received two local bids. The existing service truck will be sold once the new truck is in operation. The new truck will need a tool bed box and safety light etc. Bender asked if the existing bed box would fit the new vehicle. Staff said no, as the chassis are different. Vote: all Ayes (5-0)

Motion by McComas, seconded by Bender to approve the 2016 meter reader contracts. Steigerwaldt stated the contracts are for the same amount as last year. The department has gone from three contract meter readers to two readers since we have over half the community on radio read routes now. Vote: all Ayes (5-0)

Steigerwaldt updated the board on the field activities: Service Department: remote read meters installed on 26 accounts; 1131 meter reads; 52 straight meters to radio; 217 tag orders; 55 service calls; and 358 utility locations were located.

Steigerwaldt stated crews finished rebuilding the #2 booster pump at site #5, they also rebuilt a chlorine pump at site #6 and installed a new check valve at the #4 booster plant. Subdivision activity has temporarily stopped for the winter months but staff continues to work on as-built drawings and end of the year reports.

Steigerwaldt also mentioned to the board that for the calendar year 2015, that the total water pumped was 1,021,929,000 gallons. 88.4% of that water came from the Jordan Aquifer while 11.6% of the water came from the Silurian Aquifer which only ran from April through mid-September.

December gallons pumped: 75,132,000

Secretary Report –

Steigerwaldt informed the board there were 11 new building permits issued last month.

Steigerwaldt shared with the board two appreciation letters that the crews received from customers that saw them in action repairing water main breaks.

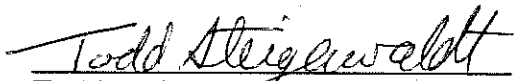
Steigerwaldt updated the board on the Silurian water study progress and he reminded them of the upcoming holiday reception for board and commission members at city hall on January 18th.

Steigerwaldt also told the board he spoke to two different groups in December about the Jordan Aquifer rule revisions and he had two more speaking engagements in March. He also shared with the board the recent news article in the Cedar Rapids Gazette about Marion's search for additional water sources from the Silurian Aquifer and the Bowman Springs.


He contacted two local legislators regarding the request to eliminate the sales tax on tap water. Both legislators quickly responded back to him with their comments and thoughts.

The next regular monthly board meeting was set for 5:15 PM on Tuesday, February 9, 2016.

The meeting was adjourned at 6:20 PM.



Todd Steigerwaldt
Secretary



William A. Kling
Chairman