

The regular monthly meeting of the Marion Water Department's Board of Trustees was called to order at 5:15 PM, on March 13, 2018, in the executive conference room of City Hall, Marion, Iowa. Trustees Mary Ann McComas, John McIntosh, William Kling and Greg Hapgood were present. Board member John Bender was absent. Chairman Hapgood called the meeting to order. Other people attending the meeting included Todd Steigerwaldt, Board Secretary, Andy Smith, Operations Supervisor and Curt Huhndorf, Distribution Foreman.

Minutes of the regular monthly board meeting held at 5:15 PM on February 13th, 2018 were reviewed along with the February disbursements and the February 2018 fund balance report. Hapgood noted the books were still off \$110.25. Steigerwaldt stated this was correct but the books balance with the bank total. He believes this difference is off internally within our accounting. Motion by McComas, seconded by Kling to approve them. Vote: all Ayes (4-0)

Hapgood opened the public hearing for the Well 10 VFD Installation Project at 5:17 PM. Steigerwaldt informed the board that this project was the third phase for Well 10. McComas asked what VFD represented. Steigerwaldt stated it was an acronym for Variable Frequency Drive on electric motors, which allows the electric motor to operate at different speeds. No written or public comments were received. Hapgood closed the public hearing at 5:18 PM.

Motion by McIntosh, seconded by Kling to approve Resolution 18-12 accepting bids and awarding contract to Nelson Electric Co. for the Well 10 VFD Installation Project for \$129,930.00. Steigerwaldt stated three bids were received. The difference between the two lowest bids was only \$982.00. He mentioned a fourth bid arrived but it was late so it was not opened. Steigerwaldt stated Stan Pfoff with Nelson Electric is very familiar with this site and capable of completing the project. Roll Call Vote: all Ayes (4-0)

Hapgood opened another public hearing for the 29th Avenue Booster Station Installation and Check Valve Stations Project at 5:20 PM. No public comments were received. Hapgood closed the public hearing at 5:21 PM.

Motion by McIntosh, seconded by McComas to approve Resolution 18-13 accepting bids and awarding contract to Ricklefs Excavating Ltd. for the 29th Avenue Booster Station Installation and Check Valve Stations Project for \$446,617.00. Steigerwaldt stated there were three bids. All were above the engineer's estimate of \$400,000. Steigerwaldt mentioned the 12" bore under Highway 13 added additional cost to the project. A local contractor that would normally bid on this bore job just retired so there is less competition to bore water main. He stated this contractor would pour the concrete pad for the new booster station that will arrive in mid-May. He will also have to coordinate the electrical, gas, fiber and check valve installations at three different sites. Ricklefs Excavating is from Anamosa and has completed several jobs in Marion. Roll Call Vote: all Ayes (4-0)

Hapgood opened the final public hearing on a proposal to increase water rates for both Public Water Supply permits ID #5751035 (Marion customers) and ID #5751040 (Glenbrook Cove subdivision) at 5:25 PM. No public attended the meeting nor were

there any written statements from citizens about the proposed rate increase. Hapgood closed the public meeting at 5:26 PM.

Steigerwaldt shared with the board two rate increase scenarios. At the February board meeting, they discussed increasing only the fixed water rate charge from \$7.75 to \$9.75 per month, a \$2.00 increase per month. This would generate approximately \$355,000 in additional revenue. This scenario would mainly affect the residential customers. At the February meeting, Kling asked to see another scenario that would lessen the impact on the residential accounts and spread some of the cost to the larger customer accounts. The other scenario Steigerwaldt presented increased the fixed water rate charge only \$1.50 per month and increased the fixed water rate charge on meters over 1" in size by 13% and the variable usage rate charge for meters over 1" in size by 16.5%. This scenario resulted in the same projected revenue increase of approximately \$355,000 but shifted some of the financial burden to the commercial and industrial customers who use more water and have larger meters. The board discussed the pros and cons of both scenarios. Steigerwaldt mentioned he could calculate additional scenarios if the board had other ideas. The board decided on the \$1.50 per month fix water rate increase scenario, which will go into effect April 16, 2018. Motion by McComas, seconded by Kling approving Resolution 18-14 for the water rate increase described above. Roll Call Vote: all Ayes (4-0)

Motion by Kling, seconded by McComas approving partial payment #2 to EFI, Inc. for the 29th Avenue Packaged Booster Station Unit Contract for \$109,236.65. Steigerwaldt stated the unit is under construction. McComas asked where they were located. Steigerwaldt stated the company is located in Centralia, Illinois. Vote: all Ayes (4-0)

Motion by McIntosh, seconded by McComas approving water main application for Hunters Ridge North 1st Addition to the city of Marion. Steigerwaldt shared the location of this new development, which will be between Winslow Road and Lucore Road on the very north side of Hunters Ridge Golf Course. He stated Skogman Homes will be the developer and that we will be reimbursing the developer for the oversizing of an 8" water main to a 12" diameter main. Grading has already started by Rathje Construction. Vote: all Ayes (4-0)

Motion by Kling, seconded by Hapgood approving water main application for The Ridge at Indian Creek 1st and 2nd Additions to the city of Marion. Steigerwaldt showed the board the location of this development, which is northeast of the 35th Street and Tower Terrace Road roundabout. He stated both single-family residential lots and duplex condominium lots are planned for these additions. The developer is Abode Construction and they plan to start construction later this spring. Vote: all Ayes (4-0)

Motion by Kling, seconded by McComas approving water main application for Integrity Storage Part II, 6240 Partners Avenue, Marion. Steigerwaldt stated the developer, Kent Backen of Marion, would construct four commercial condominiums similar to what he constructed off 62nd Street. This project connects into the other commercial condominium buildings. Vote: all Ayes (4-0)

Motion by McIntosh, seconded by Kling approving the bids and awarding the purchase of a new tandem dump truck to Truck Country of Cedar Rapids for \$130,383.00. Steigerwaldt stated they got three bids. Two from one vendor, which had two different style, dump boxes. Steigerwaldt thanked Huhndorf for doing all the research and putting together the bid specifications. McIntosh asked if it would be blue. Huhndorf stated it would be but the dump box would be grey. Steigerwaldt stated the truck would take up to 7 months to construct which will make the payment in next year's fiscal budget. Vote: all Ayes (4-0)

Smith updated the board on the field activities: Service Department: radio read meters installed on 34 new accounts; 3,347 meter reads; 164 straight meters to radio; 148 tag orders; 50 service calls; and 178 utility locations were located.

Smith stated staff has been working on meter change outs and insulating a portion of the cold storage shed. Northway set the Well #5 submersible pump. McIntosh asked how much it pumped and what the new pumping setting elevation was. Smith stated the pump was set another 100' lower and they were currently pumping around 950 gallons per minute. Northway representatives were going to look at the soft start settings to see if the new pump could increase the pumping rate. McIntosh asked how many leaks we had this season so far. Huhndorf stated 18 water main leaks.

Steigerwaldt mentioned to the board that he received a quote from Quality Excavating for the water service reconnections off an old water main to the newer 12" water main along 8th Avenue from 2nd Street to mid-block of 4th Street. He had just received the quote and would be sitting down with staff to review the scope of work and unit prices. He anticipates allowing the contractor to begin work before the next board meeting, as the quote looked reasonable. The board briefly discussed this project and showed support for it and the contractor.

February gallons pumped: 66,208,000

Secretary Report –

Steigerwaldt informed the board there were ten building permits issued in February. There were five residential single-family homes, two commercial remodels, one accessory building and two condominium buildings.

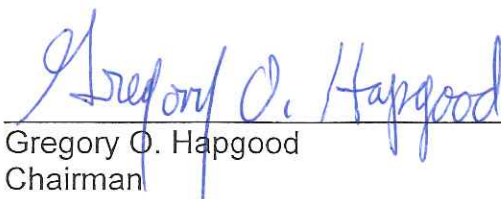
Steigerwaldt shared with the board a thank you letter that was received from 2920 24th Avenue that praised the efforts of the distribution crew on their rapid and efficient repair of the broken water main at this location.

The next regular monthly board meeting will be at 5:15 PM on Tuesday, April 10th, 2018.

The meeting was adjourned at 6:12 PM.



Todd Steigerwaldt
Secretary



Gregory O. Hapgood
Chairman