

The regular monthly meeting of the Marion Water Department's Board of Trustees was called to order at 5:15 PM, on June 12, 2018, in the executive conference room of City Hall, Marion, Iowa. Trustees Mary Ann McComas, John McIntosh, William Kling, John Bender and Greg Hapgood were present. Chairman Hapgood called the meeting to order. Other people attending the meeting included Todd Steigerwaldt, Board Secretary.

Minutes of the regular monthly board meeting held at 5:15 PM on May 8th, 2018 were reviewed along with the May disbursements and the May 2018 fund balance report. Bender noted there was some overtime occurring last month. Steigerwaldt stated crews came in early for the 15th Street roundabout project water main shut down on 7th Avenue and private contractors installing new main are working longer hours. Motion by McComas, seconded by Kling to approve. Vote: all Ayes (5-0)

Motion by Bender, seconded by Kling to approve a water main application for Echo Ridge Estates 3rd Addition, Marion, Iowa. Steigerwaldt shared the location of this development and stated there were 36 new single-family lots that would be served. The board noted there were many new homes being built in this area. Vote: all Ayes (5-0)

Motion by McIntosh, seconded by Kling to approve a water main application for Stonefield Commercial Addition to Marion, Iowa. Steigerwaldt informed the board of the location of this development, which is south of Tower Terrace Road and north of the Esco Building off 3rd Street. He stated it would be a strip commercial building. Bender asked about the water main extension. Steigerwaldt stated the new public main would come off 3rd Street and run along the south side of Tower Terrace Road in a utility easement. The new main will eventually be extended west to serve the adjacent land along the future extension of Irish Drive to Tower Terrace Road. Vote: all Ayes (5-0)

Motion by McComas, seconded by Kling approving Resolution 18-20 accepting water main improvement in the Glen Rock Farm 7th Addition to Marion, Iowa. Steigerwaldt stated all testing and inspections are completed. The developer was Todd Frazier of Frazier Investment from Marion. Roll Call Vote: all Ayes (5-0)

Motion by McIntosh, seconded by Kling approving reimbursement payment to Frazier Investment of Marion for the oversizing of an 8" water main to a 12" water main along Winslow Road per department policy for \$5,462.00. Vote: all Ayes (5-0)

Motion by McComas, seconded by Kling approving partial payment #1 to Quality Excavating Inc. for work completed on the 8th Avenue Water Service Reconnect Project for \$17,894.00. The board asked when this job would be completed. Steigerwaldt stated it had a late fall completion date which gives the contractor flexibility to complete this job. He stated the contractor was boring new water service lines under 8th Avenue so that they did not have to cut into 8th Avenue to extend the existing water services to the 12" main. Vote: all Ayes (5-0)

Motion by McIntosh, seconded by Kling approving partial payment #1 to Boomerang Corp. for the 29th Avenue Booster Station Installation and Check Valve Stations project for \$159,522.50. Steigerwaldt stated the subcontractor has installed the 12" water main

under Highway 13 and the booster pad has been poured along 29th Avenue. He showed the board pictures of an existing water main under Linn Aire Drive that showed extensive pitting from electrolysis. There will be another change order in the future to replace this section of pipe with plastic water main. Vote: all Ayes (5-0)

Motion by Bender, seconded by McComas approving Change Order #1 with Boomerang Corp. for the 29th Avenue Booster Station Installation and Check Valve Stations project for a deduct of \$3,175.00. Steigerwaldt stated the water department and the subcontractor ordered a 3" meter for a check valve site. The contractor will return their meter and credit the above amount back to the project. Vote: all Ayes (5-0)

Motion by Kling, seconded by Bender approving payment to Veenstra and Kimm Inc. for \$64,082.66 for the 29th Avenue Booster Station Installation and Check Valve Stations and Well 10 VFD Installation Phase 3 for design and inspection service per approved contract. Vote: all Ayes (5-0)

Motion by McIntosh, seconded by McComas to approve payment to ICAP for FY18-19 department insurance premium for \$30,144.12. Steigerwaldt informed the board the cost was \$736.61 less than last year due to the rebate received back from ICAP. Vote: all Ayes (5-0)

Motion by Bender, seconded by Kling approving purchase of a Trimble R2 GPS unit with accessories for \$16,272.50. McIntosh asked if we were replacing our original GPS unit. Steigerwaldt stated we were as it was having connection issues. Bender asked if we were using the cloud data storage option that Hiawatha was using with their GPS unit. Steigerwaldt stated no, we would manually upload and download GPS points as we normally do. Vote: all Ayes (5-0)

Motion by McComas, seconded by Hapgood to approve meter reader contract with Phil Long. Bender asked how long the contract was good. Steigerwaldt stated it was a one-year contract. Vote: all Ayes (5-0)

Motion by McComas, seconded by McIntosh to receive, file and approve annual audit contract with Hogan Hansen for the fiscal year 2017-2018 per existing 5-year proposal agreement. Kling asked about the existing 5 year contract proposal and if others review the auditor's final report. Steigerwaldt stated the board approved a 5-year audit proposal agreement with Hogan Hansen in February 2015 for their services but each year the board approves the annual contract for services. He also stated multiple auditors from their other branches review the annual audit report before we receive the final document. Vote: all Ayes (5-0)

Motion by Kling, seconded by McComas approving Hogan Hansen 5 year auditing services proposal for fiscal years 2020-2024. Vote: all Ayes (5-0)

Steigerwaldt led a discussion regarding the establishment of the Highway 13 Water Connection Fee District, which would collect a fee based on new meters from new accounts that are benefited by the new 29th Avenue Booster Station Project. Steigerwaldt shared some calculations from V&K that gave a usage and cost scenario

for the primary area to be served with higher water pressure with the new booster station. Steigerwaldt mentioned the existing water customers would not be charged. Only the new accounts based on the number and size of meter purchased from the department. He also stated that we would not recover all of our construction costs for the booster station. He mentioned the fee per meter would increase by 3% each year but would be capped to not double the original fee amount. The board discussed some alternative options and asked how long the hookup fee would be in place. Steigerwaldt estimated the fee would remain in place for approximately 20 years depending on growth patterns and a future booster station on the west side of town that, along with the 29th Avenue Booster Station, would eventually be used to fill a future elevated water tower north of town along Lucore Road.

Hapgood left the meeting at 6:08 pm and returned at 6:11 pm.

Motion by McComas, seconded by Kling approving Resolution 18-21 the Highway 13 Water Connection Fee District. Roll Call Vote: all Ayes (5-0)

Steigerwaldt informed the board the Marion city council approved a resolution directing staff to create a purchase offer for our rental house purchase at 788 2nd Street for the current assessed value. Steigerwaldt did not expect a formal offer until late fall or possibly later next year. He did mention that he spoke with Mike Carolan with the Park Department regarding the future of Merrill Gardens. They agreed that the park department could begin transplanting plants from this park to other parks as needed to reduce annual maintenance costs and save material planting costs at the other park locations. As the flowerbeds are removed, the remaining area will be seeded in lawn grass.

Steigerwaldt updated the board on the field activities: Service Department: radio read meters installed on 39 new accounts; 8,088 meter reads; 108 straight meters to radio; 161 tag orders; and 90 service calls.

Steigerwaldt stated staff continued to change out meters to radio reads, and began work on the 13th Street water main relay project at 13th Avenue. He mentioned Boomerang Inc. was working on the 29th Avenue Booster Station project and Nelson Electric was installing conduit for Well #10. Sixteen water service taps and private water main inspections also occurred.

May gallons pumped: 93,714,000

Secretary Report –

Steigerwaldt informed the board there were 27 building permits issued in May over \$50,000 in valuation. There were 17 residential single-family homes, 5 commercial permits, 2 commercial remodels, 1 sign and 2 condominium buildings.

Steigerwaldt stated he met with Mike Gannon who had a positive update on the Jordan Aquifer model study. Per Mike Gannon, the model is showing additional Jordan water is

available for future use. Steigerwaldt will share a power point presentation for the board at the July board meeting.

Steigerwaldt informally polled the board regarding the employee's FY18-19 monthly health insurance premiums. He stated typically the city followed the AFSCME union negotiated premiums but this year the city increased the tobacco user's monthly premium amount. Steigerwaldt stated there were currently three employees that pay the higher tobacco monthly premium. The board concurred to use the rates set by the city council for non-bargaining employees.

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

The meeting was adjourned at 6:32 PM.



Todd Steigerwaldt
Secretary



Gregory O. Haggood
Chairman