



MINUTES Water Board

4:00 PM - Tuesday, March 8, 2022
Water Department, 3050 5th Avenue

The Water Board of the City of Marion, Linn County, Iowa met on Tuesday, March 8, 2022, at 4:00 PM, at Water Department, 3050 5th Avenue, with the following members present:

PRESENT: John Bender, Amy Olson, William Kling, John McIntosh, and Terry Chew

ABSENT:

STAFF PRESENT: Todd Steigerwaldt, Andy Smith, and Curt Huhndorf

CALL TO ORDER

ROLL CALL

REGULAR AGENDA

Motion to approve the February 8th 2022 minutes and the February payable invoices in the amount of \$1,234,525.85.

Moved by Chew, seconded by Kling, to approve items referenced above.
Approved unanimously

Motion to receive and file the February 2022 revenue, expense and financial reports.

Moved by Kling, seconded by McIntosh, to approve items referenced above. Bender noted we have a good fund balance but appears we will be spending some money on invoices this month.

Approved unanimously

Motion approving reimbursement payment to the City of Marion for water main installation in the 2021 Central Corridor 7th Avenue from 8th St. to 12th St. Reconstruction Project Phase 1 for \$363,490.18.

Moved by Kling, seconded by Bender, to approve item referenced above. This payment to the City is for the water main installed on 7th Avenue between 10th Street and 12th Street last year. Rathje Construction is the contractor on this project. There will be one more payment at the end of this construction season for the remaining water main installation. Bender asked for a copy of the bid tabulation sheet that he was unable to open. Steigerwaldt stated he would share this document after the meeting. The other board members had a copy of this attachment.

Approved unanimously

Motion approving reimbursement to the City of Marion for water main installation in the 2020 10th Street and Central Avenue Intersection Project for \$43,801.00.

Moved by Kling, seconded by Olson, to approve item referenced above. The City has completed the 10th Street and Central Avenue intersection (RAB) project where we requested to relay water main within this intersection and westerly down Central Avenue to almost 9th Street.

Approved unanimously

Motion approving reimbursement payment to City of Marion for water main installation on the Central Corridor Improvements on 6th Avenue from 19th Street to 27th Street for \$14,826.88.

Moved by Olson, seconded by Chew, to approve item referenced above. The City finally invoiced us for some water main that was installed at the intersection of 6th Avenue and 22nd Street as part of the Central Corridor Improvements plan.

Approved unanimously

Motion to approve partial payment #8 to WRH, Inc. for the Well 5 & 8 Water Treatment Plant for \$149,407.55.

Moved by McIntosh, seconded by Kling, to approve item referenced above. Steigerwaldt stated work continues on this site. The filters arrived February 4th and the roof is completed. Work is progressing inside. There were two partial payments this month as WRH was late in submitting the payment request last month.

Approved unanimously

Motion to approve partial payment #9 to WRH, Inc. for the Well 5 & 8 Water Treatment Plant for \$321,971.96.

Moved by Bender, seconded by Olson, to approve item referenced above. Steigerwaldt stated this payment covers the installation of the two large iron removal filters. He noted that the contractor corrected the percentage complete tabulation that shows the project is approximately 71% completed.

Approved unanimously

Motion to approve Change Order #1 with WRH, Inc. for the Well 5 & 8 Water Treatment Plant Improvement Project for \$1,505.41.

Moved by McIntosh, seconded by Olson, to approve item referenced above. Steigerwaldt stated the plans called for galvanized steel duct work when it really should have been aluminum which is less resistant to chlorine. The slight increase is for the material cost increase and some labor to fabricate the duct work on site.

Approved unanimously

Motion to approve two invoices for Veenstra & Kimm Inc. for work associated with the Well 5 & 8 Water Treatment Plant Project for a total amount of \$1,766.50.

Moved by Chew, seconded by Bender, to approve item referenced above per approved contract for engineering services for this project. The are at 85% of the contract amount.

Approved unanimously

Motion approving \$500 financial pledge to the Uptown Marion Main Street Program.

Moved by Kling, seconded by Olson, to approve item referenced above. Steigerwaldt stated the board has given \$500 to this organization in the past. This is a budgeted

expense in this year's budget. Information on the program's past accomplishments and future projects are listed in the attachment. Steigerwaldt mentioned Brooke Prouty has been a huge help with the Uptown businesses during the 7th Avenue reconstruction project and she continues to promote Uptown Marion and Reach Higher for our community. Kling made a friendly amendment to his motion to pledge \$500 to this organization with the other board members consent.

Approved by the following votes:

Ayes: Bender, Olson, Kling, and Chew

Nays: McIntosh

Motion to approve Engineering Services Agreement with Veenstra & Kimm Inc. for the Site 4 Ground Storage Tank (GST) Painting and Repair Project.

Moved by Bender, seconded by Kling, to approve referenced item above. Steigerwaldt told the board we hired V&K Inc. back in the spring of 2019 to preform a preliminary recoating/repair assessment of our 1 MG ground storage tank at Site #4 (main shop). This report was completed with a preliminary cost estimate for budgetary purposes and to determine the urgency of the repairs. They have 90% of the data and design work completed. They just have to prepare plans and specs and then preform the inspection when the contractor starts. We are giving the contractor the option to start work this fall or next spring with the hope of better bid prices with the built in flexibility. Engineering services cost is \$18,000 which is about 5% of the total estimated cost of the project. McIntosh asked when this tank was last recoated. Smith recalled it was close to 2007. Smith discussed the hi-build interior coating product last used on the inside of the tank. If more than 30% of the hi-build product needs repair it would be more cost effective to entirely remove the hi-build coating and recoat versus do the repair on the hi-build coating due to the cost involved on the hi-build repair. This will be re-evaluated once the contractor is on site and the tank is out of service. It was mentioned by staff that the zinc coating product last used at Site #5 has held up very well and would be a likely product to use on this recoating project.

Approved unanimously

Motion to approve land purchase off of Lucore Road for future elevated water tower.

Moved by Kling, seconded by Olson, to approve item referenced above. Steigerwaldt shared a draft purchase offer with the board member and explained the negotiations that have been on going so far. He met the land owner Monday afternoon at 2:30 PM to walk the site and discuss the final needs/wants and they have finalized a purchase offer agreeable to both parties. The board discussed the purchase and agreed this offer was fair based on adjacent recent land purchases around the surrounding area.

Approved unanimously

Discussion on water rate increase options for the board to consider.

Steigerwaldt shared with the board a draft water rate spreadsheet prepared by Janice Lawrence. She compiled 6 different scenarios for the board to consider to reach our anticipated goal of increasing revenue by approximately \$150,000 next fiscal year. He stated we will set a public hearing date at the April meeting for a public rate hearing at May board meeting to set the new rate so it will go into effect July 1st, the start of our new fiscal year. Of the 6 scenarios, the one both Lawrence and Steigerwaldt liked was proposal 6. This proposal would affect multi-family dwelling units which currently are receiving a

Draft

discounted water rate due to the fact they use one larger meter to serve multiple units thus the Water Department does not receive the same dollar amount or fixed charge as a typical single-family dwelling pays. The proposal would charge multi-family units a per unit fee of \$4.00 per month per unit within the building similar to the \$2.00 per month sanitary sewer charge even if a unit is unoccupied. This is a more equitable way to bill the multi-family units. Kling asked how they would respond to a question by an owner of multi-family building to justify the cost of the additional fee. Steigerwaldt stated the property for multi-family building used to be taxed at 100% commercial tax but now they are being taxed at almost the same roll back tax rate (54-56% valuation) as a single-family home. The tax savings the property owner received from this shift in property tax will offset the minor water rate increase being considered at \$4.00 per unit per month. The board members were agreeable to this proposal and appreciated the work Lawrence put into the 6 rate increase scenarios.

Approved

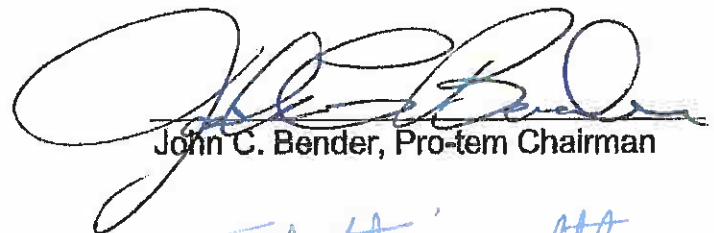
Discussion regarding the Field Operations Report.

Smith updated the board on the February field activities report and status of the Well 5 & 8 Iron Removal Plant Project. Bender asked if we had locked in a price for fuel. Steigerwaldt stated we did not but we had a 3 cent discount through Linn Coop with our fleet discount membership program.

Steigerwaldt shared with the board the February Building permit report.

ADJOURN

Kling adjourned the meeting at 5:20 PM. The next Marion Water Board meeting will be held on Tuesday, April 12th 2022, at 4:00 PM at 3050 5th Avenue, Marion and on ZOOM.



John C. Bender, Pro-tem Chairman



Todd Steigerwaldt, Secretary