

LEAVENWORTH WATER DEPARTMENT

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS

HELD ON FEBRUARY 27, 2013

A regular meeting of the Board of Directors of the Leavenworth Water Department was held at 5:00 PM on Wednesday February 27, 2013 at the Leavenworth Water Department located at 601 Cherokee, Leavenworth, Kansas 66048.

ATTENDANCE

Directors in Attendance

Howard Kirk, Chairman
Thomas Koch, Vice Chairman
Dr. Paul Kittle, Assistant Secretary
Michael Bogner, Secretary
Teresa Wood, Member

Directors Absent (Excused)

Staff in Attendance

John Kaufman, Department Manager
Lesia Hegeman, Finance Manager
Dennis Baragary, Sr., Distribution Manager
Jeff Arnold, Plant Superintendent
James Adams, North Plant Superintendent
Gary Simanowitz, South Plant Superintendent
Kayla Manning, Staff Engineer

Others in Attendance

None

CALL TO ORDER

Chairman Kirk called the meeting to order noting that a quorum was present.

MINUTES

Upon motion of Director Kittle, seconded by Director Wood the minutes were adopted, it was ...

RESOLVED (No. 14151), that the minutes of the February 11, 2013 Board Meeting are hereby approved.

BOARD MEMBER ITEMS

Director Bogner requested ...

- HR consultant project list and schedule for completion
 - Plan for competitive bidding for water treatment plant chemicals
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PUBLIC COMMENT

None

CONSIDERATION OF
PAYROLL
DISBURSEMENTS

Upon motion of Director Wood, seconded by Director Bogner, and unanimously adopted, it was ...

RESOLVED (No. 14152), that the regular payroll for the period ending February 28, 2012 amounting to gross pay of \$75,300.09 (composed of Federal Tax Withheld - \$8,083.37; FICA Withheld - \$5,535.36; State Tax Withheld - \$2,625.13; KPERS Withheld - \$3,211.12; P.E.D.C. - \$1,944.83; Insurance - \$2,391.08; United Way - \$90.50; EQ-Flex - \$2,470.04; Misc. - \$1,015.00; Direct Deposits - \$47,933.66, and including the following overtime amounts: Distribution – 14 hours @ \$461.65, North Plant – 72 hours @ \$1,990.26 and South Plant – 28 hours @ \$871.92 be approved and disbursements made from the Revenue Fund for their respective amounts.

CONSIDERATION OF
REGULAR CLAIMS

None

CONSIDERATION OF
SPECIAL CLAIMS

Upon motion of Director Kittle, seconded by Director Wood, and unanimously adopted, it was ...

RESOLVED (No. 14153), that the Board approved the Special Claims on the Revenue fund totaling \$103,863.29, and the checks be drawn on the Revenue Fund for their respective amounts.

CONSIDERATION OF
SPECIAL/SPECIAL CLAIMS

Upon motion of Director Wood, seconded by Director Bogner, and unanimously adopted, it was ...

RESOLVED (No. 14154), that the Board approved the Special/Special Claims on the Revenue fund as follows: AXA Equitable \$3,884.66, Blue Cross and Blue Shield of Kansas \$22,373.53, City of Leavenworth \$177,636.69, HR Resource Solutions \$1,035.00, SASI \$ 1,606.55, KRWA \$935.00, Metropolitan Steakhouse \$107.88, ASCE Membership \$245.00, Hund Service \$41.00, MunicipalH20 \$450.00, and Output Management Group \$7,259.58 and the checks be drawn on the Revenue Fund for their respective amounts.

Upon motion of Director Kittle, seconded by Director Bogner, and unanimously adopted, it was

RESOLVED (No. 14155), that the Board approved the Special/Special Claims on the Revenue fund as follows: AT&T \$170.92, Cintas \$38.71, Pioneer Research \$1,476.95 and Tractor Supply \$234.99 and the checks be drawn on the Revenue Fund for their respective amounts.

CONSIDERATION OF

Upon motion of Director Wood, seconded by Director Koch, and

JANUARY FINANCIAL
AND INVESTMENT
REPORT

unanimously adopted, it was ...

RESOLVED (No. 14156), that the Board approved the January 2013 Financial and Investment Report.

CONSIDERATION OF
UPDATED 2013 SCHEDULE
OF EVENTS
(CONSENT AGENDA)

The updated schedule of events were presented and discussed.

ADMINISTRATION
UPDATE

1. HR Update: Nothing new to report at the present time.
 2. Staff Engineer Position: Kayla Manning accepted the staff engineering position and started on Monday, February 25th.
 3. Office Renovation: Both the manager and staff engineer offices are 95% completed. Office furniture has been ordered.
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PROJECT UPDATES

Stage 2 Disinfection Byproduct Study

There is nothing new to report at this time.

Radial Collector Well Feasibility Study

Black & Veatch sent a draft scope of work to the Water Department, a copy of which is attached.

Southern Star Gas Line Installation

As reported to the Board at the previous board meeting, Southern Star's consultant, Jason Watkins of Hatch Mott MacDonald (SSCGP), developed a preliminary design for the installation of two 18-inch steel high-pressure (500-psi) natural gas lines beneath the Missouri River. A copy of the design was provided to the Board. The gas lines are to be installed by horizontal directional drilling (HDD) beginning on the North Plant property and extending east beneath the chlorine contact basin and clear well and the Missouri River. After reaming, the pipe will be pulled from the east side of the river. Once the engineering design is agreed to, Clark Cooney SSCGP's land representative, will be involved directly with the Water Department on easement negotiations.

Black & Veatch, who designed the chlorine contact basin and clear well, was requested to develop a scope of work to evaluate the potential impact (or risk) of the project on the Water Department's infrastructure. A copy of their project scope of work was presented at the previous board meeting. A specific cost proposal was requested from Black and Veatch, who estimated the cost will be nearly \$40,000.

Jason Watkins and Southern Star were informed that the Water Department does not object to the project, but the Water Department needs assurance that the clear well and chlorine contact basin will not be damaged by the HDD work. This assurance can be provided by Black and Veatch's independent evaluation.

Southern Star was also requested to reimburse the Water Department for the BV evaluation, which can be delineated in an agreement. Southern Star and its contractor(s) must also fully indemnify the Water Department, its employees, and the Waterworks Board, and to carry sufficient liability insurance to pay for the full demolition and replacement of the structure if it is damaged and must be reconstructed.

Southern Star was informed that the Water Department would provide Southern Star a construction easement at no cost with the understanding that they and their contractor(s) will be responsible stewards of the property and that the construction work will not adversely impact water treatment operations and access to our facilities. In terms of a permanent easement, the Water Department will need a survey, responsible terms and conditions, and a reasonable annual fee, which would be negotiated. Southern Star will also need to insure the operation of the two high-pressure gas lines beneath the property against catastrophic failure.

GIS System

There is nothing new to report at this time.

North Plant Head Gates

The North Plant head gates are being installed by the contractor.

Plant Security Gates

Special gate locks were received and forwarded to the Fire Department.

Other Projects

The status of other projects is summarized below.

Main Replacements	Project Status
<ul style="list-style-type: none"> Shawnee Street (from Esplanade to 6th Street) and Esplanade (from Shawnee to Delaware) 	The project will resume when the weather warms.
<ul style="list-style-type: none"> Delaware Street (from 13th Street to 16th Street) 	The project will begin in the spring or summer. Additional plan and profile work is being done along 13 th Street to relocate the water main away from a new city storm sewer.
<ul style="list-style-type: none"> 16th Street (from Santa Fe to Thornton Street) 	The project will begin in the spring or summer.
<ul style="list-style-type: none"> Miami Street (from 8th Street to 10th Street) 	The project will begin in the spring or summer.
<ul style="list-style-type: none"> Franklin Street (from Ohio to Kansas) 	The project will begin in the spring or summer.
<ul style="list-style-type: none"> 3rd Street at Three-Mile Creek 	The project will begin in the spring or summer.
<ul style="list-style-type: none"> 17th and Thornton 6-Inch Water Main 	The project will begin in the spring or summer.
<ul style="list-style-type: none"> Stove Factory Lofts Water Mains and Hydrants 	There is no project schedule.
City Road and Bridge Projects	Project Status
<ul style="list-style-type: none"> 2nd Avenue and Limit Street Bridge Replacement and Road Realignment 	A draft KDOT 1304 form was prepared and submitted to the City for comment.
<ul style="list-style-type: none"> Limit Street Bridge Replacement at 15th Street and Road Widening from 15th to 20th Street 	City condemnation of private land is pending.
<ul style="list-style-type: none"> 2nd Street Bridge Replacement 	EPA/KDHE approval of the construction work is pending due to contaminated soil.
<ul style="list-style-type: none"> Storm Sewer Upgrade, Curb, and Sidewalk 2nd Street Bridge Replacement from 13th St. Terrace to 17th Street 	Nothing to report at this time.
<ul style="list-style-type: none"> City Sidewalk and Street Overlay Projects 	Nothing to report at this time.
Other Projects	Project Status
<ul style="list-style-type: none"> Radio-Read Meter Installations 	Delivery of about half of the meters is anticipated in March.

CONSIDERATION OF
WINSMITH GEAR UNIT
PURCHASE FOR SOUTH
PLANT

Upon motion of Director Kittle, seconded by Director Bogner and unanimously adopted, it was ...

RESOLVED (No. 14157), that the Board accepted the lowest bid from Bearing Headquarters Company to purchase three (3) Winsmith gear reducer units for the South Plant at a cost not to exceed \$16,539.73.

CONSIDERATION OF
LAPTOP

Upon motion of Director Kirk, and seconded by Director Kittle, and unanimously adopted, it was. ...

RESOLVED (No. 14158), that the Board voted naye for the purchase of a laptop computer.

Upon motion of Director Kirk, and seconded by Kittle, and unanimously adopted, it was....

RESOLVED (No. 14159), that the Board agreed to purchase a desktop computer with two 24 inch monitors, at a cost not to exceed \$6,000.00.

MANAGER'S REPORT

Meeting with Region 7 EPA Concerning NPDES Permits for Lime Residuals

A meeting with EPA Regions 7 is being coordinated by Tom Shremp of Water One. The date, time, and venue of the meeting are yet to be determined.

Missouri River Degradation Study

Based on river information provided by the Corps of Engineers for St. Joseph, MO and Kansas City, MO, the Missouri River stage at 20k cfs (the current flow in the river at Leavenworth) has dropped nearly 8 feet at Leavenworth between 1941 and 2007. According the Corps, the record 2011 flood dropped the river bottom an additional 4 to 4.5 feet.

Upcoming Events (Reminder)

Education Foundation Breakfast. The Leavenworth Education Foundation breakfast and meeting will be held at 7 AM on March 5, 2013 at the Leavenworth High School. The Water Department recently donated \$500 to the Education Foundation and is eligible to send four people to the breakfast event. Please let Sue Barnes know if you would like to attend the breakfast and meeting.

KDHE Asset Management Workshop. The Kansas Department of Health and Environment (KDHE) Capacity Development Program, in partnership with Wichita State Environmental Finance Center (EFC) and Kansas Municipal Utilities (KMU), are sponsoring an “*A.M. Kan Work!*” Workshop on water utility asset management. The workshop is free and will occur on February 26th in St. Mary’s, Kansas (near Topeka). John Kaufman will attend this workshop, which will focus on implementation of new administrative systems and management tools for utilities to adapt to increased regulatory requirements and environmental complexities.

KDHE Utility Rate Setting and Financial Planning Workshop. The Kansas Department of Health and Environment (KDHE) Capacity Development Program, in partnership with Wichita State Environmental Finance Center (EFC), Ranson Financial Consultants, and Kansas Municipal Utilities (KMU), are sponsoring a workshop on rate setting and financial planning. The workshop is free and will occur on February 27th in St. Mary’s, Kansas (near Topeka). John Kaufman will attend the workshop, which will provide participants with an understanding of major considerations when setting rates; rate structure options and pricing objectives; financial planning considerations; and strategies for communicating rate information to the utility board and community.

KRWA Conference. The Kansas Rural Water Association Conference will be held in Wichita from March 26th to 28th. Please let Sue Barnes know if you would like to attend.

AWWA Annual Convention and Exposition (ACE13). ACE13 will be in Denver, Colorado from June 9th to 13th. Please let Sue Barnes know if you would like to attend.

Adaption Strategies and Information Needs in Response to Extreme Events Workshop

John Kaufman attended a workshop sponsored by NOAA, EPA, WERF, WaterRF, CTC, and Nobis on February 19th and 20th to discuss how water utilities and other stakeholders in the Lower Missouri River Basin region planned for, responded to, and learned from specific extreme events to engage participants and exchange knowledge. The workshop was held at the Johnson County Administration Building in Olathe, Kansas. Other water providers in attendance included Water One, BPU, Kansas City, MO, and the City of Olathe.

City Congressional Meetings

The City plans to visit the Kansas Congressional Delegation from March 3rd to 6th. A copy of the City's meeting schedule was provided to the Board at the previous board meeting. The City plans to meet with the Bureau of Prisons, Senators Pat Roberts and Jerry Moran, Congresswoman Lynn Jenkins, and Congressmen Kevin Yoder. A copy of City's meeting agenda was requested from City Manager, Scott Miller.

On behalf of the Water Department, the following three water issues were identified for discussion with the Kansas Congressional Delegation and staffers:

- Discharge of Lime Residuals into the Missouri River
- Missouri River Basin Drought and Bed Degradation Study
- Kansas Public Water Supply Loan Fund & National Drinking Water State Revolving Fund

County Hazard Mitigation Meeting

John Kaufman participated in a County Hazard Mitigation Plan meeting on February 15th at Chuck Magaha's Leavenworth County Emergency Management office. Others in attendance included representatives of the City Public Works Department, City of Lansing, Leavenworth Fire Department, Lansing Correctional Facility, Fort Leavenworth, and Kansas Department of Emergency Management. The plan was designed to assist the County in planning for mitigation projects within the community and improve the County's capability in applying for FEMA funding for these projects. The County's plan will be incorporated into a regional plan to include Johnson and Wyandotte Counties in the near future.

Water Department v Bettis Asphalt

Expense information totaling nearly \$30K was submitted to Peter Robertson of Crow and Associates in response to the Bettis's request for information in the pending damage case.

Drought Update

Prior to the recent snow storm "Q", NOAA issued the following status report on the ongoing 2012-2013 drought in the Missouri River Basin:

Current Conditions

- Winter has brought wetter and cooler conditions to the eastern part of the Central Region, while drier and warmer than normal conditions have persisted in the western portion.
- Frozen soils remain in the Dakotas, N. Iowa and Minnesota while soil temperatures are above freezing in Nebraska/Kansas. Soil moisture is very low for much of Central Region.

Predictions

- El Niño Southern Oscillation (ENSO) neutral conditions are forecast through Fall 2013,

La Nina not expected to return.

- Drought conditions are expected to persist in the western part of the Central Region, while some improvement is forecast for the northern and northeast portion of the region over the next few months.

The current snow pack levels in the upper part of the Missouri River Basin are as follows:

Montana Mountains	90% to 109%
Montana Plains	110% to 129%
Wyoming Mountains	90% to 109%
Wyoming Plains	50% to 89%
Colorado Mountains	50% to 69%
Colorado Plains	50% to 129%

Water Treatment Plant Operations

From February 1st to 22nd, a total of 85,835,800 gallons were pumped into the water-distribution system from both treatment plants. Demand ranged from about 2.80 MGD to 4.57 MGD and averaged 3.90 MGD. The total volume of potable water pumped into distribution system from January 1, 2013 to February 22, 2013 is 216,090,100 gallons, or nearly 4.08 MGD average.

- North Plant:** From February 1st to 22nd, the North Plant produced 21,760,000 gallons and met about 25% of the total system demand by producing from 0 to 2.15 MGD and averaging about 1.04 MGD. The new head gates for the north plant are being installed with some delays due to the weather; the plant is shut down and being cleaned while this work is progressing.
- South Plant:** From February 1st to 22nd, the South Plant produced 64,075,800 gallons and met about 75% of the total system demand by producing from 1.69 to 4.47 MGD and averaging about 3.45 MGD. Douglas Pump Service installed the new pumping equipment in Wells No. 4 and 6.

The Corps recently reduced the discharge from Gavins Point Dam to 14k cubic feet per second (cfs) and the current flow at Leavenworth is about 20k cfs as inferred from available river hydrographs. About 40% of the river north of Rulo, Nebraska is 5-foot to 10-foot, pan ice. Upstream ice jams will reduce the flow at Leavenworth.

Backup Generators

John Kaufman, Jeff Arnold, Gary Simanowitz, and Jim Arnold met with Mike Cox of Capital Electric on Thursday, February 14th to discuss backup natural gas generators for the two water treatment plants, intake, and booster pump station. Capital Electric will prepare a scope of work and cost estimate for consideration by the Board.

Water Distribution Operations

Since the previous Board meeting on January 28, 2013 the following water-distribution activities occurred:

- a. New Water-Service Connections: one at 1230 Holman
- b. Service Kills, Relocations or Repairs: one relocation/repair at 1820 Rose
- c. Valves and Fire Hydrants (new and replacements): none
- d. Waterline Breaks: 6 total, including a 1-inch galvanized line at 16th and Cherokee

2-inch (3)	4-inch (0)	6-inch (1)	8-inch (0)	10-inch (0)	12-inch (0)
1032 Columbia 1701 Rose 2115 S. 16th	none	1823 Spruce	none	none	none

Also, four customers reported frozen buried pipes on their side of the flow meter.

- e. Service Renewals without Main Replacements: three – 507 Dakota (Ford valve); 708 Kiowa (Ford valve); and, 807 North 12th (road box)
- f. Service Transfers to New Replacement Mains: none
- g. Radio-Read Installations: none
- h. Large Meter Replacements: none
- i. Meter Relocations: none

ADJOURNMENT

There being no further business to come before the Board, Chairman Kirk adjourned the meeting.

Approved _____ 2013

Howard Kirk, Chairman

Thomas Koch, Vice Chairman