

LEAVENWORTH WATER DEPARTMENT

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS

HELD ON JANUARY 14, 2013

A regular meeting of the Board of Directors of the Leavenworth Water Department was held at 5:00 PM on Monday, January 14, 2013 at the Leavenworth Water Department located at 601 Cherokee, Leavenworth, Kansas 66048.

ATTENDANCE

Directors in Attendance

Howard Kirk, Chairman (by Skype)
Thomas Koch, Vice Chairman
Dr. Paul Kittle, Assistant Secretary
Michael Bogner, Secretary

Directors Absent (Excused)

Teresa Wood, Member

Staff in Attendance

John Kaufman, General Manager
Lesia Hegeman, Finance Manager
Dennis Baragary, Sr., Distribution Manager
Patrick Garrett, Jr., Distribution Supervisor
Jeff Arnold, Water Treatment Manager
James Adams, North Plant Superintendent
Gary Simanowitz, South Plant Superintendent

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 Bogner, seconded by Director Kirk the minutes were adopted, it was ...

RESOLVED (**No. 14117**), that the minutes of the December 21, 2012 Board Meeting are hereby approved.

PUBLIC COMMENT

None

BOARD MEMBER ITEMS

None

CONSIDERATION OF
PAYROLL
DISBURSEMENTS

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

RESOLVED (No. 14118), that the regular payroll for the period ending January 15, 2012 amounting to gross pay of \$80,790.80 (composed of Federal Tax Withheld - \$8,320.87; FICA Withheld - \$5,951.18; State Tax Withheld - \$3,521.20; KPERS Withheld - \$3,418.87; P.E.D.C. - \$1,854.83; Insurance - \$2,226.97; United Way - \$90.50; EQ-Flex - \$2,470.04; Misc. - \$260.00; Direct Deposits - \$52,676.34, and including the following overtime amounts: Distribution – 175 hours @ \$5,247.41, North Plant – 84 hours @ \$2,384.88 and South Plant – 87 hours @ \$2,683.32 be approved and disbursements made from the Revenue Fund for their respective amounts.

CONSIDERATION OF
REGULAR CLAIMS

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

RESOLVED (No. 14119), that the Board approved the Claims on the Revenue fund totaling \$136,753.75, and the checks be drawn on the Revenue Fund for their respective amounts.

CONSIDERATION OF
SPECIAL CLAIMS

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

RESOLVED (No. 14120), that the Board approved the Special Claims on the Revenue fund totaling \$301,383.87, and the checks be drawn on the Revenue Fund for their respective amounts.

CONSIDERATION OF
SPECIAL/SPECIAL
CLAIMS

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

RESOLVED (No. 14121), that the Board approved the Special/Special Claims on the Revenue fund as follows: AT&T Mobility \$669.00, AXA Equitable \$3,609.66, Pullman Place \$55.60, Leav Area Chamber of Commerce \$475.00, Leav Public Schools Education Fund \$500.00, Leav Main Street Program \$250.00, Richard Allen Cultural Center \$100.00, Westar Energy \$31,435.38, that checks be drawn on the Revenue Fund for their respective amounts.

CONSIDERATION OF
FINANCIAL AND
INVESTMENT REPORT

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

RESOLVED (No. 14122), that the Board approved November 2012 Financial Statements.

ADMINISTRATION
UPDATES

HR Update

John Kaufman and Lesia Hegeman will attend a meeting with Tim Huston on Monday, January 14th to discuss the staff engineer position, job description for the GIS technician, workers compensation, personnel manual, and related matters.

Staff Engineer Resumes and Interviews

One new resume was received from a local engineer, which was forwarded to the Board for review and consideration.

Office Renovation

Nothing new to report at this time.

PROJECT UPDATES

In the coming months, Water Department staff will be working to complete a number of water distribution and water treatment projects.

Main Replacements

1. **Shawnee Street (from Esplanade to 6th Street) and Esplanade (from Shawnee to Delaware)**

This project is to replace about 2,440 feet of 6-inch cast iron pipe with 8-inch HDPE pipe. About 475 feet was replaced between 4th and 5th Streets by pipe-bursting in November and December 2012. The remainder (about 1,965 feet) will be replaced when the weather warms above freezing.

2. **Delaware Street (from 13th Street to 16th Street)**

This project is to replace about 2,090 feet of 2-inch cast iron pipe with 6-inch or 8-inch HDPE pipe. The new pipe will be installed by directional boring or pipe bursting. The work will begin as the weather warms above freezing concurrent or subsequent to the Shawnee Street work and other projects.

3. **16th Street (from Santa Fe to Thornton Street)**

This project is to replace about 1,050 feet of 2-inch cast iron pipe with 6-inch or 8-inch HDPE pipe. The new pipe will be installed by directional boring or pipe bursting. The work will begin as the weather warms above freezing concurrent or subsequent to the Shawnee Street work and other projects.

4. **Miami Street (from 8th Street to 10th Street)**

This project is to replace about 1,280 feet of 4-inch cast iron pipe with 6-inch or 8-inch HDPE pipe. The new pipe will be installed by directional boring or pipe bursting. The work will begin as the weather warms above freezing concurrent or subsequent to the Shawnee Street work and other projects.

5. **Franklin Street (from Ohio to Kansas)**

This project is to replace about 650 feet of 2-inch cast iron pipe with 6-inch or 8-inch HDPE pipe. The new pipe will be installed by directional boring or pipe bursting. The work will begin as the weather warms above freezing concurrent or subsequent to the Shawnee Street work and other projects.

6. **3rd Street at Three-Mile Creek**

This project is to replace about 150 feet of 8-inch DIP that was abandoned in support of the City's trail project.

7. **17th and Thornton 6-Inch Water Main**

This project is to bury and armor an existing water main that is exposed by erosion in a channel. Design work is pending.

8. **Stove Factory Lofts Water Mains and Hydrants**

This project will include the replacement of a 4-inch CIP with a 6-inch or 8-inch HDPE line and the installation of a new main to loop fire hydrants around the building. The project may not be initiated until 2014.

Radio-Read Meter Installations

1640 new radio read meters will be installed in the City by the end of 2013 to complete the project begun several years ago.

City Road and Bridge Projects

1. **2nd Avenue and Limit Street Bridge Replacement and Road Realignment**

This project is to relocate about 600 feet of 12-inch CIP transmission line with 12-inch PVC pipe. Design work has been completed. An easement or right-of-way is pending from the City. Work is forecast to begin in the spring.

2. **Limit Street Bridge Replacement at 15th Street and Road Widening from 15th to 20th Street**

This project is to relocate about 160 feet 8-inch DIP with 8-inch HDPE pipe beneath the bridge and to deepen about 400 feet of 8-inch main between 16th and 20th Streets. Work is forecast to begin in the spring.

3. **2nd Street Bridge Replacement**

This project is to replace about 80 feet of 10-inch CIP with 10-inch DIP. Work is forecast to begin in the spring in coordination with the City's contractor and is pending EPA approval.

4. **Storm Sewer Upgrade, Curb, and Sidewalk 2nd Street Bridge Replacement from 13th St. Terrace to 17th Street**

This project may require main relocation.

5. **City Sidewalk and Street Overlay Projects**

The City is planning a number of sidewalk and street-overlay projects that may require relocation or adjustments of certain facilities, including valves and meters.

Access Road Reconstruction

An RFP is in preparation for construction bidding. Work is scheduled to be completed by the March 1st.

Security Gates

Gate installation began on January 14th and is forecast to be completed by the end of the month.

Wireless Internet

Work was recently completed.

North Plant Head Gate Installation

Work is forecast to be completed in March.

SCADA System Upgrade

Work recently began on upgrading the communication system.

Disinfection Byproduct Study

A kickoff meeting is scheduled with Black and Veatch on Tuesday, January 15th.

CONSIDERATION OF 2013
LCDC MEMBERSHIP
RENEWAL

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

RESOLVED (No. 14123), that the Board approved the 2013 LCDC membership renewal at the \$500.00 level.

CONSIDERATION OF
LIME SLUDGE DISPOSAL
GEOTECHNICAL
SERVICE AGREEMENT

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

RESOLVED (No. 14124), that the Board approved the geotechnical services contract with Geotechnical Services, Inc. for test drilling near the South Plant lime sludge ponds at a base cost of \$6,000, \$43.00/foot for rock coring, \$4.00/foot for borehole plugging, and \$325.00 for each permeability test.

CONSIDERATION OF
VARIABLE FREQUENCY
DRIVES FOR BOOSTER
STATION

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

RESOLVED (No. 14125), that the Board approved the purchase and installation of three new variable-frequency drive systems at the Ohio Street booster pump station by R. E. Pedrotti at a cost not to exceed \$18,255.00.

CONSIDERATION OF
ELECTRICAL SAVINGS
PLAN TO RWD-5

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

RESOLVED (No. 14126), that the Board approved the payment of \$5,600.58 to RWD-5 for its proportional share of the 2012 electrical cost savings at the Ohio Street booster pump station.

EXECUTIVE SESSION

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

RESOLVED (No. 14127), that the Board suspend the Board meeting and go into executive session for 30 minutes to discuss personnel matters. Staff in attendance included John Kaufman (General Manager) and Lesia Hegeman (Finance Manager).

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

RESOLVED (No. 14128), that the Board come out of executive session after 30 minutes of discussing personnel matters and resumed the Board meeting.

CONSIDERATION OF 2013
EMPLOYEE
COMPENSATION
PACKAGE

Upon motion of Director Kirk, seconded by Director Kittle, and adopted with one abstention by Director Bogner, it was ...

RESOLVED (No. 14129), that the Board approved a 2% cost of living increase for all employees that will take effect for the second pay-period in January 2013 and an additional floating paid holiday.

MANAGER’S REPORT

Pending EPA Regulations

The following table summarizes several scheduled and pending EPA regulatory actions. The regulations that will have the greatest impact on utilities in 2013 and 2014 will likely be the Consumer Confidence Rule (CCR) and the Revised Total Coliform Rule (RTCR). The former was discussed in the prior Manager’s report. Two additional regulations—Unregulated Contaminant Monitoring Rule 3 (UCMR3) and the Revised “Lead-Free” Definition, which will significantly affect utilities in 2013 and 2014 — have already been finalized and are in the process of being implemented.

Regulatory Action	Proposal	Final
• Consumer Confidence Reports (CCR) Alternative Delivery Interpretative Memo	Draft, September 2012	January 2013
• Revised Total Coliform Rule (RTCR)	July 2010	Late 2012 or early 2013
• Perchlorate	February 2013	August 2014
• Third Regulatory Determination (RD3)	2013	2014 or 2015
• Long-Term Lead and Copper Rule (LT-LCR) Revisions	2013	2015
• Carcinogenic VOCs (cVOCs)	2013	2015
• Third Six-Year Review (SY3)	2015	2016
• RD3 Regulations, if EPA makes any positive RD3 determination	2016 or 2017	2018 or 2019
• Hexavalent Chromium (Cr-6)	2017 or 2018 at the earliest	2019 or 2020

1. CCR Alternative Delivery

In August 2011, EPA released a final plan for a retrospective review of its existing regulations, including the CCR. As part of the review, EPA released a draft report on electronic delivery options

for CCRs in mid-September 2012. The review originally was planned to result in guidance on alternative (electronic) delivery methods, but EPA has since rebranded the draft output as an “interpretative memo,” probably because of potential concerns about rulemaking through guidance. Although the implications of this change aren’t clear at this time, EPA indicated this is a new interpretation of existing regulation and, therefore, does not require revision of the CCR Rule itself.

The report provided several options regarding electronic delivery of CCRs, with the most promising option being written notification of a Web link that would direct a water system customer to the full CCR on the system’s website. This written notification could be a separate line on the water bill, a bill insert, or a separate notice. Any electronic delivery methods endorsed by EPA may or may not be implemented by all state primacy agencies, because this report is neither a formal rulemaking nor “official” EPA guidance. However, preliminary indications are that most state agencies will likely support electronic delivery.

EPA plans to finalize its report in early January 2013, so there is a good chance that water systems could start using electronic delivery of CCRs later in 2013. The change would affect delivery to bill-paying customers only and wouldn’t change requirements for good-faith efforts to reach individuals who do not receive bills established by primacy agencies. The potential cost saving to the Water Department could be significant.

By posting the CCR on our website, the Water Department could include more detailed and up-to-date water-quality information. In addition, water systems can reduce printing and mailing expenses and be more environmentally friendly. Greater savings can be achieved through use of a note on a bill or bill insert, which displays a Web link to the full CCR, than any other alternative delivery method examined.

2. RTCR

Revisions to the RTCR are significant. The current Total Coliform Rule (TCR) applies to all systems. Resulting from a lengthy negotiated rulemaking process, RTCR revisions shift the regulation’s focus from unnecessary public notification to a “find-and-fix” approach. Water systems must understand how the revisions will affect required actions based on current TCR triggers. The triggers will remain the same, but resulting actions are different, including understanding what Level 1 and Level 2 assessments are looking for, what data to manage for compliance, and how to correct problems found during these assessments.

The final RTCR was not published pending review by the Office of Management and Budget’s Office of Information and Regulatory Affairs (OIRA). That review was completed on November 30, 2012. The RTCR is likely to be published in early January 2013.

3. UCMR3

The final UCMR3, published in the Federal Register (77 FR 26072) on May 2, 2012, mandates monitoring to be conducted in four consecutive quarters in the years 2013–2015. Systems serving more than 10,000 people are required to monitor for 21 List 1 chemicals, and systems serving more than 100,000 people must monitor for seven List 2 chemicals, along with some selected systems serving more than 10,000 people. Six analytical methods are required for the List 1 chemicals, and a seventh method is used for List 2 chemicals.

The first significant UCMR3 change is that consecutive systems are now required to conduct monitoring based on the retail population served. In addition, several of the analytical methods have field blank requirements, which are not the same for each method in which a field blank is required. Field blanks must be collected and conducted in the field at the time of sampling and are a water system’s responsibility.

4. Revised “Lead-Free” Definition

The revised definition of “lead free” becomes effective Jan. 4, 2014, three years after the legislation was signed into law as PL 111-380. The legislation changes the definition of lead free to less than 0.25 percent lead. Any new meters, appurtenances, etc. that are installed and parts used in repairs must meet this new definition. Water systems will need to appropriately manage their inventories throughout 2013 to meet this new deadline.

Property Maintenance Agreement with Kansas Correctional Industries

An agreement in principle was negotiated with Kansas Correctional Industries (KCI) to graze cattle on the newly-acquired Packor property. KCI will graze cattle on the property (except near the house and storage building) free of charge in exchange for keeping the property clear of weeds and overgrowth. KCI will construct a new gate near the southwest corner of the property and maintain all gates and fences on the property in good working order. KCI maintains a cow-calf operation of about 100 animals and needs additional grazing space. A written agreement with KCI is pending.

Water Conservation/Drought Plan

In late December, a letter addressed to all water suppliers in Kansas was received from Governor Brownbach requesting that we develop a water conservation/drought plan and submit the plan to the State Water Office by January 8, 2013. A similar letter was received from State Water Office Director, Tracy Street, Secretary of Agriculture Dale Rodman, and Secretary of Kansas Department of Health and Environment Robert Moser. Attached are copies of the letters and a copy of our written response.

Water Treatment Plant Operations

During the month of December 2012, 127,221,800 gallons were pumped into the water-distribution system from both treatment plants. Demand ranged from about 3.19 MDG to 4.90 MGD and averaged nearly 4.10 MGD. The total volume of treated water pumped into the water distribution system from both water treatment plants from January 1st through December 31st in 2012 was 1,798,585,000 gallons, or nearly 96% of Water Department’s total diversion right, notwithstanding sewer and non-sewered return flows.

- a. **North Plant:** During the month of December 2012, the North Plant produced 64,535,000 gallons and met 51% of the total system demand by producing from 1.26 to 2.15 MGD and averaging about 2.08 MGD.
- b. **South Plant:** During the month of December 2012, the South Plant produced 62,686,800 gallons and met 49% of the total system demand by producing from 1.09 to 2.79 MGD and averaging more than 2.02 MGD.

Water Distribution Operations

Since the previous Board meeting on December 21, 2012 the following water-distribution activities occurred:

- a. New Water-Service Connections: one at 4908 Parkway Drive
- b. Service Kills, Relocations or Repairs: none
- c. Valves and Fire Hydrants (new and replacements):
 - 3rd and Elm – replaced 4-inch valve
 - 2nd and Elm – installed new 4-inch valve
 - Northeast corner of 3rd and Elm – replaced fire hydrant
- d. Waterline Breaks: 22 total

2-inch (15)	4-inch (2)	6-inch (2)	8-inch (1)	10-inch (1)	12-inch (1)
1724 Grand 1428 Olive 1210 Olive 914 Chestnut 207 Western 1416 Jeanne Ct 1916 Miami 1719 Cheyenne 1700 Michael 1416 Franklin 16 th & Quincy 1696 Pawnee 207 Western 1712 Michael 709 S. 3 rd St	3 rd and Elm 4 th & Shawnee (northeast corner)	15 th and Vilas 1306 Cherokee	608 Delaware	1825 4 th St.	5 th Street & Oak leak from an abandoned corporation.

- e. Service Renewals without Main Replacements: none
- 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