

LEAVENWORTH WATERWORKS

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS

HELD ON JULY 13, 2015

A regular meeting of the Board of Directors of the Leavenworth Waterworks was held at 5:00 PM on Monday, July 13, 2015 at the Leavenworth Waterworks located at 601 Cherokee, Leavenworth, Kansas 66048.

ATTENDANCE

Directors in Attendance

Richard Gervasini, Chairman
Christi Norris, Secretary
Davis Moulden, Assistant Secretary
Greg Kaaz, Member

Directors Absent (Excused)

Teresa Wood, Vice Chairman

Staff in Attendance

Joel Mahnken, PE, General Manager
Lesia Hegeman, Manager of Finance
Jeffrey Arnold, Superintendent of Plants
Kayla Manning, Engineer
Dennis Baragary, Manager of Distribution

Others in Attendance

JR Reilly, Reilly & Sons Insurance

CALL TO ORDER

Chairman Gervasini called the meeting to order at 5:00 PM.

ROLL CALL, ANNOUNCEMENT OF QUORUM

Chairman Gervasini noted that a quorum was present.

REQUESTS, COMMENTS,
PETITIONS BY MEMBER OF
THE PUBLIC

None

BOARD MEMBERS ITEMS
OUTSIDE OF EXECUTIVE
SESSION

Director Kaaz asked staff to followup with 10-D Security and get an independent network audit.
Director Gervasini asked staff to work with AOS to get a network evaluation.
Director Kaaz thought the AT&T bills were higher and requested an evaluation of all the telephone lines.
Director Kaaz asked for an updated schedule for the Tower Fund.
Director Gervasini stated he spoke to Jack Walker, Garrison Commander at Ft Leavenworth about our fiber optic damages done by their sewer contractor.

APPROVE MINUTES OF
JUNE 22, 2015

The wrong minutes were put in the Board packets, approval deferred to next meeting.

CONSIDERATION OF CONSENT
AGENDA FOR:

Upon motion from Director Kaaz, seconded by Director Moulden, the motion was unanimously adopted ...

RESOLVED (No. 14544) that the Board approved:

A. PAYROLL DISBURSEMENT

A. The payroll for the period ending July 15, 2015 amounting to gross pay of \$84,066.36 (composed of the following withholdings and deductions) Federal Income Tax - \$8,727.84; FICA- \$6,332.66; State Tax - \$2,861.54; KPERS - \$5,029.88, Insurance - \$3,438.84; United Way - \$152.13; Eq-flex - \$909.78; PEDC - \$2,824.68; Garnishment - \$755.00; Rent - \$217.50; Misc - \$10.00; and Direct Deposit - \$52,806.51, and including the following overtime amounts: Distribution - 66.50 hours @ \$2,151.95; North Plant - 60 hours @ \$1,812.09; South Plant - 52 hours @ \$1,706.07 be approved and disbursements made from the Revenue Fund for their respective amounts.

B. PAYMENT OF CLAIMS

B. The Regular Claims \$145,912.29, Special Claims \$254,349.18, and Special/Special Claims as follows: AT&T Mobile \$727.06, Ks Gas Service \$192.96, Westar Energy \$34,270.00, AT&T \$301.66.

PRESENTATION OF PROPERTY
INSURANCE RENEWAL (REILLY)

JR Reilly presented the renewal information to the Board and with the following recommendation: 1) workers compensation deduction - \$1,000.00; 2) earthquake limit is \$2,000,000; 3) employee dishonest limit increase to \$500,000 and 4) cyber liability - \$1,000,000. The premium summary cost for July 2015 to June 2016 is \$134,179.00, plus adjustment for the options. Upon motion from Director Kaaz, seconded by Director Gervasini, the motion was unanimously adopted ...

RESOLVED (No. 14545) that the Board approved the Property Insurance and the recommendations.

CONSIDERATION OF BID FOR
NORTH PLANT FENCE PROJECT

The scope of work is to install a 6' fence with barb wire above the fence for security. The contractor will remove the existing fence and trees and install a concrete mower strip and then install the new fence. Four individuals came to the pre bid meeting, but we received only one bid. The bidder was Julius Kaaz Construction for the amount of \$144,969.00. Director Kaaz stated he has no interest in Julius Kaaz Construction, but will abstain from any discussion and vote.

Upon motion from Director Norris, seconded by Director Moulden, the motion was adopted

RESOLVED (No. 14546) that the Board approved the bid from Julius Kaaz Construction in the amount of \$144,969.00 and authorize the GM to execute the contract.

CONSIDERATION OF PAYMENT TO
WESTLAND FOR SPRINGDALE RD
MAIN EXTENSION WITH
RETAINAGE

Westland Construction completed the project and submitted the invoice for payment. Some additional restoration concerns still need to be address, but this needs to wait until September for re-seeding. The invoice payment is \$79,820.90 and retainage is \$4,201.10 which is 5% and should be enough to cover the remaining restoration. Director Kaaz requested staff to reconcile this project and provide an explanation for all change orders.

Upon motion from Director Kaaz, seconded by Director Norris, the motion was unanimously adopted

RESOLVED (No. 14547) that the Board approved the invoice of \$79,820.90 to pay to Westland Construction.

CONSIDERATION OF DESIGN
CONTRACT WITH BG
CONSULTANTS FOR THORNTON
WATERLINE REPLACEMENT
PROJECT

BG Consultants developed a preliminary layout and cost estimate for the Thornton Street waterline replacement. This project will replace the 8 inch line on Thornton between 10th and 2nd Avenue; a 4 inch cast iron pipe on Maple from Thornton to Santa Fe and abandoned an 8 inch cast iron pipe on Marion. BG Consultant design fee for this project is not to exceed \$78,150.00.
Upon motion from Director Norris, seconded by Director Kaaz, the motion was unanimously adopted

RESOLVED (No. 14548) that the Board approved the proposal and authorized the General Manager to execute the contract with BG Consultants for the design not to exceed the amount of \$78,150.00.

PRESENTATION OF SECOND
QUARTER WORK PLAN UPDATE

The 2015 work plan that was presented last December was reviewed by the Board. Most of the project list for the first six months have been completed.

STAFF REPORTS

Administration

Staff continues to work hard to provide good customer service. Plan to attend a KPERS workshop on July 15th, GASB #68. Carita Clinics annual awards reception will be held on October 8th at 5:00 PM, with have a table for 8 people.

Distribution and Engineering

Water Distribution Summary

1. Columbia-Spruce to Michigan, Spruce-Columbia to Broadway NPL installed approximately 500 ft of 8 inch pipe and 12 inch casing across Spruce Street.
2. 16th & Quincy/Olive-14th to Newman/14th St.,North of Vilas/Kingman-Quincy to Ohio. Multiple breaks on Kingman Street, NPL finishing Columbia first. Director Kaaz asked staff to review the contract documents on accessing damages to speed up the contractor.
3. Thornton St-10th Ave to 5th St. Received design and preliminary estimate, but need man-hour estimate for contract.
4. Osage St.-9th St to Broadway. Work from 8th St to Broadway will resume after 2nd St Bridge and Cheyenne Street water main projects are complete.
5. Cheyenne St.-4th St. to 2nd St. Plans are on Drexel. Job will bid July 22nd.

Water Distribution Operations

Between June 5th, 2015 and June 18th, 2015

- a. Water-Line Breaks: three 2 inch lines
- b. New Services: none
- c. Service Kills: none
- d. Valves and fire hydrants: two
- e. Service renewals without main replacement: none
- f. Service transfers to new replacement mains: two

City of Leavenworth Projects

1. 2nd Street Bridge at 3 Mile Creek – temporary pipe has been laid across the bridge and the new hydrant is set. Work to remove the 2 unusable hydrants will be completed soon and restoration will follow.
2. Cherokee and 11th St Crews will replace the 6 inch cast iron on Cherokee from 11th Street to 12 Street with 8 inch HDPE and replace the 2 inch on 12th Street from Cherokee to Delaware.

TREATMENT

North Plant Summary

1. Scada system – Pedrotti continues to work on resolving problems. On June 29th, staff was trained on the hardware.
2. New server coming to aid reports.
3. Flush valve replacement and low service pump replacement from Douglas Pump may start July 13th.

South Plant Summary

1. Scada system – Pedrotti continues to work on resolving problems. On June 29th, staff was trained on the hardware.
2. Generators – Working on land acquisition.
3. New server coming to aid reports.
4. Kersten Concrete started work and is 2/3 completed.

GENERAL MANAGER

- The Employee Appreciation Picnic is scheduled for Friday, July 17th from 11:30 to 1:30 at the office.
- Reviewed and corrected draft safety procedural documents prepared by Monica Austin with KMU. These included Safety Committee Bylaws, New Hire Training Procedures, and Emergency Action Plan.
- Reviewed and updated Work Plan.
- Continued working on Master Plan.

ADJOURNMENT There being no further business to come before the Board, Director Gervasini adjourned the meeting.

Approved _____ 2015

Richard Gervasini, Chairman

Christi Norris, Secretary