

LEAVENWORTH WATER DEPARTMENT

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS

HELD ON MAY 28, 2013

A regular meeting of the Board of Directors of the Leavenworth Water Department was held at 5:00 PM on Tuesday May 28, 2013 at the Leavenworth Water Department located at 601 Cherokee, Leavenworth, Kansas 66048.

ATTENDANCE

Directors in Attendance

Michael Bogner, Chairman
Greg Kaaz, Vice Chairman
Richard Gervasini, Secretary
Teresa Wood, Assistant Secretary

Directors Absent (Excused)

Howard Kirk, Member

Staff in Attendance

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

Others in Attendance

Mark Olsen, CNS, LLC
Peter Robertson, Crow & Associates
Mike Crow, Crow & Associates

CALL TO ORDER

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

REQUESTS, COMMENTS, PETITIONS BY MEMBERS OF THE PUBLIC

NONE

BOARD MEMBER ITEMS OUTSIDE OF EXECUTIVE SESSION

Director Kaaz:

- Expressed concern about not receiving all of the board packet information by the end of business on Thursday or Friday.
 - Thanked the crew for all the hard work on Limit Street.
 - Requested a human resource update.
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PRESENTATION OF REMOTE ACCESS WEB SITE

Mark Olsen, CNS, demonstrated to the Board how to sign on and access the Water Department's server through remote web access.

EXECUTIVE SESSION

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

RESOLVED (No. 14198), that the Board recessed the regular board meeting and entered into executive session at 5:25 PM for fifteen minutes to discuss a Bettis litigation settlement offer with counsels Mike Crow and Peter Robertson of Crow & Associates, General Manager John Kaufman, and Distribution Manager Dennis Baragary. Due to a potential conflict of interest on the matter, Director Kaaz excused himself from the room. Staff members included in the discussion were

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

RESOLVED (No. 14199), that the Board ended the executive session and reconvened the regular board meeting at 6:06 PM.

MINUTES

Upon motion of Director Kaaz, seconded by Director Gervasini, and Director Bogner abstained, the minutes were adopted, it was....

RESOLVED (No. 14200), that the minutes of the May 13, 2013 Board Meeting is hereby approved.

CONSIDERATION OF PAYROLL DISBURSEMENTS

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

RESOLVED (No. 14201), that the regular payroll for the period ending May 30, 2013 amounting to gross pay of \$78,038.22 (composed of Federal Tax Withheld - \$8,121.18; FICA Withheld - \$5,749.37; State Tax Withheld - \$2,714.32; KPERS Withheld - \$3,403.18; P.E.D.C. - \$2,954.83; Insurance - \$2,702.25; United Way - \$98.75; EQ-Flex - \$2,470.04; Misc. - \$260.00; Garnishment \$755.00 and Direct Deposits - \$48,809.30, and including the following overtime amounts: Distribution - 94 hours @ \$2,905.29; North Plant - 17 hours @ \$481.16; South Plant - 39 hours @ \$1,238.15 be approved and disbursements made from the Revenue Fund for their respective amounts.

CONSIDERATION OF SPECIAL CLAIMS

Upon motion of Director Wood, seconded by Director Bogner, and Director Kaaz abstained, the special claim were adopted, it was ...

RESOLVED (No. 14202), that the Board approved the Special Claims on the Revenue fund totaling \$220,791.92, and the checks be drawn on the Revenue Fund for their respective amounts.

CONSIDERATION OF SPECIAL/SPECIAL CLAIMS

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

RESOLVED (No. 14203), that the Board approved the Special/Special Claims on the Revenue fund as follows: KRWA \$920.00, Leavenworth City Historical Society \$500.00, Neil Seichepine \$519.00, and Black and Veatch \$22,860.00 that checks be drawn on the Revenue Fund for their respective amounts.

**CONSIDERATION APRIL
FINANCIAL/INVESTMENT
REPORT**

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

RESOLVED (No. 14204), that the Board approved the April 2013 Financial Statements.

**CONSIDERATION OF DRAFT
2012 AUDIT REPORT LETTER**

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

RESOLVED (No. 14205), that the Board approved the management representation letter for the 2012 audit.

**CONSIDERATION CONSUMER
CONFIDENCE REPORT BUDGET**

Upon motion of Director Kaaz, seconded by Director Gervasini, and unanimously adopted, it was

RESOLVED (No. 14206), that the Board approved the cost of printing and public notice of the 2013 Consumer Confidence Report up to \$1,000.00. Only 2,000 copies were printed for the Water Department and a few copies for the rural water districts that we service. Any required postage will be an additional charge.

**CONSIDERATION NEW
TREATMENT PLANT PHONE
SYSTEM**

Upon motion of Director Gervasini, seconded by Director Wood, and Director Bogner voted no, the resolution adopted, it was ...

RESOLVED (No. 14207), that the Board approved the purchase of a phone system for the South Plant in the amount of \$2,823.00. Staff obtained two competitive bids for the NEC DSX 40 phone system. JNJTECH was the lowest bidder.

**CONSIDERATION OF GIS
SOFTWARE LICENSE**

Upon motion of Director Gervasini, seconded by Director Kaaz, and unanimously adopted, it was

RESOLVED (No. 14208), that the Board approved the purchase of an additional ESRI GIS license in the amount of \$1,500.00 for use by the Staff Engineer.

**CONSIDERATION OF SUMMER
PICNIC BUDGET**

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

RESOLVED (No. 14209), that the Board approved a budget of \$550.00 for the Water Department summer picnic.

ADMINISTRATON REPORT**Human Relations Update**

Meagan Tevebaugh resigned her position as a customer service representative. An advertisement for her replacement was placed in the Leavenworth Times.

Software and Computers

There is nothing new to report at this time.

Procurement Policy

Attached is a new working draft Procurement Policy for review by the Board. It is modelled after a similar policy used by WaterOne in Johnson County. Management is currently working on a Procurement Procedure that would implement the Policy taking from procedures used at WaterOne, Leavenworth County, and the City of Leavenworth.

PROJECTS UPDATE**Water Diversion and Treatment Projects****1. Stage 2 Disinfection Byproduct (DBP) Study**

There is nothing new to report at this time.

2. Well Field Access Road Reconstruction

The depression in the well field access road left by the 2011 flood of the Missouri River was backfilled with rock by the contactor, A.F. VanFleet Excavating. The road was graded and 6 to 8 inches of AB-3 rock is being placed to reestablish the road surface. The work is forecast to be completed by the end of May. Two new power poles will be install to replace two poles lost during the flood.

3. Radial Collector Well Feasibility Study

There is nothing new to report at this time.

4. Southern Star Gas Line Installation

Black & Veatch is evaluating Southern Star's gas pipeline installation design. A draft term sheet is being prepared for use in developing an agreement between South Star and the Water Department for the gas line installations and easement. The report is expected by June 1st.

5. Lime Residuals Disposal

There is nothing new to report at this time.

6. Well Cleaning RFP

There is nothing new to report at this time.

7. South Plant VFD Study

There is nothing new to report at this time.

8. VA Water Main Connections and Metering

There is nothing new to report at this time.

9. Backup Generators

There is nothing new to report at this time.

10. Booster Pump Station VFD Installation

Work is progressing by Capital Electric and nearly complete.

Water Distribution Projects

1. GIS and Field Devices

There is nothing new to report at this time.

2. Shop Area Security Fence and Gates

There is nothing new to report at this time pending receipt of a new FEMA flood map.

3. Shawnee Street Main Replacement

Replacement of the 1882 6-inch cast iron water main between 3rd and 4th Streets is scheduled to begin on or about June 3rd following completion of the Limit Street water line replacement project.

4. Delaware Street (from 13th Street to 16th Street)

A plan and profile design is being developed to replace and relocate about 1,800 feet of deteriorated 2-inch diameter cast iron pipe with 8-inch HDPE pipe. An additional 400 feet of main will be installed to establish better water circulation from the west. The new main will be installed in the right-of-way by horizontal directional drilling.

5. 16th and Choctaw Water Main

In conjunction with the Delaware Street project describe above, about 300 feet of new 2-inch HDPE pipe will be installed to replace a deteriorated 3/4-inch galvanized-steel water line. Part of the project cost will be paid by a land owner who has requested water service for a new home that is to be constructed on a vacant lot that has no water service.

6. 16th Street (from Santa Fe to Thornton Street)

There is nothing new to report at this time.

7. Miami Street (from 8th Street to 10th Street)

There is nothing new to report at this time.

8. Franklin Street (from Ohio to Kansas)

There is nothing new to report at this time.

9. 3rd Street at Three-Mile Creek

There is nothing new to report at this time.

10. 17th and Thornton 6-Inch Water Main

There is nothing new to report at this time.

11. Stove Factory Lofts Water Mains and Hydrants

There is nothing new to report at this time.

12. Radio-Read Meter Installations

Installation of new radio read meters was suspended temporarily in favor of the Limit Street main replacement project.

City of Leavenworth Projects

1. City Animal Control Facility

On May 22nd, Staff attended a preconstruction meeting at the City with Wilcott Construction Inc., the City's project contractor for the new animal control facility. The facility will be located on an abandoned landfill that the City owns. Prior to the meeting, the City was advised not to use ductile iron pipe due to the clay soils and shallow ground-water conditions. The City plans to replace about 5 feet of contaminated and otherwise undesirable soil and fill material at the site with about 7 feet of clean dirt. There was no mention by the City where they plan to dispose of the contaminated soil.

Recently, staff also learned that the construction area is the site of the City's abandoned fuel storage and distribution facility. The soil and shallow ground water in and around this area are presumed to be contaminated with BETX (gasoline) and diesel fuel. HDPE pipe will not be used for the new water main to the facility because the pipe material will allow BTEX to flow through it. Under typical BETX-contaminated soil and ground conditions, AWWA-rated PVC pipe is rather impermeable to BTEX. However, under saturated BTEX conditions, PVC pipe will soften, lose its strength, and allow some level BTEX permeation over a long period time. Pipe options being considered are:

- a. Poly-wrapped or mastic-wrapped ductile iron pipe with special BTEX-impermeable gaskets in an open-cut trench with the pipe encased in a bentonite slurry with anode protection, or
- b. C-905 fusible PVC pipe (no gaskets) encased in a bentonite slurry.

Bentonite slurry commonly has a permeability of 10^{-7} cm/sec and will shield the water main from contaminated ground water and volatile organics in the soil. The City's soils report for the project only addressed the structural worthiness of the soil for the future facility and did not address soil and ground-water contamination. However, three borings in the construction area show the water table to be 10 feet below the surface at the present time, but the soil laboratory results found the soil at 5 feet of depth to be saturated. A hydrocarbon odor in the borings was also noted. The general area is prone to shallow ground-water conditions and even flooding when the stage in the nearby Missouri River is high.

Management is waiting for written confirmation that the City will convey the southwestern portion its property to a public right-of-way so that the water main can be installed west of the

planned animal control facility and can connect to the City's water line on the west side of the wastewater treatment plant. The City plans to begin construction during the first week of June. The City was also informed that the new animal control facility may become a Water Department TOC monitoring site.

2. **Fairfield Inn**

There is nothing new to report at this time.

3. **2nd Avenue and Limit Street Bridge Replacement and Road Realignment**

Easements for construction and operation of the new 12-inch transmission line are being defined. Construction work has not been scheduled.

4. **Limit Street Bridge Replacement at 16th Street and Road Widening from 15th to 20th Street**

The entire length of water 6-inch ductile iron water line from 16th to 20th Street was replaced with 8-inch HDPE pipe by a combination of horizontal directional drilling and pipe bursting. Line flushing and service transfers are scheduled to be completed by June 1st. Along 15th Street, three line interconnections and one or more service transfers are also scheduled to be completed by June 1st.

5. **2nd Street Bridge Replacement**

There is nothing new to report at this time.

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

There is nothing new to report at this time.

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

There is nothing new to report at this time.

**GENERAL MANAGER'S
REPORT**

Government Affairs

1. **Reimbursement for Levee Reconstruction.** The Water Department received \$11,628.24 from the Corps of Engineers (through Stigers Island Farm) as a reimbursement for our share of the cost to reconstruct the Department of Corrections levee where it failed during the 2011 flood of the Missouri River. About one year ago, the Water Department paid \$70,349.23 for its estimated share of the cost to repair the damaged levee. With the reimbursement, the amended total cost to the Water Department for the repair was \$58,720.99.
2. **NOAA/Corps Climate and River Forecast.** According to NOAA, the drought is greatly diminished in northeast Kansas due to late winter and spring cool temperatures and precipitation. Near normal precipitation and temperatures are predicted for the month of June. However, even with soil moisture improvement and precipitation in the upper Missouri River Basin, the Corps continues to forecast below-normal river flows

throughout the remainder of 2013. A copy of the Corps' May 1st forecast is attached.

3. ***CDC updates Drinking Water Advisory Toolbox.*** The US Centers for Disease Control and Prevention (CDC) released an updated online version of the *Drinking Water Advisory Communication Toolbox*. A collaborative effort by the CDC, EPA, and AWWA, the toolbox provides a practical guide and protocol for communicating with stakeholders and the public about water advisories that is based upon research and identified practices. The toolbox focuses on water systems and addresses the spectrum of situations that generate drinking water advisories—from a water main break to a hurricane, a drop in pressure, or intentional contamination. The web-based version provides more than 40 downloadable and customizable tools and templates. The toolbox provides information on how to plan for, develop, implement, and evaluate drinking water advisories. It includes instructions on how to prepare before an event, what to do during an event, templates and tools to use, and recommendations for follow-up actions and assessments after an event to enable water systems to communicate effectively with partners and the public in order to protect public health. A copy of *Drinking Water Advisory Communication Toolbox* is being reviewed and will be kept at the Water Department office and treatment plants. The document can be accessed at:

<http://www.cdc.gov/healthywater/pdf/emergency/drinking-water-advisory-communication-toolbox.pdf>

Community Relations

1. ***New Lansing High School.*** I met with David Van Parys, General Counsel for Lan-Del Water District, on May 15th to discuss the following two options to provide potable water to the planned new Lansing High School and future development around the school, while avoiding a conflict with RWD-8:
 - a. RWD-8 would purchase an ownership portion in Lan-Del's 16-inch ductile iron transmission line located within RWD-8's service territory along 4H Road between 155th Street and Desoto Road. This transmission line is connected to the Water Department's 24-inch transmission line at 4H-Road and 155th Street.
 - b. The Water Department would purchase Lan-Del's interest in the transmission line for conveyance of water to both Lan-Del and RWD-8. The Water Department funded more than 17% of the cost of the water line construction in 2008. Water Department ownership of the transmission line will help insure that the Water Department's water will be used in the new development area.

Mr. Van Parys said that he would discuss the options with the Lan-Dell board members and get back to me. I later called Ellis Edmonds, Chairman of RWD-8, and informed him of the meeting with Mr. Van Parys.

2. **KDOT Water-Service Request.** Dennis Baragary and I met with Mr. James Pickett, P.E. of the Kansas Department of Transportation (KDOT) on May 20th to discuss KDOT's request for water service to their facility at 16490 Springdale Road. The facility is located near the City of Leavenworth, but is served water by RWD-5. KDOT made the request because they have need for additional water for a new equipment wash bay and for municipal fire protection through a fire hydrant. KDOT is concerned that RWD-5 does not have the water-line capacity to meet these increased demands for water service. The Water Department has the ability to provide the requested water service to KDOT and currently serves water to the adjoining property to the east, which KDOT also owns. Following the meeting, the Water Department received the attached letter from Mr. Pickett confirming KDOT's request for water service. A letter from the Water Department was then sent to RWD-5 requesting the District's intent to continue serving water to the KDOT facility. This letter is also attached.

Legislation and Regulation Update

1. **Draft Letter to EPA Region VII on Lime Residuals Disposal in Missouri River.** Attached is a final draft letter from the Missouri River Public Water Supply Association (MRPWSA) to Mr. Karl Brooks, Regional Administrator of EPA Region VII requesting clarification on the establishment of Clean Water Act (CWA) technology-based requirements for water treatment plants. The letter specifically addresses permitting for the discharge of lime residuals into the Missouri River by several water utilities from Omaha, Nebraska to St. Louis, Missouri, including the Leavenworth Water Department. The Water Department has been lime-softening water at the North Plant since 1948 and has been discharging lime residuals into the river since that time with no discernable adverse impacts on the river or aquatic habitat. Other larger water utilities along the Missouri River that lime soften water and discharge lime residuals into the Missouri River have claimed similar findings.
2. **US Senate Approves WIFIA.** On May 15, the US Senate passed legislation that would create a Water Infrastructure Finance and Innovation Authority (WIFIA) to help fund utility infrastructure replacement and betterments. A WIFIA pilot program, which will provide low interest loans to water utilities, is included in the Water Resources Development Act of 2013 (S. 601); the bill passed by a Senate vote of 83-14. The bill will move on to the House of Representatives for consideration. The WIFIA concept was developed by AWWA.
3. **EPA Expansion of CWA.** In April 2011, the EPA and the Corps of Engineers released new draft guidance on waters protected by the Clean Water Act (CW). The draft guidance will supersede

all previous guidance on the scope of “waters of the United States.” According to EPA, the new guidance is focused on protection of smaller waters that feed into larger ones, to keep downstream water safe from upstream pollutants. The focus is also on reaffirming protection for wetlands that filter pollution and store water and help keep communities safe from floods. EPA plans to finalize the guidance document. However, many western US Senators recently urged EPA in a letter to withdraw the draft guidance because it will allow the EPA to have virtually unlimited regulatory control over all wet areas within a state. The Senators urged the agency to craft a rule that reflects “the principles promulgated in recent case law and identify limits on the agency’s jurisdiction under the CWA.” A copy of the letter is attached, which was signed by both Kansas Senators Roberts and Moran.

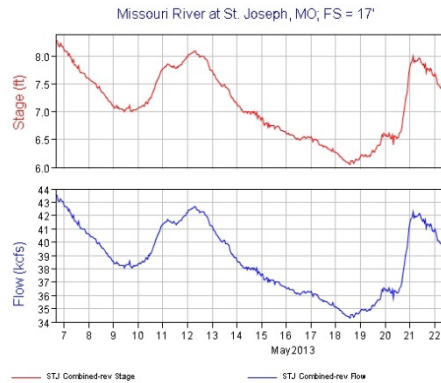
4. **Unregulated Contaminant Monitoring.** EPA’s Unregulated Contaminant Monitoring Rule (UCMR) is an unfunded mandate that the agency is using to collect data on the occurrence of unregulated contaminants in drinking water. UCMR data reflect multiple observations from all systems in the United States serving more than 10,000 people based on samples processed using standardized analytical methods under tight quality control requirements. Data entry for the third UCMR is now under way. Under UCMR3, data uploaded by UCMR laboratories is automatically transferred to the federal database 60 days after posting by the lab. This transfer occurs even if a system has not checked its data. Due to very low detection levels, many water systems may see positive results for target analytes. This makes adequate QA/QC more important in UCMR3 than it was in previous UCMR rounds. The Water Treatment staff will carefully check the data submitted by the laboratories for accuracy, discuss any possible issues with the laboratory, and double-check that system information is accurate (especially the information on disinfection practice).

Water Treatment Plant Operations

During the first 21 days of May 2013, 93,855,000 gallons were pumped into the water-distribution system from both treatment plants. Demand ranged from about 3.64 MDG to 5.72 MGD and averaged nearly 4.47 MGD. The total volume of treated water pumped into the water distribution system from both water treatment plants from January 1st through May 21st of 2013 was 572,733,000 gallons, or about 4.06 MGD average for the 141-day period.

- a. **North Plant:** During the first 21 days of May, the North Plant produced 44,156,000 gallons and met about 47% of the total system demand by producing from 1.90 to 2.14 MGD and averaging about 2.10 MGD for the period.
- b. **South Plant:** During the first 21 days of May, the South Plant produced 49,699,000 gallons and met 53% of the total system demand by producing from 1.52 to 3.61 MGD and averaging nearly 2.37 MGD for the period.

The flow in the Missouri River at Leavenworth on May 22 was about 39k cfs, as measured at St. Joseph, Missouri.



Water Distribution Operations

Since the previous Board meeting on May 13, 2013 the following water-distribution activities occurred:

- a. New Water-Service Connections: none
- b. Service Kills, Relocations or Repairs: none
- c. Valves and Fire Hydrants (new and replacements): none, but the 8-inch valve bonnet bolts were replaced at the southwest corner of 6th and Metropolitan.
- d. Waterline Breaks: none
- e. Service Renewals without Main Replacements: none
- a. Service Transfers to New Replacement Mains: several are in progress along Limit St.
- f. Radio-Read Installations: none
- g. Large Meter Replacements: none
- h. Meter Relocations: none
- i. Main Replacements: a 6-inch main is being replaced with 8-inch HDPE pipe on Limit Street between 15 and 20th Streets in conjunction with the City Limit Street widening and bridge replacement project.

EXECUTIVE SESSION

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

RESOLVED (No. 14210), that the Board recessed the regular board meeting and entered into executive session at 8:15 PM for 30 minutes to discuss personnel matters with General Manager John Kaufman.

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

RESOLVED (No. 14211), that the Board ended the executive session and reconvened the regular board meeting at 8:35 PM.

ADJOURNMENT

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

Approved _____ 2013

Michael Bogner, Chairman

Richard Gervasini, Secretary