

LEAVENWORTH WATERWORKS

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS

HELD ON AUGUST 12, 2019

A regular meeting of the Board of Directors of the Leavenworth Waterworks was held at 5:00 PM on Monday, August 12, 2019 at the Leavenworth Waterworks located at 601 Cherokee, Leavenworth, Kansas 66048.

ATTENDANCE

Directors in Attendance

William Daniels, Chairman
Richard Gervasini, Vice Chairman
Eric Peterson, Secretary
Christi Norris, Assistant Secretary
Greg Kaaz, Member

Directors Absent (Excused)

Staff in Attendance

Joel Mahnken, General Manager
Lesia Hegeman, Manager of Finance
Dennis Baragary, Manager of Distribution
Neil Seichepine, Manager of Plants
Kayla Manning, Engineer

Others in Attendance

Ronald Harrod, home owner
Mike Reilly, Reilly Homes
Tim Malcolm, B&V

CALL TO ORDER

Director Daniels, called the meeting to order at 5:00 PM.

ROLL CALL,
ANNOUNCEMENT OF
QUORUM

Director Daniels noted that a quorum was present.

REQUESTS,
COMMENTS, PETITIONS
BY MEMBER OF THE
PUBLIC

NONE

BOARD MEMBER ITEMS
OUTSIDE OF EXECUTIVE
SESSION

Director Daniels requested a master plan study session on Sept 9 starting at 4:00PM.

APPROVE MINUTES OF
JULY 22, 2019

Upon motion from Director Peterson, seconded by Director Gervasini, motion passed 5-0...

RESOLVED (No. 14971), that the Board approved the July 22, 2019 minutes.

CONSIDERATION OF
CONSENT AGENDA

Upon motion from Director Peterson, seconded by Director Daniels, the consent agenda motion passed 4-0, Director Kaaz abstaining ...

A. PAYROLL
DISBURSEMENT OF
AUGUST 15, 2019

RESOLVED (No. 14972), that the Board approved:

A. The payroll for the period ending August 15, 2019 amounting to gross pay of \$89,142.50 (composed of the following withholdings and deductions) Federal Income Tax - \$7,649.30; FICA- \$6,692.51; State Tax - \$3,672.58; KPERS -\$5,286.62; KPERS-back \$162.47, Insurance - \$2,109.41; United Way - \$139.50; Eq-flex - \$1,412.31; PEDC - \$1,922.50; Misc - \$240.00, and Deposit - \$59,855.30 including the following overtime amounts: Distribution 168 hours @ \$6,136.96; North Plant 28 hours @ \$785.61 and South Plant 54 hours @ \$1,784.07 be approved and disbursements made from the Revenue Fund for their respective amounts.

B. PAYMENT OF CLAIMS

B. The Regular Claims \$376,896.05, Special Claims \$237,016.41 and Special/Special Claims as follows: Kansas Gas \$198.44, Westar \$47,433.45, AT&T \$362.52, AT&T Mobility \$1,038.74, Home Depot \$550.67, TSC \$6.23, Cardmember \$3,976.32, Postmaster \$3,200.00, Walmart \$631.10, Speedway Chrysler \$27,087.00, and AXA Equitable \$3,695.00 checks be drawn on the Revenue Fund for their respective amounts.

CONSIDERATION OF REQUESTS BY 17030 SPRINGDALE RD TO WAIVE FRONTAGE FEE FOR SERVICE CONNECTION

In 1990, the Waterworks extended a 16 inch main out Springdale Road to a new metering point with RWD 5. At that time it was determined that anyone not part of RWD 5 would be charged a frontage fee of \$3,425.00 (the cost of an equivalent 8 inch main) if and when they connected to the new main. Mr. Harrod has been utilizing a private well, and inquired about service. He requested a waiver of the frontage fee.

After a discussion the Board requested Mr. Harrod meet with RWD 5 to obtain a release. The Board also requested information from staff as to the number of customers connected to the main and the number of potential hookups.

The Board tabled this item.

CONSIDERATION OF PROPOSAL TO ENCOURAGE AFFORDABLE HOUSING DEVELOPMENT

Mr. Reilly presented information on the cost for new developments and the high price per lot. Mr. Reilly would like LWW to consider some type of rebate to the developer for system development. The goal is to be able to provide more affordable housing in Leavenworth. The Board took this under advisement, to be considered at a future date.

CONSIDERATION OF CAISSON/LATERAL CONTRACT WITH LAYNE CHRISTENSON FOR HCW PROJECT

Due to delays in permitting the project and the flooding, we have not executed the contract with Layne Christenson Company for the construction of the Caisson and Laterals for the Horizontal Collector Well. Also, Layne erred in their initial classification determination for a large number of labor hours. Since that time, a new Davis-Bacon wage determination has been issued increasing the pay rate for certain labor classifications. Layne is requesting an increase of \$11,873 to cover this and the \$500 for the Statutory Bond for a total increase of \$12,373.

Layne also, requested the contract time provision of completion by January 30, 2020 be changed to 285 calendar days from the Notice to Proceed. They will increase the height of the Caisson 18 inches at no cost to LWW.

Upon motion from Director Norris, seconded by Director Gervasini, motion passed 5-0...

RESOLVED (No. 14973), that the Board approved the contract with Layne Christenson, Inc. for the construction of the Caisson/Lateral project in the amount of \$2,732,283.00 with a completion date 285 calendar days from Notice to Proceed.

CONSIDERATION OF 2018 FINAL AUDIT

Upon motion from Director Gervasini, seconded by Director Norris, motion passed 5-0...

RESOLVED (No. 14974), that the Board approved the 2018 audit report from Dana Cole LLP.

SUMMARY OF 5TH AVE
WATERMAIN PROJECT
STATUS

Orr Wyatt Streetscapes (OWS) was terminated from the 5th Ave Waterline Replacement Project on July 3, 2019.

Original contract	\$ 1,125,251.75
Paid to date	\$ 653,246.22
Balance	\$ 472,005.53

OWS has accumulated \$291,000 in liquidated damages, LWW has withheld about \$250,000 of the liquidated damages since January, and material inventory of \$25,000 from the original paid material invoice.

The estimated cost summary to finish by LWW:

Main Connections (19)	\$ 132,135.00
Services to transfer (35)	\$ 57,020.00
Restoration	\$ 236,000.00
Total	\$ 425,155.00

No action was taken by the Board.

DIVISION REPORTS

ADMINISTRATION SUMMARY

- Worked on Financial Statements
- 2020 Budget

WATER DISTRIBUTION PROJECTS

1. 5th Ave – Spruce to Thornton (2018)
Old cast iron main has been killed to Pennsylvania. Street restoration has been mostly completed to Prospect.
2. Cherokee to Osage 15th to 20th (2018)
Three crews are currently working on services. At this rate, they should be substantially complete by the end of the month.
3. Sanders and High Street Watermain Replacement (2019)
Watermain has been installed to Casey Ct and along High to 13th St.

City Projects

1. Eisenhower Road Project
Wilson Co. staked inlets east of 20th so we could determine if we need to relocate in some locations that are very tight.
2. Thornton Road Project
We will need to isolate, relocate and replace the 10 inch cast iron watermain at 2nd Ave.

Water Distribution Operations

Between July 18th, 2019 and August 7th, 2019 the following water-

distribution activities have occurred:

- Water-line breaks: six 2-inch, one 4-inch and two 6-inch
- Service Kills, Relocations or Repairs: replaced leaking corp

TREATMENT PLANT SUMMARY

Ohio Street Booster Station

Douglas Pump is installing pump #1

North Plant Summary

Nothing new to report

South Plant Summary

Nothing new to report

GENERAL MANAGER'S REPORT

- Progress on HCW project
 - Received construction permit from KDHE.
 - Received updated proposal from Layne Christenson

- Finalized 2018 Audit Report.
- Discussed proposal to encourage affordable housing with Mike Reilly.
- Contacted Noash Construction about the installation of a Neptune Gateway for the AMI project.
- Schedule meeting with The Builder's Association SMS to review facilities and processes on Aug 9th.
- Reviewing Draft Raw Water Transmission Main Resiliency Study from Black & Veatch.

ADJOURNMENT

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

Approved _____ 2019

William Daniels, Chair

Eric Peterson, Secretary