

LEAVENWORTH WATERWORKS

MINUTES OF A MEETING OF
THE BOARD OF DIRECTORS

HELD ON JANUARY 22, 2018

A regular meeting of the Board of Directors of the Leavenworth Waterworks was held at 5:00 PM on Monday, January 22, 2018 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, PE, General Manager
Lesia Hegeman, Manager of Finance
Kayla Manning, Staff Engineer
Dennis Baragary, Manager of Distribution
Neil Seichepine, Manager of Plants

Others in Attendance

None

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 Peterson distributed a paper titled, "Why sell water in the county". He would like this to be discussed at some future date.

Director Peterson discussed erosion control requirements that we were still responsible. Staff clarified that we required the contractor to take out the permit, enforcement by the City is with the Contractor.

Director Kaaz noted a correction under Board comments, that the "Contractor" not "City" was responsible for erosion control.

APPROVE MINUTES OF
JANUARY 8, 2018

Upon motion from Director Gervasini, seconded by Director Kaaz, the minutes of January 8, 2018, motion passed 5-0...

RESOLVED (No. 14843), that the Board approved the January 8, 2018 minutes with correction.

CONSIDERATION OF
CONSENT AGENDA

Upon motion from Director Norris , seconded by Director Kaaz, the consent agenda, motion passed 5-0 ...

A. PAYROLL
DISBURSEMENT OF
JANUARY 15, 2017

RESOLVED (No. 14844), that the Board approved:

A. The payroll for the period ending January 31, 2018 amounting to gross pay of \$82,939.41 (composed of the following withholdings and deductions) Federal Income Tax - \$8,532.23; FICA- \$6,205.73; State Tax - \$3,329.16; KPERS -\$4,930.92; KPERS-buyback \$137.54, Insurance - \$2,301.62; United Way - \$139.50; Eq-flex - \$1,476.74; PEDC - \$2,252.50; Garnishment - \$875.00; Misc - \$242.50, Optional Group Life \$351.34 and Deposit - \$52,164.63 including the following overtime amounts: Distribution 144.50 hours @ \$4,660.03; North Plant 34 hours @ \$1,047.23; South Plant 29 hours @ \$1,009.16 be approved and disbursements made from the Revenue Fund for their respective amounts.

B. PAYMENT OF CLAIMS B. The Special Claims \$448,308.81 and Special/Special Claims as follows: Ks Gas Service \$2,367.54, Westar Energy \$37,968.44, Postmaster \$3,000.00 and Henry Martens Chervrolet-Cadillac \$25,888.00 checks be drawn on the Revenue Fund for their respective amounts.

DECEMBER FINANCIAL REPORT Upon motion from Director Norris, seconded by Director Peterson, the December Financial Report, motion passed 5-0.

RESOLVED (No. 14845), that the Board approved the December Financial Report.

CONSIDERATION OF WELL TREATMENT – DOUGLAS PUMP All nine wells were tested and the results found that four out of the nine indicate that there is treatment needed. Douglas Pump Service proposal for treatment to wells #3A, 4, 7 and 8 was a total of \$68,000.00
Upon motion from Director Kaaz, seconded by Director Gervasini, the motion passed 5-0.

RESOLVED (No. 14846), that the Board approved Douglas Pump proposal to treat four wells at a cost not to exceed \$68,000.00.

CONSIDERATION OF WATER SALES CONTRACT WITH FORT The Board reviewed a six month agreement to sell water to Ft Leavenworth. The Army needs a written commitment to fund the purchase of water. The rates to be charged are our standard retail rates and the agreement recognizes the April 1st increase. We have the ability to provide the requested volume of water of 1.2 MGD.
Upon motion from Director Kaaz, seconded by Director Peterson, the motion passed 5-0.

RESOLVED (No. 14847), that the Board authorized the General Manager to execute the agreement to sell water to Ft. Leavenworth.

CONSIDERATION OF CONTRACT WITH B&V FOR COLLECTOR WELL The proposed Engineering Services Agreement with Black & Veatch for the Horizontal Collector Well Project is \$863,518.00. This has been forwarded to Peter Robertson for legal review. The engineering is divided into three phases: preliminary study/design, final design & bidding, and construction services. The scope of service is comprehensive and the number of hours of effort is based on B&V's experience with this type of project.
Director Kaaz requested a full time construction inspector be added to the construction services. The GM stated he would prefer to add this later. Director Daniels asked that the concrete mix design be current.
Upon motion from Director Kaaz, seconded by Director Norris, the motion passed 5-0.

RESOLVED (No. 14848), that the Board authorized the General Manager to execute the engineering services agreement with Black & Veatch for the Horizontal Collector Well in the amount not to exceed \$863,518.

CONSIDERATION OF
CHANGE ORDER 3 WITH
WESTLAND FOR
LIQUIDATION DAMAGES

Westland was notified that they needed to be substantially complete by November 13th, 2017 or they would start to accrue liquidated damages. Twelve days total were added due to change orders involving additional bores for services across Spruce. The contractor was substantially complete December 30th, 2017, or 35 days later. Liquidated damages are \$750/day for a total amount of \$26,250.00.

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

RESOLVED (No. 14849), that the Board authorized the General Manager to execute a change order with Westland Construction Inc for liquidated damages in the amount of \$26,250.00.

CONSIDERATION
CHANGE ORDER 4 WITH
WESTLAND FOR FINAL
QUANTITIES

Final quantities for the Spruce Waterline job varied a little due to conditions in the field. There were \$38,036 worth of additions and \$18,878 worth of deletions, for a total of \$19,158 additional. There is currently \$4,800 worth of work remaining.

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

RESOLVED (No. 14850), that the Board authorized the General Manager to execute a change order with Westland Construction Inc for the final quantity corrections in the amount of \$19,158.00

DIVISION REPORTS

ADMINISTRATION

- Worked on November Financial Statements
- SUS-weekly items
- Year-end W-2's and 1099's

WATER DISTRIBUTION PROJECTS

1. Cherokee Street Waterline Replacement (2017)

Nothing new.

2. Spruce St – 19th to Terrace Waterline Replacement (2017)

A sidewalk punchlist, pavement and final seeding are the only outstanding items. Change orders for the liquidated damages, bens at the last 2 connections, and cleanup on bid quantities are included in the agenda.

3. 5th Ave – Spruce to Thornton (2018)

Almost ready to bid.

4. Main Replacement Osage to Cherokee, 20th to 15th (2018)

To be reviewed as soon as 5th Ave is out to bid.

WATER DISTRIBUTION OPERATIONS

Between January 3rd, 2017 and January 18th, 2018 the following water-distribution activities have occurred:

- a) Water line breaks: five 2- inch, three 6-inch and two 8-inch

Ohio Street Booster Station

Nothing new to report at this time.

North Plant Summary

1. Capital Electric re-wired the sump pump at the intake.
2. U.S. Engineering is replacing the heater unit inside the contact basin building.
3. Supplied water to Ft. Leavenworth beginning January 18th.

South Plant Summary

1. Four area lights are left to replace. Capital Electric is waiting on adapters.
2. Lagoon Pump Station is complete.
3. Douglas Pump tested all nine wells.

GENERAL MANAGER'S REPORT

- KMU Safety Training was held January 16, 2018.
- Attended the KMU "Day at the Capital" on January 17th.
- Began working on siting a water storage tank.
- Working with Black & Veatch on the Scope of Services and pricing for the HCW engineering.
- Worked on sale of water to Fort Leavenworth

ADJOURNMENT

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

Approved _____ 2018

Billy Daniels, Chairman

Eric Peterson, Secretary