

## LEAVENWORTH WATERWORKS

### MINUTES OF A MEETING OF THE BOARD OF DIRECTORS

HELD ON MARCH 12, 2018

A regular meeting of the Board of Directors of the Leavenworth Waterworks was held at 5:00 PM on Monday, March 12, 2018 at the Leavenworth Waterworks located at 601 Cherokee, Leavenworth, Kansas 66048.

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#### 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

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#### CALL TO ORDER

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

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ROLL CALL,  
ANNOUNCEMENT OF  
QUORUM

Director Daniels noted that a quorum was present.

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REQUESTS,  
COMMENTS, PETITIONS  
BY MEMBER OF THE  
PUBLIC

NONE

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BOARD MEMBER ITEMS  
OUTSIDE OF EXECUTIVE  
SESSION

Director Kaaz asked staff to setup a name directory on the phone system.  
Director Peterson asked for an update on the Fav Trip situation. Staff stated that legal had contacted the Attorney General's office and waiting for a reply.

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APPROVE MINUTES OF  
FEBRUARY 26, 2018

Upon motion from Director Norris, seconded by Director Peterson, the minutes of February 26, 2018 were approved, motion passed 5-0...

**RESOLVED (No. 14859)**, that the Board approved the February 26, 2018 minutes.

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CONSIDERATION OF  
CONSENT AGENDA

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

**RESOLVED (No. 14860)**, that the Board approved:

A. PAYROLL  
DISBURSEMENT OF  
MARCH 15, 2018

A. The payroll for the period ending March 15, 2018 amounting to gross pay of \$78,321.70 (composed of the following withholdings and deductions) Federal Income Tax - \$6,301.16; FICA- \$5,852.45; State Tax - \$3,071.46; KPERS -\$4,643.91; KPERS-back \$106.27, Insurance - \$2,356.82; United Way - \$139.50; Eq-flex - \$1,476.74; PEDC - \$2,302.50; Garnishment - \$875.00; Misc - \$242.50, and Deposit - \$50,953.39 including the following overtime amounts: Distribution 8 hours @ \$309.72; North Plant 4 hours @ \$121.14; South Plant 4 hours @ \$143.16 be approved and disbursements made from the Revenue Fund for their respective amounts.

B. PAYMENT OF CLAIMS

B. The Regular Claims \$153,379.56, Special Claims \$231,391.03 and Special/Special Claims as follows: Ks Gas Service \$3,320.63, Westar Energy \$39,729.48, The Greensman \$4,325.40, AT&T \$185.08, Home Depot \$181.97, Tractor Supply \$150.93, and SASI \$154.02 checks be

drawn on the Revenue Fund for their respective amounts.

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CONSIDERATION OF  
NOTICE OF INTENT FOR  
COLLECTOR WELL LOAN  
APPLICATION

There are several steps in the loan process that will take time to complete. The first step is to send KDHE the Project Submittal form. The projected budget for the loan breaks down as follows:

- Construction Costs \$5,750,00
- Engineering Costs \$975,000.00
- Loan Issuance Costs \$175,000

Based on the current interest rates and the 0.35% Administrative Fee charged by KDHE, the annual principal and interest payments would total about \$446,000. If we do not utilize the full amount, the annual P&I could be as low as \$388,000 depending on the interest rate at the closing. Repayments will be made semiannually and prepayments of at least 10 percent of the original loan can be made at the Board's discretion.

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

**RESOLVED (No. 14861)**, that the Board authorize the Project Submittal form to KDHE for the Horizontal Collector Well Project in the amount of \$6,900,000.

The General Manager recommended hiring Mary Carson of Triplett Woolf Garretson, LLC as bond counsel. This is subject to terms of engagement letter. The Board gave consents to proceed.

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DIVISION REPORTS

ADMINISTRATION

- Worked on Financial Statements
- SUS – worked on resolving error code
- Spirefest tickets – are available. Board suggested offering to employees first, then prior Board.
- Bank authorization and bank signature cards to authorize the sitting Board, General Manager and Financial Manager. Upon motion from Director Norris, seconded by Director Gervasini, the motion passed 5-0.

**RESOLVED (No. 14862)**, that the Board approved the bank authorization and bank signature cards.

WATER DISTRIBUTION PROJECTS

1. Spruce St – 19<sup>th</sup> to Terrace Waterline Replacement (2017)  
Nothing new. Waiting on weather for final restoration.
2. 5<sup>th</sup> Ave – Spruce to Thornton (2018)  
Received concrete submittal.

3. Main Replacement Osage to Cherokee, 20<sup>th</sup> to 15<sup>th</sup> (2018)  
Final comments sent to BG. Will be out to bid in next few days.

#### WATER DISTRIBUTION OPERATIONS

Between February 22nd, 2018 and March 8th, 2018 the following water-distribution activities have occurred:

- a) Service Kills, Relocations, or Repairs: 6 Kills, 1 saddle repair, 2 services upgrade to 2”

#### Ohio Street Booster Station

Nothing new at this time

#### North Plant Summary

1. Met with Patty Adams to discuss RMP updates. Working on document and CDX updates. Patty noted that we may want to finish fencing entire Plant #1 facility before 2020 national census and next RMP update –will affect “offsite consequences”.
2. Douglas Pump returned the repaired submersible intake pump and has ordered our new spare pump.

#### South Plant Summary

1. Met with Patty Adams to discuss RMP resubmission.
2. Kansas Gas located a gas leak near sludge building. US Engineering fixed both the gas leak and a leak in the CO<sub>2</sub> tank.
3. Installed AED on site

#### GENERAL MANAGER’S REPORT

- The Water Appropriation application is proceeding, slowly. DWR requested another model scenario be run on the impact of the HCW on our vertical wells.
- Continued working on the preliminary siting of a water storage tank.
- Worked on the KPWSLF loan application requirements.
- Updated the 2018 work plan.

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#### EXECUTIVE SESSION

Upon motion by Director Norris, seconded by Director Gervasini, that In order to protect the privacy of the employees involved, the Board go into executive session for 15 minutes to discuss non-elective personnel, motion passed 5-0.

**RESOLVED (No. 14863)**, that the Board recess the regular board meeting and enter into executive session.

Upon motion from Director Kaaz, seconded by Director Gervasini, at 6:05PM to end the executive session and resume regular board meeting, motion passed 5-0.

**RESOLVED (No. 14864)**, that the Board resumed the regular board meeting.

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

Approved \_\_\_\_\_ 2018

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Billy Daniels, Chairman

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Eric Peterson, Secretary