

LEAVENWORTH WATERWORKS

MINUTES OF A MEETING OF
THE BOARD OF DIRECTORS

HELD ON MAY 22, 2017

A regular meeting of the Board of Directors of the Leavenworth Waterworks was held at 5:00 PM on Monday, May 22, 2017 at the Leavenworth Waterworks located at 601 Cherokee, Leavenworth, Kansas 66048.

ATTENDANCE

Directors in Attendance

Greg Kaaz, Chairman
William Daniels, Assistant Secretary
Richard Gervasini, Member

Directors Absent (Excused)

Teresa Wood, Vice Chairman
Christi Norris, Secretary

Staff in Attendance

Joel Mahnken, PE, General Manager
Lesia Hegeman, Manager of Finance
Dennis Baragary, Manager of Distribution
Gary Simanowitz, Manager of Plants
Kayla Manning, PE, Engineer
Jim Adams, North Plant Superintendent
Neil Seichepine, South Plant Superintendent

Others in Attendance

Dana Splichal, CPA, Kramer & Associates CPAs. LLC

CALL TO ORDER

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

ROLL CALL,
ANNOUNCEMENT OF
QUORUM

Director Kaaz noted that a quorum was present.

REQUESTS,
COMMENTS,
PETITIONS BY
MEMBER OF THE
PUBLIC

NONE

BOARD MEMBER ITEMS
OUTSIDE OF EXECUTIVE
SESSION

NONE

APPROVE MINUTES OF
MAY 8, 2017

Upon motion from Director Gervasini, seconded by Director Daniels, the minutes of May 8, 2017, motion passed 3-0 ...

RESOLVED (No. 14764), that the Board approved the May 8, 2017 minutes.

CONSIDERATION OF CONSENT
AGENDA

Upon motion from Director Daniels, seconded by Director Gervasini, the consent agenda, motion passed 3-0 ...

A. PAYROLL DISBURSEMENT
OF MAY 31, 2017

RESOLVED (No. 14765), that the Board approved:

A. The payroll for the period ending May 31, 2017 amounting to gross pay of \$80,233.09 (composed of the following withholdings and deductions) Federal Income Tax - \$8,052.19; FICA- \$5,997.99; State Tax - \$2,678.78; KPERS - \$4,801.88; KPERS-buyback \$250.25, Insurance - \$2,078.49; United Way - \$171.71; Eq-flex - \$1,451.73; PEDC - \$2,802.50; Garnishment - \$875.00; Rent - \$217.50; Misc - \$25.00; Life Insurance \$351.56 and Direct Deposit - \$50,478.51 including the following overtime amounts: Distribution - 13.50 hours @ \$438.77; North Plant - 19.50 hours @ \$605.92; South Plant - 19 hours @ \$592.45 be approved and disbursements made from the Revenue Fund for their respective amounts.

B. PAYMENT OF CLAIMS

B. The Specials Claims \$349,947.89 and Special/Special Claims as follows: AT&T \$273.81, KS Gas Service \$800.14, and Westar Energy \$36,621.57 checks be drawn on the Revenue Fund for

their respective amounts.

PRESENTATION OF DRAFT
AUDIT

Dana Splichal, CPA, Kramer & Associates CPAs. LLC presented the 2016 audit to the Board. The audit was conducted in accordance with the Kansas Municipal Audit and Accounting Guide and in accordance with auditing standards generally accepted in the United States of America. The auditor's opinion, the basic financial statements were presented fairly, in all material respects as of December 31, 2016 and 2015. A minor editorial change was made to the MD&A Statement concerning expected future water consumption. Upon motion from Director Gervasini, seconded by Director Daniel, the motion passed 3-0 ...

RESOLVED (No. 14766), that the Board approved the 2016 Audit Report.

APRIL FINANCIAL REPORT

Upon motion from Director Daniels, seconded by Director Gervasini, the motion passed 3-0 ...

RESOLVED (No. 14767), that the Board approved the April Financial Report.

CONSIDERATION OF
ELECTRONIC CHECK FEE

The procession company charges a convenience fee of \$1.50 for transactions up to \$100.00. Staff asked the Board to absorb this first tier convenience fee of \$1.50 for electronic check payments to encourage customers to enroll in the new internet billing/payment portal. The fee will be partially offset by the reduced cost of printing and postage. Upon motion from Director Daniels, seconded by Director Gervasini, the motion passed 3-0

RESOLVED (No. 14768), that the Board approved the convenience fee of \$1.50 for electronic check transactions up to \$100.00.

CONSIDERATION OF JOB
DESCRIPTIONS,
ORGANIZATIONAL CHART, &
PAY RANGES

After some discussion, the Board tabled a decision pending more editing of the General Manager and Financial Manager's job descriptions.

CIP FOR TREATMENT PLANTS

The proposed Capital Improvement Project report for the Plants over the next seven years was presented to the Board. Generally, the projects involve the replacement of equipment or major repairs of existing facilities. The Board acknowledged receipt of the CIP plan.

DIVISION REPORTS

ADMINISTRATION

- Worked April Financial Statements
- SUS-weekly meeting
- Personnel Manual delivered to employees

WATER DISTRIBUTION SUMMARY

• Cherokee Street Waterline Replacement

Pipe has been installed to 5th Street and services transferred to 4th Street. Contractor is expecting to install the 12" main on 5th Street thru Cherokee this weekend. Work is planned for evening and /or Sunday to minimize water outages for business along 5th Street between Delaware and Choctaw. Asphalt surface between 2nd and 3rd Street has been completed, as well as most of 3rd to 4th Street.

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

Expecting to start by end of May.

• Kiowa Street

The 2" HDPE main has been installed along 10th Street and the 8" HDPE main is being bored in from 9th to 10th and then to the hydrant at the high point east of 11th Street.

City Project Summary

1. Eisenhower Rd

Nothing new.

2. 2nd Street (Choctaw) Bridge

Main has been removed for bridge demo. New main will be installed in casing within box beams when new bridge is installed.

3. 4th and Marion

Staff working on reconnecting water main and installing a hydrant.

4. Lakeview and Pleasant

Final plans expected this week.

Water Distribution Operations

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

- Valves and Fire Hydrants (new and replacements): one
- Water-line break: one 2"

Ohio Street Booster Station

- Generator: Nothing new at this time
- Douglas Pump rebuilding booster pump #3

North Plant Summary

HVAC: System air flow balancing was conducted, overall system is complete and functional, waiting on user training.

South Plant Summary

- Generator: Training for high voltage safety and flash arc was conducted on May 12th.
- Well #5: Nothing new at this time.

GENERAL MANAGER'S REPORT

- Held KMU Safety Training May 15th on Office Safety and Ergonomics.
- Updated the 2017 Work Plan progress through April.
- Worked on the multi-year CIP for the Plant's.
- Attended the inspection for the North Plant's HVAC project. The punch list was short and most items have since been taken care of. The project is substantially complete.
- Participated in a conference call with Black & Veatch and the Division of Water Resources on obtaining additional water rights.
- Chris Oatney gave notice they will be moving out of the Pilot Knob Cottage.
- Sue Barnes' 25th Anniversary lunch will be held May 25th between 11 and 1, at which time the offices will be closed. Board Members are welcome.
- W.L. Cassel & Associates issued a Letter of Substantial Completion on the North Plant HVAC project today.
- Lansing Correctional Facility has requested a secondary connection for reliability. Staff will work on this in the near future.

ADJOURNMENT

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

Approved _____ 2017

Greg Kaaz, Chairman

Christi Norris, Secretary