

LEAVENWORTH WATERWORKS

MINUTES OF A MEETING OF
THE BOARD OF DIRECTORS

HELD ON MAY 28, 2019

A regular meeting of the Board of Directors of the Leavenworth Waterworks was held at 5:00 PM on Tuesday, May 28, 2019 at the Leavenworth Waterworks located at 601 Cherokee, Leavenworth, Kansas 66048.

ATTENDANCE

Directors in Attendance

Richard Gervasini, Vice Chairman

Eric Peterson, Secretary

Christi Norris, Assistant Secretary

Greg Kaaz, Member

Directors Absent (Excused)

William Daniels, Chairman

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

Malea Yount-Neal, Dana F. Cole & Company

Randal Wallace, customer

CALL TO ORDER

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

ROLL CALL,
ANNOUNCEMENT OF
QUORUM

Director Gervasini noted that a quorum was present.

REQUESTS,
COMMENTS, PETITIONS
BY MEMBER OF THE
PUBLIC

Randal Wallace property owner of 1914 5th Ave discussed with the Board concerns on his property restoration and timeliness for completing the project. The Board sympathized with his situation, but was unable to provide a timeline for completion since the contractor has not provided a work schedule for time.

BOARD MEMBER ITEMS
OUTSIDE OF EXECUTIVE
SESSION

Director Peterson stated the non-pay fee should be increase to cover actual cost of shut offs. The Board needs to review all fees for appropriateness.

Director Kaaz discussed the land disturbs permit issued for Orr Wyatt. He noted final repairs need to be made to a number of driveways throughout the water main project.

APPROVE MINUTES OF
MAY 13, 2019

Upon motion from Director Peterson, seconded by Director Norris, the minutes of May 13, 2019 were approved, motion passed 4-0...

RESOLVED (No. 14943), that the Board approved the May 13, 2019 minutes.

CONSIDERATION OF
CONSENT AGENDA

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

A. PAYROLL
DISBURSEMENT OF APRIL
15, 2019

RESOLVED (No. 14944), that the Board approved:

A. The payroll for the period ending May 31, 2019 amounting to gross pay of \$84,582.77 (composed of the following withholdings and deductions) Federal Income Tax - \$7,138.77; FICA- \$6,340.97; State Tax - \$3,338.65; KPERS -\$5,003.72; KPERS-back \$122.95, Insurance - \$2,150.66; United Way - \$139.50; Eq-flex - \$1,447.62; PEDC - \$1,922.50; Misc - \$242.50, Optional Group Life \$361.09 and Deposit - \$56,373.84 including the following overtime amounts: Distribution 28 hours @ \$951.20; North Plant 13 hours @ \$445.86 and South Plant 15 hours @ \$442.10 be approved and disbursements made from the Revenue Fund for their respective amounts.

B. PAYMENT OF CLAIMS

B. The Special Claims \$297,030.40 checks be drawn on the Revenue Fund

for their respective amounts.

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| PRELIMINARY 2018 AUDIT REPORT – DANA F COLE & COMPANY | Ms. Malea Yount-Neal with Dana F. Cole & Co. reviewed the Preliminary Audit Report with the Board. The Auditors are giving a clean opinion of the financial statements. The General Manager noted that textural changes of the MD&A will be provided. |
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APRIL 2019 FINANCIAL
STATEMENTS

Director Kaaz requested that “flood related” expenditures be identified on future Financial Statements.

Upon motion from Director Norris, seconded by Director Gervasini, the motion passed 4-0...

RESOLVED (No. 14945), that the Board approved the April 2019 Financial Statements

CONSIDERATION OF
AMENDMENT #1 TO THE
KANSAS PUBLIC WATER
SUPPLY LOAN FUND

We received an Amendment No.1 to our KPWSLF loan agreement. Their cover letter explains that KDHE will not be charging a loan origination fee, saving us \$17,250.00. It does not change any other condition of the loan, so we could actually use the money for any other work authorized by the loan.

Upon motion from Director Kaaz, seconded by Director Norris, the motion passed 4-0 ...

RESOLVED (No. 14946), that the Board authorized the Board Chair and Secretary to execute Amendment No. 1 to the Kansas Public Water Supply Loan Agreement.

CONSIDERATION OF
AGREEMENT WITH
BUILDER’S ASSOCIATION
FOR SAFETY
MANAGEMENT SERVICES

The Builders’ Association Safety Management Services agreed to prepare a written safety policy statement for the Waterworks. We discussed written policies for fourteen separate subjects, four of which are already completed. SMS will come in and review processes at each the plants and we may have additional subjects. SMS will develop a written Safety and Health Procedures manual in word format for a fee of \$6,500.00.

Upon motion from Director Norris, seconded by Director Kaaz, with a 120 day completion, the motion passed 4-0 ...

RESOLVED (No. 14947), that the Board approved the agreement with The Builders’ Association Safety Management for Services for \$6,500.

DIVISION REPORTS

ADMINISTRATION SUMMARY

- Worked on Financial Statements
- Customer Service Rep - hired

WATER DISTRIBUTION PROJECTS

1. 5th Ave – Spruce to Thornton (2018)
Crews are transferring services north of Prospect.
2. Cherokee to Osage 15th to 20th (2018)
Concrete crew is replacing driveways. Regular crew is working on addressing issues with hydrants and erosion control.
3. Sanders and High Street Watermain Replacement (2019)
Received and approved
4. Dakota Street Area Watermain Replacement (2019)
Bid advertisement suspended

City Projects

1. Eisenhower Road Project
Nothing new.
2. Thornton Road Project
Nothing new.
3. 14th and Pawnee
Will replace pipe after City project is complete.

Water Distribution Operations

Between March 21st, 2019 and April 4th, 2019 the following water-distribution activities have occurred:

1. New Water Service Connections: 5
2. Radio-Read Installations: 108
2. Water line breaks: one 2-inch and one 6-inch

TREATMENT PLANT SUMMARY

Ohio Street Booster Station

Nothing new to report.

North Plant Summary

1. Preparing and addressing flood issues
 - Douglas Pump re-installed 2 motors and 2 pumps into the intake.

South Plant Summary

1. Preparing for flooding and addressing flood issues
 - Distribution repaired raw waterline April 3rd.

GENERAL MANAGER'S REPORT

- Met with representatives of Neptune Metering about AMI system and costs. Moving forward on an agreement.
- Received proposal from The Builder's Association on preparing a "Employee Safety and Health" policy documents. Will be forwarding it to our attorney for review and comment
- Addressed flood issues.

ADJOURNMENT

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

Approved _____ 2019

William Daniels, Chair

Eric Peterson, Secretary