

Resolution # _____
Notice and Call of Public Meeting

Governmental Body: The Board of Directors of Xenia Rural Water District, State of Iowa.
Date of Meeting: Thursday, March 19, 2020
Time of Public Meeting: Public Meeting at 5:00 p.m. at District Office
Place of Meeting: Xenia Rural Water District Office, 23998 141st Street, Bouton, Iowa

PUBLIC NOTICE IS HEREBY GIVEN that the above mentioned governmental body will meet at the date, time and place above set out. The tentative agenda for said meeting is as follows:

- | | |
|---|---------------|
| Call to Order of the Public Meeting | Board Chair |
| 1. Approve Agenda | Board Members |
| 2. Consent Agenda - February | Board Members |
| a. Approve January 23, 2020 Board Meeting Minutes | |
| b. Receive and File Financial Statements | |
| c. List of Payments for January, 2020 | |
| d. Purchasing and Expenditure Control Policy Report | |
| e. Customer Service & Accounts Receivable | |
| 3. Consent Agenda - March | Board Members |
| a. Approve February 20, 2020 Board Meeting Minutes | |
| b. Receive and File Financial Statements | |
| c. List of Payments for February, 2020 | |
| d. Purchasing and Expenditure Control Policy Report | |
| e. Customer Service & Accounts Receivable | |
| 4. Stratford Water Treatment Plant HVAC | CEO/GM |
| 5. SCADA Upgrade | CEO/GM |
| 6. Board Member Election - Discussion | CEO/GM |
| 7. Stratford High Service Pumps #1 and #2 VFDs | CEO/GM |
| 8. New Vehicles | CEO/GM |

9. Grimes Elevated Water Storage Tank - Paint CEO/GM
10. Manager's Updates CEO/GM
- Highway 17 Water Main Relocations
 - Boone East Chemical Feed Facility/Booster Station
 - Boone East Elevated Water Storage Tank
 - Bagley
11. Departmental Reports CEO/GM
12. Old Business Board Members
13. New Business Board Members
14. Public Comments Audience
15. Next Board Meeting will be April 23, 2020 at 5:00 pm, Finance Committee meeting will be held April 23, 2020 at 4:00 pm.

Adjournment

This notice is given at the direction of the Chairperson pursuant to Chapter 21, Code of Iowa, as amended, and the local rules of said governmental body.

Secretary, Xenia Rural Water District,
State of Iowa

Xenia Rural Water District, State of Iowa



23998 141st Street
Bouton, IA 50039
BOARD OF DIRECTORS
AGENDA ITEM

Meeting Date: 3/19/2020
Agenda Item # 2

Subject: Consent Agenda - February

- A. January 30, 2020 Board Meeting Minutes
Recommended Action: Approve January 30, 2020 Minutes
- B. Financial Statements
 - a. As of January 31, 2020, assets totaled \$134.2 million and liabilities totaled \$113.8 million.
 - b. Total operating income for January was \$1.248 million and net income totaled \$146,630.
 - c. Net Increase in Cash and Cash Equivalents was \$496,948 for January.**Recommended Action:** Receive and file the January, 2020 Financial Statements.
- C. List of payments for January, 2020
Recommended Action: Approve January 2020 payments.
- D. Purchasing and Expenditure Control Policy Report
Recommended Action: Approve the Purchasing and Expenditure Control Policy Report
- E. Accounts Receivable & Customer Service
 - a. Through January 31, 2020, total accounts receivable was \$732,539 and \$82,120 was past due.
 - b. District had 3 new service connections and 2 termination(s) in January. The District now has 10,272 active accounts as of January 31, 2020.**Recommended Action:** Receive and file Accounts Receivable & Customer Service report.

Budget 2020 Impact – No impact to budget.

Recommended Action: Approve Consent Agenda Items A, B, C, D and E.

Motion from Board: Motion to approve Consent Agenda Items A, B, C, D and E.

Prepared By: Gary Andrews
Controller

Reviewed By: _____
CEO/General Manager



23998 141st Street
Bouton, IA 50039
BOARD OF DIRECTORS
AGENDA ITEM

Meeting Date: 3/19/2020
Agenda Item # 3

Subject: Consent Agenda - March

- F. February 20, 2020 Board Meeting Minutes
Recommended Action: No Minutes for February 20, 2020 – No Board Meeting
- G. Financial Statements
 - a. As of February 29, 2020, assets totaled \$134.5 million and liabilities totaled \$114.0 million.
 - b. Total operating income for February was \$1.201 million and net income totaled \$226,810.
 - c. Net Increase in Cash and Cash Equivalents was \$693,637 for February.
Recommended Action: Receive and file the February, 2020 Financial Statements.
- H. List of payments for February, 2020
Recommended Action: Approve February 2020 payments.
- I. Purchasing and Expenditure Control Policy Report
Recommended Action: Approve the Purchasing and Expenditure Control Policy Report
- J. Accounts Receivable & Customer Service
 - a. Through February 29, 2020, total accounts receivable was \$697,802 and \$81,314 was past due.
 - b. District had 3 new service connections and 3 termination(s) in February. The District now has 10,272 active accounts as of February 29, 2020.
Recommended Action: Receive and file Accounts Receivable & Customer Service report.

Budget 2020 Impact – No impact to budget.

Recommended Action: Approve Consent Agenda Items A, B, C, D and E.

Motion from Board: Motion to approve Consent Agenda Items A, B, C, D and E.

Prepared By: Gary Andrews
Controller

Reviewed By: _____
CEO/General Manager



23998 141st Street
Bouton, IA 50039
BOARD OF DIRECTORS
AGENDA ITEM

Meeting Date: 3/19/2020
Agenda Item # 4

Subject: Stratford HVAC

The Stratford Water Treatment Plant has an aging geothermal unit that is no longer able to heat and cool the non-production area of the treatment plant. The geothermal unit needs replacement, and it has been the determination of staff that utilizing geothermal may not be the best method for heating and cooling.

Staff originally solicited bids from two companies for replacement of the current system. American Mechanical and Ames Heating and Cooling provided bids for the removal of the current system and installation of a new propane furnace and air conditioning system. A third bid was subsequently solicited from Stein Heating & Cooling from Webster City.

American Mechanical's bid came in at \$18,095. Ames Heating and Cooling's bid was \$21,584, which did not include the electrical work needed. Stein Heating & Cooling's bid was \$27,820. Stein's bid included two furnace and AC units, one each for the lab and offices. The owner did not want to provide a quote for just one furnace and AC unit.

The quotes are attached to this memo. When the first two bids were presented to the Board in January, American Mechanical's bid did not include information on equipment manufacturer, warranties, etc. A copy of the information for American Mechanical is also attached to this memo. The heat pump system has a 10-year parts warranty. The furnace has a 5-year parts warranty and a 20-year warranty on the heat exchanger.

Based on the quotes, proposed equipment and warranty information, staff will recommend accepting American Mechanical's bid.

Budget 2020 Impact: There are no funds in the 2020 capital budget for this project. Funds for the new HVAC system will come from savings on other capital projects or from the Surplus Fund.

Recommended Action: Staff recommends approval of American Mechanical's quote to replace the HVAC system at the Stratford Water Treatment Plant in the amount of \$18,095.

Motion from Board: Motion to approve American Mechanical's quote to replace the HVAC system at the Stratford Water Treatment Plant in the amount of \$18,095.

Prepared By: Corey Iben

HR & Administration

Reviewed By: _____

CEO/General Manager



23998 141st Street
Bouton, IA 50039
BOARD OF DIRECTORS
AGENDA ITEM

Meeting Date: 3/19/2020
Agenda Item # 5

Subject: SCADA Upgrade

The SCADA system for the Stratford Water Treatment Plant was last upgraded in 2012. As with any computer system, it is nearing its useful life. In addition, the computers are currently running on Windows 7 and that operating system is no longer supported by Microsoft. This upgrade will include three new computers, each with Windows 10 Pro operating system software and Microsoft Office Pro Software packages. The upgrade will also include the latest version of the Wonderware software packages. Our current Wonderware software packages will not operate in the Windows 10 environment. Wonderware is the man-machine interface that allows easy communication between the user and the control equipment throughout the treatment plant.

Primex is the controls manufacturer's representative we utilize to maintain and upgrade the SCADA system at Stratford. Their quote for the SDADA upgrade is \$33,221.00 which includes the computers and software packages mentioned above and the engineering, setup, installation, documentation and startup of the upgraded system.

A copy of the proposal is attached to this memo.

Budget 2020 Impact: The 2020 capital budget includes \$40,000 for the SCADA upgrade project. This upgrade will be \$6,770 under budget.

Recommended Action: Staff recommends approval of Primex's quote to upgrade the SCADA system at the Stratford Water Treatment Plant in the amount of \$33,221.00.

Motion from Board: Motion to approve Primex's quote to upgrade the SCADA system at the Stratford Water Treatment Plant in the amount of \$33,221.00.

Prepared By: Gary Benjamin
CEO/General Manager

Reviewed By: _____
CEO/General Manager



23998 141st Street
Bouton, IA 50039
BOARD OF DIRECTORS
AGENDA ITEM

Meeting Date: 3/19/2020
Agenda Item # 6

Subject: Board Member Election - Discussion

The 2020 Annual Meeting is scheduled for April 23rd at 6:00 PM. We have 2 current board seats that expire in April (Jerry Carris and Guy Tenold). Jerry is running for re-election and Guy has decided to not run. Two Members submitted their names for the election. Steve Sporrer from Bouton and Pete Malmberg from Perry are the new candidates on this years' proxy.

Staff generated the proxies and they were sent to SmartBill, our bill print provider. They will be mailed out in the next round of water bills beginning on March 16th. Proxies are due in the office April 22nd, which gives Members ample time to submit their vote.

A copy of the proxy is attached to this memo.

Budget 2020 Impact: N/A

Recommended Action: No action is required.

Motion from Board: Discussion by Board members.

Prepared By: Corey Iben

HR & Administration

Reviewed By: _____

CEO/General Manager



23998 141st Street
Bouton, IA 50039
BOARD OF DIRECTORS
AGENDA ITEM

Meeting Date: 3/19/2020
Agenda Item # 7

Subject: Stratford High Service Pumps #1 and #2 VFDs

The Variable Frequency Drives (VFDs) for Stratford High Service Pumps #1 and #2 are original from when the plant was constructed back in 2003. We are experiencing reliability problems with both VFDs and due to the age of these units, we budgeted to replace them with new VFDs this year.

We have requested quotes for two new VFDs from different manufactures and anticipated having quotes to present to the Board this month. The coronavirus situation caused delays in getting the quotes so we won't have them prior to the 3/19/2020 meeting. In order to avoid waiting until the April Board meeting, staff will ask the Board to approve purchase of two new VFDs for Stratford High Service Pumps #1 and #2 if the quotes are at or less than the budgeted amount of \$30,000.

If we do get a satisfactory quote at or below \$30,000, we will inform the Board members of the brand and quote amount when we approve the quote. If we do not get a satisfactory quote at or below \$30,000, we will bring the quotes and a recommendation to the April Board meeting.

Budget 2020 Impact: The 2020 capital budget includes \$30,000 for new VFDs for Stratford high service pumps #1 and #2.

Recommended Action: Staff recommends purchase of two new VFDs Stratford High Service Pumps #1 and #2 if the purchase price is at or below the budgeted amount of \$30,000.

Motion from Board: Motion to purchase of two new VFDs Stratford High Service Pumps #1 and #2 if the purchase price is at or below the budgeted amount of \$30,000.

Prepared By: Gary Benjamin

CEO/General Manager

Reviewed By: _____

CEO/General Manager



23998 141st Street
Bouton, IA 50039
BOARD OF DIRECTORS
AGENDA ITEM

Meeting Date: 3/19/2020
Agenda Item # 8

Subject: New Vehicles

The 2020 capital budget includes replacing two current pickups with two new ones. Staff requested quotes for two new half-ton pickups and received the following quotes:

	Karl <u>Chevrolet</u>	Shottenkirk <u>Chevrolet</u>	Woodhouse <u>Auto Family</u>	Stivers <u>Ford</u>
Chevrolet	\$25,850	\$26,947	\$26,282	
Dodge			\$29,960	
Ford			\$29,376	\$29,130

Based on the quotes, staff will recommend purchasing two half-ton pickups from Karl Chevrolet at a total cost of \$51,700.

Budget 2020 Impact - Allowance in Budget: \$60,000. The recommendation would put us \$8,300 under budget without the sale (outright or at a DOT auction) of the two pickups being replaced.

Recommended Action: Approve the purchase of two new half-ton pickups from Karl Chevrolet for a total of \$51,700 and authorize staff to sell the two surplus pickups.

Motion from Board: Motion to approve the purchase of two new half-ton pickups from Karl Chevrolet for a total of \$51,700 and authorize staff to sell the two surplus pickups.

Prepared By: Gary Benjamin
CEO/General Manager

Reviewed By: _____
CEO/General Manager



23998 141st Street
Bouton, IA 50039
BOARD OF DIRECTORS
AGENDA ITEM

Meeting Date: 3/19/2020
Agenda Item # 9

Subject: Grimes Elevated Water Storage Tank - Paint

A recent inspection of the Grimes Elevated Water Storage Tank found some issues with the interior and exterior paint systems. The exterior paint system has some delamination of the top coats on the roof of the tank and some minor rust on the under-belly of the steel tank. The recommended approach is to pressure wash the entire exterior, tool-clean the rusted areas, and prep the roof. Areas tool-cleaned will be spot primed with a Tnemec Series primer and the entire exterior will be coated with an intermediate coat and finish coat of Tnemec Series coatings

The interior paint system is in bad enough condition that the recommended approach is to blast the complete interior to a "Near White" finish followed by strip painting all welded/lap seams and pitted areas with a roller or brush. That will be followed by two full coats of Tnemec Epoxy paint for a total dry film thickness of 9 mils.

Staff solicited quotes from two firms that paint elevated water storage tanks. Suez submitted a quote of \$239,269 and Cunningham submitted a quote of \$252,868.

Suez also included a quote to place the tank under a maintenance contract. That approach spreads out the cost of the initial painting over three years and then the cost drops to include annual inspections and scheduled cleanings of the tank. This approach has an added benefit of an unofficial extension of the painting warranty in that if the paint system fails, they will have to take care of any issues as a maintenance issue. A comparison of Suez's two quotes is attached. When comparing the cumulative costs for the two quotes, the second quote for spreading the initial painting costs out is the better option. Currently, twelve of our eighteen elevated water storage tanks are under a maintenance contract with Suez.

Budget 2020 Impact: The 2020 capital budget does not include painting of the Grimes Elevated Water Storage Tank. The \$98,002 first year cost will come out of savings on other capital projects or from the Surplus Fund. The subsequent yearly costs will be included in future budgets.

Recommended Action: Staff recommends approval of Suez's Maintenance Program Proposal for the Grimes Elevated Water Storage Tank that spreads the cost of painting the tank over a three-year period at a Year 1 total of \$98,002.

Motion from Board: Motion to approve Suez's Maintenance Program Proposal for the Grimes Elevated Water Storage Tank that spreads the cost of painting the tank over a three-year period at a Year 1 total of \$98,002.

Prepared By: Gary Benjamin
CEO/General Manager

Reviewed By: _____
CEO/General Manager