

**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, October 24, 2019  
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	Board Members
a. Approve September 18, 2019 Board Meeting Minutes	
b. Receive and File Financial Statements	
c. List of Payments for September, 2019	
d. Purchasing and Expenditure Control Policy Report	
e. Customer Service & Accounts Receivable	
3. Boxholm Water Tank Lead Abatement	CEO/GM
4. Engineering Services – Boone East Elevated Water Storage Tank	CEO/GM
5. Riverside Trail Water Main Replacement	CEO/GM
6. 2020 Budget and Water Rates Discussion	Controller
7. Manager’s Updates	CEO/GM
• Johnston	
• Bagley	
• Stratford Aerator Cleaning	
• Bond Paying Agent	
• ID Shield	
8. Departmental Reports	CEO/GM

9. Old Business

Board Members

10. New Business

Board Members

11. Public Comments

Audience

12. Next Board Meeting will be November 21, 2019 at 5:00 pm, Finance Committee meeting will be held November 21, 2019 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

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Xenia Rural Water District, State of Iowa



23998 141<sup>st</sup> Street  
Bouton, IA 50039  
**BOARD OF DIRECTORS**  
**AGENDA ITEM**

Meeting Date: 10/24/2019  
Agenda Item # 2

Subject: Consent Agenda

- A. September 19, 2019 Board Meeting Minutes  
**Recommended Action:** Approve September 19, 2019 Minutes
- B. Financial Statements
  - a. As of September 30, 2019, assets totaled \$135.7 million and liabilities totaled \$116.3 million.
  - b. Total operating income for September was \$1.403 million and net income totaled \$387,975.
  - c. Net Increase in Cash and Cash Equivalents was \$652,970 for September.**Recommended Action:** Receive and file the September, 2019 Financial Statements.
- C. List of payments for September, 2019  
**Recommended Action:** Approve September, 2019 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 September 30, 2019, total accounts receivable was \$913,110 and \$85,898 was past due.
  - b. District had 18 new service connections and 2 termination(s) in September. The District now has 10,239 active accounts as of September 30, 2019.

Budget 2019 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



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**BOARD OF DIRECTORS**  
**AGENDA ITEM**

Meeting Date: 10/24/2019  
Agenda Item # 3

Subject: Boxholm Water Tank Lead Abatement

The Boxholm water tank is under a maintenance contract with Suez. The contract covers inspection, cleaning, renovating, painting and a 100% warranty on coatings during the lifetime of the contract. The painting process usually involves cleaning the tank surface and adding a new coat of paint over the existing paint. When the time comes that the first layer of paint starts to delaminate from the tank, the tank needs to be sand blasted down to bare metal followed by new paint coatings.

Boxholm water tank’s original coating is a lead-based paint and when lead-based paint needs to be removed, it requires special steps to capture all of the lead-based paint as it is sand blasted from the tank. This is accomplished by surrounding the tank with a drape or curtain during the sand blasting process. One of the few items that is not covered with the tank maintenance contract is the containment needed during removal of lead-based paint. In these cases, the customer is responsible for the cost of the drape containment only. Suez is responsible for all other aspects during the lead abatement including labor, repairs, materials, removal of debris, etc.

Suez gave us a quote of \$114,192 for drape containment for the Boxholm water tank. It is best to have Suez complete this process as they will complete the sand blasting and re-paint the tank right after the old paint is removed. As a comparison, Suez completed drape containment for the Linden water tank this past March for \$98,552. That price was lower because Suez did not include extra cost for the rigging required for the Linden tank drape containment because of its cone-shaped top. That type of top requires special rigging as the top cannot support the typical rigging for lead abatement so they have to use a more elaborate rigging that connects to the side of the tank. The Boxholm tank has the same cone-shaped top.

Budget 2019 Impact – The 2019 capital budget does not include removal of the lead-based paint as it was not anticipated to be needed when generating the budget for 2019. The funds to cover this project will come from savings on other capital projects or from the Surplus Fund.

Recommended Action: Approve the quote from Suez to provide drape containment during the removal of lead-based paint from the Boxholm water tank at a cost of \$114,192.

Motion from Board: Motion to approve the quote from Suez to provide drape containment during the removal of lead-based paint from the Boxholm water tank at a cost of \$114,192.

Prepared By: Gary Benjamin  
CEO/General Manager

Reviewed By: \_\_\_\_\_  
CEO/General Manager



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**BOARD OF DIRECTORS**  
**AGENDA ITEM**

Meeting Date: 10/24/2019  
Agenda Item # 4

**Subject: Engineering Services – Boone East Elevated Water Storage Tank**

At the August Board meeting, the Board authorized staff to negotiate and execute an agreement for engineering services for design of the Boone East Elevated Water Storage Tank (EWST) with HR Green for an estimated fee of \$58,100. Staff met with HR Green staff and requested they add a Hach 5500 analyzer and a Hach CL-17 analyzer to provide distribution water quality data to meet Iowa Department of Natural Resources requirements. To add these analyzers to the tank will require a heated and insulated room inside the base of the tank to house them and prevent freezing of the water sampling line. The analyzers have a continuous discharge of the water being analyzed which will require a leach field since a sanitary sewer is not available at the tank location.

To complete the design of the heated and insulated room and the leach field will require an additional design fee of \$12,400. With this additional fee, the total fee for design of the Boone East EWST will be \$70,500.

The 2019 capital budget includes funds to start the design of the booster pump station and elevated water storage tank for Boone East. The Board previously approved an agreement with Snyder & Associates Inc. for design of a new chemical feed building and pump station for the Boone East connection for a not-to-exceed fee of \$60,000.

Budget 2019 Impact – \$130,000 was included in the 2019 capital budget to begin design work in the Boone East System. This engineering services fee will come out of that budget. With the \$60,000 fee to design the pump station and chemical feed facility and the \$70,500 fee to design the EWST, the total design fees will be \$130,500 which is \$500 over budget. The funds to cover this overage will come from savings on other capital projects or from the Surplus Fund.

**Recommended Action:** Approve additional fee of \$12,400 for design of the Boone East Elevated Water Storage Tank with HR Green for a total design fee of \$70,500.

**Motion from Board:** Motion to approve additional fee of \$12,400 for design of the Boone East Elevated Water Storage Tank with HR Green for a total design fee of \$70,500.

Prepared By: Gary Benjamin  
CEO/GM

Reviewed By: \_\_\_\_\_  
CEO/General Manager



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**BOARD OF DIRECTORS**  
**AGENDA ITEM**

Meeting Date: 10/24/2019  
Agenda Item # 5

Subject: Riverside Trail Water Main Replacement

At the May Board meeting, the Board approved installation of the Riverview Trail Water Main Replacement by Trenchless Solutions Iowa, at a cost of \$15,500 which included boring under the Des Moines River. The contractor attempted to bore under the river with his equipment but encountered a rock seam that he could not get through. To complete the bore under the river, the contractor will need to rent a larger bore machine at a cost of \$14,000.

The contractor included in the new quote a statement that if he is unable to penetrate the rock seam with this larger bore machine, he will not charge us any fee for his effort. If successful, he will add the extra \$14,000 rental fee to his original fee of \$15,500 for a total installation fee of \$29,900. This will equate to \$15.95/foot to bore in 1,850 feet of 3" water main, which is a still a very reasonable cost – especially with the river crossing.

Allowance in the 2019 capital budget is \$30,000 for "Pipelines, valves, and hydrant replacement in the Xenia System". The total cost for installation (\$29,900) and the water main materials (\$7,640) will be \$37,540. That is \$7,540 over that budget. The funds to cover the overage will come from savings on other capital projects or from the Surplus Fund.

Recommended Action: Approve additional cost of \$14,400 (if the river bore is successful) for rental of a larger bore machine by Trenchless Solutions Iowa for the Riverview Trail Water Main Replacement, for a total installation cost of \$29,900.

Motion from Board: Motion to approve additional cost of \$14,400 (if the river bore is successful) for rental of a larger bore machine by Trenchless Solutions Iowa for the Riverview Trail Water Main Replacement, for a total installation cost of \$29,900.

Prepared By: Gary Benjamin  
CEO/General Manager

Reviewed By: \_\_\_\_\_  
CEO/General Manager



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**BOARD OF DIRECTORS**  
**AGENDA ITEM**

Meeting Date: 10/24/2019

Agenda Item # 6

Subject: 2020 Budget and Water Rates Discussion

Attached are the following 2020 budget reports:

- 2020 draft operating budget based on a 0.0% rate increase
- 2020 draft capital improvements budget
- 2020 draft cash flows analysis based on a 0.0% rate increase
- 2020 draft Bouton wastewater system budget based on a 0.0% rate increase

These budgets have been prepared using conservative estimates with the intent of providing a level of comfort that all future cash flow needs will be met.

The 2020 budgets must be approved by the Board no later than November 30, 2019.

Budget 2020 Impact: A 0.0% rate increase will result in revenues sufficient to cover all of the District's operating, financing and capital improvement needs, while still allowing the District to accumulate a cash surplus necessary for mitigating the risk of unforeseen financial contingencies.

Recommended Action: Discussion only, no action required at this time.

Motion from Board: Discussion only, no action required at this time.

Prepared By: Gary Andrews

Title: Controller

Reviewed By: \_\_\_\_\_

CEO/General Manager