

OSCEOLA WATER BOARD

July 3, 2014

The Osceola Water Board met for the regularly scheduled meeting on Thursday, July 3, 2014 at 5:30 P.M. This being the time and place as legally posted, the meeting was called to order by Chairman Ryan Rychnovsky with the following Board Members present: MacKenzie O'Hair, Alisha Kale and Dave Neas. Susanna Contreras was absent. Also present were Superintendent Brandon Patterson, Utility Office Manager Carrie Benda, Seth Lampman, Kirk Duer and others not signed in.

Board member Neas motioned to approve the agenda as presented and O'Hair seconded the motion.

Ayes: O'Hair, Kale, Neas, Rychnovsky

Nays: None

Absent: Conteras

Motion Passed

No one was present to address the board about items not on the agenda.

Utility Office Manager Carrie Benda opened the discussion regarding the funds received from the atrazine settlement by introducing Seth Lampman with Edward Jones. Mr. Lampman presented options for the board to review and discussed each one in detail. After the presentation and discussion, board member Neas motioned to invest \$218,000 in a managed account and \$100,000 to be placed in a CD and Kale seconded the motion.

Ayes: O'Hair, Kale, Neas, Rychnovsky

Nays: None

Absent: Conteras

Motion Passed

Water Superintendent Brandon Patterson opened the discussion regarding the building repairs located at 208 West Jefferson Street. Mr. Patterson introduced Kirk Duer of The Duerson Corporation who was present to assist in answering questions that the board had regarding the project. After discussion, the board requested additional information regarding alternative products and chose not to act until that information was received. This item will be placed on the next agenda.

Board member O'Hair stepped out at 6:15 p.m.

Water Superintendent Brandon Patterson opened the discussion regarding a premise with more than one service unit by stating that the rules that were adopted in March did not include this rule and the board needed to pass the presented resolution to adopt the rule for use. After discussion, board member Kale motioned to approve resolution 2014-10 regarding a premise with more than one service unit and Neas seconded the motion. Roll call vote was;

Ayes: O'Hair, Kale, Neas, Rychnovsky

Nays: None

Absent: Conteras

Motion Passed

Resolution 2014-10

Water Superintendent Brandon Patterson opened the discussion regarding future equipment purchases by requesting board discussion. Mr. Patterson explained that the water department was facing major rate increases a couple of years ago. The board at that time decided to make changes within the organization to see if we could be more efficient and control costs passed onto our customers. One of the changes the board decided to make was to start processing our own repairs and main breaks. Mr. Patterson presented equipment that would be needed to effectively

continue the process of doing our own work. After discussion, the board requested information regarding a plan for employees and development of the department. An agenda item will be placed on the August agenda to set a date for a work session.

Water Superintendent Brandon Patterson opened the discussion regarding a private service line at 116 & 130 East Jefferson Street by providing a map for the board to review. Mr. Patterson explained that a request for the discontinuation of service at 130 East Jefferson was received. This home is currently on a shared line with 116 East Jefferson. Mr. Patterson suggested that the department install a service line in the city right of way from Park Street over to the 116 East Jefferson property line and install a meter pit. At that time, the homeowner would be required to hook into that meter pit and run the service line to the home within a timeframe worked out. By separating the two services, the home at 130 East Jefferson would be able to disconnect their services. After discussion, board member Neas motioned to authorize staff issue a notice to 116 East Jefferson and install a service line to the property line, set a meter pit and cutoff water service after the timeframe specified. Due to lack of a second, the motion died. The board decided to not take action on this topic until the services are requested to be disconnected at 130 East Jefferson.

Water Superintendent Brandon Patterson opened the discussion regarding a water leak request at 1906 North Main Street by reminding the board that this item was discussed at the June meeting. At that meeting, the board requested additional information regarding the actual cost of water production. After discussion, board member Kale motioned to authorize staff to reduce the utility bill at 1906 North Main Street to Water Works production cost of \$2.51 and authorize staff to accept monthly payments up to 60 months in addition to the current utility bill. Board member Neas seconded the motion.

Ayes: O'Hair, Kale, Neas, Rychnovsky

Nays: None

Absent: Conteras

Motion Passed

Utility Manager Carrie Benda presented the water leak request for 210 East Cass Street which was for a toilet leak. After discussion, the board took no action on this item.

Utility Manager Carrie Benda presented a resolution for the board to formally approve credit card use for the department. After discussion, board member Kale motioned to approve resolution 2014-09 approving a credit card policy and O'Hair seconded the motion. Roll call of the vote was;

Ayes: O'Hair, Kale, Neas, Rychnovsky

Nays: None

Absent: Conteras

Motion Passed

Resolution 2014-09

Utility Manager Carrie Benda presented a letter from Faller, Kincheloe & Co., PLC for financial auditing purposes. The auditing firm requested the board review the letter and sign on behalf of the Water Works for services rendered. After discussion, board member Neas moved to approve the letter of engagement and authorize Chairman Rychnovsky sign on behalf of the Water Board of Trustees and Kale seconded the motion.

Ayes: O'Hair, Kale, Neas, Rychnovsky

Nays: None

Absent: Conteras

Motion Passed

Water Superintendent Report: Brandon Patterson reported to the board updates regarding snowbird accounts where letters were issued to the customers and a meter testing policy that is currently being worked on. Continuing on, Mr. Patterson asked the board's thoughts on the

department's assistance with high water readings and a shut-off policy for commercial accounts. Mr. Patterson also reported on the energy assessment audit, Kading development at The Meadows, water tower maintenance, North East Street paving project, staffing needs, pay scales and rate study. Concluding the report, Mr. Patterson reported that a start-up and shutdown process had been implemented at the plant and inquired the board's approval regarding moving forward with a time clock policy.

Chairman Rychnovsky presented the consent agenda. Board member Kale motioned to approve the consent agenda as presented and O'Hair seconded the motion. The consent agenda included the Aging Report and YTD Budget Report as well as the following Bills and Claims:

| | | |
|------------------------------|----------------|--------------|
| AFLAC | PAYROLL | \$86.79 |
| AGSOURCE LABORATORIES | LAB TESTING | \$82.00 |
| ALLIANT ENERGY | UTILITIES | \$5,706.64 |
| AUTOMATIC SYSTEMS CO | SERVICES | \$2,534.08 |
| BARCO MUNICIPAL PRODUCTS INC | SERVICES | \$1,452.61 |
| CARRIE BENDA | REIMBURSEMENT | \$157.08 |
| CARD MEMBER SERVICE | SERVICES | \$958.48 |
| CARD SERVICE CENTER | SERVICES | \$29.62 |
| CASEY'S GENERAL SERVICES | FUEL | \$1,065.24 |
| CHEM-SULT INC. | CHEMICALS | \$50,618.11 |
| CHESNUT LAWN & LANDSCAPE | SERVICES | \$395.00 |
| CITY OF OSCEOLA | SERVICES | \$122,052.40 |
| CR SERVICES | SERVICES | \$146.45 |
| CRESTON PUBLISHING COMPANY | PUBLICATIONS | \$135.08 |
| D & D PEST CONTROL | SERVICES | \$45.00 |
| ROBERT OR DEBBIE FRUEH | DEPOSIT REFUND | \$100.00 |
| HACH COMPANY | LAB TESTING | \$249.42 |
| PATRICIA HAMILTON | DEPOSIT REFUND | \$48.17 |
| RONEE HUSTED | DEPOSIT REFUND | \$100.00 |
| HYDRITE CHEMICAL CO. | CHEMICALS | \$1,702.40 |
| IA ASSOCIATION OF MUNICIPAL | DUES | \$670.22 |
| IA DEPT OF HUMAN RESOURCES | PAYROLL | \$1,074.48 |
| IA DEPT OF NATURAL RESOURCES | TESTING FEE | \$606.26 |
| INTERNAL REVENUE SERVICE | PAYROLL | \$6,933.71 |
| IOWA DEPT OF REVENUE | PAYROLL | \$2,183.00 |
| IOWA DEPT OF REVENUE | SALES TAX | \$5,304.00 |
| IOWA ONE CALL | SERVICES | \$67.70 |
| IOWA PHYS CLINIC MED FND | SERVICES | \$119.00 |
| IPERS | PAYROLL | \$4,975.61 |
| J P AUTO | SERVICES | \$29.27 |
| KD TIRES, LLC | REPAIR | \$366.00 |
| TIFFANY MCBRIDE | DEPOSIT REFUND | \$100.00 |
| MELLEN & ASSOCIATES, INC. | REPAIRS | \$6,077.10 |
| MET LIFE | INSURANCE | \$593.97 |
| MIDWEST OFFICE TECHNOLOGY | SERVICES | \$61.50 |
| MUNICIPAL SUPPLY INC | SERVICES | \$1,404.55 |
| MUTUAL OF OMAHA | INSURANCE | \$68.24 |
| O'REILLY AUTO PARTS | SERVICES | \$39.80 |
| OSCEOLA FARM & HOME | SERVICES | \$176.74 |
| OSCEOLA WATER WORKS | APPLY DEPOSITS | \$651.83 |
| PENICK ELECTRIC | SERVICES | \$17.99 |
| REYNOLDSON & VANWERDEN | LEGAL SERVICES | \$31.95 |
| ROBINSONS CO | SUPPLIES | \$59.45 |
| SEMINOLE RETAIL ENERGY SV | UTILITIES | \$778.36 |
| JACOB SNYDER | DEPOSIT REFUND | \$100.00 |
| SOLUTIONS | SUPPLIES | \$12.49 |
| TEAMSTERS | PAYROLL | \$47.00 |
| THREE C DESIGN | SERVICES | \$100.00 |
| TOM & JOHN'S AUTO SERVICE | SERVICES | \$68.00 |
| US CELLULAR | COMMUNICATION | \$280.79 |
| US POST OFFICE | POSTAGE | \$520.38 |
| UNITED HEALTHCARE | INSURANCE | \$10,966.19 |
| WILD BLUE | COMMUNICATION | \$86.32 |
| WINDSTREAM | COMMUNICATION | \$272.79 |
| CHAMEE ZIONG | DEPOSIT REFUND | \$100.00 |
| ZEE MEDICAL INC. | SERVICES | \$123.25 |
| ZIMCO SUPPLY CO | SERVICES | \$158.75 |
| TOTAL CLAIMS | | \$257,545.24 |

Ayes: O'Hair, Kale, Neas, Rychnovsky

Nays: None
Absent: Conteras
Motion Passed

Utility Office Manager Carrie Benda had nothing to report.

Board Member Reports: Dave Neas requested an action item be placed on the August agenda to set up a work session for strategic planning. Ryan Rychnovsky gave an update regarding a customer who contacted him regarding the North East Street project and their financial obligations.

Water Superintendent Brandon Patterson opened the discussion regarding the Water Superintendent's performance evaluation. After discussion, the board was not ready to conduct the annual evaluation and requested additional time. No action was taken.

There being no further business to discuss, board member Kale motioned and O'Hair seconded adjournment at 8:45 p.m.

Ayes: O'Hair, Kale, Neas, Rychnovsky
Nays: None
Absent: Conteras
Motion Passed

Attest:

Ryan Rychnovsky, Chairman

Carrie Benda, Utility Office Manager

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Board approved on July 31, 2014.