

**MINUTES OF CALLED MEETING OF THE BOARD OF WATER WORKS TRUSTEES  
PURSUANT TO NOTICE  
Tuesday, February 28, 2023**

Present (or Participating by Video or Audio Conference Link):

Board Members: Chairperson Ms. Andrea Boulton, presiding; Mr. Alec Davis, Mr. Graham Gillette, Ms. Susan Huppert, and Ms. Diane Munns

Staff members: Bill Blubaugh, Pat Bruner, Nathan Casey, Ted Corrigan, Kyle Danley, Doug Garnett, Leah Heim, Mike McCurnin, Jenny Puffer, Laura Sarcone, Jennifer Terry, Lindsey Wanderscheid, Michelle Watson, and Dylan White

Also in attendance: Amy Beattie (Stowe Foundation), John Lande and Rick Malm (legal counsel), and Melissa Walker (MW Media Consultants, LLC)

Ms. Boulton called the meeting to order at 3:30 p.m.

Consent Agenda

A motion was made by Mr. Gillette, seconded by Ms. Huppert, to approve Consent Items A, B, C, D, and E (Approval of Minutes, January 24, 2023, Board of Water Works Trustees Meeting; Minutes, February 7, 2023, Planning Committee Meeting; Minutes, February 14, 2023 Finance and Audit Committee Meeting; Receipt and filing of the financial statements for audit purposes; Approval of Payments for January 2023; Approval of Summary of CEO-Approved Expenditures in Excess of \$20,000; and Approval of March 28, 2023, as the next meeting of the Board of Water Works Trustees). Upon vote, the motion was adopted, with each member of the Board identified as present voting in favor of the motion.

Public Comment Period

Mr. Gillette, representing the Stowe Foundation, shared concepts for the classroom (“Water Curia”) that will be built in the park in memory of William G. Stowe.

Mr. Corrigan provided an update on regionalization.

Not to Exceed \$1,100,000 State Revolving Fund Planning & Design Loan for Transmission Main Improvement Projects Related to the Saylorville Water Treatment Plant Expansion – Resolution Fixing Date for a Meeting on the Proposition to Issue

The 2022 – 2027 Capital Improvement Plan includes capital expenditures for the planning and design of two transmission main improvement projects critical to convey additional flows and volumes associated with the Saylorville Water Treatment Plant (SWTP) expansion.

Approximately 11,300 feet of 36-48” main will provide a connection from SWTP to the transmission network to utilize the production capacity of SWTP more fully and improve system function and reliability. Approximately 4,700 feet of 24” main will allow both SWTP and Fleur Drive Water Treatment Plant to supply more reliable flows and volumes to the northwest region of the transmission network.

The SWTP expansion is required to support the utility’s ability to meet peak-day demands, as well as to diversify the broader treatment options managed by the utility.

Planning and Design (P&D) loans are available from the State Revolving Fund (SRF) at 0% interest for three years for the planning and design of drinking water system improvements. At the end of

the three-year period, the planning and design costs are typically rolled into an SRF construction loan, or they can be paid using other funds. DMWW's P&D application for these transmission main projects has been approved by the State Revolving Fund and will next appear on the state's Intended Use Plan (IUP) project list for approval on March 21, 2023. In order to execute the Loan and Disbursement Agreement, DMWW must hold a public hearing and pass a resolution authorizing DMWW to execute the Agreement.

Board Member Graham Gillette introduced the following Resolution entitled "RESOLUTION FIXING DATE FOR A MEETING ON THE AUTHORIZATION OF A LOAN AND DISBURSEMENT AGREEMENT AND THE ISSUANCE OF NOT TO EXCEED \$1,100,000 WATER REVENUE CAPITAL LOAN NOTES OF THE CITY OF DES MOINES, STATE OF IOWA, AND PROVIDING FOR PUBLICATION OF NOTICE THEREOF", and moved that the same be adopted. Board Member Susan Huppert seconded the motion to adopt.

RESOLUTION FIXING DATE FOR A MEETING ON THE  
AUTHORIZATION OF A LOAN AND DISBURSEMENT  
AGREEMENT AND THE ISSUANCE OF NOT TO EXCEED  
\$1,100,000 WATER REVENUE CAPITAL LOAN NOTES OF THE  
CITY OF DES MOINES, STATE OF IOWA, AND PROVIDING  
FOR PUBLICATION OF NOTICE THEREOF

WHEREAS, it is deemed necessary and advisable that the City of Des Moines, State of Iowa, should provide for the authorization of a Loan and Disbursement Agreement and the issuance of Water Revenue Capital Loan Notes, to the amount of not to exceed \$1,100,000, as authorized by Sections 384.24A and 384.83, of the Code of Iowa, for the purpose of providing funds to pay costs of carrying out project(s) as hereinafter described; and

WHEREAS, the Water Utility has applied for a loan through the Iowa Drinking Water Facilities Financing Program pursuant to which the Iowa Finance Authority has agreed to purchase the Notes and has requested that such Notes be issued as a single Note in a denomination equal to the total amount of the issue as authorized by Chapter 384 of the Code of Iowa; and

WHEREAS, the Loan and Disbursement Agreement and Notes shall be payable solely and only out of the Net Revenues of the Water Utility and shall be a first lien on the future Net Revenues of the Utility; and shall not be general obligations of the City or payable in any manner by taxation and the City shall be in no manner liable by reason of the failure of the Net Revenues to be sufficient for the payment of the Loan and Disbursement Agreement and Notes; and

WHEREAS, before the Loan and Disbursement Agreement and Notes may be issued, it is necessary to comply with the provisions of the Code, and to publish a notice of the proposal to issue such notes and of the time and place of the meeting at which the Board proposes to take action for the authorization of the Loan and Disbursement Agreement and Notes and to receive oral and/or written objections from any resident or property owner of the City to such action.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF WATER WORKS TRUSTEES OF THE CITY OF DES MOINES, STATE OF IOWA:

That this Board meet in the Des Moines Water Works Board Room, 2201 George Flagg Parkway, Des Moines, Iowa, at 3:30 P.M., on the 28<sup>th</sup> day of March, 2023, for the purpose of taking action on the matter of the authorization of a Loan and Disbursement Agreement and the issuance of not to exceed \$1,100,000 Water Revenue Capital Loan Notes, the proceeds of which notes will be used to provide funds to pay the costs of acquisition, construction, reconstruction, extending, remodeling, improving, repairing and equipping all or part of the Water Utility, including those costs associated with designing the Saylorville Water Treatment Plant expansion project.

That the Secretary is hereby directed to cause at least one publication to be made of a notice of the meeting, in a legal newspaper, printed wholly in the English language, published at least once weekly, and having general circulation in the City. The publication to be not less than four clear days nor more than twenty days before the date of the public meeting on the issuance of the Notes.

The notice of the proposed action to issue notes shall be in substantially the following form:

(To be published between March 8 and March 23, 2023 (dates inclusive))

NOTICE OF MEETING OF THE BOARD OF WATER WORKS  
TRUSTEES OF THE CITY OF DES MOINES, STATE OF IOWA,  
ON THE MATTER OF THE PROPOSED AUTHORIZATION OF A  
LOAN AND DISBURSEMENT AGREEMENT AND THE  
ISSUANCE OF NOT TO EXCEED \$1,100,000 WATER REVENUE  
CAPITAL LOAN NOTES, AND THE HEARING ON THE  
ISSUANCE THEREOF

PUBLIC NOTICE is hereby given that the Board of Water Works Trustees of the City of Des Moines, State of Iowa, will hold a public hearing on the 28<sup>th</sup> day of March, 2023, at 3:30 P.M., in the Des Moines Water Works Board Room, 2201 George Flagg Parkway, Des Moines, Iowa, at which meeting the Board proposes to take additional action for the authorization of a Loan and Disbursement Agreement by and between the City and the Iowa Finance Authority and the issuance to the Iowa Finance Authority of not to exceed \$1,100,000 Water Revenue Capital Loan Notes, to evidence the obligations under the said Loan and Disbursement Agreement, in order to provide funds to pay the costs of acquisition, construction, reconstruction, extending, remodeling, improving, repairing and equipping all or part of the Water Utility, including those costs associated with designing the Saylorville Water Treatment Plant expansion project. The Notes will not constitute general obligations or be payable in any manner by taxation, but will be payable from and secured by the Net Revenues of the Water Utility.

At the above meeting the Board shall receive oral or written objections from any resident or property owner of the City to the above action. After all objections have been received and considered, the Board will at the meeting or at any adjournment thereof, take additional action for the authorization of a Loan and Disbursement Agreement and the issuance of the Notes to evidence the obligations thereunder or will abandon the proposal to issue said Notes.

This notice is given by order of the Board of Water Works Trustees of the City of Des Moines, State of Iowa, as provided by Sections 384.24A and 384.83 of the Code of Iowa.

Dated this 28th day of February, 2023.

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Secretary of the Board of Water Works  
Trustees, City of Des Moines, State of Iowa

(End of Notice)

A roll-call vote was taken and the vote was,

AYES: Andrea Boulton, Alec Davis, Graham Gillette, Susan  
Huppert, and Diane Munns

NAYS: None

Whereupon, the Chairperson declared the measure duly adopted.

Request Authorization to Execute 28E Agreement between the Des Moines Metropolitan Wastewater Reclamation Authority and the Board of Water Works Trustees of the City of Des Moines, Iowa, for Construction of Improvements for Water Works by the WRA

The Wastewater Reclamation Authority (WRA) has contracted with HDR Inc. for the design and construction of a project known as the WRF Site Entrance and Security Project. A portion of the project requires water distribution system to be modified. Des Moines Water Works (DMWW) prefers that additional water distribution system modifications be included in the project.

DMWW and WRA staff have agreed in principle to the terms of a 28E agreement between the two entities. Key elements of the agreement include:

- DMWW agrees to pay for 100% of the water main design. Design costs will be \$42,595.
- Total water main construction costs are presently estimated to be \$150,000.
  - WRA agrees to pay for 30% of the final water main construction costs.
  - DMWW agrees to pay for 70% of the final water main construction costs.
- WRA will provide necessary easement for water main installation.
- Agreement on the above principles allows abandonment of nearly 1300 feet of 8” cast iron water main installed in the 1950s and 1960s. Abandoned main is then to be replaced with nearly 1300 feet of 12” water main to be installed within new water main easement.

A 28E Agreement is finalized between the WRA and DMWW to define all related terms and conditions.

A motion was made by Ms. Munns, seconded by Mr. Gillette, to approve and authorize the Chairperson to execute the Agreement between the Des Moines Metropolitan Wastewater Reclamation Authority and the Board of Water Works Trustees of the City of Des Moines, Iowa, for the Construction of Improvements for Water Works by the WRA, upon final approval of DMWW’s attorney and staff. Upon vote, the motion was adopted, with each member of the Board identified as present voting in favor of the motion.

Request Authorization to Execute the First Amendment to 28E Agreement between the City of Des Moines, Iowa, the Board of Water Works Trustees of the City of Des Moines, Iowa, and the Des Moines Water Works Park Foundation for Construction and Funding of the Fleur Drive Trail Underpass Project

Several agreements define the working relationship between Des Moines Water Works (DMWW) and the Des Moines Water Works Park Foundation (DMWWPF). The 28E agreement for the Fleur Drive Trail Underpass project included DMWW, DMWWPF, and City of Des Moines and it outlines bidding and letting for construction of the passageway (now known as the Ruan Connector) by the City of Des Moines and the resultant terms associated with payments, reimbursements, change orders, and maintenance.

The 1<sup>st</sup> Amendment to the 28E Agreement for Construction and Funding of the Fleur Drive Trail Underpass Project brings further clarity to the following key items:

- The underpass project is complete, and the facilities are the property of the City of Des Moines. Signage shall be installed designating the underpass as the Ruan Connector.

- DMWWPF is obligated to pay the City of Des Moines \$1,980,212.19 which shall be paid in annual installments of not less than \$50,000 or the remaining unpaid balance.
- If DMWWPF has paid an aggregate amount of \$1,440,212.29 on or prior to the 29th annual payment date, the City will forgive the remaining balance.
- DMWW will assume maintenance of the west facade of the Ruan Connector upon City of Des Moines exhausting \$300,000 for the initial maintenance for all elements of the Ruan Connector.
- Additional details can be found in the amendment.

Staff and legal counsel associated with DMWW, DMWWPF, and City of Des Moines are in support of this 1<sup>st</sup> Amendment.

A motion was made by Mr. Gillette seconded by Mr. Davis, to approve and authorize the Chairperson to execute the First Amendment to 28E Agreement between Des Moines Water Works, the City of Des Moines, Iowa, and the Des Moines Water Works Park Foundation for Construction of the Fleur Drive Trail Underpass Project. Upon vote, the motion was adopted, with each member of the Board identified as present voting in favor of the motion.

#### Request Authorization to Issue Purchase Order for Rehabilitation of Lime Sludge Dewatering Press Equipment

The Lime Sludge Dewatering Facility at the Fleur Drive Water Treatment Plant includes four plate and frame filter presses designed and manufactured by Evoqua Water Technologies, LLC (Evoqua). These filter presses are nearing the end of their operational life and need significant rehabilitation. In 2021, DMWW started a multi-year process of rehabilitating the Lime Sludge Dewatering Facility presses. Rehabilitation work this year includes replacement of plate hangers and installation of new drip trays for the next press. Delivery time for replacement equipment and parts from Evoqua is as long as twelve weeks. The cost estimate for the replacement equipment and parts is \$244,510.34.

Evoqua's design for the filter press equipment is proprietary which makes the parts unique to the DMWW filter presses. In addition, since Evoqua is the designer and builder of the filter presses, staff believes Evoqua is the only firm best able to provide the needed equipment and parts. Staff recommends the Board authorize staff to issue a Purchase Order to Evoqua Water Technologies LLC, in the amount of \$244,510.34 for the necessary parts and equipment for the rehabilitation of the existing lime sludge dewatering press equipment in the Lime Sludge Dewatering Facility.

A motion was made by Mr. Gillette seconded by Ms. Huppert, to authorize staff to issue a Purchase Order to Evoqua Water Technologies LLC, in the amount of \$244,510.34, for the necessary parts and equipment for the rehabilitation of the existing lime sludge dewatering press equipment in the Lime Sludge Dewatering Facility. Upon vote, the motion was adopted, with each member of the Board identified as present voting in favor of the motion.

#### Award 2023 Treatment Basin No. 1 Rechaining Contract

At its July 2022 meeting, the Board of Water Works Trustees (the "Board") authorized staff to solicit bids for the 2022 Treatment Basin No. 1 Rechaining project. The public hearing was established as the date of the September 2022 Board meeting. Only one bid was submitted by The Waldinger Corporation and opened on September 15, 2022. The Waldinger Corporation's bid was \$492,000 and was significantly above the engineer's cost estimate. At its September 2022 meeting,

the Board approved a motion to reject the bid submitted by The Waldinger Corporation and cancel the public hearing for the 2022 Treatment Basin No. 1 Rechaining contract.

Staff reconfigured the scope of work for this project to include only replacement of the chains, flight boards and other sludge collection system-related equipment including sprockets and shafts. Plans and specifications were reissued for the purpose of soliciting bids for the reconfigured project, now referred to as 2023 Treatment Basin No. 1 Rechaining. On February 17, 2023, the following two bids were submitted for the 2023 Treatment Basin No. 1 Rechaining project:

<u>Bidder</u>	<u>Amount Bid</u>
The Waldinger Corporation	\$239,200
Nate Todd Construction, LLC	\$307,000

The Waldinger Corporation has successfully completed several projects for Des Moines Water Works including similar rechaining projects in the pre-sedimentation basins in 2018 and 2020. Staff recommends the Board award a contract to The Waldinger Corporation for the 2023 Treatment Basin No. 1 Rechaining project in the amount of \$239,200.

A motion was made by Mr. Gillette, seconded by Mr. Davis, to award the 2023 Treatment Basin No. 1 Rechaining contract to The Waldinger Corporation in the amount of \$239,200 and authorize the Chairperson and the CEO and General Manager to execute the contract. Upon vote, the motion was adopted, with each member of the Board identified as present voting in favor of the motion.

#### McMullen High Service Pump Building HVAC and Roofing Upgrades

A Public Hearing was opened by Chairperson Boulton for comments from the public regarding the form of contract, plans and specifications, and estimated cost for the McMullen High Service Pump Building HVAC and Roofing Upgrades project. Receiving no oral or written comments, the Public Hearing was closed.

A motion was made by Mr. Gillette for adoption of the form of contract, plans and specifications, and estimated cost for the Project as prepared. The motion was seconded by Ms. Huppert. Upon vote, the motion was adopted, with each member of the Board voting in favor of the motion.

An analysis of the bids received was presented and considered.

A motion was made by Ms. Munns, seconded by Mr. Gillette, to award the McMullen High Service Pump Building HVAC and Roofing Upgrades contract to Brockway Mechanical & Roofing Co., Inc., for the Base Bid – HVAC and the Alternate Bid 1 – Roof Replacement in the amount of \$233,094 and authorize the Chairperson and the CEO and General Manager to execute the contract. Upon vote, the motion was adopted, with each member of the Board voting in favor of the motion.

#### Revised Schedule for the 2023 Board of Water Works Trustees Committee Meetings

It was proposed that the schedule for 2023 Board Committee meetings be revised so that, with noted exceptions, the Finance and Audit Committee will meet on the first Tuesday of each month and the Planning Committee will meet on the second Tuesday of each month.

Revised schedules for 2023 Board Committee meetings are as follows:



## **Finance & Audit Committee**

(First Tuesday)

March 7

April 4

May 2

June 6

July 11 (2<sup>nd</sup> Tuesday)

August 1

September 5

October 3

November 7

December 5

## **Planning Committee**

(Second Tuesday)

March 14

April 11

May 9

June 13

July 18 (3<sup>rd</sup> Tuesday)

August 8

September 12

October 10

November 14

December 12

A motion was made by Ms. Huppert, seconded by Mr. Gillette, to adopt the revised 2023 schedule for the Board of Water Works Trustees Committee meetings. Upon vote, the motion was adopted, with each member of the Board identified as present voting in favor of the motion.

### Board Committee Reports

The following reports were provided:

- Planning Committee – A meeting was held on February 7, 2023, as reflected in the minutes thereof. Ms. Huppert gave a brief summary of the meeting.
- Finance and Audit Committee – A meeting was held on February 14, 2023, as reflected in the minutes thereof. Mr. Davis gave a brief summary of the meeting.
- Stowe Foundation – There were no additional comments from Mr. Gillette as he had presented earlier in the meeting.
- Greater Des Moines Botanical Garden – Mr. Gillette shared that DMWW’s financial commitment to the garden is winding down in the next few years and an amended agreement will be executed, declaring a date for removal of DMWW representation on the Greater Des Moines Botanical Garden Board.
- Des Moines Water Works Park Foundation Board – Ms. Boulton reported that the Park Foundation Board held its strategic planning session at its last meeting, focusing on implementation of the next phase of park improvements, educational component, and sustainability as an organization. Water Works Park will be hosting riders when RAGBRAI comes through Des Moines this summer.

### Staff Updates:

External Affairs – No update was given.

### CEO and General Manager’s Comments

- 2023 Strategic Initiatives – Mr. Corrigan shared the utility’s 2023 Strategic Initiatives.

Mr. Corrigan highlighted the new Safety Update included in the materials which intended to supplement the injury count that is shared on the meeting agenda with more information, including data on safety training.

### Regional 28E Review - Possible Closed Session

A closed session was proposed to discuss the Regional 28E Agreement and consider regionalization process strategy.

A motion was made by Mr. Gillette, seconded by Ms. Huppert, to go into closed session pursuant to:

- Iowa Code Section 388.9(1) to discuss marketing and pricing strategies and proprietary information that may impact its competitive position by public disclosure not required of potential or actual competitors related to ongoing negotiations over creating an integrated regional water authority. Each of these topics should be discussed in closed session to avoid disclosure likely to prejudice or disadvantage the position of the Des Moines Water Works.
- Iowa Code Section 622.10 to request and receive legal advice from retained legal counsel and to avoid waiver of the attorney-client privilege.
- Iowa Code Section 22.7(65) to review a tentative and preliminary draft prior to completion of the 28E agreement; and
- Iowa Code Section 21.5(1)(a) to discuss or review records which are required or authorized by state or federal law to be kept confidential.

Upon roll-call vote, the motion was adopted, with Ms. Boulton, Mr. Davis, Mr. Gillette, Ms. Huppert, and Ms. Munns voting in favor of the motion.

The meeting then went into closed session.

The Board subsequently returned to open session.

No action was taken as a result of the closed session discussion.

Adjournment – Meeting adjourned by unanimous consent.

6:04 p.m. adjourned