

**MINUTES OF CALLED MEETING OF THE BOARD OF WATER WORKS TRUSTEES
PURSUANT TO NOTICE
Tuesday, June 22, 2021**

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

Board Members: Chairperson Mr. Graham Gillette, presiding; Mr. Joel Aschbrenner, Ms. Susan Huppert and Ms. Diane Munns

Staff members: Bill Blubaugh, Rachel Brown, Pat Bruner, Wally Burgin, Nathan Casey, Ted Corrigan, Doug Garnett, Robert Jolly, Amy Kahler, Mike McCurnin, Jenny Puffer, Laura Sarcone, Jennifer Terry, and Michelle Watson

Also in attendance: Grant Gerlock (Iowa Public Radio), John Lande (legal counsel), Rick Malm (legal counsel), Adam Mason (Iowa CCI), Melissa Walker (MW Media Consultants, LLC)

Mr. Gillette called the meeting to order at 3:30 p.m.

Consent Agenda

A motion was made by Ms. Munns, seconded by Mr. Aschbrenner, to approve Consent Items A, B, C, D, and E (Approval of Minutes, May 25, 2021, Board of Water Works Trustees Meeting; Minutes, June 1, 2021, Planning Committee Meeting; Minutes, June 1, 2021, Customer Relations Committee Meeting; Minutes, June 8, 2021, Finance and Audit Committee Meeting; Receipt and filing of the financial statements for audit purposes; Approval of Payments for May 2021; Approval of Summary of CEO-Approved Expenditures in Excess of \$20,000; and Approval of July 27, 2021, as the next meeting of the Board of Water Works Trustees). Upon vote, the motion was adopted, with each member of the Board, who is identified above as present, voting in favor of the motion.

Public Comment Period

No comments were received from the public.

2020 Audit Reports

DMWW's audit firm, RSM US LLP, has completed its audits of our financial statements for the year ended December 31, 2020. In addition to audit of DMWW's financial statements, the audits also included reports on collection of charges on behalf the City of Des Moines for sewer, sold waste and storm water that are billed and collected by DMWW and remitted to the City. RSM has issued an unqualified or "clean opinion" on all financial statements.

A motion was made by Ms. Munns, and seconded by Mr. Aschbrenner, to receive and file the 2020 Financial Audit Reports and distribute reports to the appropriate agencies. Upon vote, the motion was adopted, with each member of the Board, who is identified above as present, voting in favor of the motion.

City of Des Moines Easements for Des Moines River Levee Alterations – Phase B

A Public Hearing was opened by Chairperson Gillette for comments from the public regarding the granting of an easement to the City of Des Moines across DMWW real estate. Receiving no oral or written comments, the Public Hearing was closed.

The City of Des Moines is requesting three easements for their Des Moines River Levee Alterations – Phase B project. These easements would be used for placing additional rip-rap and in some places raising the existing levee elevation by 6 inches along the north river bank of the Raccoon River between the Martin Luther King Jr. Parkway and Fleur Drive bridges. The temporary easement sections located west of Martin Luther King Jr. Parkway would be used for access to the area being altered during construction. These easements run approximately 2028 feet long and at their widest point will be 70.30 feet, covering an area of 1.69 acres.

A motion was made by Mr. Aschbrenner, seconded by Ms. Huppert to authorize the Chairperson and CEO and General Manager to execute the documents granting easements to the City of Des Moines for the Des Moines River Levee Alterations – Phase B project in the form presented. Upon vote, the motion was adopted, with each member of the Board, who is identified above as present, voting in favor of the motion.

Des Moines Water Works Park Foundation Forbearance Agreements

DMWW staff has been working with the Des Moines Water Works Park Foundation (“DMWWPF”) to make final financial reconciliations with respect to the Park improvements funded by DMWWPF and to make recommendation regarding its support of ongoing operational expenses given the adverse influence of the pandemic. The following proposed amendments to 28E Agreements between DMWW and DMWWPF have been negotiated by staff:

- A 2nd Amendment to the Construction 28E that will afford a net credit to DMWWPF in the amount of \$60,000 to reconcile concerns with administrative costs and pump station costs and acknowledge the expiration of the Agreement by full performance of its terms.
- A 1st Amendment to the O&M 28E that will:

Suspend the originally envisioned method of billing DMWWPF for O&M labor and expenses in favor of an actual cost method that is now preferred by both parties. The “actual cost method is to be applied retroactively to July 1, 2019, when O&M efforts by DMWW began.

Delay the initial funding of a required Depreciation Fund from 2020 until the year 2022.

Except for the William Stowe Memorial and some possible amphitheater enhancements, no other enhancements to the Water Works Park shall be made by DMWWPF until the fund has been properly established and funded.

A motion was made by Ms. Munns, seconded by Ms. Huppert, to approve and authorize the Chairperson and CEO and General Manager to execute both the Second Amendment and Acknowledgement of Expiration of Term of 28E Agreement for Construction of Phase I Park Improvements and the First Amendment to 28E Agreement for Operation and Maintenance of Phase I Park Improvements. Upon vote, the motion was adopted, with each member of the Board, who is identified above as present, voting in favor of the motion.

Transfer of Water Main in Scott Street to Kemin Industries

To facilitate Kemin Industries’ improvements to their campus, Scott Street was vacated in 2012. The water main in vacated Scott Street only serves Kemin Industries’ facilities. Since this water main provides no ongoing benefit to DMWW, it is recommended that the Board approve a Bill of Sale conveying this section of water main to Kemin Industries in the form presented.

A motion was made by Ms. Huppert, and seconded by Mr. Aschbrenner, to approve the Bill of Sale to Kemin Industries and authorize the Chairperson and CEO and General Manager to execute the Bill of Sale in the form presented. Upon vote, the motion was adopted, with each member of the Board, who is identified above as present, voting in favor of the motion.

Request Authorization for CEO and General Manager to Execute Professional Services Agreement with OPN Architects for Architectural and Engineering Services for Grounds Maintenance Facility

DMWW released an RFP in May 2021 for full-service design and construction administration services for a new Grounds Maintenance Facility including development of the site and building construction. Three proposals were properly submitted prior to the deadline on June 7, 2021. All proposing architectural firms, OPN Architects, SVPA Architects, and Accord Architecture are considered to be highly qualified. OPN Architects was scored highest on DMWW's rating matrix by reason of a deep portfolio of successful projects similar in nature, and by offering very competitive cost of service.

A motion was made by Ms. Munns, and seconded by Mr. Aschbrenner, to authorize staff to execute a Professional Services Agreement with OPN Architects, in the amount of \$98,700 for Architectural and Engineering Services for Grounds Maintenance Facility. Upon vote, the motion was adopted, with each member of the Board, who is identified above as present, voting in favor of the motion.

Request Authorization to Solicit Bids for 2021 Well Rehabilitation and Establish the Date of Public Hearing as the Date of the July 2021 Board Meeting

Well 6 at the Maffit Reservoir well field and Well 1 at the Saylorville well field have been identified by staff as the candidate wells for rehabilitation in 2021. The engineer's estimate for the 2021 Well Rehabilitation project is \$1,100,000.

A motion was made by Mr. Aschbrenner, seconded by Ms. Huppert, to authorize staff to solicit bids for 2021 Well Rehabilitation and establish the date of Public Hearing as the date of the July 2021 Board meeting, and direct staff to publish notice as provided by law. Upon vote, the motion was adopted, with each member of the Board, who is identified above as present, voting in favor of the motion.

Request Authorization to Solicit Bids for SE Polk - NE Morgan Drive Meter Vault and Establish the Date of the Public Hearing as the Date of the July 2021 Board Meeting

In April 2004, DMWW took control of the Southeast Polk Rural Water District to provide water service to Bondurant, Alleman, and rural parts of Polk County. In January 2020, DMWW and Bondurant entered into an agreement to provide additional water service to the rural east of Bondurant by taking water from the Bondurant water system for delivery into the former SEP service area. Staff has designed a meter vault equipped with metering equipment and appurtenances to complete connections to Bondurant and SEP's existing water system. The engineer's estimate for this contract is \$140,000.

A motion was made by Ms. Munns, seconded by Mr. Aschbrenner, to authorize staff to solicit bids for SE Polk - NE Morgan Drive Meter Vault and Establish the date of the Public Hearing as the date of the July 2021 Board meeting, and direct staff to publish notice as provided by law. Upon vote, the motion was adopted, with each member of the Board, who is identified above as present, voting in favor of the motion.

Request Authorization to Solicit Bids for LP Moon Pumping Station Sodium Hypochlorite Feed Modifications and Establish the Date of the Public Hearing as the Date of the August 2021 Board Meeting

In February of 2019, the Board of Water Works Trustees of the City of Des Moines (DMWW), Xenia Rural Water District, and the City of Waukee entered into a 28E agreement that detailed a financial transaction and two facility improvements to allow the City of Waukee to obtain additional capacity of 400,000 gallons per day within existing infrastructure owned by Xenia Rural Water District. The agreement called for Waukee to make a payment of nearly \$120,000 and, at its expense, to install new chemical feed systems and a meter pit to allow proper water connection to the Xenia feeder main. Waukee has completed these elements of the agreement. Additionally, the agreement called for DMWW to complete modifications to the sodium hypochlorite feed systems at the LP Moon site to support broader disinfection needs associated with this additional flow of water into Waukee. Waukee is responsible for reimbursing DMWW for all direct and indirect costs associated with the sodium hypochlorite modifications at the LP Moon site. The engineer's estimate for this contract is \$100,000.

A motion was made by Mr. Aschbrenner, seconded by Ms. Munns, to authorize staff to solicit bids for LP Moon Pumping Station Sodium Hypochlorite Feed Modifications and establish the date of the Public Hearing as the date of the August 2021 Board meeting. Upon vote, the motion was adopted, with each member of the Board, who is identified above as present, voting in favor of the motion.

Request Authorization for CEO and General Manager to Execute Amendment 4 to Joint Funding Agreement with U.S. Geological Survey for Des Moines River Wellfield Evaluation

Staff believes it would be prudent to execute a fourth amendment to the JFA. The main features of the scope of work in this fourth amendment includes USGS efforts to:

1. Identify seven potential sites for future wells in, or proximate to, the Saylorville wellfield.
2. Obtain the necessary permits from the U.S. Army Corps of Engineers to conduct site-specific hydrogeologic testing at the seven potential sites for future wells identified by USGS.
3. Provide technical assistance to collect hydrogeologic data at the seven potential sites for future wells that will be used by DMWW to design the future wells.
4. Enter the hydrogeologic data collected at the seven potential sites for future wells into the groundwater model. This will provide DMWW with an enhanced groundwater model and a powerful tool to assist in predicting performance of individual wells and performance of the entire Saylorville wellfield system.

Execution of Amendment 4 to the JFA is needed to provide for the above the scope of work.

Other provisions of the Amendment 4 to the JFA include the following:

1. The USGS share of project funding is increased by \$70,700 from \$280,757 to \$351,457.
2. The DMWW share of project funding is increased by \$131,300 from \$638,772 to \$770,072.
3. The performance period will be extended from September 30, 2022, to September 30, 2023.

A motion was made by Mr. Aschbrenner, seconded by Ms. Munns, to authorize the CEO and General Manager to execute Amendment 4 to the Joint Funding Agreement No. 18EMNE000000134 in the amount of \$131,300. Upon vote, the motion was adopted, with each member of the Board, who is identified above as present, voting in favor of the motion.

Board Committee Reports

The following reports were provided:

- Planning Committee – A meeting was held on June 1, 2021, as reflected in the minutes thereof. Mr. Corrigan gave a brief summary of the meeting.
- Finance and Audit Committee – A meeting was held on June 8, 2021 as reflected in the minutes thereof. Mr. Aschbrenner gave a brief summary of the meeting.
- Customer Relations Committee – A meeting was held on June 1, 2021 as reflected in the minutes thereof. Ms. Huppert shared that the June 17th regional outcomes review meeting was presented by the West Des Moines, Urbandale and DMWW leaders to regional stakeholders. Mr. Corrigan shared that the micro group meetings have concluded, and that West Des Moines and Urbandale are reviewing the financial model provided by FCS group. Staff are hopeful to have responses from West Des Moines and Urbandale this summer.
- Bill Stowe Memorial – Mr. Gillette provided an update and shared that a piece of the memorial would include an endowment to support the Citizen’s Water Academy.
- Greater Des Moines Botanical Garden – Mr. Gillette shared that the new CEO’s 100-day goals include finalizing a support agreement with DMWW. The educational component that had not been fully addressed over the last 10-year agreement will be an essential piece going forward.
- Des Moines Water Works Park Foundation Board – Mr. McCurnin shared that the Board is focusing on the finishing fundraising campaign, paying for finalizing the improvements, upcoming park events, and execution of the forbearance agreements.

Staff Updates

External Affairs - Ms. Terry provided updates on water quality, education, public relations, and strategic planning efforts.

CEO and General Manager’s Comments

Mr. Corrigan advised that this is a negotiation year for AFSCME and DMWW. Staff is in the process of identifying the pieces that cannot be negotiated and need to be removed from the Collective Bargaining Agreement under current law and plan to keep all permissive items in the contract. He stated that DMWW maxed out capacity at the Fleur Drive plant at 75 mgd two weeks ago when we pumped 89 million gallons overall. Our Saylorville and McMullen plants cannot pump at full capacity because river levels are so low.

Staff has decided to maintain stage 1 of the water shortage plan that was put in place on June 14th.

Adjournment – Meeting adjourned by unanimous consent.

4:41 p.m. adjourned