

**MINUTES OF CALLED MEETING OF THE BOARD OF WATER WORKS TRUSTEES
PURSUANT TO NOTICE
Tuesday, December 21, 2021**

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

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

Staff members: Rachel Brown, Pat Bruner, Nathan Casey, Tom Cater, Ted Corrigan, Kyle Danley, Doug Garnett, Leah Heim, Michelle Holland, Amy Kahler, Mike McCurnin, Jenny Puffer, Laura Sarcone, Jennifer Terry, Michelle Watson, and Dylan White

Also in attendance: Scott Cirksena (City of Clive), Shari Hawk (ICCI), John Lande (legal counsel), Gary Lorenz (City of Ankeny), Rick Malm (legal counsel), Cherie Mortice (ICCI), Melissa Walker (MW Media Consultants, LLC), Tim Whipple (IAMU), and several others

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

Consent Agenda

A motion was made by Ms. Boulton, seconded by Ms. Huppert, to approve Consent Items A, B, C, D, and E (Approval of Minutes, November 23, 2021, Board of Water Works Trustees Meeting; Minutes, December 7, 2021, Planning Committee Meeting; Minutes, December 14, 2021, Board of Water Works Trustees Meeting; Receipt and filing of the financial statements for audit purposes; Approval of Payments for November 2021; Approval of Summary of CEO-Approved Expenditures in Excess of \$20,000; and Approval of January 25, 2022, as the next meeting of the Board of Water Works Trustees). Upon roll-call vote, the motion was adopted, with each member of the Board identified as present voting in favor of the motion.

Public Comment Period

Mr. Tim Whipple, Mr. Gary Lorenz, and Mr. Scott Cirksena addressed the Board and spoke in favor of DMWW's adoption of the proposed Central Iowa Water Works Founding Resolution. Ms. Cherie Mortice and Ms. Shari Hawk suggested the Board postpone the vote on the resolution, although it is technically non-binding, to allow more input from the public.

Central Iowa Water Works Founding Resolution

In 2017 Des Moines Water Works, Urbandale Water Utility, and West Des Moines Water Works launched an investigation into regional governance options. A national financial consultant specializing in utility management was retained. Persons representing communities and water utilities across the Des Moines metro area met in open meetings throughout 2018 and 2019. A number of options were considered. A smaller group consisting of representatives from DMWW, UWU, and WDMWW continued to meet through the socially distant months of the pandemic in 2020 and 2021. That group published a status report in April 2021 and a final Outcomes Document in November 2021. The Outcomes Document describes, in broad terms, a framework that the three participating entities believe can serve as a basis for development of a cooperative e28E-28F entity governing drinking water production in the Des Moines metro area.

Ms. Huppert introduced the following Resolution and moved that the same be adopted. Ms. Munns seconded the motion to adopt the following resolution:

WHEREAS, the Board of Water Works Trustees of the City of Des Moines, Iowa considers it desirable to explore establishing, with other water utilities and governmental entities, a shared regional system of drinking water supply production facilities under regional governance to meet all of its existing and future needs for safe, reliable, abundant, and reasonably priced drinking water to be distributed to its customers; and

WHEREAS, certain existing water supply utilities in Central Iowa have defined a framework for the organization of a new regional water authority as a separate public entity created under Chapter 28E and Chapter 28F, Iowa Code, to be known as the "Central Iowa Water Works" to act as a regional water wholesale production and supply authority under terms and conditions as set forth in the Regionalization Outcomes Document as issued in April, 2021 and revised in November, 2021 attached hereto as Exhibit A (the "Outcomes Document"); and

WHEREAS, the Board of Water Works Trustees of the City of Des Moines, Iowa desires to participate as a founding agency of the Central Iowa Water Works as described in the Outcomes Document, subject to certain terms and contingencies.

NOW, THEREFORE IT IS HEREBY RESOLVED, that the Board of Water Works Trustees of the City of Des Moines, Iowa shall be, and agrees to become, a founding agency of the Central Iowa Water Works on the terms as generally described in the Outcomes Document, **subject to the following:**

- A. Participation as a founding agency shall be subject to the preparation of a form of Agreement under Chapter 28E and Chapter 28F of the Iowa Code that is in all material respects consistent with the Outcomes Document and acceptable in form and substance to the Board of Water Works Trustees of the City of Des Moines, Iowa and its counsel; and
- B. Participation as a founding agency shall be contingent upon, and shall be effective only if, water supply agencies representing a "critical mass", defined as a substantial majority of the average total annual water consumption of the Des Moines Metropolitan Area, execute this CIWW Founding Resolution by March 31, 2022; and
- C. Participation as a founding agency shall be contingent upon the execution, delivery, and filing with the Iowa Secretary of State of a 28E-28F Agreement by the requisite agencies meeting condition B above on or before September 30, 2022.

Upon roll-call 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 Chapter 28E Agreement between Des Moines Water Works and City of Norwalk for Design, Construction, and Funding of Norwalk Water Utility Improvements

A Chapter 28E Agreement approved by the Board in September of 2019 called for design and construction of certain Norwalk Water Utility Improvements. The scope of the Norwalk Water Utility Improvements called for the design and construction of an estimated 12,000 feet of 16-inch water main (along Highway G14 between N. 43rd Street in Cumming and 50th Avenue in Norwalk) and a new meter pit. Language within the 28E Agreement, in hindsight, was overly

specific about the location of the meter pit. Design details, meeting the approval and desire of Norwalk staff, ultimately placed the meter pit at a location inconsistent with the language in the 28E Agreement. This First Amendment to the Chapter 28E Agreement removes the unnecessary specificity and will serve to prevent future confusion amongst DMWW and Norwalk staff regarding the meter pit location.

A motion was made by Ms. Munns, seconded by Ms. Huppert, to approve and authorize the Chairperson to execute the First Amendment to the Chapter 28E Agreement between Des Moines Water Works and the City of Norwalk for Design, Construction, and Funding of Norwalk Water Utility Improvements as presented. Upon roll-call vote, the motion was adopted, with each member of the Board identified as present voting in favor of the motion.

Request Authorization to Solicit Bids for Norwalk Highway G14 Meter Vault and Establish the Date of the Public Hearing as the Date of the January 2022 Board Meeting

At its September 2019 meeting, the Board approved a 28E Agreement for the construction of the Norwalk Water Utility Improvements. The Norwalk Water Utility Improvements are effectively an extension of a previously completed joint project involving DMWW, Cumming, Norwalk, and West Des Moines Water Works. A 28E Agreement filed in August 2017 called for the construction of water mains and a shared pump station which has since been constructed and placed into service in March of 2020. The Norwalk Water Utility Improvements are for the sole benefit of Norwalk. Installation of all new 16-inch water main, associated with the Norwalk Water Utility Improvements, was completed and placed into service prior to peak pumpage of 2021. The final component of the Norwalk Water Utility Improvements involves installation of a new meter vault.

A motion was made by Ms. Huppert, seconded by Ms. Boulton, to authorize staff to solicit bids for the Norwalk Highway G14 Meter Vault Contract and establish the date of Public Hearing as the date of the January 2022 Board meeting, and direct staff to publish notice as provided by law. Upon roll-call vote, the motion was adopted, with each member of the Board identified as present voting in favor of the motion.

Request Authorization for CEO and General Manager to Execute Change Order No. 11 to 2021 Des Moines Water Main Replacement Contract 1 – E. Pleasant View Drive and E. 17th Street

As part of the approved budget for the 2021 Des Moines Water Main Replacement Budget, E. Pleasant View Drive and E. 17th Street have received new water mains due to history of main breaks and other service issues under the 2021 Des Moines Water Main Replacement Contract 1, awarded in March of 2021 to Synergy Contracting, LLC in the amount of \$1,806,597. Synergy Contracting, LLC, is requesting compensation for additional time and material on E. 17th Street due to unsuitable soil. Work under this Change Order included removal of unsuitable soil and replacement with manufactured sand. This Change Order will provide compensation to Synergy Contracting, LLC, in the amount of \$110,850 for the time and material required for removal of unsuitable soil and replacement with manufactured sand on E. 17th Street.

A motion was made by Ms. Munns, and seconded by Ms. Boulton, to execute Change Order No. 11 to the 2021 Des Moines Water Main Replacement Contract 1 – E. Pleasant View Drive and E. 17th Street project in the amount of \$110,850. Upon roll-call vote, the motion was adopted, with each member of the Board identified as present voting in favor of the motion.

Request Permission to Issue a Supplemental Purchase Order for Rehabilitation of Lime Sludge Dewatering Press Equipment

At the August 2021 Board meeting, the Board of Water Works Trustees authorized staff to issue a Purchase Order to Reppert Rigging and Hauling (Reppert) in the amount of \$155,000. Purchase Order No. 3097068 was subsequently issued to Reppert by staff. It was discovered after rehabilitation work started on Filter Press 2 that several additional components of Filter Press 2 were deteriorated to the degree that replacement was required. This has not only increased the cost of replacement and repair parts from Evoqua, but also the costs incurred by Reppert for providing labor and equipment to assist Evoqua's onsite staff. Reppert estimates an additional \$190,000 is needed, beyond the \$155,000 authorized in Purchase Order No. 3097068, for continuing to provide labor and equipment to Evoqua to complete the rehabilitation of Filter Press 2.

A motion was made by Ms. Boulton, and seconded by Ms. Huppert, to authorize staff to issue a supplemental Purchase Order to Reppert Rigging and Hauling, in the amount of an additional \$190,000, for providing personnel and equipment in assisting Evoqua's on-site field service workforce in rehabilitation of the existing lime sludge dewatering press equipment in the Lime Sludge Dewatering Facility. Upon roll-call vote, the motion was adopted, with each member of the Board identified as present voting in favor of the motion.

Request Authorization for CEO and General Manager to Extend Change Order No. 7 to the 2015-2020 Lime Residuals Disposal Agreement with Synagro

DMWW entered into an agreement with Synagro in June of 2015 for the 2015-2020 Lime Residuals Disposal. This Agreement defines price per ton removal rates of residual material from the Fleur Drive Water Treatment Plant (FDWTP) and the McMullen Water Treatment Plant (MWTP). The term of the Agreement was extended by change order to June of 2023.

In June of 2021, Change Order No. 7 was executed to provide additional compensation to Synagro for more staff and longer hours needed to maintain residual removal from FDWTP while Press No. 2 is not functioning. With Press No. 2 out of service, Synagro is required to work longer hours on nights and weekends to keep up with residual production at the FDWTP. With only three presses in service, Synagro must run those presses more often, leading to longer work hours for the same quantity of residuals removed. This Change Order called for additional compensation of \$2,423 per week until all the presses are fully functional. Work on Press No. 2 was originally anticipated to take 28 weeks for an estimated cost of \$67,844. Due to material delays and unforeseen construction issues an additional 20 weeks may be required. This increases the estimated change order cost to \$116,304. With these updated costs, Board authorization for the CEO and General Manager to approve the extended Change Order is now necessary.

A motion was made by Ms. Munns, seconded by Ms. Huppert, to authorize the CEO and General Manager to extend Change Order No. 7 to 2015-2020 Lime Residuals Disposal Agreement in the amount of \$2,423 per week until repairs are complete. Upon roll-call vote, the motion was adopted, with each member of the Board identified as present voting in favor of the motion.

MidAmerican Energy Company Electric Transmission Line Easement

MidAmerican Energy Company (MEC) is requesting an easement of approximately 0.47 acres comprising the west 140 ft. of Des Moines Water Works Park adjacent to Highway 28. This easement would allow MEC overhead transmission lines to pass above DMWW property. Accommodating MEC with an easement does not create adverse conditions to DMWW.

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

A motion was made by Ms. Huppert, seconded by Ms. Munns, to authorize the Chairperson and CEO and General Manager to execute the document granting an electric transmission line easement to MidAmerican Energy Company in the form presented. Upon roll-call vote, the motion was adopted, with each member of the Board identified as present voting in favor of the motion.

MidAmerican Energy Company Gas Easement

MidAmerican Energy Company (MEC) is requesting a 10 ft. wide easement running for approximately 150 ft. across the far west portion of Des Moines Water Works Park adjacent to Highway 28. This easement would be used for placement of a 16" gas pipeline that is being relocated from the west side of Highway 28 due to Raccoon River bridge replacement.

A Public Hearing was opened by Chairperson Gillette for comments from the public regarding the granting of a gas easement to MidAmerican Energy Company across DMWW real estate. Receiving no oral or written comments, the Public Hearing was closed.

A motion was made by Ms. Munns, seconded by Ms. Huppert, to authorize the Chairperson and CEO and General Manager to execute the document granting a gas easement to MidAmerican Energy Company in the form presented. Upon roll-call vote, the motion was adopted, with each member of the Board identified as present voting in favor of the motion.

2022 Water Service Line Repairs

A Request for Proposals for the 2022 Water Service Line Repairs project was published inviting plumbing contractors to bid on customer-owned service line repairs as needed for the 2022 calendar year. The engineer's estimate was \$242,000. The low bid, submitted by Torgerson Excavating, Inc., was in the amount of \$238,340.

A motion was made by Ms. Huppert, seconded by Ms. Boulton, to award the 2022 Water Service Line Repairs contract to Torgerson Excavating, Inc., in the amount of \$238,340, and authorize the Chairperson and CEO and General Manager to execute the contract. Upon roll-call vote, the motion was adopted, with each member of the Board identified as present voting in favor of the motion.

Performance Evaluation and Salary Increase for CEO and General Manager

The CEO and General Manager's performance evaluation was conducted. It was noted that the CEO's employment agreement provides for an annual salary increase effective each January 1st in an amount equal to the average percentage increase of all bargaining unit employees for the corresponding year.

Board Committee Reports

The following reports were provided:

- Planning Committee – A meeting was held on December 7, 2021, as reflected in the minutes thereof.
- Finance and Audit Committee – No meeting held in December.
- Customer Relations Committee – No meeting held in December. Customer Relations Committee meetings will not be scheduled on a regular basis in 2022 but may be held as needed.

- Bill Stowe Memorial – Mr. Gillette had no update to report.
- Greater Des Moines Botanical Garden – Mr. Gillette shared that the Botanical Garden is adding a sculpture in honor of Tom Urban.
- Des Moines Water Works Park Foundation Board – Ms. Boulton reported that fundraising and strategic planning efforts continue.
- 2022 External Boards and Committee Assignments – Mr. Gillette shared that assignments will remain the same in 2022 as they were in 2021 unless there is interest by Board members to serve in a different capacity.

Staff Updates

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

CEO and General Manager's Comments

2021 Utility Goals Update - Mr. Corrigan provided an update on the 2021 Utility Goals that include: Treatment Expansion Evaluation, Response Plan to Lead & Copper Rule Revisions, Completion of Five-Year Organizational Strategic Plan, and Safety.

Mr. Corrigan also reported that the stay on the OSHA COVID-19 vaccines and testing mandates has been lifted. Currently, DMWW is expected to have a program created by January 10 and have it implemented by February 10 absent further court actions.

Adjournment – Meeting adjourned by unanimous consent.

5:04 p.m. adjourned