

**MINUTES OF CALLED MEETING OF THE BOARD OF WATER WORKS TRUSTEES
PURSUANT TO NOTICE
Tuesday, January 23, 2024**

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: Pat Bruner, Bill Blubaugh, Caitlin Caldwell, Nathan Casey, Ted Corrigan, Kyle Danley, Doug Garnett, Amy Kahler, Mike McCurnin, Jenny Puffer, Laura Sarcone, Melissa Walker, Lindsey Wanderscheid, and Dylan White

Also in attendance: Scott Cirksena, John Lande (legal counsel), and Addison Lathers

Chairperson Ms. Andrea 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, E, F, and G (Approval of Minutes, December 19, 2023, Board of Water Works Trustees Meeting; Minutes, January 9, 2024, Finance and Audit Committee Meeting; Minutes, January 16, 2024, Approval of Payments for December 2023; Approval of Summary of CEO-Approved Expenditures in Excess of \$40,000, Review and Approve Reserve Funds Investments Policy, Review and Approve Depositories for Des Moines Water Works Funds; and Approval of February 27, 2024, as the next meeting of the Board of Water Works Trustees). Upon vote, the motion was adopted, with Ms. Boulton, Mr. Davis, Mr. Gillette, Ms. Huppert, and Ms. Munns voting in favor of the motion.

Public Comment Period

There were no comments from the public. However, Ms. Boulton informed the group that she and Ms. Munns attended the Des Moines Water Works Award Banquet. She shared several photos from the event with the group.

Approve Proposed Board Policy Manual Revisions – Central Iowa Water Works Trustee and Committee Member Appointments

At the January 2024 Planning Committee meeting, staff presented recommendations for updates to the Board Policy concerning the appointment of Central Iowa Water Works (CIWW) Trustees and committee members. The proposed changes, which are attached to the current Des Moines Water Works Board Policy Manual, include adding new sections (212.3 and 302.4) regarding CIWW Trustee appointments and removals, as well as appointments to the CIWW Technical Committee and Long Range Planning and Capital Improvements Committee. These revisions are proposed to take effect immediately upon approval by the Board at their meeting on January 23, 2024.

A motion was made by Ms. Munns, seconded by Mr. Davis, to approve the proposed revisions to the Board Policy Manual with an implementation date of January 23, 2024. Upon vote, the motion was adopted, with each member of the Board identified as present voting in favor of the motion.

Election and Appointment of Initial Central Iowa Water Works Trustees and Alternates

Per the Board Policy, the Board must appoint the Trustee, Additional Trustee, Alternate Trustee, and Alternate Additional Trustee for the Central Iowa Water Works Board. The procedure for their election is outlined in the Board of Water Works Trustees of the City of Des Moines Policy Manual. The Board can make these appointments or removals via resolution, either voting on a single slate or appointing them separately. Each appointment is typically for a three-year term, or as outlined in CIWW's governing documents, with a limit of two terms for any individual serving as a trustee.

Diane Munns was nominated as the Trustee, Susan Huppert as the Additional Trustee, Amy Kahler as the Alternate Trustee, and Ted Corrigan as the Alternate Additional Trustee on the slate for the Central Iowa Water Works Board.

Mr. Davis moved for adoption of a resolution to elect a slate of trustees as follows: Diane Munns as Trustee, Susan Huppert as Additional Trustee, Amy Kahler as Alternate Trustee, and Ted Corrigan as Alternate Trustee. After discussion, the four board members voted to resolve to appoint the four nominated individuals as trustees to CIWW, and one board member voted no.

Receive and File 2024 Strategic Plan Initiatives and KPIs

In spring 2021, DMWW enlisted HDR Inc. to lead a utility-wide strategic planning process, resulting in robust community and stakeholder engagement. Insights gathered helped identify customer and community priorities. With input from the Senior Management Team, an ambitious yet feasible plan was crafted to address present and future challenges, aiming for a more resilient utility. The Board received and filed the 2021 Strategic Plan in November 2021. Annually, workshops facilitated by HDR assist the Senior Management Team and Supervisors in evaluating current initiatives and developing key performance indicators (KPIs) for the upcoming year.

A motion was made by Ms. Huppert and seconded by Ms. Munns to receive and file the 2024 Strategic Plan Initiatives and Key Performance Indicators. Upon 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 Agreement for Professional Services for SCADA System Master Plan

In 2022, Des Moines Water Works conducted an inventory and assessment, including a cyber assessment, of its SCADA system. A final report was provided with recommendations for future projects and upgrades, along with cost estimates. The goal is to implement these recommendations into an implementation plan. The SCADA System Master Plan, essential for long-term goals and vision, will outline a 5 to 10-year strategy for upgrading and modernizing the system, guiding future expansion and modification projects. Staff developed a request for qualifications (RFQ) for professional services to complete this plan, with responses received from Affiliated Engineers, Black and Veatch, HDR Engineering, Short Elliot Hendrickson, and Stanley Consultants. Evaluation criteria included project team, experience, schedule, approach, and estimated hours, leading to Black and Veatch and HDR Engineering being selected for interviews. Staff recommends executing a Professional Services Agreement with HDR Engineering, given their successful track record in Iowa. The anticipated design fee for HDR

Engineering is \$416,911. The Technical Committee of Central Iowa Water Works has been briefed on the proposals and the recommendation for award.

A motion was made by Ms. Huppert and seconded by Mr. Davis to authorize the CEO and General Manager to execute a Professional Services Agreement with HDR Engineering in the amount of \$416,911 for the SCADA System Master Plan. Upon 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 Agreement for Professional Services for 2024 Northeast Booster Station

The existing SE Polk Bondurant Pump Station, located north of I-80 on NE 56th Street, is nearing the end of its useful life and insufficient to meet current and future demands. Des Moines Water Works (DMWW) and Bondurant have discussed a joint booster station and feeder main project to address these needs. DMWW will lead the booster station design while Bondurant manages the feeder main design, as outlined in a forthcoming 28E agreement. The project entails designing and constructing a new above-ground booster station with approximately 3 MGD capacity to serve both DMWW and Bondurant customers. To expedite design work, an RFQ was developed, with responses received from CDM Smith, HDR, HR Green, Strand Associates, and Veenstra & Kimm, Inc. Evaluation criteria included project team, experience, schedule, approach, and estimated hours, leading to a recommendation to execute a Professional Services Agreement with Veenstra & Kimm, Inc. They have previously completed design work for DMWW. The initial construction estimate for the booster station is around \$2.5 million, with an anticipated design fee of \$248,700 for Veenstra & Kimm, Inc.

A motion was made by Mr. Davis and seconded by Ms. Huppert to authorize the CEO and General Manager to execute a Professional Services Agreement with Veenstra & Kimm, Inc. in the amount of \$248,700 for the 2024 Northeast Booster Station. Upon vote, the motion was adopted, with each member of the Board identified as present voting in favor of the motion.

Request Authorization to Reimburse the City of Des Moines for Water Main Replacement for the 2nd Avenue Reconstruction from University to the Des Moines River Project

As part of the City of Des Moines' 2nd Avenue Reconstruction project from University to the Des Moines River, Des Moines Water Works will undertake water main replacement. This is necessitated by conflicts with proposed storm sewer systems and the utility's own initiative to replace water mains due to historical leak issues. The broader city project encompasses road reconstruction, sanitary sewer replacement, storm sewer improvements, and sidewalk installation. Construction is expected to commence in Spring 2024, with water main work scheduled for completion over the 2024 and 2025 construction seasons. The estimated cost for the water main replacement portion of this project, including mobilization and traffic control expenses, is \$2,659,677. Synergy Contracting, LLC, based in Des Moines, Iowa, has been selected as the contractor for this project.

A motion was made by Ms. Huppert and seconded by Ms. Munns to authorize staff to reimburse the City of Des Moines for water main replacement included in the 2nd Avenue Reconstruction

from University to the Des Moines River 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 Solicit Bids for 2023 Des Moines Water Main Replacement - Contract 2 and Establish the Date of the Public Hearing as the Date of the February 2024 Board Meeting

As part of the approved 2023 Des Moines Water Main Replacement budget, several streets with a history of main breaks and service issues are scheduled to receive new water mains. The breakdown of streets and estimated costs are as follows:

- E 27th Street, from Easton Boulevard to 2102 E 27th Street: \$985,513
- Richland Drive, from Guthrie Avenue to Arthur Avenue: \$572,185
- E 38th Court, from Easton Boulevard to E Sheridan Avenue: \$915,069
- E 34th Street, from Thompson Avenue to Arthur Avenue: \$454,351
- E 21st Street, from E University Avenue to Easton Boulevard: \$800,557
- Guthrie Avenue, from Glenbrook Drive to Moss Drive: \$1,575,688

Total: \$5,303,363

Preparation of plans, specifications, and contract documents for the 2023 Des Moines Water Main Replacement - Contract 2 is nearly finished. The work on each street involves installing new water mains of various sizes and materials, including polyvinyl chloride (PVC) and ductile iron pipe (DIP). Additionally, the City of Des Moines will reimburse DMWW for certain construction items, including a portion of asphalt overlay, curb replacement on Richland Drive, lane striping, and storm sewer intake replacement on Guthrie Avenue. The engineer's estimate for the DMWW and City of Des Moines funded portions is \$5,226,512 and \$76,851 respectively, with the total engineer's estimate for the contract amounting to \$5,303,363.

A motion was made by Ms. Munns and seconded by Mr. Davis to authorize staff to solicit bids for 2023 Des Moines Water Main Replacement - Contract 2 and establish the date of the Public Hearing as the date of the February 2024 Board meeting, and direct staff to publish notice as provided by law. Upon vote, the motion was adopted, with each member of the Board identified as present voting in favor of the motion.

2023 Des Moines Water Main Replacement – Contract 3

In December 2023, the Board of Water Works Trustees authorized staff to solicit bids for the 2023 Des Moines Water Main Replacement – Contract 3 project, with the Public Hearing scheduled for the January 2024 Board meeting. The project involves installing water mains on Bell Avenue and Sunset Road, with approximate lengths and pipe types specified for each street.

Plans, specifications, and contract documents were made available to prospective bidders, and staff followed up with reminders to contractors. Five bids were submitted on January 16, 2024, with the following totals:

- J & K Contracting, LLC: \$2,440,000.00
- On Track Construction, LLC: \$2,550,000.00
- Corell Contractors, Inc.: \$2,660,656.00
- Rognes Corporation: \$2,773,652.50
- MPS Engineers PC: \$2,949,623.00

The engineer's estimate for the contract is \$3,029,000. J & K Contracting, LLC, with a successful history of completing projects for Des Moines Water Works, is recommended by staff

for the award of the 2023 Des Moines Water Main Replacement - Contract 3 project, with a bid of \$2,440,000.

A motion was made by Mr. Gillette and seconded by Mr. Davis to award the 2023 Des Moines Water Main Replacement - Contract 3 project in the amount of \$2,440,000.00 to J & K Contracting, LLC and authorize the Chairperson and 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.

Ground Lease Agreement with USCOC of Greater Iowa, LLC at Tenny Standpipe

In February 2005, the Board of Water Works Trustees entered into an Option and Ground Lease Agreement with U.S. Cellular, granting them exclusive use of 600 square feet at the Tenny Standpipe property on Merle Hay Road for installing ground facilities for wireless communication signals. The lease also provided an access easement from Merle Hay Road to the leased area. U.S. Cellular was allowed to co-locate their equipment on AT&T's monopole under a separate agreement. The original lease term expired on November 30, 2005, with U.S. Cellular exercising their right to extend it for four additional five-year terms, now expiring on November 30, 2025. U.S. Cellular has requested an extension, but staff has advised that a new agreement must be negotiated. Key terms of the replacement agreement include DMWW's right to terminate with five years' notice, enhanced liability insurance provisions, reimbursement of legal and administrative costs, a 3% annual rent increase, and an initial term of five years with the option to extend for five additional five-year terms. The pending replacement agreement has been discussed with the Central Iowa Water Works Technical Committee, and staff and legal counsel have reviewed its terms.

The Board unanimously approved Authorization for the Chairperson and the CEO and General Manager to execute the Ground Lease Agreement with USCOC of Greater Iowa, LLC at the Tenny Standpipe site.

Board Committee Reports

The following reports were provided:

- Finance and Audit Committee – A meeting was held on January 9, 2024, as reflected in the minutes thereof. Mr. Davis gave a brief summary of the meeting.
- Planning Committee – A meeting was held on January 16, 2024, as reflected in the minutes thereof. Ms. Huppert gave a brief summary of the meeting.
- Greater Des Moines Botanical Garden – Mr. Gillette shared that he notified the CEO and the Chair of the Board that at the end of his term as DMWW's representative that we will be vacating their seat and that will be December 31, 2024.
- Des Moines Water Works Park Foundation – Ms. Boulton gave a brief summary of the upcoming concerts and programming that is scheduled. She also highlighted the finances and the successful year that they have had.

CEO and General Manager's Comments

Mr. Corrigan shared with the group that there have been approximately 40 water main breaks so far in January, resulting in staff working around the clock, 24/7, for about a week to address the issues. Despite the challenges posed by extreme cold temperatures and its impact on water

temperature, staff has done an excellent job of promptly addressing and repairing the breaks, ensuring that service is restored to affected customers. As the situation begins to stabilize, the workload is gradually decreasing. On a lighter note, he shared that Des Moines Water Works was listed as the 10th oldest business in Central Iowa, as noted in the Business Record.

4:48 pm adjourned