

**MINTUES OF MEETING OF CUSTOMER RELATIONS COMMITTEE  
OF THE BOARD OF WATER WORKS TRUSTEES  
HELD AT THE OFFICE OF DES MOINES WATER WORKS  
PURSUANT TO NOTICE**

Tuesday, February 5, 2019

Immediately following the 3:30 p.m. Planning Committee Meeting

Present:

Board Members: Ms. Andrea Boulton, Mr. David Carlson, Mr. Graham Gillette, Ms. Susan Huppert, Ms. Diane Munns

Staff Members: Ted Corrigan, Kyle Danley, Peggy Freese, Doug Garnett, Amy Kahler, Mike McCurnin, Jennifer Puffer, Laura Sarcone, Bill Stowe and Michelle Watson

Also in attendance: Craig Robinson (Concordia Group)

Meeting called to order at 4:09 p.m.

1. Regionalization Review Discussions –

Ms. Huppert shared that she and Ms. Munns continue to have regionalization discussions with Jody Smith of the West Des Moines Water Works Board and John McCune of the Urbandale Water Utility Board.

Mr. Stowe suggested FCS Group be contracted by the three water utilities (West Des Moines Water Works, Urbandale Water Utility, Des Moines Water Works) to conduct a third assessment. Mr. Gillette suggested the board task Mr. Stowe with developing a regional governance plan by working with the professional staffs of Urbandale, West Des Moines, the City of Ankeny, and others, as appropriate, to build an administrative/business framework for regional participation and governance as board members lack the technical and business knowledge, and experience to play such a leadership role.

Mr. Stowe clarified that Ms. Munns and Ms. Huppert will talk to Wes Des Moines Water Works and Urbandale Water Utility to request their staff members to work with DMWW to prepare a scope of work for a third FCS agreement. The scope developed will determine the path for FCS to develop the recommendations to create regional water governance.

Ms. Huppert reported that the new board chair at the Blank Park Zoo approached her with a request to meet with Chairperson Munns to work directly to negotiate the water billing issue. Mr. Gillette believes DMWW should lead the discussion, but the city needs to stay involved due to other negotiable interests between DMWW and the City of Des Moines.

2. CEO and General Manger's Comments – No additional comments from Mr. Stowe.

3. Public Comments – No comments from the public.

Meeting adjourned at 5:15 p.m.

**MINUTES OF CALLED MEETING OF THE BOARD OF WATER WORKS TRUSTEES  
HELD AT THE OFFICE OF THE DES MOINES WATER WORKS  
PURSUANT TO NOTICE, TUESDAY,  
February 26, 2019**

Present:

Board Members: Chairperson Ms. Diane C. Munns, presiding; Ms. Andrea Boulton, Mr. David A. Carlson, Ms. Susan R. Huppert

Staff members: Patrick Bruner, Ted Corrigan, Kyle Danley, Doug Garnett, Amy Kahler, Mike McCurnin, Jenny Puffer, Laura Sarcone, Bill Stowe, Michelle Watson

Also in attendance: Rick Malm (legal counsel), Craig Robinson (Concordia Group)

Ms. Munns called the meeting to order at 3:37 p.m.

Consent Agenda –

Minutes of the February 5, 2019, Customer Relations Committee Meeting were pulled from the Consent Agenda and will be on the March agenda for approval. A motion was made by Mr. Carlson, seconded by Ms. Huppert, to approve Consent Items A, B, C, D, and E as revised (Approval of Minutes, January 22, 2019, Board of Water Works Trustees Meeting, Minutes, February 5, 2019, Planning Committee Meeting; Receipt and filing of the financial statements for audit purposes; Approval of Payments for January 2019; Approval of Summary of CEO-Approved Expenditures in Excess of \$20,000; and Approval of March 26, 2019, 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 public comments were received.

Acceptance of 2018 Presedimentation Basin No. 3 Rechaining

The 2018 Presedimentation Basin No. 3 Rechaining project work has been satisfactorily completed.

A motion was made by Mr. Carlson, seconded by Ms. Huppert, to accept the 2018 Presedimentation Basin No. 3 Rechaining contract, completed by The Waldinger Corporation, in the amount of \$88,630. Upon vote, the motion was adopted, with each member of the Board, who is identified above as present, voting in favor of the motion.

Acceptance of Nitrate Removal Facility Process Residuals Pumping Station

The Nitrate Removal Facility Process Residuals Pumping Station project work has been satisfactorily completed.

A motion was made by Ms. Huppert, seconded by Ms. Boulton to accept the Nitrate Removal Facility Process Residuals Pumping Station, completed by Weidner Construction, Inc., in the amount of \$914,213. 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 Reimburse the City of Des Moines for Water Main Relocations for Fleur Drive Reconstruction from George Flagg Parkway to Watrous Avenue, Phase 1 Northbound Lanes  
The City of Des Moines will be doing water main relocation work for DMWW in connection with its Fleur Drive Reconstruction from George Flagg Parkway to Watrous Avenue, Phase 1 Northbound Lanes project for which it seeks reimbursement in the estimated amount of \$1,320,417.00.

A motion was made by Mr. Carlson, seconded by Ms. Huppert to authorize staff to reimburse the City of Des Moines for Water Main Relocations for Fleur Drive Reconstruction from George Flagg Parkway to Watrous Avenue, Phase 1 Northbound Lanes. Upon vote, the motion was adopted, with each member of the Board, who is identified as above as present, voting in favor of the motion.

Authorize Chairperson to Execute the 28E Agreement between Des Moines Water Works, the City of Waukee, and Xenia Rural Water District for the Waukee/Xenia Joint System Facilities  
A form of 28E Agreement was presented that pertains to an agreement to get additional water to the City of Waukee.

A motion was made by Ms. Boulton, seconded by Mr. Carlson to authorize the CEO and General Manager to execute the 28E Agreement between Des Moines Water Works, the City of Waukee, and Xenia Rural Water District for the Waukee/Xenia Joint System Facilities. Upon vote, the motion was adopted, with each member of the Board, who is identified as above as present, voting in favor of the motion.

Request Permission to Establish the Date of the Public Hearing for MidAmerican Energy Company Easement for Ruan Connector as the Date of the March 2019 Board Meeting  
MidAmerican Energy Company has requested that DMWW grant to it a 20-foot wide underground electric and gas easement on DMWW's property in Water Works Park to accommodate the relocation of the gas and electric lines due to construction of the Ruan Connector. Final easement documents are currently under legal review by legal counsel and will be available prior to the March 2019 Board Meeting.

A motion was made by Ms. Boulton, seconded by Ms. Huppert to establish the date of the March 2019 Board meeting as the date of Public Hearing for MidAmerican Energy Company easement for relocation of gas and electric lines due to construction of the Ruan Connector, and direct staff to publish notice as provided by law.

City of West Des Moines Easement for the Joint Maffitt Lake Booster Station  
DMWW's staff and legal counsel have been working with West Des Moines Water Works to develop a water main easement agreement between the City of West Des Moines and DMWW for a water main leaving the Joint Maffitt Lake Booster Station located at Maffitt Reservoir.

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

A motion was made by Mr. Carlson, seconded by Ms. Huppert to authorize the Chairperson and CEO and General Manager to execute an easement for a water main to the City of West Des Moines,

as 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.

#### 2019 Well Rehabilitation – Maffitt Reservoir

This project pertains to periodic maintenance and rehabilitation required to collector wells in the Maffitt Reservoir well field, using a high-pressure water jetting method that has been successfully used previously at the Maffitt Reservoir and Taylorville Reservoir well fields. It is intended this cleaning will restore much of Well 3's ability to produce raw water for the McMullen Water Treatment Plant.

A Public Hearing was opened by Chairperson Munns for comments from the public regarding the form of contract, plans and specifications, and estimated cost for the 2019 Well Rehabilitation – Maffitt Reservoir project. Receiving no oral or written comments, the Public Hearing was closed.

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

After an analysis of the bids received was presented and considered, a motion was made by Ms. Huppert, seconded by Ms. Boulton, to award the 2019 Well Rehabilitation – Maffitt Reservoir contract to the low bidder, Layne Christensen Company, for the Base Bid – Well 3 Rehabilitation in the amount of \$224,236 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, who is identified above as present, voting in favor of the motion.

#### Board Committee Reports

The following reports were provided:

- A Planning Committee Meeting was held on February 5, 2019. Mr. Carlson noted that Ms. Carla Schumacher presented on 2019 (WMR) Water Main Replacement Overview.
- A Customer Relations Committee Meeting was held on February 5, 2019. Ms. Huppert shared that there was a meeting with the City of Ankeny, which has expressed that it is ready for a proposal to come from DMWW. She and Ms. Munns have been continuing to have conversations with Jody Smith and John McCune. Urbandale Water Utility and West Des Moines Water Works have shared with Ms. Huppert that they are not interested in pursuing a consultant for another analysis. Mr. Stowe suggested DMWW take the lead to advance regionalization efforts. Ms. Huppert also reported that she is still waiting on a proposal from the City of Des Moines regarding property for the DMWW's grounds shop relocation and the Blank Park Zoo billing.
- Greater Des Moines Botanical Garden - No comments as Mr. Gillette was not in attendance.
- Des Moines Water Works Park Foundation Board – Mr. Carlson shared that the most recent board meeting was productive. Ms. Boulton shared that she is impressed with the Park Foundation's fundraising success and the Park Improvements project.

- Government Outreach Update – Ms. Sarcone reminded staff of the upcoming legislative breakfast on Thursday, February 28<sup>th</sup> at 7 a.m. in Room 116 at the Capitol. DMWW continues to monitor and react to the proposed legislations that may affect the utility and/or the environment.

#### CEO and General Manager's Comments

- Emergency Brine Tank Repairs – Water Production staff discovered the liner of the brine tank of the nitrate removal facility had failed and there was concern that leakage could compromise the structural integrity of the concrete tank walls. It was determined that emergency repair of the brine tank was necessary to avoid prolonged loss and injury to the utility.
- Mr. Stowe shared that main break handling by Water Distribution is going well. Ms. Huppert asked if staff is preparing for flooding as the snow begins to melt. Mr. Stowe explained that flooding and water quality are concerns as melting occurs.

Adjournment – Meeting adjourned by unanimous consent.

4:46 p.m. adjourned

**MINUTES OF MEETING OF PLANNING COMMITTEE  
OF THE BOARD OF WATER WORKS TRUSTEES  
HELD AT THE OFFICE OF DES MOINES WATER WORKS  
PURSUANT TO NOTICE**

Tuesday, March 5, 2019

3:30 p.m.

Present:

Board Members: Mr. David Carlson

Staff Members: Ted Corrigan, Kyle Danley, Peggy Freese, Doug Garnett, Amy Kahler,  
Mike McCurnin, Jennifer Puffer, Laura Sarcone, Bill Stowe, and Michelle  
Watson

Also in attendance: Craig Robinson (Concordia Public Affairs)

Meeting called to order at 3:45pm

1. City of Des Moines Billing Agreements –

Ms. Kahler presented a history of City of Des Moines billing agreements, with the first agreement initiated in 1970 for Solid Waste Fees. Several agreements followed: 1995 Chapter 28E Agreement for Billing and Collecting, 2009 Restated 28E Agreement for Billing & Collection, Free Water, PILOT (with and expiration date of 6/30/29), 2016 Amendment to 2009 28E Agreement (removing PILOT agreement to its own independent agreement). Currently, DMWW does billing for the City of Des Moines for sanitary sewer, stormwater, and solid waste. DMWW receives 1.76% of service charges billed, which amounted to \$1.4 million in 2018. The City of Des Moines generally receives free water, except for water used at City enterprise facilities that are totally supported by user fees, including the Des Moines International Airport and City-owned golf courses. Billing and Collection services are provided by DMWW for Total Service customers as well. These arrangements are documented within each specific Total Service 28E Agreement and are generally stated as fixed fee per account, subject to annual increases.

2. CEO and General Manager's Comments –

Mr. Stowe asked Ms. Puffer to comment on current main breaks. Water Production will soon be facing ammonia and turbidity problems. Ms. Kahler shared that the payment desk received a counterfeit \$100 bill. Counterfeit pens are used on denominations of \$20 or higher. This counterfeit bill did not register with the pen, but the automated counting machine recognized it as counterfeit.

3. Public Comments – No comments from the public.

Meeting adjourned at 4:25 p.m.

**MINUTES OF MEETING OF FINANCE AND AUDIT COMMITTEE  
OF THE BOARD OF WATER WORKS TRUSTEES  
HELD AT THE OFFICE OF DES MOINES WATER WORKS  
PURSUANT TO NOTICE**

Tuesday, March 12, 2019

3:30 p.m.

Present:

Board Members: Mr. David Carlson, Mr. Graham Gillette, Ms. Susan Huppert, and Ms. Diane Munns

Staff Members: Nathan Casey, Ted Corrigan, Kyle Danley, Peggy Freese, Doug Garnett, Mike McCurnin, Jennifer Puffer, Bill Stowe, and Michelle Watson

Also in attendance: Rick Malm (legal counsel), Craig Robinson (Concordia Group)

1. Five-Year CIP –

Mr. Stowe introduced Mr. McCurnin who presented the 2020-2024 Five-Year Capital Improvement Plan (CIP). The 2017 DMWW Long Range Plan, by HDR and CH2M provides guidance in staff's preparation of the five-year CIP and outlines \$625M in source, treatment, distribution, and transmission projects. The 2020-2024 CIP includes \$264M in viable projects. Disinfection by-product and de-nitrification projects have been delayed, while Des Moines River Alluvial Source Water and Aquifer Storage and Recovery Wells are a focus. A 10 million gallon per day expansion of the Saylorville Water Treatment Plant is a part of the 2020-2024 CIP. Aggressive reinvestment in Water Main Replacement remains a focus as three times as much main replacement is needed to meet or slightly improve the goal of 100 main breaks per mile of pipe. Ms. Freese discussed possible sources of funding the 2020-2024 CIP; water revenue, borrowing, and funding from outside sources. An estimated \$110M from revenue is projected to be available for capital projects in the CIP, leaving \$154M to be funded. DMWW's current estimate of debt capacity to issue water revenue bonds is \$110M. Mr. Gillette asked staff to continue to explain and push the capital improvement needs to the Board.

Ms. Andrea Boulton joined the meeting at 4:00 pm.

2. CEO and General Manager's Comments – No additional comments from Mr. Stowe.

3. Public Comments – No comments from the public.

Meeting adjourned at 4:13 p.m.

**MINTUES OF MEETING OF CUSTOMER RELATIONS COMMITTEE  
OF THE BOARD OF WATER WORKS TRUSTEES  
HELD AT THE OFFICE OF DES MOINES WATER WORKS  
PURSUANT TO NOTICE**

Tuesday, March 12, 2019

Immediately following the 3:30 p.m. Finance and Audit Committee Meeting

Present:

Board Members: Ms. Andrea Boulton, Mr. David Carlson, Mr. Graham Gillette, Ms. Susan Huppert, Ms. Diane Munns

Staff Members: Nathan Casey, Ted Corrigan, Kyle Danley, Peggy Freese, Doug Garnett, Mike McCurnin, Jennifer Puffer, Bill Stowe, and Michelle Watson

Also in attendance: Rick Malm (legal counsel), Craig Robinson (Concordia Group)

Meeting called to order at 4:13 p.m.

1. Regionalization Review Discussions –

Mr. Corrigan shared a proposal from FCS Group to enter into an agreement to aid DMWW in the preparation of strategies for negotiation of Regional Governance with other regional utilities. As a sub-contractor to FCS Group, Raftelis Financial Consulting will work on rate issues. This initial proposal will provide a spectrum of negotiating points to begin communicating with other regional entities.

Ms. Huppert is concerned with the duration of the project. She expressed the need for a shorter timeframe to meet the feeling of urgency expressed by the City of Ankeny.

Mr. Gillette questioned if we should seek proposals from additional consultants.

Ms. Munns stated that in the interest of time, and because of their work on the first two phases, that FCS has the expertise needed.

Mr. Stowe suggested staff request FCS prepare a shorter-term proposal, with narrower scope and revised cost. Mr. Gillette reminded that he had tasked Mr. Stowe with engaging professional staffs from neighboring entities and suggested FCS Group modify the scope and duration of the proposal which could then be shared with the City of Ankeny.

Ms. Boulton suggested the points of emphasis should be governance, asset transfer, and rates, in order to get buy-in from interested parties. We could then cost share with participating parties to cover the other suggested items in the proposal.

An additional board meeting will be scheduled prior to the March 26<sup>th</sup> board meeting to review a revised proposal from FCS Group.

2. CEO and General Manger's Comments –

Mr. Stowe asked Mr. Danley to provide an update on flooding. The National Weather Service is predicting a crest of 17.7 ft. at Fleur Drive. It will be near 17' Friday, with a crest of 17.7 on Sunday, 3/17.

3. Public Comments – No comments from the public.

Meeting adjourned at 5:15 p.m.



**MINUTES OF SPECIAL MEETING OF THE BOARD OF WATER WORKS TRUSTEES  
HELD AT THE OFFICE OF THE DES MOINES WATER WORKS  
PURSUANT TO NOTICE**

Tuesday, March 19, 2019

3:30 p.m.

Present:

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

Staff members: Ted Corrigan, Peggy Freese, Doug Garnett, Laura Sarcone, and Michelle Watson

Also in attendance: Bryan O'Neill (legal counsel), Craig Robinson (Concordia Group)

Via telephone: Rick Malm (legal counsel)

Ms. Munns called the meeting to order at 3:35 p.m.

Public Comment Period –

No comments from the public

Discussion of Revised FCS Group Proposal for Phase 3 Services –

Mr. Corrigan presented an overview of the revised FCS Group Proposal for a scope of services to continue progress made so far on the issue of forming a regional water authority. This proposal will be brought to the March 26<sup>th</sup> Board Meeting for approval.

Employment Conditions – CEO and General Manager -

Mr. Gillette explained that he had served as co-chair of the search committee that resulted in the hiring of Mr. Stowe and as chair of the Board of Water Works Trustees when an amendment to Mr. Stowe's Employment Agreement was approved, and that he led and was involved in all negotiations pertaining to Mr. Stowe's compensation and related performance/retention bonuses. He further stated that it was the intent of these negotiations that the stipulated performance/retention bonuses be paid to Mr. Stowe upon his death or disability. Mr. Gillette noted that funds related to Mr. Stowe's performance/retention bonuses have been budgeted and set aside

In order to ensure Mr. Stowe's Employment Agreement and subsequent amendment is honored as intended and in recognition of Mr. Stowe's service, Mr. Gillette offered the following motion, which was seconded by Ms. Huppert, as follows:

In recognition of the extraordinary service that William G. Stowe has provided, and continues to provide, to the Des Moines Water Works as its CEO and General Manager, in recognition of his completion of over six years of service, and to assure that the compensation provisions of his Employment Agreement are honored in accordance with their original intent, it is resolved that Mr. Stowe's compensation authorized under Section 23 of his Employment Agreement, as amended, shall fully vest upon his death or retirement based on a serious health condition, or on December 31, 2020, whichever first occurs. In the event of Mr. Stowe's death, payment of such benefit is authorized to Mr. Stowe's designated beneficiary.

The motion passed unanimously with all Board members voting in favor.

Adjournment – Adjourn by unanimous consent. Meeting adjourned at 4:01 p.m.