

(Amy Kahler, Des Moines Water Works, 2201 George Flagg Pkwy., Des Moines, IA 50321, 515-283-8760)

Meeting
CENTRAL IOWA REGIONAL DRINKING WATER COMMISSION
City of Johnston
Tuesday, July 24, 2012
6:00 p.m.

1. Chair Items - Commission Chair John McCune called the meeting of the Central Iowa Regional Drinking Water Commission to order at 6:00 p.m. and welcomed all in attendance. Present were:

City of Altoona – Michelle Sloan (Rep), Karen Oppelt (Alt-EX-O)

City of Ankeny – Jim McKenna (Rep)

City of Bondurant – None

City of Carlisle – None

City of Clive – Scott Cirksena (Rep), Bart Weller (EX-O)

City of Cumming – Jean Lare (Rep)

City of Johnston – Shane Kinsey (EX-O)

City of Mitchellville – None

City of New Virginia – None

City of Norwalk – Tim Hoskins (EX-O)

City of Pleasant Hill – Mike Daspit (Rep)

City of Polk City – None

City of St. Charles – None

City of Waukee – None

City of Windsor Heights – Louise Moon (Rep)

Des Moines Water Works – Dave Carlson (Rep), Randy Beavers (EX-O), Amy Kahler (Staff), Linda Kinman (Staff), Pat Ripley (Staff)

Indianola Municipal Utilities – Todd Kielkopf (EX-O)

Polk County – E.J. Giovannetti (Rep)

Urbandale Water Utility – John McCune (Rep), Rich Foust (EX-O), Dale Acheson (Alt EX-O)

Warren Water District – None

West Des Moines Water Works – Karen Novak Swalwell (Rep), Jim Wallace (Alt Rep), Jerry Stevens (EX-O)

Xenia Rural Water District – None

Approval of Minutes – A motion was made by Scott Cirksena, seconded by Mike Daspit, to approve the minutes of the April 24, 2012 CIRDWC meeting. A motion was made by Louise Moon, seconded by Michelle Sloan, to approve the minutes of the June 28, 2012 Executive Committee meeting. Upon vote, the motion carried.

Financial Statements – Referring to the 2012 cash flow work sheet, Amy Kahler summarized the expenses totaling \$230.00 for the fourth quarter which ended June 30, 2012. A motion to approve the financial statements was made by Scott Cirksena and seconded by Jim Wallace. Upon vote, the motion carried.

Urban Storm Water Conservation: Concerns & Solutions – Jennifer Welch, urban conservationist with the Polk County Soil and Water District and Iowa Department of Agriculture and Land Stewardship gave a presentation on storm water and water quality. Rainscaping Iowa is a statewide educational campaign that promotes urban storm water management practices to protect water quality and reduce runoff. The ultimate goal of the program is to build awareness and behavioral change that will result in the improvement and protection of water resources in Iowa. Best practice examples include rain gardens, bioswales, bioretention cells, stream bank stabilization, native plantings, buffers, soil restoration, and permeable pavement systems. Ms. Welch spoke about a couple watershed projects at Four Mile Creek and the DMACC Lake where issues have been resolved and some different measures have been illustrated. The focus is to help people understand what they do on their property impacts the water resources and to treat storm water as a resource instead of a waste product.

DMWW CEO Search – Dave Carlson provided an update regarding the Board of Water Works Trustees' search for a CEO due to the retirement of Randy Beavers. Mr. Carlson mentioned the August 8 public reception to meet the five finalists, followed by one-on-one interviews between the Board members and candidates the morning of August 9. Full Board interviews and concurrent panel interviews will be conducted that afternoon. As members of the Executive Committee, John McCune, Louise Moon or David Lindeman will represent CIRDWC on the community panel. Rich Foust said he was surprised that current directors were not encouraged to apply. He expressed concerns about Bill Stowe's comments in the *Des Moines Register* about the CEO position possibly being a part-time position, and whether plans are for the City Council to replace the Board. Mr. Carlson said the Board has not discussed the part-time position aspect and has no intention of governance restructuring as that is up to the elected City officials. Mr. Giovannetti said some may be concerned that the same arrangement could evolve which exists between the City of Des Moines and the Wastewater Reclamation Authority.

Bylaws Revision – The proposed revisions were reviewed during the April meeting, but a vote is required at the second meeting to approve the changes. Primary proposed changes provide for the past chair to be part of the Executive Committee with the intent of providing more continuity. A motion was made by Scott Cirksena to approve the revisions to the Bylaws changes. A second to the motion was provided by Louise Moon. Upon vote, the motion carried.

Watershed Management Authority Update – Linda Kinman reported it has been an interesting endeavor and it has been an uphill battle all the way. She has been working with Pat Boddy and Brad Golightly, Dallas County supervisor, to establish a watershed management authority. Several counties had signed the 28E agreement drafted by legal counsel. A presentation was made to the Carroll County Board of Supervisors and the following week a private property rights advocate and Dallas County resident, Ernie Rudolph, spoke about the problems he saw with the 28E agreement. The counties have all rescinded their 28E agreements. A meeting with a supervisor from each county has been scheduled for August 9 to review the language of the proposed 28E.

DMWW Cost of Service Study – Randy Beavers reviewed the Executive Summary of the Cost of Service study. Overall operating costs for 2011 increased 6.6%, total consumption increased 4.1%, and total replacement cost depreciation increased approximately 15%. The cost per thousand gallons for purchased capacity increased from \$1.30 to \$1.35 or a 3.85% increase. The cost for with-storage increased from \$2.83 to \$2.86, or 3.89%. Putting the Saylorville Water Treatment Plant and the Joint Eastside Tank into service in 2011 added \$50 million to our replacement cost depreciation schedule.

Replacement cost depreciation accounts for 32% of total costs. For the first time in many years, all DMWW service areas saw an increase in consumption. DMWW has been focusing on closing the gap differential between revenue and costs for the last several years. In 2009, the gap was 19%. A series of rate increases decreased the gap in the years 2009-2011, and a rate increase in April 2012 should further decrease that deficit. Most communities are probably going to see near records sales in 2012 which will spread any increased costs over a wider consumption base. The Metro Group will meet August 13 to review the COS in more detail. Rich Foust mentioned that a lot of their questions from last year have been addressed in this COS study. In response to Dale Acheson's question about availability charges, Mr. Beavers explained the Board will discuss setting water rates for next year in October. He reminded members that, while DMWW places much emphasis on controlling costs, replacement depreciation cost constitutes one-third of the costs and can be expected to increase every year so there will always be some element pushing towards an increase.

DMWW Water Conservation Plan – Randy Beavers thanked those who participated in the meeting and press conference this afternoon, with just a couple hours' notice, to formally implement Stage 1 of the water conservation program. The focus of Stage 1 is to voluntarily reduce water consumption by 10%, primarily by addressing lawn irrigation. A peak alert was issued July 5 after nine mains broke between July 3-5 while DMWW was making pump changes and trying to keep the water towers full. The pressure increased to 131 psi at the Fleur Drive treatment plant. Pumpage decreased after the peak alert, but with the triple digit temperatures, pumpage spiked to 96.6 million gallons yesterday. Mr. Beavers explained there is enough water coming down the rivers, but treatment challenges have been encountered with algae plugging the filters and because of more stringent turbidity regulations. DMWW has 5 billion gallons of storage at Saylorville Lake, and if water has to be withdrawn from that source, it will be the first time in 30 years. In response to a couple questions, Mr. Beavers indicated the ASR wells are working well, and we've been pulling water from Maffitt and Crystal Lakes. Ms. Kahler's recent efforts were acknowledged for providing concise information regarding increased pumpage usage.

Executive Committee Report – Mr. McCune stated the Executive Committee is constantly trying to structure the meetings around what the members want, and any input is welcomed.

General Discussion – Due to a scheduling conflict, Ankeny will not be able to host the October 23 meeting. Offers to host were received from Mike Daspit and Jerry Stevens.

Attendees expressed their appreciation and best wishes to Mr. Beavers.

Mr. McCune thanked the City of Johnston for hosting the meeting.

A motion to adjourn the meeting was made by Mike Daspit, seconded by Michelle Sloan, at 7:42 p.m.