

Resolution # _____
Notice and Call of Public Meeting

Governmental Body: The Board of Directors of Xenia Rural Water District, State of Iowa.
Date of Meeting: Thursday, September 21, 2017
Time of Public Meeting: 5:00 p.m.
Place of Meeting: Xenia Rural Water District Office, 23998 141st Street, Bouton, Iowa

PUBLIC NOTICE IS HEREBY GIVEN that the above mentioned governmental body will meet at the date, time and place above set out. The tentative agenda for said meeting is as follows:

Call to Order of the Public Meeting	Chairman of the Board
1. Approve Agenda	Board Members
2. Approve August 24, 2017 Board Meeting Minutes	Board Members
3. Review Financial Reports	Controller
• Statement of Net Assets	
• Income Statement Schedules	
• Statement of Cash Flows	
• Operating Checking Transactions (separately reviewed by Board Treasurer)	
• Bond Reserve and Sinking Fund Allocations	
4. Customer Service & Accounts Receivable	Controller
• Accounts Receivable Aging/Cut-offs/Reinstatements	
• New Customers/Water User Agreements/ Occupant Deposit Listing/Voluntary Terminations	
• Water Consumption Report	
5. Xenia Funds Investment Strategy (Discussion Only)	Controller
6. Woodward Water Treatment Plant 2017 Improvements Payment Application No. 4	CEO/GM
7. SCADA Updates for Kelley Connection	CEO/GM
8. Lease of Metal Building at Stratford Treatment Plant	CEO/GM

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| 9. Briggs Woods Agreement | CEO/GM |
| 10. Manager's Updates | CEO/GM |
| <ul style="list-style-type: none">• Des Moines Water Works Cost of Service Study• 2018 Budget• Website Survey• Adel• DeSoto• Briggs Woods | |
| 11. Departmental Reports | CEO/GM |
| 12. Old Business | Board Members |
| 13. New Business | Board Members |
| 14. Public Comments | Audience |
| 15. Next Board Meeting will be October 19, 2017 at 5:00 pm, Finance Committee meeting will be held October 19, 2017 at 4:00 pm. | |

Adjournment

This notice is given at the direction of the Chairperson pursuant to Chapter 21, Code of Iowa, as amended, and the local rules of said governmental body.

Secretary, Xenia Rural Water District,
State of Iowa

Xenia Rural Water District, State of Iowa



23998 141st Street
Bouton, IA 50039
BOARD OF DIRECTORS
AGENDA ITEM FORM

Meeting Date: 9/21/2017

Agenda Item # 5

Subject: Xenia Funds Investment Strategy

Xenia has cash in multiple funds which can be invested. However, certain funds have limitations in terms of a) how much investment income can be earned or b) how high of an interest rate can be earned. Our attorneys have identified the limitations for each fund and we have been in contact with Dan Zomermaand of PMA Financial Network to help develop an investment strategy designed to maximize earnings while mitigating investment risk and avoiding the arbitrage limitations.

Dan is affiliated with Iowa Public Agency Investment Trust (IPAIT) which is where we keep most of our idle cash, so we can continue to utilize IPAIT's services.

The three funds we are interested in purchasing investments within are:

Bond Sinking Fund – This fund has an annual limit of \$100,000 of earned investment income. The average balance is \$1,300,000, but can be as high as \$2,986,000.

Reserve Fund – Investments for this fund cannot exceed 2.80259%. We currently have \$4,085,000 in the Reserve Fund.

Surplus Fund – Not subject to any limitations. Current balance is \$5,176,000.

Budget 2017 Impact: Earning a higher return on idle cash can provide additional investment income that has not been budgeted for. Once we have a strategy in place, estimates can be made for budget year 2018.

Recommended Action: Discussion only, no action required

Motion from Board: No action required

Prepared By: Gary Andrews

Title: Controller

Reviewed

By: _____



23998 141st Street
Bouton, IA 50039
BOARD OF DIRECTORS
AGENDA ITEM FORM

Meeting Date: 9/21/2017

Agenda Item # 6

Subject: Woodward Water Treatment Plant 2017 Improvements – Payment Application No. 4

The Board awarded the Woodward Water Treatment Plant 2017 Improvements contract to C. L. Carroll Co., Inc. at the March, 2017 Board meeting in the amount of \$1,800,696. The Board approved Change Order No. 1 in the amount of \$1,844 at the June, 2017 Board meeting for a revised contract amount of \$1,802,540.

The Board previously approved Payment Application Nos. 1, 2 and 3 in the total amount of \$232,199.95. C.L. Carroll has submitted Payment Application No. 4 in the amount of \$96,253.05 to HR Green and they have reviewed and approved the application. A copy of Payment Application No. 4 is attached.

If the Board approves Payment Application No. 4, the total paid to date will be \$328,453.00.

Budget 2017 Impact – There is a total of \$2,450,000 in the 2017 and 2018 capital budgets for this project. Engineering fees will total \$339,000 leaving \$2,111,000 for completion of this contract.

Recommended Action: Approve Woodward Water Treatment Plant 2017 Improvements Payment Application No. 4 for C. L. Carroll Co., Inc., in the amount of \$96,253.05.

Motion from Board: Motion to approve Woodward Water Treatment Plant 2017 Improvements Payment Application No. 4 for C. L. Carroll Co., Inc., in the amount of \$96,253.05.

Prepared By: Gary Benjamin, P.E.

CEO/General Manager

Reviewed By: _____

CEO/General Manager



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BOARD OF DIRECTORS
AGENDA ITEM FORM

Meeting Date: 9/21/2017

Agenda Item # 7

Subject: SCADA Updates for Kelley Connection

Staff has been working with the City of Kelley for a couple of years now to get a new connection installed so Xenia can provide total water service to the city. They have let a contract to install the connection, meter pit and water main and the project is under construction. As part of this project, Kelley needed to install a chlorine analyzer to monitor the chlorine residual coming into their system to meet Iowa Department of Natural Resources (IDNR) requirements.

Staff has met with IDNR staff about utilizing the Kelley chlorine analyzer as a source entry point monitor for the City of Slater and they approved that approach. That will allow Slater to take water from Xenia on a continuous basis, not just for emergencies.

Kelley has agreed to let Xenia install Supervisory Control and Data Acquisition (SCADA) equipment in their meter pit so we can view real-time distribution system operational data at their connection. Staff would like to see the inlet pressure, the total chlorine residual and the water flow to Kelley through our SCADA system. That will give us good operational data and we can share the chlorine data with Slater for their reporting to IDNR.

Staff has asked MicroComm (our SCADA system integrator) for a cost to furnish and install the SCADA equipment and complete the programming necessary to obtain and view the Kelley data through our SCADA system. The cost to complete this work is \$29,365.00 as

Budget 2017 Impact – There no line item in the 2017 capital budget for this work. The funds will come from cost savings on or deferral of other capital projects.

Recommended Action: Authorize staff to retain the services of MicroComm to furnish and install SCADA equipment and complete the programming necessary to obtain and view the Kelley data through our SCADA system at a cost of \$29,365.00.

Motion from Board: Motion to authorize staff to retain the services of MicroComm to furnish and install SCADA equipment and complete the programming necessary to view the Kelley data through our SCADA system at a cost of \$29,365.00.

Prepared By: Gary Benjamin, P.E.

CEO/General Manager

Reviewed By: _____

CEO/General Manager



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BOARD OF DIRECTORS
AGENDA ITEM FORM

Meeting Date: 9/21/2017
Agenda Item # 8

Subject: Lease of Metal Building at Stratford Treatment Plant

In 2013, Xenia entered into a lease agreement with the Iowa Department of Natural Resources (IDNR) for our shop building located at our Stratford Treatment Plant. The shop is an 8000 sq. ft. building which was intended to be a regional equipment storage facility. The original lease agreement was for 2 years at a rate of \$9,000 per year. The lease was extended for 2 years in 2015. The IDNR wants to extend the lease for an additional 2 years. Attached is a renewal lease agreement for a two year period that has been prepared by the IDNR legal counsel. Xenia does not have any plans to utilize this building so staff would recommend renewing the lease agreement for another two years.

According to the North Central Farm Management Extension Committee's farm building rental rate survey, the average lease rate for a machinery storage building is \$.53/sq. foot. The range for this type of building is \$0.06 - \$1.65/sq. foot. Our lease agreement at \$9,000 would be \$1.125/sq. foot.

Budget 2017 Impact - Allowance in Budget: \$9,000 was budgeted in 2017. If approved, \$9,000 will be budgeted for 2018 and 2019

Recommended Action: Approve the renewal lease agreement with IDNR for the metal building at Stratford Treatment Plant for 2 years at \$9,000/year.

Motion from Board: Motion to approve the renewal lease agreement with IDNR for the metal building at Stratford Treatment Plant for 2 years at \$9,000/year.

Prepared By: Corey Iben

HR & Administration Manager

Reviewed By: _____

CEO/General Manager



23998 141st Street
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BOARD OF DIRECTORS
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Meeting Date: 9/21/2017

Agenda Item # 9

Subject: Briggs Woods Agreement

At the August, 2017 Board meeting, the Board authorized staff to propose a buyout fee of \$61,387 to the Hamilton County Conservation Board (HCCB) and USDA for the Briggs Woods Park area and draft an agreement for the buyout if both parties agree to the amount. The HCCB has approved and USDA has tentatively approved the proposed buyout fee.

Staff then generated a Water Service Territory Transfer Agreement and it has been reviewed by Frank Smith, legal counsel. The final draft was sent to the Hamilton County Attorney and he has approved the draft with no changes. The final draft will now be sent to USDA for their review. Once any comments from USDA are addressed, the final agreement will be available for signatures from Xenia, the City of Webster City, Hamilton County Iowa Board of Supervisors, Hamilton County Iowa Conservation Board and USDA. Once all signatures are affixed to the document, the \$61,387 fee will be due for payment.

Budget 2017 Impact – No buyout fee for Briggs Woods Park was included in the budget. The \$61,387 fee for the service territory buyout will be extra revenue.

Recommended Action: Authorize the Chair and Secretary to execute the Water Service Territory Transfer Agreement once any USDA comments have been addressed and a final version is completed.

Motion from Board: Motion to authorize the Chair and Secretary to execute the Water Service Territory Transfer Agreement once any USDA comments have been addressed and a final version is completed.

Prepared By: Gary Benjamin, P.E.

CEO/General Manager

Reviewed By: _____

CEO/General Manager