

WATER BOARD OF TRUSTEES
Regular Meeting
September 21, 2015
4:00 PM
Location: 1208 South St.

Agenda

1. Approve Agenda.
2. Approve Minutes of the August 13 Regular Board meeting and the August 27, 2015 Joint Water Board/City Council meeting.
3. Approve Invoices and Financial Statements.
4. Customer Forum.
5. Alloree Else to Address Board Regarding Water Towers.
6. Discussion and Consideration of Bill Adjustment for 529 North D Street.
7. Discussion and Consideration of Annual Dental Insurance Renewal.
8. Consider Resolution #1504, A Resolution Establishing Minimum Reserve Requirements For Water Department Funds.
9. Discussion and Consideration of Entering into 28E Agreement with the City of Oskaloosa.
10. Discussion and Consideration Regarding Increasing the Size of the Board of Trustees' Membership.
11. Discussion and Consideration of Joining The Cooperative Purchasing Network (TCPN).
12. General Manager's Update.
13. Miscellaneous.
14. Adjourn.

INFORMATION CONCERNING AGENDA ITEMS:

Agenda Item #4

“This is the item reserved to receive comments from the community, our customers, for concerns whether or not they are included in the current agenda. The community is encouraged to come and speak before the Water Board of Trustees and asked to keep statements brief. Any questions are to be asked of the Water Department staff and Board of Trustee members prior to speaking to the full Board of Trustees so concerns may be properly researched and answered away from the meeting. Comments are to be directed to the Board of Trustees only.”

Agenda Item #5

Alloree Else would like to address the Board regarding the water towers. Alloree is in grade and has noticed that the two towers in Oskaloosa do not bare the town name or school mascot. She would like the opportunity to discuss this with the Board.

Agenda Item #6

Nicole Cella, 529 North D Street, received a bill for April through July consumption that was for 70 units. Her previous average consumption was 13 units. Ms. Cella has been in communication with OMWD staff regarding this bill and would like to have it reduced to her previous average. She does not believe that she used this water and that the billing must have contained an error. There have been no service orders for this account since 2012. Meter readings are tracking sequentially, as to not present an error from the meter reading. Account information will be attached to this agenda. It is staff recommendation that this bill not be reduced.

Agenda Item #7

Jim Anderson will be in attendance to discuss the dental insurance annual policy renewal. This year there is a 6.2% reduction in policy cost. Benefit limits remain the same. Staff recommendation is to accept the renewal as presented.

Agenda Item #8

This is the resolution to set a minimum fund balance for OMWD. This is the result of previous discussions held by the Board of Trustees. As requested, the minimum fund balance is to be \$750,000.00 and to be reviewed by the Board on an annual basis. Staff recommendation is to approve the resolution.

Agenda Item #9

This is the agreement regarding operational management for the City of Oskaloosa’s Wastewater and Stormwater Utilities. This agreement has been formed with input from both members of the Board of Trustees and City Council. The agreement will be attached to your packets. Staff recommends approval of the 28E.

Agenda Item #10

This item is in response to the approval of the 28E agreement with the City of Oskaloosa for

management services for the Wastewater and Storm Water Utilities. As discussed by the Water/Wastewater Working Committee, there is a desire to look at adding two additional members to the Board of Trustees. As part of these discussions, the City Council would like to see formal action by the Board requesting an increase in size from the current three members to five members. Staff recommends approving an increase in membership from three to five members.

Agenda Item #11

This is a follow up from the July meeting. Staff has researched this topic and recommends joining the co-op. There is no cost to the utility to join, no minimums and several thousand items available for purchase at a savings to the utility. The Iowa DOT can be used in conjunction with this option on a limited number of items for further savings for the utility.

Agenda Item #12

Update on the employee handbook; staff from Ahlers & Cooney have suggested additional wording to address the concerns as requested by the Board. This item will be on the agenda for approval at the next Board meeting.

Water meters; I have talked with other communities who either, are currently, or have recently gone through a meter change-out in their system. I will continue to gather information and report it to you at a later date.

We have new water main installed along E Avenue East and a majority of the new water services installed as well. We have three services left and an interconnection on F Avenue East and North . It seems the issues that have plagued us at the treatment plant have subsided and we are not seeing the substantial swings in water chemistry as of late.

A new employee has been hired for distribution. One of our current employees has been put in the joint funded "Utility Locate" position as a result of the 28E as well as on-going discussions of the Water/Wastewater Working Committee. The new hire, Michelle Ralls, will replace Matt Van Wyk who will work in the joint funded position. There will be some need for capital spending as a result of this move. That was shown in the City's executive summary for the 28E agreement. Those costs will be split between Water and Wastewater.

Agenda Item #13

There have been 9 leaks this last month

6 of them have been out on the 12" main along Highway 23. There have been holes blown in the ductile main. Staff believes that there is a water hammer issue from a local business that is causing these leaks. Chad has talked with the business to start to address it.

1000 block of South , crack on the bottom of 2" main.

High Avenue East and , crack on bottom of 4" main.

Avenue East and South , crack on bottom of 4" main.

WATER DEPARTMENT

OSKALOOSA, IOWA 52577

FROM	TO	BILLING DATE	PREV BALANCE
01/07/14	04/07/14	04/25/14	0.00

READINGS		EST	CONSUMPTION	CODE	CURRENT CHARGES
PREVIOUS	PRESENT				
1309	1329	20	WA		84.80
SEWER			SW		95.36
STORMWATER			ST		6.00
TAX			TX		5.94

ADDRESS
SERVICE
REQUESTED

Presorted
First Class Mail
US Postage Paid
Oskaloosa, Iowa
Permit No. 475

ACTIVE

ACCOUNT NUMBER	DUE DATE
	05/25/2014
TAX	AMOUNT DUE NOW
5.94	192.10
PENALTY	AMOUNT DUE AFTER DUE DATE
0.00	

529 NORTH D STREET

LOCATION:

PLEASE RETURN THIS BOTTOM STUB WITH PAYMENT
RECENT PAYMENTS MAY NOT BE REFLECTED ON THIS BILL

ACCOUNT NUMBER**DUE DATE**

05/25/2014

AMOUNT DUE NOW

192.10

AMOUNT DUE AFTER DUE DATE

NICOLE M CELLA
529 NORTH D STREET
OSKALOOSA IA

52577

WATER DEPARTMENT

1200 South 7th Street, P.O. Box 700
OSKALOOSA, IOWA 52577

ADDRESS
SERVICE
REQUESTED

Presorted
First Class Mail
US Postage Paid
Oskaloosa, Iowa
Permit No. 475

FROM	TO	BILLING DATE	PREV BALANCE
04/07/14	07/08/14	07/25/14	0.00

READINGS		EST	CONSUMPTION	* CODE	CURRENT CHARGES
PREVIOUS	PRESENT				
1329	1340		11	WA	51.26
				SW	62.69
				ST	6.00
				TX	3.59

ACTIVE

ACCOUNT NUMBER	DUE DATE
	08/25/2014
TAX	AMOUNT DUE NOW
3.59	123.54
PENALTY	AMOUNT DUE AFTER DUE DATE
0.00	

529 NORTH D STREET

LOCATION:

PLEASE RETURN THIS BOTTOM STUB WITH PAYMENT
RECENT PAYMENTS MAY NOT BE REFLECTED ON THIS BILL

ACCOUNT NUMBER

DUE DATE

08/25/2014

AMOUNT DUE NOW

123.54

AMOUNT DUE AFTER DUE DATE

NICOLE M CELLA
529 NORTH D STREET
OSKALOOSA IA

52577

OSKALOOSA MUNICIPAL WATER DEPARTMENT

1208 South 7th Street, P.O. Box 708
OSKALOOSA, IOWA 52577

FROM	TO	BILLING DATE	PREV BALANCE
07/08/14	10/07/14	10/25/14	0.00

READINGS		EST	CONSUMPTION	* CODE	CURRENT CHARGES
PREVIOUS	PRESENT				
1340	1353		13	WA	60.58
SEWER				SW	69.95
STORMWATER				ST	6.00
TAX				TX	4.24

ADDRESS
SERVICE
REQUESTED

Presorted
First Class Mail
US Postage Paid
Oskaloosa, Iowa
Permit No. 475

ACTIVE

ACCOUNT NUMBER	DUE DATE
	11/25/2014
TAX	AMOUNT DUE NOW
4.24	140.77
PENALTY	AMOUNT DUE AFTER DUE DATE
0.00	

LOCATION: 529 NORTH D STREET

PLEASE RETURN THIS BOTTOM STUB WITH PAYMENT
RECENT PAYMENTS MAY NOT BE REFLECTED ON THIS BILL

ACCOUNT NUMBER

DUE DATE
11/25/2014
AMOUNT DUE NOW
140.77
AMOUNT DUE AFTER DUE DATE

NICOLE M CELLA
529 NORTH D STREET
OSKALOOSA IA 52577

WATER DEPARTMENT1200 South 7th Street, P.O. Box 700
OSKALOOSA, IOWA 52577ADDRESS
SERVICE
REQUESTEDPresorted
First Class Mail
US Postage Paid
Oskaloosa, Iowa
Permit No. 475

FROM	TO	BILLING DATE	PREV BALANCE
10/07/14	01/08/15	01/25/15	0.00

READINGS		EST	CONSUMPTION	* CODE	CURRENT CHARGES
PREVIOUS	PRESENT				
1353	1368		15	WA	69.90
				SW	77.21
				ST	6.00
				TX	4.89
					150.00
DEPOSIT REFUND					

ACTIVE

ACCOUNT NUMBER	DUE DATE
	02/25/2015
TAX	AMOUNT DUE NOW
4.89	8.00
PENALTY	AMOUNT DUE AFTER DUE DATE
0.00	

529 NORTH D STREET

LOCATION:

PLEASE RETURN THIS BOTTOM STUB WITH PAYMENT
RECENT PAYMENTS MAY NOT BE REFLECTED ON THIS BILL**ACCOUNT NUMBER****DUE DATE**

02/25/2015

AMOUNT DUE NOW

8.00

AMOUNT DUE AFTER DUE DATENICOLE M CELLA
529 NORTH D STREET
OSKALOOSA IA

52577

WATER DEPARTMENT

OSKALOOSA, IOWA 52577

FROM	TO	BILLING DATE	PREV BALANCE
01/08/15	04/08/15	04/25/15	0.00

READINGS		EST	CONSUMPTION	*	CODE	CURRENT CHARGES
PREVIOUS	PRESENT					
1368	1377		9	WA		41.94
				SW		55.43
				ST		6.00
				TX		2.94

ADDRESS
SERVICE
REQUESTED

Presorted
First Class Mail
US Postage Paid
Oskaloosa, Iowa
Permit No. 475

ACTIVE

ACCOUNT NUMBER	DUE DATE
	05/25/2015
TAX	AMOUNT DUE NOW
2.94	106.31
PENALTY	AMOUNT DUE AFTER DUE DATE
0.00	

529 NORTH D STREET

LOCATION:

PLEASE RETURN THIS BOTTOM STUB WITH PAYMENT
RECENT PAYMENTS MAY NOT BE REFLECTED ON THIS BILL

ACCOUNT NUMBER**DUE DATE**

05/25/2015

AMOUNT DUE NOW

106.31

AMOUNT DUE AFTER DUE DATE

NICOLE M CELLA
529' NORTH D STREET
OSKALOOSA IA

52577

WATER DEPARTMENT

OSKALOOSA, IOWA 52577

ADDRESS
SERVICE
REQUESTEDPresorted
First Class Mail
US Postage Paid
Oskaloosa, Iowa
Permit No. 475

FROM	TO	BILLING DATE	PREV BALANCE
04/08/15	07/08/15	07/25/15	0.00

READINGS		EST	CONSUMPTION	*	CODE	CURRENT CHARGES
PREVIOUS	PRESENT					
1377	1447	70	WA			359.10
			SEWER			318.09
			STORMWATER			6.00
			TAX			25.14

ACTIVE

ACCOUNT NUMBER	DUE DATE
	08/25/2015
TAX	AMOUNT DUE NOW
25.14	708.33
PENALTY	AMOUNT DUE AFTER DUE DATE
0.00	

529 NORTH D STREET

LOCATION:

PLEASE RETURN THIS BOTTOM STUB WITH PAYMENT
RECENT PAYMENTS MAY NOT BE REFLECTED ON THIS BILL**ACCOUNT NUMBER****DUE DATE**

08/25/2015

AMOUNT DUE NOW

708.33

AMOUNT DUE AFTER DUE DATENICOLE M CELLA
529 NORTH D STREET
OSKALOOSA IA

52577



Delta Dental of Iowa Financial Exhibit

Employer: OSKALOOSA WATER DEPARTMENT
Contact Name: CHAD COON
Contact Email:
Contract Period: December 1, 2015 to November 30, 2016

Group Number: 20206 000 00000 06540

Representative: MUTUAL MED INSURANCE SERVICES

CURRENT BENEFIT PLAN				MONTHLY DELTA DENTAL RATES			
Plan Code	206	Plan B with Ortho	Delta Dental Premier®	Non Par			
Annual Deductible:							
Per Person			\$25	\$50			
Per Family			\$75	\$150			
Deductible Applies to Diagnostic and Preventive			No	Yes			
Coinsurance Paid by Delta:							
Diagnostic and Preventive			100%	80%			
Basic			80%	60%			
Posterior Composites			50%	40%			
Endodontics			50%	40%			
Periodontics			50%	40%			
Major Restorative			50%	40%			
Prosthetic Repairs and Adjustments			80%	60%			
Prosthetics			50%	40%			
Orthodontics			50%	50%			
Annual Benefit Maximum Per Person			\$2,000	\$2,000			
Orthodontic Lifetime Maximum			\$1,500	\$1,500			
Annual Maximum Carryover - To Go SM							
*This is a summary of your benefits. Please see your Benefit Certificate for a full description of benefits.							
					Changing Benefit Plan?		
					<p>If you would like to change your plan, please indicate the new plan code/name: _____</p>		
					<p>After receiving your request for changes, an updated Financial Exhibit will be provided.</p>		
					<p>E-mail: TeamReNEW@deltadentalia.com Fax: 888-337-5157 Phone: 877-423-3582</p>		

Important Message: This form must be signed, completed and returned. Please retain a copy of this form for your records.

Percent of Premium Contributed by Employer: Single: _____ Family: _____ Total Employees Eligible for Dental Benefits: _____

E-mail address for Billing Contact: _____ E-mail address for Group Administrator: _____

Group Administrator Signature: _____ Date: _____

RESOLUTION NO. 1504

RESOLUTION ESTABLISHING MINIMUM ACCOUNT RESERVE REQUIREMENTS FOR WATER DEPARTMENT FUNDS

WHEREAS the Oskaloosa Municipal Water Department has deemed it proper to establish a minimum account balance for Water Department funds sufficient to cover and address any unforeseen contingencies which may arise;

AND WHEREAS the Water Department Board has determined that the amount to be so maintained should be the amount of \$750,000.00, to be reviewed annually;

AND WHEREAS the Water Department Board wishes to memorialize its determination relative thereto;

NOW THEREFORE, BE IT RESOLVED by the Oskaloosa Municipal Water Department that the Department shall otherwise routinely maintain a minimum account fund balance of \$750,000.00 to cover and address any unforeseen contingencies which may arise. It is further resolved that said amount shall be reviewed annually as to the sufficiency thereof, and that if the Board fails to take any formal action relative to adjustment of said amount, that the prior year's determined amount shall continue to control.

PASSED AND APPROVED this _____ day of _____ 2015.

Mike Vore, Board of Trustees Chair

ATTEST: _____
Chad Coon, Oskaloosa Municipal Water Department

CHAPTER 28E AGREEMENT

BETWEEN THE CITY OF OSKALOOSA, IOWA, AND THE OSKALOOSA MUNICIPAL WATER BOARD OF TRUSTEES

This Chapter 28E Agreement (the "Agreement") dated as of _____, 2015, is between the City of Oskaloosa, Iowa, a municipal corporation (the "CITY"), whose address is 220 S. Market Street, Oskaloosa, Iowa 52577, and Oskaloosa Municipal Water Department and the Oskaloosa Municipal Water Board of Trustees ("OMWD"), whose address is 1208 South 7th Street, Oskaloosa, Iowa 52577; together "Parties."

RECITALS

WHEREAS, CITY is the owner of a municipal wastewater collection, treatment and disposal system, which system includes sanitary sewer and storm water, as described in Exhibit A to this Agreement (the "Facilities"); and

WHEREAS, OMWD is a municipal water utility established and operating in the City of Oskaloosa, Iowa pursuant to Chapter 388 of the Iowa Code and other applicable statutes; and

WHEREAS, CITY desires to engage OMWD to operate and maintain the Facilities on behalf of CITY and OMWD desires to accept such engagement, all upon the terms and conditions hereafter set forth; and

WHEREAS, City and OMWD each have powers, capabilities and facilities that can be further shared to support their respective needs on a mutually beneficial basis in the public interest, and OMWD and City have now determined that it would be in the best interest of each of them for OMWD to serve wastewater customers as well as water customers within the City directly and

otherwise operate the wastewater system serving City and any surrounding areas that City currently serves, or has the right to serve; and

WHEREASE, CITY and OMWD are authorized by law to enter into this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the Parties agree as follows:

Joint Exercise of Powers Under
Chapter 28E of the Code of Iowa

Pursuant to Chapter 28E of the Code of Iowa, the parties state that the purpose of this Agreement is to coordinate the exercise of the respective powers of the City and the OMWD regarding wastewater service in and around City, together with related billing services. The Agreement shall also be deemed a contract for services under Section 384.84(8)(a), Code of Iowa.

During the term hereof, OMWD shall serve wastewater customers located in the City, and all surrounding areas that City has a right to serve, now existing or hereafter arising during the Term of this Agreement, including those areas which the City has a right to serve under its agreements with other governmental entities (the "City Service Territory"). Such customers shall be considered the direct customers of OMWD. OMWD's services shall be provided pursuant to the authority of Chapter 388, Code of Iowa, Section 364.4, Code of Iowa, and Section 384.84(8)(a), Code of Iowa. OMWD shall also provide joint utility billing service pursuant to Section 384.84(8)(b), Code of Iowa, as provided herein.

City authorizes OMWD to exercise all of City's powers to serve wastewater customers within the City Service Territory, including, but not limited to, the power to provide service; to expand and improve availability of service; to maintain, to replace, to service and to build sewer

and wastewater treatment facilities; to bill and collect for connection and service; to impose fees, liens and charges for nonpayment of service; and to discontinue service in the event of nonpayment or other delinquency with respect to the combined service accounts as herein provided. City further authorizes OMWD to submit joint bills for water service and wastewater service, together with bills for other city enterprise services, to the extent requested by City.

This Agreement shall be effective, after its approval and execution by both parties and it's filing with the Secretary of State, on October 1, 2015, (the "Effective Date").

No separate entity is created hereby. The administrators of this Agreement shall be the City Manager of the City and the General Manager of the OMWD.

No joint property shall be acquired, held or disposed of hereunder. Each party shall at all times hold and own its respective properties, before and after termination. Except as otherwise set out herein, each party shall be solely authorized to supervise, direct, and manage its own activities and the activities of its respective employees and agents hereunder. Except as otherwise set out herein, each party shall retain sole responsibility and liability for its own acts and omissions hereunder and for the acts and omissions of its respective employees and agents hereunder, specifically city employees performing wastewater services.

ARTICLE I - SCOPE OF SERVICES

1.1 Commencing on October 1, 2015, or such other date mutually acceptable in writing to OMWD and CITY (the "Effective Date"), OMWD will provide all routine operation and maintenance of CITY's Facilities on a seven (7) day per week basis within the design capacity of the Facilities as described in Exhibit A to this Agreement ("Description of Facilities"). The routine operation and maintenance services to be provided by OMWD are further described in Exhibit B of this Agreement.

1.2 Commencing with the Effective Date of this Agreement, OMWD shall implement its standard operating procedures. Within one hundred eighty (180) days after the Effective Date of this Agreement, OMWD shall place into operation preventive maintenance and process control programs, including documentation of operation and maintenance procedures conducted for the wastewater utility system and a written analysis of the condition of all equipment in the Facilities together with a prioritized list of needed repairs. Such records shall be available for inspection by CITY at all reasonable times.

1.3 Using the CITY wastewater system staff who are employed by the City as of the date of this Agreement for as long as such staff is employed by the CITY, OMWD will be responsible to perform operation and maintenance of the Facilities on behalf and within approved budget parameters of CITY. At such time as each CITY staff member is no longer available, OMWD will be responsible for providing the necessary and qualified OMWD staff within approved budget parameters of CITY. Staffing of Facilities shall accommodate on call, twenty-four hours per day, seven days per week, for emergency situations. The CITY will be responsible for all actual expenses associated with the operation, maintenance and repair to the facility. Personnel expenses initially incurred by OMWD to perform operation and maintenance of the Facilities will be recovered from CITY as outlined in Section 4.1 of this Agreement.

1.4 OMWD shall comply with CITY's procurement policy for expenditures necessary to preserve, operate and maintain the Facilities. OMWD shall comply with public purchasing requirements as stated in the Code of Iowa as well as the requirements outlined in CITY's adopted procurement policy. CITY shall maintain final authority on all expenditures to preserve, operate and maintain the Facilities.

1.5 OMWD and CITY agree that two elected officials from the Mayor and City Council, as

well as the Oskaloosa City Manager shall attend OMWD board meetings for the purpose of providing advice on water and sewer operational and capital planning efforts managed by OMWD. The CITY representatives shall be ex-officio representatives, and will participate during OMWD meetings as if they are part of the OMWD board, less any official voting authority. The CITY representatives and OMWD shall be committed to identifying and developing operational and capital planning best practices, shared service opportunities, the creation of performance measurement standards, and other items that enhance the effectiveness and efficiency of water and sewer service delivery by OMWD.

OMWD and CITY further agree to take the necessary steps to expand the OMWD membership from three (3) to five members within one hundred and eighty (180) days from the filing of this Agreement.

1.6 OMWD shall advise CITY and serve as CITY's liaison to regulatory agencies and industrial users in matters related to the operation of the Facilities. However, OMWD will not act as, or provide, legal counsel in this capacity.

1.7 OMWD will supervise all regulatory compliance and facilitate financial transactions pertaining to the day-to-day operation of the Facilities on behalf of CITY. Subject to the limitations of this Section, OMWD shall operate the Facilities in compliance with local, state and federal regulatory requirements. In no event shall OMWD be responsible for the payment of state or federal fines imposed or damages, attorney fees, and court costs awarded as a result of actions, inactions, process upsets or violations which occurred prior to or existed on the Effective Date of this Agreement, and which are not due solely to the negligence of OMWD, nor shall OMWD be responsible for payment of any fines, penalties, damages or attorney's fees resulting from requirements not expressly assumed by OMWD herein, including any reporting requirements.

1.8 OMWD shall exercise the due care in performing its obligations and duties under this Agreement which is normally and reasonably provided with respect to similar contract services.

1.9 OMWD will provide and maintain at all times during the term of this Agreement the following minimum insurance coverage:

(a) Statutory Workers' Compensation Insurance in compliance with the laws of the state of Iowa which has jurisdiction of OMWD employees engaged in the performance of services hereunder; together with Employers Liability coverage in the amount of \$500,000 for each incident;

(b) General liability coverage of at least \$1,000,000 per occurrence and \$2,000,000 aggregate, for bodily injury and property damage with CITY named as additional insured;

(c) Umbrella liability coverage of at least \$4,000,000 is provided in addition to the statutory workman's compensation requirement, basic general liability or auto liability coverage noted above.

City shall be a named insured. OMWD will furnish CITY with Certificates of Insurance as evidence that policies providing the required coverage and limits are in full force and effect. Such policies shall provide that no less than thirty (30) days' advance notice of cancellation, termination or alteration shall be sent directly to OMWD and CITY.

ARTICLE II - RESPONSIBILITIES OF CITY

2.1 As part of this Agreement CITY agrees to assume the following responsibilities:

(a) CITY shall maintain in full force and effect, in accordance with their respective terms, all guarantees, warranties, easements, permits, licenses and other similar approvals and consents received or granted to CITY as owner of all Facilities and component parts thereof;

(b) CITY shall be responsible for all capital replacement and maintenance/repair expenditures (except for the labor provided by OMWD) that CITY determines necessary and required, provided that OMWD will first be consulted for justification and need;

(c) CITY shall be responsible for filing, obtaining, and maintaining the current NPDES permit for discharge of wastewater; and for filing all required reports under the Emergency Planning and Community Right-To-Know Act or any other statute or authority; provided, however, OMWD shall assist CITY with preparing these filings prior to required filing dates and deadlines. OMWD shall provide ongoing assistance regarding the maintenance of these permits for CITY;

(d) CITY shall at all times provide access to the Facilities for OMWD, its agents and employees;

(e) CITY shall provide OMWD the use of all existing equipment owned by CITY, necessary for the operation and maintenance of the Facilities;

(f) CITY shall be responsible for all fines imposed for process upsets and violations of discharge limits attributable to the operation and maintenance of the Facilities to the extent set forth in Section 1.7 as well as fines imposed for failure to report as

required by Section 2.1(c).;

(g) CITY shall designate the Oskaloosa City Manager to act as a primary liaison with OMWD in connection with the performance of services by OMWD under this Agreement; the Oskaloosa Public Works Director or City Engineer shall act as a secondary liaison with OWMD; and

(h) CITY shall bear all costs incurred as a result of regulatory requirements not in effect on the Effective Date of this Agreement.

2.2 CITY shall maintain in full force and effect all existing policies of property and general liability insurance pertaining to the Facilities. CITY shall furnish OMWD with Certificates of Insurance as evidence that such policies are in full force and effect under such policies. Such policies shall provide that no less than thirty (30) days advance notice of cancellation, termination or alteration shall be sent directly to OMWD and CITY.

2.3 To the extent allowed by law, CITY shall indemnify and hold OMWD, its officers, employees and agents, harmless under this Agreement for any and all claims, damages, costs or expenses caused by malfunction or failure of the Facilities or any components thereof or other liability or loss including injury, death, or damages to any person or property related in any way to the performance of this Agreement to the extent such claims, damages, costs, expenses, liability or loss are caused by the negligent acts, errors or omissions of CITY. Additionally, to the extent allowed by law, CITY shall indemnify OMWD, its officers, employees and agents harmless for any and all fines, penalties, attorney's fees and damages resulting from CITY's failure to comply with permitting, reporting or other statutory or regulatory requirements which are the responsibility of the CITY. This provision shall survive the termination of this Agreement.

ARTICLE III - RESPONSIBILITIES OF OMWD

3.1 OMWD shall indemnify and hold CITY, its officers, employees and agents, harmless under this Agreement for all claims, damages, costs or expenses caused by malfunction or failure of the Facilities or any components thereof or other liability or loss including injury, death, or damages to any person or property related in any way to the performance of this Agreement to the extent such claims, damages, costs, expenses, liability or loss are caused by the negligent acts, errors or omissions of OMWD. This provision shall survive the termination of this Agreement.

ARTICLE IV - COMPENSATION

4.1 As compensation for services rendered by OMWD pursuant to this Agreement, CITY shall pay to OMWD the sum of \$_____ per month during the first twelve (12) months of this Agreement, commencing with the Effective Date. The monthly payment shall be due and payable on the _____ day of the month in which services are to be rendered. All other compensation to OMWD is due upon receipt of OMWD's invoice and payable within thirty (30) days of the date of the invoice.

4.2 The monthly compensation provided in Section 4.1 shall be reviewed quarterly and adjusted upon the adoption or amendment of the city's budget, or no less than on July of each year, beginning on July 1, 2016. The basis for the annual adjustment shall be the change projected or actual expenses to provide CITY with services contemplated in this Agreement such as labor or maintenance/repair. Any proposed adjustments to the monthly billing amount shall require approval of the CITY as part of the annual budget adoption or amendment process.

ARTICLE V - TERM OF AGREEMENT

5.1 This Agreement shall remain in full force and effect for five (5) years from the

Effective Date. The Agreement shall be automatically renewed for successive terms of one (1) year each unless written notice of cancellation is given by either party to the other no less than ninety (90) days prior to the date of expiration of the then current period.

ARTICLE VI - TERMINATION

6.1 This Agreement may be terminated by either party in the event of the other party's breach of a material term of the Agreement, by the first party's giving written notice of such breach and the second party's failure to correct within thirty (30) days of receipt of such notice.

6.2 OMWD shall not be in breach under this Agreement for its failure to perform its obligations under this Agreement, to the extent that the performance of such obligations is prevented or delayed by any event which is beyond the reasonable control of OMWD, including but not limited to Acts of God, strikes, labor disputes, and unavailability of parts. In the event OMWD claims that its performance is prevented or delayed by any such event, OMWD will promptly notify CITY of that fact and the circumstances preventing or delaying its performance.

6.3 This Agreement may be mutually terminated by the Parties if the following occurs:

- (a) Written recommendation for mutual termination is provided to the Parties by the OMWD and CITY ex-officio members;
- (b) Resolution for mutual termination is passed by a majority vote of OMWD; and
- (c) Resolution for mutual termination is passed by a supermajority vote of CITY.

In the event the Agreement is mutually terminated, OMWD and CITY ex-officio members, including the Oskaloosa City Manager shall be charged with creating a utility services transition plan to be implemented prior to termination of this Agreement. The utility services transition plan shall outline how water and wastewater services outlined in this Agreement will be provided

in an alternative manner as to limit or eliminate potential interruptions of, and increase of, cost of services provided to the public.

ARTICLE VII - MISCELLANEOUS

7.1 Any temporary or portable equipment which is provided by OMWD during the term of this Agreement and which is not deemed part of the Facilities shall remain the property of OMWD upon termination of this Agreement. Joint capital expenditures by CITY and OMWD may occur from time to time. In the event a joint purchase item is disposed or the Agreement is terminated, the proceeds of the disposed item shall be equally distributed in the same manner as it was acquired. In the event of a termination or non-renewal, CITY reserves the right to purchase OMWD's share of any purchase that was made jointly by taking current market value of the item and compensating OMWD its proportionate share. An emergency exists when expenditures are necessary to continue operation of CITY's Facilities or to provide for public health, safety or environmental protection. If there is an emergency, OMWD shall provide CITY with verbal notice of the need for the capital replacement expenditure as soon as possible and proceed in accordance with Section 1.4 of this Agreement.

7.2 This Agreement represents the entire agreement of the Parties and may only be modified or amended in writing, signed by the Parties.

7.3 Written notices required to be given under this Agreement shall be deemed given when hand-delivered or mailed by overnight mail to OMWD, Attention: Board of Trustees, and to CITY, Attention: City Clerk, at the addresses set forth for each in the opening paragraph of this Agreement.

7.4 This Agreement shall be governed by, and construed in accordance with, the laws of the state of Iowa.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date first above written.

OSKALOOSA MUNICIPAL WATER DEPARTMENT

CITY OF OSKALOOSA, IOWA

Board Chair

Mayor

Attest: _____

Attest: _____
City Clerk

EXHIBIT A

Description of Facilities

For purposes of this Agreement, the following water/wastewater utility components are included:

1. **WASTEWATER SYSTEM:** Generally speaking this includes all publicly owned manholes, lift stations, retention/detention basins, collection system pipes, easements, discharge points, the activated sludge treatment facility, the trickling filter treatment facility, wastewater utility equipment, materials and supplies, and other property presently maintained or operated by the wastewater utility.

EXHIBIT B

Services to be Provided by OMWD

Except as otherwise provided in the Agreement, and subject to the limitations set forth therein, OMWD shall provide the following services to CITY in connection with the Facilities:

1. Provide the personnel necessary to safely manage, operate, and maintain the CITY's wastewater collection system (including the lift stations) and treatment facilities (activated sludge and trickling filter plants) to achieve optimum performance and to maintain equipment for system integrity, within the CITY's budgeted resources and EPA and DNR standards.
2. Provide the personnel necessary to manage, operate and maintain the Oskaloosa Food Products Corporation pretreatment facility (SBR plant) in the event an agreement is reached between the industry and the CITY requiring daily facility management.
3. Provide technical training to the wastewater operators on treatment process, preventive maintenance techniques, and safety awareness, including the continuing education units (CEU's) necessary for the operating personnel to maintain their licenses.
4. Monitor, sample, analyze, and report as required by the Iowa Department of Natural Resources (IDNR) with respect to the NPDES permit #6273001 issued on 11/15/2002 and #6273002 issued on 11/21/2002 for wastewater treatment. For the testing required by the NPDES permit (both influent and effluent CBOD, TSS, ammonia, pH, settleable solids, DO, temperature, toxicity, chlorine, alkalinity, volatile acids, MLSS, coliform, nitrogen, phosphorus), OMWD shall collect samples and perform tests on-site depending on available equipment with the CITY being responsible for the cost of the

equipment and supplies. For any additional testing required by the regulatory agencies but not part of the current NPDES permit, OMWD shall notify CITY, collect the samples and perform the testing. If an outside laboratory is needed, the CITY shall be responsible for the cost of shipping the samples along with the cost of the laboratory analysis. The same terms shall apply to any new NPDES permit(s) issued by the IDNR for the CITY.

5. Serve as liaison between the CITY and the DNR and the federal EPA in matters relating to compliance with water quality and discharge requirements, and other liaison activities, as required.
6. Complete the transfer of sludge from the industrial treatment plant to the CITY's plant, as needed, using the CITY's equipment, and complete the disposal of the sludge from the CITY's wastewater treatment plant to the approved disposal sites; prepare billing for services provided as outlined in the Oskaloosa Municipal Code.
7. Implement the use of a comprehensive, preventative maintenance program in an attempt to ensure the projected life expectancy of plant equipment, and will enforce existing equipment warranties and guarantees, and maintain all warranties on any new equipment purchased after the effective date of this Agreement.
8. Coordinate any repairs to the collection system on behalf of the CITY in compliance with state and local procurement rules using approved contractors or in-house staff. All work shall comply with local, state and federal rules and regulations (e.g. permitting, environmental). OMWD shall ensure repair work its contractor shall also be responsible for the replacement and resurfacing of all streets or private property, with the CITY being responsible for its own expenses and those of its contractor.

9. Complete all sewer and storm water line locates of the portions of the system owned by the CITY and requested by the Iowa One Call System. Any fees necessary for the CITY to participate in this program shall remain the responsibility of the CITY. In addition, OMWD will inspect all new sewer taps of the CITY's interceptor lines.

10. Develop, implement and complete, using the CITY's equipment, a wastewater collection system cleaning program approved by the CITY, and maintain adequate records of the work completed. The program shall be designed to televise and clean the entire system one time over the life of this Agreement as well as more frequent cleaning of any identified trouble areas or as requested by CITY. OMWD will also respond to any reports of blocked lines and will attempt to clean them. If the CITY's equipment is not capable of removing any blockage, a contractor will be called to assist. The collected information shall become the property of the CITY.

11. Develop, implement and complete, using the CITY's equipment, a storm water system inspection and cleaning program approved by the CITY, and maintain adequate records of the work completed. The program shall be designed to televise and clean the entire system one time over the life of this Agreement as well as more frequent cleaning of any identified trouble areas or as requested by CITY. OMWD will also respond to any reports of blocked lines and will attempt to clean them. If the CITY's equipment is not capable of removing any blockage, a contractor will be called to assist. The collected information shall become the property of the CITY.

12. Implement a manhole inspection and mapping program by inspecting as many manholes as can be located within the first two years of this Agreement. All data will be documented and made available for inspection by the CITY. The collected information shall become the property of the CITY.

13. Maintain cleanliness of process equipment and building, and general appearance of all buildings and grounds, and will conduct operations such that nuisances of sight, sound, and odor are eliminated or minimized to the extent reasonably possible. Using the CITY's equipment, OMWD shall be responsible for mowing and snow removal at all wastewater sites.
14. Conduct annual fat, oil and grease (FOG) inspection program as required by local, state and federal regulations.
15. Conduct land sludge application and reporting on an annual basis utilizing the most cost effective and prudent means to accomplish the task – contractor assisted or with existing staff.
16. Maintain and report septage discharge at the Facilities on behalf of CITY; present septage discharge requests to the CITY for acceptance or rejection.
17. Secure and properly protect the Facilities within the limits of available security devices provided by CITY.
18. Provide a monthly and annual, written report to designated officials of the CITY, summarizing performance of the Facilities including but not limited to, production, flows, treatment compliance, major projects or accomplishments, and preventive and corrective maintenance activities for the month.
19. Comply with all applicable city, state, and federal laws, regulation, and administrative rules.

20. Use a professional manner in dealing with community groups concerned with any facet of the operation, including tours and other public relations programs.
21. Coordinate and cooperate with the CITY's engineer and contractors to facilitate the completion of any expansion or improvement to the facilities.
22. Serve as a liaison between the CITY and any new or existing major contributing industries, and provide technical assistance to the CITY in consultation to existing industries and to any new industries, in matters relating to their pretreatment process, or agreements with the CITY and DNR.
23. Provide assistance to the CITY for the following:
 - a. Five-Year Wastewater Capital Improvements Assessment and O&M Budgeting Assistance, updated annually
 - b. Inflow/Infiltration (I/I) Analysis and reduction for the Facilities
 - c. Industrial Pre-Treatment Investigation
 - d. Laboratory Quality Assurance and Quality Control (QA/QC) Program
24. Provide the necessary information to complete all forms required through the administration of the wastewater treatment and storm water management systems.
25. OMWD shall bill customers for wastewater system services in OMWD's own name. Customers shall in all respects be treated by OMWD and City following OMWD's Rules and Regulations and billing and collection practices. OMWD therefore agrees that City's consumers shall have the same rights and privileges as water consumers located within the City of Oskaloosa.



We Make Sourcing Your Maintenance, Repair and Operations Supplies Easier



TCPN (The Cooperative Purchasing Network)

- Discounted Pricing**
- Free Freight**
- True Vendor Managed Inventory Solutions**
- Industry-Leading Technical Support**
- Fast Shipments/High Fill-Rates**

The Cooperative Purchasing Network (TCPN) is a national governmental purchasing cooperative that offers competitively bid and awarded contracts. TCPN vendors include local, regional, and national vendors for commonly purchased products and services, allowing government entities to make compliant purchases at a valued rate.

Participating in the cooperative buying power of more than 42,000 entities allows you to pay less for products and reduce administrative costs, which helps you do more with less. So why is TCPN so effective at creating more economical buying opportunities for you? Because TCPN and Lawson offer strength in numbers and years of government purchasing experience, assuring you of confidence in every contract.

- Contracts are competitive bid, evaluated and awarded by a government entity acting as the lead agency.
- Contracts are written with painstaking care, ensuring maximum value and absolute security.
- The contract process was developed by experienced government purchasing professionals and procurement law attorneys.
- Contracts are actively monitored through third-party audits.
- TCPN's lead agency maintains ISO 9001:2008 certification for bid process consistency.

TCPN Contract for Maintenance, Repair, Operations Supplies and Related Services

Contract #R142103

This contract can be utilized by all state and local governments, all tax supported entities, and nonprofit agencies including:

- Cities, Counties and other Local Governments
- Political Subdivisions and Planning Commissions
- School Districts, Colleges and Universities
- Emergency Medical Services and Fire Districts
- Hospitals and Hospital Districts
- Special Law Enforcement Jurisdictions
- Judicial Courts and Districts
- Utility Districts
- State Agencies
- Nonprofits

Your Key Contact

Lawson Products
 Government Customer Care
 Call: 800.890.8198
 Fax: 312.267.1734
 E-mail: govsales@lawsonproducts.com



Get to Know TCPN

Who is TCPN?

TCPN is a national purchasing cooperative that ensures equal pricing for its members—whether they are a small entity or a large buyer. TCPN bids and awards contracts to national vendors as mandated by state procurement laws and regulations. Proceeds benefit Region 4 Education Service Center to improve education across all 50 states.

What is cooperative purchasing?

Cooperative purchasing, also known as piggy-backing, is a procurement method where a government agency has already gone through the procurement process and awarded a contract to one or more vendors for a particular product or service. The contract can be utilized by other government agencies on the same terms and conditions. Piggy-backing has been proven to reduce administrative and product cost, increase efficiencies, and stretch shrinking budgets during difficult times.

Who can buy from TCPN?

Current participants include state and local government entities as well as nonprofit organizations in all 50 states, including school districts, colleges and universities; cities, municipalities, and counties; state agencies; churches and charitable organizations.

Why should I buy from TCPN instead of buying direct?

Not only does TCPN provide quick and efficient delivery of goods and services, but it equalizes purchasing power. So whether you are a small entity or a large buyer, you will pay low and fair prices. Plus, your TCPN Contract includes bins and cabinets for all members.

Ordering is Easy:

On-Site Your Lawson Representative

On the Phone Government Customer Care **800.890.8198**

Email govsales@lawsonproducts.com

Fax **312.267.1734**

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52% OFF CHEMICALS



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33% OFF CUTTING TOOLS



54% OFF FLUID POWER



68% OFF ELECTRICAL



25% OFF SHOP SUPPLIES



43% OFF AUTOMOTIVE



49% OFF MATERIAL HANDLING



49% OFF HAND AND POWER TOOLS



24% OFF WELDING



33% OFF ABRASIVES



18% OFF CABINETS

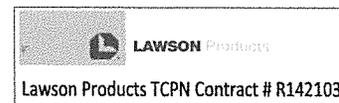


This TCPN Cooperative Purchasing Membership Agreement will allow a Member Agency to purchase commodities and/or services, from any and all TCPN Official Contract Holders, under the same terms, conditions and price as stated in each awarded contract. It is hereby agreed to by TCPN and the Member Agency that:

1. TCPN has followed procurement procedures for products and/or services offered by this Agreement in accordance with TCPNs governing procurement statutes and regulations.
2. It is the sole responsibility of each Member Agency to follow their state procurement statutes as it pertains to cooperative purchasing, or joint power agreements, with in-state or out-of-state public agencies.
3. TCPN makes their cooperative purchasing contracts available to Member Agencies "as is," and is under no obligation to revise the terms, conditions, scope, price, and/or any other conditions of the contract for the benefit of the Member Agency.
4. The use of each contract by the Member Agency shall adhere to the terms and conditions of the TCPN contract, including the order placement procedures provided by each Official Contract Holder.
5. It is the sole responsibility of the Member Agency to accept delivery of products and/or services, and the Member Agency hereby agrees to make timely payments to each Official Contract Holder for products and/or services received pursuant to this Agreement. Any dispute which may arise between the Member Agency and the Official Contract Holder are to be resolved between the Member Agency and the Official Contract Holder. TCPN will make every effort to facilitate a favorable remedy for both parties.
6. This Agreement incorporates all Agreements, covenants and understandings between TCPN and the Member Agency. No prior Agreement or understanding, verbal or otherwise, by the parties or their agents, shall be valid or enforceable unless embodied in this Agreement. This Agreement shall not be altered, changed or amended except by written revision or addendum executed by both parties.
7. This Agreement between TCPN and the Member Agency shall be presided over by TCPN governing law and jurisdiction, and shall become effective immediately and remain in effect unless terminated by either party with thirty (30) days written notice to the other party. Any such notice shall be sent to the address listed below.

I HAVE READ AND AGREE TO THE TCPN COOPERATIVE PURCHASING MEMBERSHIP AGREEMENT TERMS AND CONDITIONS.

Authorized Agent's Signature



Date: _____

Member Agency: _____

Department Name: _____

Agency Type: _____

Federal EIN/TIN: _____

ex. 123456789 (no dash)

First Name: _____

Last Name: _____

Street Address: _____

City: _____

State/Territory: _____

Zip Code: _____

Telephone: _____

ex. 123-456-7890

Fax: _____

ex. 123-456-7890

Email: _____

How did you hear about us?
Please take a moment to tell us where you heard about TCPN.
If it was at a conference, from a vendor, in a magazine, or another TCPN member, please give us the specific name.

Through Lawson Products, a TCPN Vendor. Lawson Products TPCN Contract # R142103.

