

**MINUTE RECORD**  
**Regular Council Meeting City of Haven**  
**Held at Haven Community Building**

**Meeting: REGULAR**

**Date: October 5, 2009**

**THE CITY COUNCIL MEETING IN REGULAR SESSION WAS CALLED TO ORDER AT 7:00 PM BY CODY R. LITTLESTAR, MAYOR WITH THE FOLLOWING COUNCIL MEMBERS PRESENT:**

**Council Member: Jeff Stringer**

**Council Member: Don Ford**

**Council Member: John Mitchell**

**Council Member: Amy Hirst**

**Council Member: Paula Scott**

**ABSENT:**

**Others: Sonia Yutzy, Leslie Warden, Allen Blake, Lloyd Schmidt, Emil Savaiano, Bob Lickey, Doug Fisher, Bill Thomas, Troy Long, Dale Martin, Don Huston, Ron Ferguson, Irma Perriman, Letha Oldenettel, Norma Goodwin, Don Bogner, Victor Steffen, Jr., Vernelle Voth, Kim Littlejohn, Michael Littlejohn, Willis Wilson, Phillip Fishburn.**

There were neither requests from the public for additions to the agenda nor any public comment provided regarding any subject other than the water project.

**Review of Plans for Possible Water Project**

*Needs:*

City Administrator Allen Blake began by addressing the deficiencies of the City of Haven's status quo water system.

For some time, we have had nitrate problems with our water. The KDHE's nitrate level limit is 10ppm. In 1997, the City had four wells that met the KDHE's standard. Then one well's nitrates jumped to 13ppm, and in 1999, nitrates in a separate well increased to 30ppm, leaving the City with only two usable wells. The source of the nitrates was never really pinpointed and therefore no real solution was implemented. In certain circumstances, having only two usable wells could be quite alarming for the City.

Under our current system, water to the entire town must be shut off when repairs are made. This has long been an item of public dismay.

Our current water tower was erected in 1922, according to Blake, and though its capacity (50,000 gallons) was probably extremely sufficient then, it's now inadequate. Our water tower is well maintained and in good condition, but if the tower had to be used, the water would be drained in about eight hours. The recommended reserve is 1 – 4 days. If we had a power outage, we would not have sufficient reserve capacity.

Fire protection is also an issue. When the fire occurred at Straw Weavers, there was insufficient water and water pressure for fire protection. Water had to be brought in from outside to assist with battling the blaze.

To obtain more clean water, we could mix water from one well with water from another well. However, we would still need additional hardware to do so with our current water pumps.

In some of the recent additions of town, water mains are not available at all, leaving them without flow for fire protection. Furthermore, if we ever plan to implement water treatment or to blend the water, it would

be necessary to bring the water to a centrally located water tower. Additional water mains would need to be installed for this to happen.

Blake said the most important things to consider when looking at our water supply are quality and reliability. We want clean water in a supply we can count on.

Previously, the Council discussed implementing the water project in stages and funding it with a twenty year KDHE revolving loan. Right now the City has the opportunity to have the project done up front and fund it with a \$4.7 million forty-year loan and \$630,000 grant from USDA Rural Development. The cost to each customer would vary depending on water usage, but it would cost the average water user (5,000 gallons per month) an estimated increase of \$20 / month.

*Improvements:*

Willis Wilson from Aquatech Engineering discussed the proposed improvements to the water system. New valves would be installed so zones of the city could be isolated when repairs were necessary. This would eliminate the need for the entire town to be shut off for water repairs. Some new 8" lines would be installed around the high school area, and there would be looping of 8" lines in the industrial and southwest parts of the community.

Right now the City has well #3 and well #7 in production. The City looked at drilling another well in the past, but results of the test drill showed excessive nitrate levels. Still, the City needs to add a new well, especially based on our population. According to Wilson, if our largest well went out of service, it could not operate at maximum capacity at the highest demand time.

If we had a centrally located system, we could blend water from all of the wells to obtain water deemed safe by the KDHE. However, wells #3, #4, and #6 do not have the ability to perform the required chlorine disinfection.

Wilson noted that a sufficient water tower should be able to provide for the maximum daily usage at the highest demand time, contain adequate emergency reserves, and provide good fire protection flow. To meet these standards, the plan currently calls for an elevated 400,000-gallon water tower.

Phillip Fishburn of Midwest Assistance Program addressed the Council and public regarding the water project under consideration. He would be a key player in aiding the City with the process of the USDA Rural Development Loan. Fishburn said the City is faced today with a generational decision, and he applauded the Council for examining the issue in depth. He discussed a handout called "The Decision Triangle." Flexibility is key, he pointed out, encouraging all to remember that there is always more than one option.

Fishburn also passed out to the Council a handout regarding the process of a consumer and governing body moving to resolution. He said we should choose improvements that have a long asset-life, implement good plans for maintenance and take the pro-active approach.

The Rural Development program would provide the City of Haven with a forty-year loan and no penalty for early pay-off. This would translate to a lower per household cost than a 20-year loan. The total bartering cost is high, however. Fishburn pointed out that the City couldn't technically borrow money. We would issue bonds through the State of Kansas, and then Rural Development would purchase and be the sole holder of the bonds.

For many years, Haven could not qualify for Rural Development's assistance because our median household income (MHI) was too great. According to Fishburn's handout called "An Opportunity For A Generation," the MHI cut off for the loan and 45% grant is \$38,859, and the most recent census indicates our MHI is \$38,239. If we do not act now, it is likely that the 2010 Census will show Haven's MHI too great to qualify.

Fishburn warned the City about the effect of inflation on project costs should they choose to hold off. He provided a handout on inflation and future cost projections and said that communities with stagnant population growth should carefully consider the inflation factor.

Usually the Rural Development program has only limited funds available for funding grants. However, federal stimulus money has given them more money to loan and grant. However, that money, too, will only last until either it is depleted or September 2010. Currently, 45% of the federal stimulus money allotted to Rural Development has been committed to projects.

Fishburn pointed out that a recent Farm Bill has positively affected the Rural Development program, allowing them to offer historically low interest rates.

At 7:47 PM, City Administrator Allen Blake announced the meeting open for public comments and questions.

*Lloyd Schmidt* said he thought it best not to drill another well near the lagoon. Chances are we could find better water east of town, and it would be worth it even if it cost a little more. He said he did not want the City to do so much that we could not work on our electrical system, and he stressed the importance of looping the water lines.

*Don Huston* said a 400,000-gallon water tower would be excessive. If we had a tower that large, the water would get stagnant because of lack of usage. He furthered that contrary to Blake's claims the current water tower is indeed adequate enough for fire protection and that he'd be curious to find out what the state fire marshal had to say about our water tower / pressure at his last inspection. He felt that installing valves would be a waste of time because they won't get exercised and cited that the current valves don't get exercised. Contrary to Wilson's facts, Huston noted that there is a 6" line from #4 well to town. In fact, Huston advised there are two lines – a 4" and a 6". In Huston's opinion, what we really need is a nitrate filtering system. He pointed this out to Allen Blake a long time ago, but Blake said it was too expensive. Now here we are considering a \$4.7 million project. He said the City needs to use some common sense; a water tower of half the capacity proposed would be sufficient. At that point, Blake advised Huston that he had expended his five minutes of public comment and asked him to summarize and close. Huston said he thought the mayor was moderating the meeting. Blake then advised Mayor Littlestar that Huston's time had elapsed. Littlestar advised Huston of the same, at which time he promptly returned to his seat.

*Sonia Yutzy* inquired as to the average size and smallest size of the water lines in Haven.

*Bill Thomas* donated his public comment time to Don Huston. Mayor Littlestar approved the same.

*Don Huston* delivered his career history with the City of Haven and stressed the importance of maintenance. He said that things will fall apart if we do not maintain them and that we currently do a poor job of maintaining things. If he were looking to move somewhere, Huston insisted he would not move to Haven.

*Ron Ferguson* wanted to know if the City is currently performing maintenance on the valves and water system. He discouraged the City from utilizing any Federal money because our grandchildren will have to pay for it. Ferguson suggested we look into alternative systems instead of using more polluted water. Specifically, he referred to rainwater collection. He said there are lots of metal buildings in town we could collect water from, and a rainwater collection system would be easy to maintain.

Willis Wilson of Aquatech Engineering addressed the concerns regarding well location. He said the currently prospective well location near the lagoon is indeed safe. The KDHE requires a water well to be at least 300 feet away from a lagoon, and the test well there has shown nitrate levels well under the KDHE's limit. However, he stressed that this may not be the final location and this could certainly be revisited. It was also pointed out that the lagoons were built to prevent seepage and discharge, and the monitoring wells were drilled for the purpose of monitoring the same.

In terms of looping, Wilson said the line between Kansas and Reno will be looped, and this loop will increase the water volume tremendously.

In regards to the tower size and adequate fire protection flow, Blake said the state fire marshal did come this year, but he doesn't remember what the report said. Wilson said that cutting the size of the water tower in half would not cut the cost in half. Additionally, water in the new tower would not become stagnant because it is built differently than our current tower. It fills from the top and releases from the bottom to keep water circulating.

Blake informed the Council and public that the City would need an exercise program for the new water system and its valves. We do have one now for the current system. The fire department was doing it, but now the City does it. He conceded that we do have some valves installed in the City. However, their locations are poor so they don't really do anything.

Blake noted that water treatment is expensive. It's not the initial cost that is so terrible but rather the ongoing cost. Wilson discussed the mechanics of a nitrate removal system and pointed out that it would produce a wastewater stream. A reverse osmosis system requires 1000 – 1500 gallons of additional water to produce 1000 gallons of clean water and still leaves behind a salt-laden stream. According to Wilson, the preferred and cheapest, proven method of obtaining water is to have a well with clean, reliable water. Blake furthered that in order to treat our water it would still have to all be brought to a central location; the City is not ignoring the idea that the water will eventually have to be treated. This is why the plan involves installing water mains to bring the water to a centrally located water tower. Additionally, Littlestar noted that two treatment systems would have to be installed so that a back up is available should the primary require repair or replacement.

Blake and Wilson provided answers to Yutzy's questions. The water line sizes vary from 2" to 8". The newest lines are 8".

Wilson provided some requested statistics. In 2008, the City used an average of 132 gallons per minute, which equates to 190,000 gallons per day. On the maximum use day, 264 gallons per minute were used. In the maximum use hour, 800 gallons were expended.

As far as using Federal money, Blake pointed out that if we don't use it, someone will, and in the end, we'll still end up paying for it. Though this may not morally justify it, its availability now does look advantageous for the City.

Wilson said he did not think rainwater collection would be a feasible solution to the City of Haven's water needs. If one source becomes contaminated, then the remaining sources get overwhelmed. The water would likely still require treatment. Ron Ferguson said that the rainwater collected is cleaner than the "polluted water" we use now. Mayor Littlestar responded that the water we have problems with is not necessarily "polluted." It just doesn't meet the KDHE's nitrate standards. Secondly, we do not use water that does not meet KDHE's nitrate standards.

The future of the current water tower has not been decided. Blake said that since scrap metal prices are low now, we would probably continue to use it and allow it to remain.

Ron Ferguson wanted to know why we should waste more money on drilling wells if we know that treatment of the water is inevitable. Mayor Littlestar noted, as the engineer previously pointed out, that treatment is the last option, if all else fails.

Phillip Fishburn said another option the City should consider is becoming part of or creating a wholesale water district. This is where different communities come together to collectively absorb the cost of a centrally located treatment facility.

Council member Paula Scott asked Fishburn where Haven's eligibility stands for the loan and grant program. Fishburn answered that once the stimulus money is gone, the grant will no longer be offered.

Plus, the average community water rate will continue to increase. He said he really thought this was a “once in a lifetime opportunity to do something big.”

Council member Don Ford asked Willis Wilson what the improvements would do to our old water lines. Wilson said the concept of the improvements is to maintain the water pressure centrally but to increase it in some of the outer areas that need it. The improvements should only increase the water pressure in the old lines by about 10psi, and this will likely cause us to discover problems we did not know were there before. Mayor Littlestar pointed out that the improvements should stabilize the water pressure in the old system, eliminating some of the water pressure surges, which are hard on the older infrastructure.

Scott wanted to know how Haven’s water rates compared to those of other communities. Fishburn said that’s a dangerous comparison without considering the newness of the water systems. The state average is about \$14 per month base charge, but he has seen some communities with as low as \$3 per month. However, we must decide if we want to be pro-active or reactive. He said that as we wait things would get more expensive. We can certainly implement improvements incrementally, but we need to be aware of the inflation factor.

Doug Fisher asked what kind of grant we would be eligible for if we elected to not put up a new water tower. Removing the new water tower from the planned improvements would essentially eliminate our grant eligibility, Blake responded. If we spend more than \$4 million, then we are eligible for grant money. If we do not, then we get zero grant money. The cost of the improvements would be only \$3.4 million without the water tower.

Letha Oldenettel asked if the sewer charges would increase with the water increase. Blake said they would not. However, the sewer rates will be subject to review once the new lagoon system is up and running.

Sonia Yutzy said a rate increase would be tough to handle, especially for those who are on Social Security. Council member Amy Hirst agreed that money is tight for most people, including her family. However, she noted we are in a dangerous position if the nitrates become too elevated and one of the remaining wells must be shut down.

Scott expressed her appreciation for those that attended the meeting and thanked them for sharing their comments, questions, and concerns.

Huston spoke up and said that if the City moves forward with the plan and the bottom falls out and people cannot pay their water bills, we will not be able to pay back our loan. This could be an alarming situation. Mayor Littlestar pointed out that we will have to face the water problem regardless, and it would be better to face it with a plan rather than ignoring it.

Bill Thomas asked, “Are we still being overcharged by the power pool?” Blake said we are not and never were, that we are getting the purchase money back from the Kansas Power Pool because they now have enough capital. Scott pointed out that this was really off topic.

Council member Jeff Stringer asked at what point in the process we are locked in. Fishburn said we are not locked in until we are awarded the loan, and Rural Development requires the engineer to offer several options and to give ramifications if nothing is done. Still, the sooner we can move forward the better.

Doug Fisher asked if the City has considered replacing the old 2” lines. Blake said they hadn’t, but it does need to be done.

After a brief discussion among Council members, Paula Scott moved to allow Willis Wilson of Aquatech Engineering to do a preliminary engineering study, not to exceed \$10,000, and in accordance with the USDA Rural Development guidelines. Don Ford seconded the motion, and it passed five to zero. Mayor Littlestar requested Phillip Fishburn’s assistance with Haven’s future water ventures.

At this time, a brief break was taken.

At 9:15 PM, the meeting resumed.

### **Maintenance Updates:**

Allen Andresen, maintenance supervisor, just returned from vacation. He said the maintenance department was getting the City ready for the Fall Festival.

Recently a truck hit one of the City's old Kennedy fire hydrants, causing some damage. Andresen said he could fix the hydrant. Council members John Mitchell and Paula Scott asked Andresen to give the public plenty of notice before shutting the water off to make the repair.

Stringer asked Andresen if the skid plates for the plow are ready. Andresen said they are in Wichita and just need picked up. Stringer and Littlestar instructed Andresen to have them picked up in the very near future so that we are prepared if snow should come.

### **City Administrator Updates:**

#### **Recycling Trailer:**

City Administrator Allen Blake said that Federal surplus is selling recycling trailers for \$1200, and he has reserved one for the City. The trailer would be the collection point in the City for citizens' recyclable materials. However, the City would still be responsible for getting those items to Stutzman's Refuse Disposal. Since the trailer isn't all that large, any truck could pull it. Mayor Littlestar said he would be willing to take it to Stutzman's because he takes his recyclable materials there anyway. Littlestar said he thought the school has an easily accessible area where they would let the City place the trailer. Scott said she thought this would be a positive thing for the community, and moved for the approval of the purchase of the recycling trailer. Jeff Stringer seconded, and the motion passed unanimously.

#### **City Clerk Training:**

Blake advised the Council that he would like to send City Clerk Leslie Warden to the Kansas / IIMC Certification Institute put on by the City Clerks and Municipal Finance Officers Association of Kansas and Wichita State University. The Institute is scheduled for November 9 – 13 at the Wichita Marriott Hotel. The cost of the training is \$460. Paula Scott moved for approval of payment for and Warden's attendance at the Kansas / IIMC Certification Institute. Don Ford seconded, and the motion passed five to zero.

Blake purchased new software, CodeCheck, for \$443.00 for the building inspection department. It will help with enforcement and will be installed on a computer in the Council room for Sandy Wright's use.

### **Additional Concerns:**

Stringer indicated he had recently spoken to Don Bogner regarding the curbing issue at the assisted living facility on north Reno. Bogner said he was willing to run curbing from there to the driveway. Blake said he spoke with Bogner's builder, Steve Seiler, and told him that would be fine as long as the new curbing matched the profile of the existing curbing and was angled appropriately. Stringer suggested the City pay for half of the concrete to be used in the curb construction. Bogner said Seiler has received labor bids but none on concrete yet. The Council unofficially agreed to pay for half of the concrete. They will officially agree by way of motion once figures are received. Bogner commented that all of the City's workers, from the Fire Department to Allen Blake, have been very helpful with the installation of the facility. Littlestar and Stringer both noted it was nice to hear something positive.

Jeff Brawner was in attendance to discuss the nepotism policy issues with the Recreation Board. The Council asked Blake how progress was coming on placing ads for field maintenance and umpires. Blake said they would wait until closer to season to advertise the umpire positions. However, he had already drawn up an advertisement for the field maintenance positions and given it to Merritt Wright. Wright was supposed to show it to the Recreation Board members at basketball registration but had indicated since that time that was not possible. Brawner asked if Wright was really the supervisor of the umpires since they worked in front of the public. Blake answered yes without hesitation because ultimately Wright has the power to fire the umpires if he sees their work unfit. The City is not ousting the Recreation Department's current umpires; the purpose of placing advertisements and taking applications is merely to ensure a fair

hiring process since Wright does occasionally have his son performing work for the Recreation Department. As Scott said, it is to eliminate the appearance of impropriety. Brawner asked who would do the hiring once applications were received, and all agreed that would be the Recreation Board's responsibility. Brawner was satisfied with that.

**Minutes:**

Minutes from the September 21, 2009, council meeting were approved by a motion from Paula Scott and a second by Amy Hirst. The motion passed four to zero. Don Ford abstained due to his previous absence.

**Accounts Payable:**

Don Ford moved for the approval of the accounts payable to Mitchell Hardware, totaling \$185.88; Stringer seconded. John Mitchell abstained from voting and the motion passed four to zero.

Paula Scott moved for the approval of the remaining accounts payable, totaling \$102,038.28. Don Ford seconded the motion, and it passed unanimously. Members were provided a financial statement dated September 30, 2009, a comparison of fund balances to the 2009 budget, and a summary reconciling receipts between the Jayhawk and Quicken computer programs.

**Council Concern:**

At 9:47 PM, Stringer asked what Blake had determined about Dewayne "Buck" Palmatier's pay rate. It was previously communicated to Stringer that Palmatier had somehow received a pay decrease. However, research by Blake and Warden showed Palmatier's pay was unchanged. Stringer asked if the City could replace Palmatier for \$10 per hour. Blake responded that Palmatier is a valuable employee. Scott asked why this was an issue now, and Littlestar responded that Palmatier is trying to make plans for next year. The Council agreed to visit the issue in December when all other pay rate increases are considered.

Scott pointed out that Warden would be attending training on November 11, 2009, Veteran's Day, which is a paid holiday for City employees. It was agreed that Warden would receive eight hours of holiday pay in addition to the pay for whatever is actually worked that day.

**Adjournment:**

At that time, Scott moved for adjournment. Stringer seconded, and the motion passed unanimously.

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Cody R. Littlestar, Mayor

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Leslie Warden, City Clerk