MINUTE RECORD

Public Hearing Regarding Water Project April 2, 2010

Present: Leslie Warden, Allen Blake, Willis Wilson, Kelsi Holsey, Don Ford, Paula Scott, Amy Hirst, John Mitchell, Dean Chesnut, Cody Littlestar, Sonia Yutzy, Don Huston, Bob Lickey, and Allen Andresen. (See attached sheet.)

Shortly after 7:00 PM, City Administrator, Allen Blake, began the informational meeting by providing history of the nitrate levels in the City's water wells. Nitrate levels in two wells went above the safe standard in 1998, and in 2005, nitrate levels in Well #3 neared the standard. Currently, the city has only two wells in operation, and one of those wells is located only two blocks from the two wells with the highest nitrate levels.

Improvements to the water system are being pursued to address three issues: quality, reliability, and distribution. It is likely that nitrate levels will continue to increase and that water standards will become more stringent. Therefore, the quality of our water must be addressed.

In terms of reliability, we currently have no back up for our wells. If one must be shut down for maintenance and the other one fails, the City will be without water. Also, we would not have sufficient storage to put out a large fire or to provide for the residents for an extended period of time.

Distribution is also an issue. There are quite a few dead-end water mains and some areas of town still have 2" mains. We also do not have water mains to Industrial Park or Haven Steel.

The USDA Rural Development loan / grant program ensures that water rates will not increase past a certain point and allows the City to do the project all at once instead of in stages over forty years.

Willis Wilson of Aqua Tech Engineering discussed the drilling of the test well on Don Huston's property. Apparently, the aquifer thickness was insufficient. Wilson noted that the disinfection systems on our current water wells do not meet KDHE requirements. Therefore, he recommends keeping Wells #3 and #7 in operation, bringing Wells #4 and #6 back into operation, and installing a treatment system. Two emergency generators should also be installed to keep one well and the treatment facility running in the event of an electricity outage.

He handed out a map of the proposed project and pointed out several line improvements, including running an 8" main to Haven Steel and tying in dead ends. Wilson also suggested the replacement of up to 50 valves and the installation of 90 new ones so that water could be shut off to a block at a time when repairs are necessary.

The proposed treatment system would not soften the water. It would only remove the nitrates. This removal process does put out a waste product. Because of its saltiness, it cannot go in the City sewer lagoons. Wilson proposed adding a 1-acre evaporation pond near the lagoons for disposal of the waste products. Also, since we are pursuing USDA funds and they do not allow un-metered water, the installation of water meters at a handful of City locations will be necessary.

Also proposed is a 400,000-gallon water tower complete with centralized blending and disinfection as well as the installation of "SCADA" (supervisory control and data acquisition) to

be the "brains" of the system. According to the map, this would be located east of the swimming pool and tennis courts at Engweiler Park.

Statistically, the average daily flow of water in Haven is 135,000 gallons, and the maximum daily flow is 270,000 gallons. By design year 2030, Wilson estimates our average daily flow will be 142,000 gallons and the maximum daily flow will be 283,000 gallons.

Council member, John Mitchell, said he felt the installation of so many valves would be overkill, particularly since we have survived by shutting water off to the entire town. He noted the plan to run 8" line to Haven Steel and asked how that could be done on land that's not the City's. Wilson responded that the accepted standard is to be able to shut the City's water down block-by-block.

Wilson provided a handout with the newly estimated project cost, listing the total at \$5,968,000. Council member, Paula Scott, noticed that the handout listed a price for removal of existing storage and asked if we would indeed be demolishing the current water tower. Blake, Wilson, and Littlestar all agreed that there would be no benefit in allowing the tower to remain.

Mitchell noted the price of \$245,000 for the SCADA system and inquired as to its useful life. Wilson advised that the system is basically a computer and software. The computer's useful life is probably 5-7 years, and of course, the software will require periodic upgrades. Mitchell indicated he felt the project was a little too extravagant. Blake pointed out that this is basically a once in a lifetime opportunity to carry out the project with the loan / grant funding.

Dean Chesnut, in reference to the grant money, pointed out there is "no free money." He asked why we needed a generator if we're going to have 4 days of storage in the water tower. Wilson pointed out that based on the average and maximum daily flow figures, a 400,000-gallon tower only represents two days of storage, and obviously, it is more prudent than not to have the generator. Chesnut and Huston pointed out that this meant we would never have an empty water tower. Wilson and Blake said that was the point.

Don Huston agreed with Mitchell that installing so many valves seemed superfluous. He also said that there's a valve on Main Street that could shut off part of town. Furthermore, if the 150 valves were put in, he couldn't see the maintenance crew exercising them. Huston suggested, rather than installing a new water tower, increasing the capacity of the current tower by adding an 8' stand pipe. He agreed there are some things that we need to do but felt this particular plan was overkill.

It was mentioned that some other communities have experienced problems with stagnant water when they installed a large water tower. Wilson said that technology has changed, and the proposed water tower by design will have constant circulation. The water will come from the wells, go through nitrate removal and disinfection, and then enter the tower.

At 7:57 PM, questions regarding funding were fielded. Scott asked if the project still qualified for grant money. Blake said qualification is based on our water rates. Any amount above X makes us eligible for grant money. Right now the average water user pays 20 - 21 per month, and Blake said he believed the standard for the average user is 40 - 41 per month.

Scott noticed the increase in project cost since the last estimate provided in September. Blake said the price and size of the project changed because of the unavailability of a new water well

site. However, he also noted that any increased cost from the last estimate would be paid with grant money, if approved.

Scott indicated she knew the USDA Rural Development money was stimulus money and asked if we really knew if it was still available. Blake said it is still available, and we're still in the running. Scott then asked what portion of the total project cost would be grant and what portion would be loan. Blake advised he did not know but could find out from Tom Finger.

When the discussion regressed back to installation of 150 valves, Wilson advised the reasoning behind the recommendation is to have the least amount of disruption during a water shut-off. Furthermore, if we are using USDA funding, the USDA will not allow the City to put in an extravagant system.

Dean Chesnut asked why the City does not have water softening worked into the project. Blake said that reverse osmosis is an option but it puts out more waste and has ongoing costs.

Scott commented that since stimulus money is involved, we should proceed with the project sooner rather than later.

At 8:20 PM, the public hearing concluded.

S/S Cody R. Littlestar, Mayor

Attest:

S/S Leslie Warden, City Clerk