

Burden City Council Special Meeting Minutes August 27, 2025, 6:30 pm
Burden City Hall

Present Council Members: Don Satterfield, Chase Hobart, Chris Cannon, Carleta Bolack, and Taylor Dory were present.

Presiding: Mayor Lee Wingert

Staff Present: City Attorney Josh Albin, Public Works Supervisor Dale Deets, Public Works Ben Dobbs, Officer Alan Marcotte, Deputy City Clerk Amanda Lindsay, and City Clerk Julia Loving.

Public: Kyle Wham, Jesse Ferguson, Les Bannister, Steve Atkins, Amber Hafenstein, Shelly Underwood with Midwest Assistance Program, and Stuart Porter and Jaime Goering with Schwab Eaton.

Mayor Wingert called the Special Council Meeting for the City of Burden, Kansas to order on Wednesday, August 27, 2025, at 6:02 PM.

The purpose of the meeting was to review and discuss the City of Burden's 2024 Utility Improvements Project: USDA Rural Development funding, KDHE funding, potential overall project cost projections, potential project cost reduction, and potential overall impact to utility users and rates.

Unfinished Business:

A. USDA & KDHE Combined Sewer and Water Distribution System Project.

Stuart Porter with Schwab Eaton Engineering led the meeting as the Lead Project Engineer introducing himself to the governing body and community members in attendance. Stuart reported that the bid opening was held on Wednesday August 20, 2025, and introduced assistant engineer Jaime Goering to discuss the bids that were received while he distributed the bid tabulation sheet. Jaime reported that the bid opening included six (6) interested contractors. The instructions for submitting a bid allowed the contractors to bid on only the water improvement project, only the sewer improvement project, or a combination of both improvement projects. She stated of the six (6) bids received, five (5) contractors expressed interest in the sewer improvement project and two (2) contractors bid on the water improvement project. One contractor did submit a bid for both the water and sewer improvements. Stuart indicated that the bid opening procedures and qualifications of what is considered to be an "acceptable bid" follows a very specific set of guidelines and due to those bidding requirements, several bidders were considered to be "non-responsive" with incomplete application documentation. After all bids packets were reviewed the City has one (1) qualified bid for the drinking water distribution system improvement project and four (4) qualified bidders for the sewer rehab project. Nowak Construction Co., Inc appears to be the lowest apparent bidder for Part A: Drinking Water Distribution System Improvements, and Ace Pipe Cleaning, Inc. for Part B: Sanitary Sewer Rehabilitation.

Stuart stated that the Sanitary Sewer Rehab estimates received were actually less than anticipated and that their team feels confident with moving forward. He then discussed the Nowak Construction Co. bid for the Drinking Water Distribution System Improvement Project. The bid that was received has significant cost overruns from what was previously anticipated and will

require additional funding considerations and/or modifications to the desired improvements. Shelly Underwood provided an update of the current financing in place. She stated that the lacking long-term financing is \$789,341.10 while the lacking interim financing will require an additional \$1.5M as well as some modifications to the project scope. She updated that communication has been exchanged with the KDHE SRF Department and that KDHE indicated the availability of the additional \$1.5M in interim financing without modifications to the City's current loan agreement or interest rate. Underwood provided the governing body with a handout that included the project funding breakout included below:

Water/Wastewater Project	Long Term Financing Currently in Place
DW Imp. Proj. Alt. 2 + WW Imp. Proj. Estimate	\$ 6,209,824.10
USDA Rural Development- Loan	\$ (2,284,000.00)
USDA Rural Development- Grant	\$ (921,000.00)
KDHE- Loan Forgiveness	\$ (1,324,428.00)
USDA PPG	\$ (30,000.00)
City PPG Match	\$ (38,000.00)
KWO	\$ (823,055.00)
Additional Long Term Financing Required	\$ 789,341.10
We are lacking \$789,341.10 in "Long Term" funding	

Water/Wastewater Project	Interim Financing Currently in Place
DW Imp. Proj. Alt. 2 + WW Imp. Proj. Estimate	\$ 6,209,824.10
USDA Rural Development- Loan	Unavailable until substantial completion of construction
USDA Rural Development- Grant	\$ (921,000.00)
KDHE- Loan	\$ (2,648,855.00)
USDA PPG	\$ (30,000.00)
City PPG Match	\$ (38,000.00)
KWO	\$ (823,055.00)
Additional Short Term Financing Required	\$ 1,748,914.10
We are lacking \$2,669,914.10 in "interim" funding	

Additional discussion included the City's intentions of applying for funding through the KWO HB2302 Water Project Fund Grant Program and related to the EPA's Lead and Copper Rule Improvement regulations requiring the removal of all lead components within the next 10 years.

Following Shelly's financial discussion, Stuart discussed potential changes to the Drinking Water Distribution System Improvement Project scope of work. He discussed 3 specific line items that could cut the overall project cost by approximately \$775,000. The following update was provided, first, in a phone conversation with Nowak they believe there can be saving if a different backfill can be used for a street cut, also if the pipe specification is opened up on bedding and alternative materials are allowed that between the two could potentially save around \$170,000 plus or minus. Second, the asbestos cement waterline going out to the feedlot that is important but not as important as some of the other project items could save \$300,000 to \$310,000. Third, a robust quantity of extra length service line was included for lines on the customer side of the meter to comply with the lead and copper rule, that line item is \$550,000 but hopefully the quantity can be significantly underrun during the project. Shelly then spoke about the reduction to overhead costs, like loan administration of \$20,000 and environmental review of \$15,000 since she provided both of those at no cost. Stuart also stated that the estimated cost for interim financing is likely inflated at \$150,000 and will likely cost the city more like \$60,000-\$80,000. And lastly, Stuart estimated a 40%-50% reduction in extra length service line cost so possibly 6,000 L.F. on the low range to 9,000 L.F. on the high side.

Council President Cannon restated the potential saving areas to make sure they all understand correctly, stating no feed lot line \$300,000, different street fill and bedding \$170,000, and extra length service line up to \$200,000 for an off the top savings of approximately \$670,000 to which Stuart agreed. Stuart added approximately \$60,000-\$80,000 off temp financing and Shelly added \$35,000 off the administration and environmental. Council President Cannon stated that he felt the need to further discuss Alternate 1 vs Alternate 2 as outlined in the bid tabulations for the Drinking Water Distribution System Improvements. Alternate 1 is for 208 standard radio read meters in just the project area whereas alternate 2 includes 254 cellular read meters and additional meter pits and lids. There was much discussion about the different types of meters and warranties. At this time, Shelly discussed the findings of a rate analysis that she and city staff completed this week and whether or not the city's current rate structure could sustain paying for this project. She has calculated the average operation and maintenance costs minus the costs that the project will take care of and stated that the revenue from the feedlot will make a large impact to figuring the project impact to rates. The approximate annual profit is currently \$25,000 but warrened the \$25,000 would completely deplete the city's water enterprise account and does not recommend using 100% of available funds for debt repayment. Shelly recommended that the City's current rate structure could safely sustain \$10,000/year of debt service towards the water improvement project. Shelly then mentioned that an assumed \$10.00 debt service fee should be added to each user account to adequately finance the water improvement project.

The meeting was opened for citizens' comments and questions at this time. Kyle Wham asked what the interest rate is and for how long and was told it is 2.125% for 40 years. There was discussion about what size the main lines will be and the amount of rock around town that increases the price. The sewer project was also discussed further about pipe not being replaced but rather the pipe will be lined. There were also questions about the water tower and if it is included, it is not and has been well maintained with annual inspections and repairs when needed. During closing discussions, the engineer is to speak with the contractor about removing the feedlot extension, street fill and bedding negotiations, and possible reduction in extra length service lines for cost savings, as well as looking at alternate 2 for the cellular read meters.

MOTION: Cannon motioned adjourn the meeting. Dory seconded.

VOTING YEA: Satterfield, Hobart, Cannon, Bolack, Dory VOTING NAY: NONE

MOTION CARRIED 5-0 and the meeting adjourned at 8:08 PM.

Julia Loving, City Clerk

These minutes are unapproved.