

Curran-Gardner Townships Public Water District

3384 Hazlett Road | Springfield, Illinois 62707-2522 | 217.546.3981

Regular Meeting – March 13, 2018 – 7:00 p.m.

Audio for this meeting may be found online at www.currangardner.com

Members: Chairman Mitchell, Vice Chairman Folder, Trustee Oschwald, Trustee Valois, Trustee Mayes, Trustee Hammitt, Trustee Dorr, Treasurer Elsner, Operations Manager Nelson, Business Manager Graff and Secretary Ryg

Guest(s): Wayne Benanti, Mayor Tim Lucky of Curran, Illinois

I. The Pledge of Allegiance was said.

II. Board Secretary – (Ryg)

Trustee Valois made a motion to accept the minutes from February 13, 2018, with changes. Trustee Mayes second the motion. The motion carried.

Trustee Dorr made a motion to accept the minutes from the March 6, 2018, meeting with changes. Trustee Valois second the motion. The motion carried.

III. Treasurer's Report (Elsner)

The budget report reflects 10.5 months or 88% of FY18. Treasurer Elsner gave the following update for February 14, 2018 to March 13, 2018:

Income

Monthly District Water Income: \$122,337

Fiscal YTD Water Income: \$1,311,330

Including Other Income, Monthly District Income: \$141,249

FYI: Line Item #4050 Bulk Water Includes: New Berlin Water: Dec. \$13,025, Jan. \$19,063, Feb. \$16,903

Fiscal YTD for All Income: \$1,560,997 = 95% of budget

Expenses

Monthly District Expenses: \$113,343

FYI: Line Item #5310 Misc. \$5,875 Earnest Money for Morrison Property Purchase was reimbursed from QuickBooks Reserves & Debt Company to QuickBooks Operating Company.

Fiscal YTD Expenses: \$1,341,563 = 74% of budget

Note: Account #5105 and #5700 Transfer funds from Operating Budget to Reserve (\$75,000) was moved to Money Market #***29*6 to earn interest

Net Income (Loss)

YTD FY18 Unaudited Net Income: \$219,445

Bill List of Vendors

Vendors: \$75,876.02

A motion to accept this report was made by Trustee Dorr pending audit. It was second by Trustee Mayes. The motion carried.

Trustee Dorr made a motion to pay the bills. Trustee Oswald second it. The motion carried.

Treasurer Elsner and the Board worked on the 2018-2019 CGTPWD Budget on March 6, 2018. The Committee of the Whole covered General Operating and Debt Service items. The Committee of the Whole will meet on Tuesday, April 3, at 6:00 p.m. to further discuss the 2018-2019 CGTPWD Budget.

IV. Operation Manager's Report (Nelson)

The Village of New Berlin used 2,750,000 gallons of water during the February billing cycle. Their usage was down from previous months. Their sales totaled \$16,802.50.

Signs reading "No Trespassing" were added to the Morrison Property.

Two culverts were added to allow larger equipment to enter CGTPWD. The area on the west side of the District's office was rocked to allow for additional customer parking.

The Illinois Rural Water Association Conference in Effingham highlighted the importance of writing elected officials about this year's budget and pending legislation. All funding was depleted from the president's USDA loan and grant budget this year. However, last year Congress restored it. Letters from our water district have been sent to Senator Durbin, Senator Duckworth and Congressman LaHood to restore funding.

All state-owned facilities are mandated by the State of Illinois to check for Legionnaires disease. Legionnaires Disease is a type of pneumonia caused by bacteria. It is spread through mist. Since CGTPWD is not a state-owned facility, we have not been notified to test for it, however we might be asked to do so in the near future. This is an expensive test with an incubation period of 14-days.

Operations Manager Nelson filed a "Record of Committee Witness" slip on February 27, 2018, in opposition of Illinois Senate Bill 3080. This bill, if passed, would greatly increase the cost of doing business by imposing the requirement of an asset management plan regarding lead. More information about this bill may be found here:

<http://www.ilga.gov/legislation/BillStatus.asp?DocNum=3080&GAID=14&DocTypeID=SB&LegId=110656&SessionID=91&GA=100>

Illinois Senate Bill 550 requires each public water supply to perform an inventory of service lines, not only from the water main to the meter pit, but also the customer's line from the meter pit to the building's foundation. If SB 3080 is approved and signed by the governor, all pipes with lead or copper with lead solder would have to be replaced from the water main to the foundation of the customer's building at the water district's expense. More information about this bill may be found here:

<http://www.ilga.gov/legislation/BillStatus.asp?DocNum=3080&GAID=14&DocTypeID=SB&LegId=110656&SessionID=91&GA=100>

Operations Manager Nelson, along with five other public water supply operators, were selected by the Illinois Environmental Protection Agency on March 5, 2018, to test a web-based Material Inventory Reporting Program.

Leander Construction will cover the \$2,477.00 in damages to the District's dump truck due to a parking lot incident.

The water level and outflow of Well #5 is slowly improving due to the rain the area received since the last meeting.

Staff repaired the Farmingdale Tower bulk water salesman piping due to the station freezing up several times.

Water loss report for the period of January 19 to February 15, 2018: 721,185 gallons or 5.05%.
Disclaimer: No water from CWLP or the South Sangamon Water Commission or customer billings served by them had any bearing on the determinations made in this report.

V. Business Manager's Report (Graff)

Business Manager Graff attended the Sangamon County Regional Planning Committee meeting regarding Mill Creek Subdivision Phase II which is located within the District. CWLP annexed this property into the City of Springfield prior to 2009. Chairman Mitchell and Vice Chair Folder thanked Business Manager Graff for attending the meeting and providing an update.

The new and improved website is progressing. Business Manager Graff hopes to demonstrate the online capabilities at the next meeting.

There was one case of tampering and Business Manager Graff and team continue to monitor the situation.

VI. District Engineer's Report (Middendorf)

Petersburg Plumbing and Heating will begin construction within the next week to repair South Sangamon Water Commission's transmission main that supplies water to the Village of New Berlin. It should be complete on April 15, 2018.

The chemical feed room wall is complete. New conduit in existing Water Treatment Plant is nearly complete and most of the demolition is done at the Plant. The foundation preparation for a new clarifier is nearly complete. There are review change orders for the following:

1. To address improved flow distribution to filters, additional automated valves, changing programming to assist in automation of filter backwash.
2. In lieu of a recarbonate basin tank, a heated sidewalk may be installed.
3. To reduce Water Treatment Plant switchover downtime, a flexible raw water main (HDPE) is to be installed so no temporary pipe is needed.

A draw request was made by Leander for \$109,378.72.

A draw request was made by MECO for \$5,872.13 and \$18,047.61 for a total draw request for \$133,298.46.

The Board will meet at 6 p.m. (an hour earlier than their regular 7 p.m. start time) on Tuesday, April 10th to tour the construction progress at the Plant expansion.

VII. Guests: n/a

VIII. Chairman, Vice Chairman and Committee Reports

- a. Chairman ó Chairman Mitchell said the intergovernmental agreement with the City of Springfield (which has a two-year out clause) was discussed with Attorney Mike Antoline who specializes in municipal law.

The City of Springfield General Superintendent of Water Distribution at CWLP would like to meet about Centennial Point subdivision on Lenhart Road. He would also like to revisit the Emergency Connection on Old Jacksonville Road.

- b. Vice Chair ó Vice Chair Folder said the Illinois Rural Water Spring Administrative Training Conference takes place on May 17 and 18, 2018, in Fairview Heights, Illinois. For more information, please visit:
http://www.ilrwa.org/Training/Training%20Division/Admin_Conf.html
- c. Finance - n/a
- d. Planning - n/a
- e. Personnel - n/a
- f. Systems Oversight - n/a
- g. Policy and Procedure Committee - n/a
- h. Ordinance Committee - n/a

IX. Unfinished Business

The Village of Curran sewerage collection system billing agent rate was discussed.

(8:18 p.m. - One hour and eighteen minutes)

X. New Business

- a. Review and approve pay request #4 (Water Treatment Plant Construction) \$133,298.46 a combination of Leander and MECO. Vice Chair Folder made a motion to approve the

pay order of R.D. 44-0-11 \$133,298.46. Trustee Mayes second the motion. A roll call vote was taken:

Vice Chair Folder: Yes
 Trustee Valois: Yes
 Trustee Hammitt: Yes
 Chairman Mitchell: Yes
 Trustee Dorr: Yes
 Trustee Mayes: Yes
 Trustee Oschwald: Yes

With seven yes votes, the motion carried.

- b. Pay order request #5: Trustee Oschwald made a motion to request an advance from the USDA Rural Development construction loan of \$278,225.05 as reimbursement for pre-pays related to the plant expansion. An itemized list was part of the request. Trustee Rose Hammitt second the motion. A roll call vote was taken:

Vice Chair Todd Folder: Yes
 Trustee Diane Valois: Yes
 Trustee Rose Hammitt: Yes
 Chairman Jim Mitchell: Yes
 Trustee Dennis Dorr: Yes
 Trustee Jim Mayes: Yes
 Trustee Eric Oschwald: Yes

With seven yes votes, the motion carried.

- c. Possible Finance Option for Well #7 for discussion purposes only: A term sheet was submitted by Julia McCuster of CoBank with the understanding that rate and terms may change based on the timing of actual request, underwriting and covenants:

- a. Amount: \$250,000
- b. Purpose: Install new Well (#7) in well field. Includes engineering
- c. Structure: 18-month draw followed by amortization
- d. Construction rate: Monthly LIBOR resetting weekly plus 200 bps
- e. Payments-construction: Interest Only
- f. Term rate: Approximately 5% today - actual rate not fixed until end of construction. Rates are based on market conditions and change daily.
- g. Amortization: Not to exceed 15 years
- h. Term: Monthly P & I ó estimated at \$32,000/year
- i. Other: One-year debt reserve (P&I)
- j. DSC: 1.10x
- k. Collateral: Secured by system revenues
- l. Other: Consent of existing debt holders may be required

- d. Change Order #1 (Water Treatment Plant Construction): Modification of the filter piping. The increase in pipe diameter will provide for more consistent treatment to the water and give the

water operators great flexibility for processing. Also, an automation component will be added for filter piping. \$47,441.83

Vice Chair Todd Folder made a motion to pay Change Order #1. Trustee Valois second the motion. A roll call vote was taken:

Vice Chair Todd Folder: Yes
 Trustee Diane Valois: Yes
 Trustee Rose Hammitt: Yes
 Chairman Jim Mitchell: Yes
 Trustee Dennis Dorr: Yes
 Trustee Jim Mayes: Yes
 Trustee Eric Oswald: Yes

With seven yes votes, the motion carried.

- e. Change Order #2 (Water Treatment Plant Construction): Sidewalk modifications of 29 ft./11 inches to transport chemicals more safely in outside conditions \$8,175.07.

Vice Chair Todd Folder made a motion to approve this change order. Trustee Dorr second the motion. A discussion followed.

Vice Chair Todd Folder: Yes
 Trustee Diane Valois: Yes
 Trustee Rose Hammitt: Yes
 Chairman Jim Mitchell: Yes
 Trustee Dennis Dorr: Yes
 Trustee Jim Mayes: Yes
 Trustee Eric Oswald: No

With six yes votes, and one no vote, the motion carried.

- f. Change Order #3 (Water Treatment Plant Construction): Modification on a raw water feed piping. This will reduce plant downtime during construction. It allows the original raw water main to transition to a continuous flexible pipe (HDPE) that will permit the contractor to install the piping one-time which will minimize water plant downtime. The total amount for this change order is \$1,947.18.

Vice Chair Todd Folder made a motion to pay \$1,947.18 for Change Order #3. Trustee Rose Hammitt second the motion. A roll call vote was taken:

Vice Chair Todd Folder: Yes
 Trustee Diane Valois: Yes
 Trustee Rose Hammitt: Yes
 Chairman Jim Mitchell: Yes
 Trustee Dennis Dorr: Yes
 Trustee Jim Mayes: Yes
 Trustee Eric Oswald: Yes

With seven yes votes, this motion passed.

- g. Discussion regarding an additional Pay Meter will be on next month's agenda

XI. Guests - n/a

XII. Executive Session - n/a

With no further business, the Board adjourned at 8:41 p.m.

Chairman Mitchell ó Signature and Date: _____

Secretary Ryg ó Signature and Date: _____