

Curran-Gardner Townships Public Water District
3384 Hazlett Road | Springfield, Illinois | 62707-2522 | 217.546.3981
December 11, 2018 – 7:00 p.m. – Regular Board Meeting

Audio Available: www.CurranGardner.com

Members: Chairman Mitchell, Vice Chair Folder, Trustee Valois, Trustee Hammitt, Trustee Dorr, Trustee Mayes, Trustee Oschwald, Operations Manager Nelson, Engineer Middendorf, Business Manager Graff (excused), Treasurer Elsner and Secretary Ryg

Guests: Wayne Benanti, Merry Riley, Carrie Brazil and Gentleman with illegible name signed on CGTPWD Guest List

I. Call to Order at 7:03 p.m. and Pledge of Allegiance

II. Board Secretary (Ryg)

A motion was made by Trustee Oschwald to accept the October 9, 2018, Special Meeting Minutes with changes to correct the spelling of Brandon Byer's name. Trustee Mayes second the motion. Trustee Dorr voted present since he was excused from the meeting. The motion carried.

A motion was made by Trustee Oschwald to accept the October 9, 2018, Regular Meeting Minutes. Trustee Hammitt second it. Trustee Dorr voted present since he was excused from the meeting. The motion carried.

A motion was made by Trustee Dorr to accept the Regular Meeting Minutes from November 13, 2018, with corrections of "unrecorded funds" in the Treasurer's Report. Trustee Valois second the motion. The motion carried.

Vice Chair Folder will put the November 8, 2018, Special Meeting Minutes on the January 8, 2019, agenda.

III. Treasurer

The budget report reflects 7.5 months or 62% of FY19 activity. Treasurer Elsner gave the following Income and Expenses for November 14 – December 11, 2018, which included the Profit and Loss Budget Performance Report.

Income:

Monthly District Water Income: \$105,672 (+\$50,000 yet to be recorded in Quick Books)

Fiscal YTD Water Income: \$974,899

Total Water Income for the month: \$106,854 (+\$50,00 yet to be recorded in Quick Books)

Fiscal YTD for all income: \$1,092,577 = 59% of Budget (+\$50,00 yet to be recorded in Quick Books)

Expenses:

Monthly District Expenses: \$80,155 Operating Expenses

Fiscal YTD Expenses: \$795,104 = 70% of Operating Budget

Net Operating Income (Loss):

The YTD FY19 unaudited net operating income is \$297,472

Budgeted Debt Service for the period was \$39,666.

Budgeted Capital Expenditures for this period was \$6,300.

After the transfer of funds to interest bearing account(s), Net Income was (\$35,267) (+50,000 yet to be recorded into Quickbooks).

Bill – List of Vendors: \$92,529.13

A motion was made by Trustee Oswald to accept the income and expense report pending audit. Trustee Dorr second the motion. The motion carried.

A motion was made by Trustee Dorr to pay the bills. Trustee Valois second the motion. The motion carried.

(7:30 p.m.)

IV. Operations Manager's Report (Nelson)

Water loss report. The water usage and loss report for the October 16, 2018-November 20, 2018 billing cycle is attached to this report. Water loss for the period was 9.7%. A water loss report was given to each Trustee

Well #7 & Lump Sum Rental Payment. Carin Trudeau (aka Rolling Meadows, L.P.) has accepted the district's payment for Well #7. This is for a forty-year period, ending in 2058.

Engineer Max Middendorf and Operations Manager Nelson discussed the final design of Well #7 at the Springfield MECO office.

The office flag was lowered to half-mast on December 3, 2018 due to the passing of former President George H.W. Bush. It will be raised to full-mast at sunset on December 30, 2018.

Village of Curran sewer project status: We experienced a water main break in the Village of Curran on December 3, 2018. Although the sewer crew was not working at the site at the time, the break did occur at one of the locations that it had had dug under previously. A incident report was taken and given to the proper contacts for further investigation.

The Cedarhurst project was completed. Bacteriological samples were collected for analysis to obtain the IEPA operating permit.

Wagon Ford Road Status: We originally had fourteen residential homes signed up, but two residents backed out due to our policy of requiring the payment of a monthly minimum bill

regardless of water use. The third wanted to finance his share of the project, but the CGTPWD does not offer that service. The District is finalizing financial numbers for materials. If materials prices are stagnant, we hope to have a good pricepoint for the group.

Lime Sludge Removal continues to be a battle due to wet weather conditions. We hope to have it dried out by January to haul, but this is weather dependent.

The District will seek Lime Sludge Removal bids soon for a two-year cycle.

We are currently using a large amount of propane gas at the water treatment plant. This is due to the contractors having the overheads doors open for construction as well as the fact that we are now heating a much larger space due to the expansion of the building. We experienced our second empty tank yesterday morning. We will need to refill and research was done on the best pricepoint for this.

A Stone Creek resident asked about water pressure. While this area is our customer base, the District has no control over the pressure provided to the subdivision since the water is provided by CWLP. Operations manager Nelson related this information to CWLP distribution system supervisor Mike Johnson. Research commenced, and it was found that both hydrants showed 48 psi. A pressure gauge placed on resident's house spigots and they showed 48-50 psi static and 40 psi when the kitchen faucet and shower were on. This same test was performed on the house next door and showed the same results. We will continue to monitor the situation.

V. Business Manager's Report (Graff)

Employee Health Insurance – Chairman Mitchell, Trustee Mayes and Business Manager Graff met to go over insurance options for employees. Teamsters was contacted about a possible option for health insurance, but after much discussion, the plan will stay the same. The plan will increase by 11% for 2019.

The new CGTPWD billing system is in full swing. It provides customers the ability to view their water bill online. A quarterly newsletter is in the works which will encourage customers to “Go Green” to receive their monthly statement.

VI. District Engineer's Report (Middendorf)

The Water Treatment Plant construction project is 97% complete.

Engineer Middendorf and Vice Chair Folder are working on finalizing the punch list before the Water Treatment Plant construction is completed. They will scrutinize each action item including double checking the upgrades made to the chlorine feed room, roof liner and high service pumps.

Engineer Middendorf will meet with Advanced Automation to set the controls at the SCADA.

There will be a walk-through inspection of the Water Treatment Plant on Wednesday, December 19, 2018, with Mr. Anthony Kirby who is the State of Illinois Engineer.

There was a request from the contractor (LEANDER) and engineer (MECO) for Pay Request #13; Draw Request #14, which includes:

Approve Contractor Leander Pay Application #13: \$124,176.61

Approve Engineer MECO Basic Services: \$820.11

Approve Engineer MECO Resident Inspection: 10,898.23

Total request #13, Draw Request #14 for contractor (Leander) and engineer (MECO) Rural Development Form 440-11: \$135,894.95

Well #7 Update: The easement was signed by the land owners and the lease has been paid. MECO finalized construction plans and IEPA construction permit application. A floodplain permit was finalized. There is a 6 – 8-week timeframe to obtain the permit.

Trustee Oschwald asked how deep the well will be for Well #7. Engineer Middendorf said they hit tough Clay at 48-ft. and Well #7 will go down to approximately 50-ft.

VII. Guests

VIII. Chairman Mitchell, Vice Chair Folder and Committee Reports

- a. Chairman - n/a
- b. Vice Chair (Valois) - n/a
- c. Finance (Valois) - n/a
- d. Planning (Dorr, Hammitt) - n/a
- e. Personnel (Mitchell, Valois) - n/a
- f. Systems Oversight (Mayes, Folder) - n/a
- g. Policy and Procedure Committee (Valois, Dorr) - n/a
- h. Ordinance Committee (Mayes, Folder) – They will meet after the CGTPWD business office converts over the old billing system to the new billing system to discuss the CGTPWD Abandon Meter Policy.

IX. Unfinished Business

- a. Village of Curran Sewerage Collection System Billing - pending
- b. Possible Finance Option for Well #7 Discussion (Oschwald) – pending looking at the budget to see the best cash-flow options

X. New Business

- a. There was a review of Pay Request #13, Draw Request #14. Vice Chair Folder made a motion to approve the payment to Leander for “Approve Contractor Leander Pay Application #13”: \$124,176.61 and Trustee Hammitt 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 Oswald: Yes

With seven votes, the motion carried.

Trustee Oswald made a motion to pay the following:

Engineer MECO Basic Services: \$820.11

Engineer MECO Resident Inspection: \$10,898.23

Total to MECO: \$11,718.34

Trustee Dorr 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 Oswald: Yes

With seven votes, the motion carried.

Total contractor and engineer payment request for this period is \$135,894.95.

b. Intergovernmental Agreement – Sangamon County Community Resources: n/a

c. 2019 Water Rate Increase (Graff): A 2019 rate schedule for the District rates was included with Business Manager Graff's report.

Curran-Gardner Water Rate – Minimum Usage Rate: \$36.53 (Rate per 1,000 after 2,000) \$6.31

Curran-Gardner Water Rate – CWLP (Without Master Meter) – Minimum Usage Rate: \$42.85 (Rate per 1,000 after 2,000) \$7.85

Curran-Gardner Water Rate – CWLP (with Master Meter) – Minimum Usage Rate: \$44,04 (Rate per 1,000 after 2,000) \$6.45

Curran-Gardner Water Rate – South Sangamon Water Commission – Minimum Usage Rate \$48.33 (Rate per 1,000 after 2,000) \$12,17

These rates are in line with the loan covenants established by the District's bonding agent, which is COLA + .50%.

d. Change Order #7 Provide Additional Chemical Feed Injection Points: \$4,927.43. Vice Chair Folder made a motion to approve \$4,927.43 for change order #7. Trustee Dorr 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 Oswald: Yes
 With seven votes, the motion carried.

e. Discussion/Approval Regarding Construction Loan and Potential Use of Unspent Funds (Oswald)

Trustee Oswald informed the Board that he met with Engineer Middendorf and Treasurer Elsner to discuss the unallocated construction funds on the CoBank construction loan. It is estimated there will be approximately \$170,669.06 unallocated.

Trustee Oswald made a motion to reimburse the District \$10,291.88 for upgrades made by Ameren Illinois related to the Plant. This item is to be added to pay request #13, draw #14. Trustee Dorr 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 Oswald: Yes

With seven yes votes, the motion carries.

Trustee Oswald made a motion to reimburse the District \$53,022.19 for interest that was paid on the construction loan as of December 12, 2018. This item is to be added to pay request #13, draw #14. Trustee Dorr 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 Oswald: Yes
 With seven yes votes, the motion carried.

Further use of the balanced of the unallocated funds were discussed and included approximately \$10,000 for upgrades to the chlorine room, approximately \$20,000 for roof repairs and approximately \$77,255 going toward a raw water line. Other uses were discussed too.

f. Update/Approval of Bond Ordinance for Term Financing of USDA Rural Development Loan (Oschwald).

Trustee Oschwald asked that letters “E” and “F” will be on the January and February agenda.

There will be a Rural Development loan closing signature meeting on Thursday, February 14, 2019.

XI. Guests – n/a

XII. Executive Session

Trustee Dorr made a motion to go into Executive Session. Trustee Valois 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.

(Board exited the room at 9:15 p.m.)

(Board returned to the room at 9:42 p.m.)

Trustee Dorr made a motion to return into Regular Session. Trustee Oschwald 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.

XIII. Salary Increases for Management and Board Appointed Positions (Mitchell)

It was the consensus of the Board to recommend salary increases to nonunion office staff and managers.

It was the consensus of the Board to take Business Manager Graff's suggestion to reclassify the Billing Clerk position to an Administrative Clerk position, effective January 1, 2019.

XIV. Open Session

XV. Adjourn – Having no further business before the Board, the Board adjourned at 9:49 p.m.

Chairman Mitchell Signature and Date – January 8, 2019

Secretary Ryg Signature and Date – January 8, 2019