

Curran-Gardner Townships Public Water District**3384 Hazlett Road | Springfield, Illinois 62707-2522 | 217.546.3981****Regular Meeting – Tuesday, June 13, 2017 – 7:00 p.m.***Audio for the meeting found here: <http://www.currangardner.com/>*

Members: Chairman Mitchell, Vice Chairman Folder, Trustee Valois, Trustee Mayes, Trustee Dorr, Operations Manager Nelson, Engineer Middendorf, Office Manager Graff, Treasurer Elsner, Secretary Ryg. Excused: Trustee Eric Oschwald and Trustee Rose Hammitt

Guests: Wayne Benanti and Bill Burriss

I. The meeting opened first with the **Pledge of Allegiance**.

II. Secretary:

The April 10, 2017 minutes were presented. Trustee Folder made a motion to accept the minutes without any changes. Trustee Dorr second the motion. The motion passed.

The May 9, 2017 minutes were presented. Trustee Dorr made a motion to accept the minutes with changes. Trustee Valois second the motion. The motion passed.

Please Note - Change in Agenda - Lime Sludge Removal Bids (Nelson)

Operations Manager Wayne Nelson opened three bids:

Synagro Central, LLC

435 Williams Court, Suite 100 | Baltimore, MD 21220

Received on June 12, 2017 at 1:00 p.m.

\$1,999 mobilization/demobilization fee along with .049/cents per gallon

Metro-Ag

550 North 2nd Street, Suite 202 | Breese, Illinois 62230

Received on June 13, 2017 at 10:30 a.m.

\$2000 mobilization/demobilization fee along with .05/cents per gallon

Oros & Busch

128 West Main Street | Carlinville, Illinois 62626

Received on June 13, 2017 at 10:45 a.m.

No mobilization/demobilization fee with .0485/cents per gallon

Based on a cursory initial review, Operations Manager Wayne Nelson said that it appears Oros & Busch are the bid winners for the lime sludge lagoon removal.

Trustee Dorr made a motion to accept the bid from Oros & Busch pending review from Operations Manager Wayne Nelson. Trustee Mayes second the motion. A roll call vote was taken:

Vice Chair Folder: Yes

Trustee Valois: Yes
Chairman Mitchell: Yes
Trustee Dorr: Yes
Trustee Mayes: Yes

With five yes votes, the motion passed.

III. Treasurer (Elsner)

This report lists 1.5 months or 12.5% for fiscal year 2018. May 1, 2017 was the first day of the new FY 2018. Expenses for May 1 to June 13, 2017 are listed on the Profit and Loss Budget Performance.

Income: For the period of May 1 to June 13, 2017, the District had Water Income of \$194,678. Including other income with water, the total district income was \$213,301.

Expenses: For the period of May 1 to June 13, 2017, the District had Expenses which totaled \$184,586.

Net Income: The YTD FY18 unaudited net income is a gain of \$28,715.

Trustee Dorr made a motion to accept the Treasurer's report pending audit. Trustee Mayes second the motion. The motion passed.

Bill List: The Vendor list includes all payments to vendors for May 1 to June 13, 2017. The total payments were \$190,317.68. This amount is higher because it includes 1.5 months of payments.

Trustee Dorr made a motion to pay the bills. Trustee Valois second the motion. The motion passed.

Treasurer Elsner noted that the Auditors from Eck, Schafer & Punke worked on the District FY'17 audit last week.

V. Business Manager's Report (Graff)

Business Manager Graff expects the auditors to come back to the District one more time before finalizing the audit.

Another newsletter is expected, so if any Trustees would like to add items, please see Business Manager Graff.

VI. Operations Manager's Report (Nelson)

The New Berlin Project Status: The final bill was sent to the Village on May 23, 2017. The final cost was \$215,288. The project came in \$33,386 under budget. This is a savings of \$16,693 per party. Operations Manager Nelson thanked everyone involved in this project.

Our District is in full compliance of the U.S. Department of Homeland Security for our firewall.

The Illinois Emergency Management Agency received our updated 2017 Tier 11 Annual Report.

The flushing of the district's hydrants was completed on June 2, 2017. There are no inoperable hydrants.

Water Well Solutions began rehabilitation to Well #1 on Monday, June 13, 2017.

Staff removed the riprap (rock that holds back sedimentation) on the bank next to the west clearwell since dirt and rock were sliding against the tank.

The clarifier will need to be cleaned due to excessive build-up. It will require a high-pressure cleaning (10,000 psi) to remove the lime. There is a quote from Bodine Services for \$6,300.

Another quote is needed for the repair at the Curran Water Tower. The first quote did not include the cost of the removal and replacement of the pipe insulations.

The District repaired the maintenance shop's overhead doors.

A hit-and-run happened at the Farmington Cemetery Road fire hydrant and repairs were made.

A new utility truck was included in the 2017-2018 budget. The expected delivery is in October.

VI. District Engineer's Report (Middendorf)

The USDA Phase I WTP: The District received an award letter and contract documents were distributed for signatures. Leander Construction (Canton, Illinois) was the lowest bidder at \$3,121,192.04.

Engineer Middendorf asked that the District dedicate space for a physical shop drawing and blueprints, along with the multitude of operation and maintenance manuals (which will also validate equipment warranties). The District will have a Share File software which will serve as a repository for this project. It was noted that LRS will need to designate server space for this Share File.

The District is waiting for New Berlin tank fill test.

VII. Guests – none

VIII. Chairman, Vice Chairman and Committee Reports

- A. Chairman – n/a
- B. Vice Chairman – n/a
- 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 sewer collection system billing – n/a

X. New Business

- a. *Lime Sludge Bids* – Please see part III above for more information.

b. *Prevailing Wage Ordinance* – Vice Chair Folder made a motion to pass the annual prevailing wage ordinance. Trustee Dorr second the motion. A roll call vote was taken:

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

With five yes votes, the motion passed.

c. *Water Rate Increase Discussion for Repayment of the USDA Loan*: Due to two Trustees' excused absences, the District will need a special board meeting for this topic.

Chairman Mitchell said this proposed special board meeting will take place on Tuesday, June 20 at 6:30 p.m. to discuss financing, future reserves and an impending rate increase.

Chairman Mitchell asked Engineer Middendorf to explain the proposed new rates. The USDA requires reserves which must be properly budgeted to maintain the financial viability and sustainability of this Plant's operation. Reserves are important to fund unanticipated emergency maintenance and repairs, and assist with debt service should the need arise. Reserves can also be established and maintained for the anticipated and expected expenses including, but not limited to, operation and maintenance, customer deposits and short-lived assets.

The debt reserve and short-lived asset reserves were discussed.

The formula used by USDA will pay off the debt service in thirty-eight years based on current revenue.

Business Manager Graff and Treasurer Elsner researched various rate structure options based on CGTPWD customer's consumption. They sampled local water districts to understand calculations based on usage. The current basic fee at CGTPWD is \$34.78 per month that includes up to 2,000 gallons.

Here are local rates in Jerome and Chatham:

The Village of Jerome pays a flat rate of \$61.97 plus a monthly meeting charge of \$5 and \$10.08 per 1,000 gallons used.

The Village of Chatham has a water facility charge of \$25.99 plus a consumption charge per 1,000 gallons of \$7.29; in addition, there's a sewer charge of \$10.50 plus a consumer charge of \$4.26 per 1,000 gallons used.

Operations Manager Nelson noted that rural water districts have historically had more expenses because rural homes are farther apart and it takes more pipe and maintenance to get the water to places.

Chairman Mitchell again reminded everyone that a Special Board Meeting will take place on Wednesday, June 21st at 6:30 p.m.

XI. Guests – none

XII. Executive Session – none

XIII. Adjournment – The board adjourned at 8:52 p.m.