

South Sangamon Water Commission
Minutes of Regular Meeting of the Board of Commissioners
January 19, 2016; 3:00 p.m.
Water Plant, 9199 Buckhart Road, Rochester, Illinois

Commissioners:

Present: Terry Burke, Craig Hall, Joel Sander

Absent: none

Quorum: yes

Others Present:

Dan Held, Keith Sommers & Marc Thomas (Woodard & Curran), Max Middendorf (MECO Engineering), Randy Segatto (Barber, Segatto, et al), Laura VanProyen (SSWC), John Vezzetti (Bernardi Securities)
Darlene Judd, Jewel Brant

Proceedings:

- Meeting was called to order at 3:00 p.m. by Chairman, Terry Burke and roll taken.

Presentation Regarding Bond Refinancing:

- John Vezzetti, of Bernardi Securities, presented information regarding Series 2010C and Series 2011 bonds refinancing options and information.
- Bernardi Securities seeks local investors first and believes there would be interest from investors in a bond refinancing issue. The commission currently has an A1 credit rating.
- Interest rates are at all-time lows but expected to begin trending upward. Annual savings on Series 2010C could range from \$15,000 to \$30,000 depending on credit rating and interest rate at the time of refinancing. The refinancing process would take approximately 60 days.
- The Series 2011 bonds interest rate is currently locked at 2.78% but becomes annually floating at Prime minus .75 (not to exceed 7%) in 2021. If this bond is refinanced it could remain subordinate or be changed to alternate revenue.
- Commissioners thanked Vezzetti for the information and agreed more time to review and research was needed.

Management Report:

- Dan Held presented the Monthly Operating Report for December, 2015.
- Max Middendorf reported EPA requested some changes regarding the hydropneumatic tank; MECO is preparing a response and working with Woodard & Curran regarding valve retro-fitting.
- Woodard & Curran will consider options regarding access to wells in case of future flooding; Commissioner Sander will check with New Berlin as well. Recent flood waters were five to ten feet short of well heads and did not affect wells. Middendorf suggested a boat could also be used for managing lagoon sludge.
- Cardinal Hill Road was flooded moving rock from a trench causing a hole which may require attention this spring unless it is filled as part of related road repairs in the area.
- Held outlined a summary of progress on various action items regarding water quality concerns discussed at a September 8, 2015 meeting.
- Commissioner Sander stated New Berlin might be interested to review their flushing procedures similar to Chatham's recent meeting with Woodard & Curran.

Public Comments:

- Marc Thomas will follow up with Dustin at Chatham regarding concerns about ongoing scale and corrosion problems reported by Chatham residents.

Engineering Report:

- Max Middendorf updated status regarding:
 - Sodium permanganate – MECO responding to EPA request for additional information regarding downstream effects.
 - Hydropneumatic tank – MECO responding to EPA request to modify tank architecture to non-bladder style; then decisions would need to be made regarding changes required at the ground storage tank.
 - EJ Water Cooperative – MECO received requested information and changes to their interconnection proposal; Chairman Burke can now sign off on the construction applications when approved.
 - Fluoride – MECO responding to EPA request for additional information

Approval of Minutes:

MOTION by Hall, second by Sander to approve the January 19, 2015 meeting minutes as presented.

Voice vote: Motion carried.

Financial Report:

- Laura VanProyen distributed interim financial reports for January 31, 2015 which showed an operating account balance of \$219,448.86.
- All January 1, 2016 bond payments were made by wire transfer on December 23, 2015.

Approval of Open Invoices for Payment:

- VanProyen distributed a list of open payables totaling \$82,035.97 and asked to include payment of the JULIE annual assessment in the amount \$188.76 which was just received and of AT&T Mobility for approximately \$53 which had not yet been received but will be due prior to the February meeting.

MOTION by Hall, second by Sander to approve payment of all open payables plus \$188.76 to JULIE and AT&T Mobility in an amount not to exceed \$60.

Roll call vote: Hall – yes Sander – yes Burke – yes Motion carried.

- VanProyen will look into changing the billing date for AT&T Mobility to have this amount in time for monthly approval.

Resolution Regarding Banking Practices:

- Commissioner Burke reported our checking account was set up to require two signatures on checks but only one person had been signing off on wire transfers. Warren-Boynton State Bank recently requested the commission either pass a resolution excluding wire transfers from the two signature requirement or begin having two people meet with the bank to sign future wire transfer requests.

- Commissioners agreed not to approve the resolution but rather to arrange for two signatures on future wire transfer requests.

Resolution Regarding 2016 Meeting Dates:

- Randy Segatto presented the final version of the resolution discussed at the December, 2015 meeting approving regular meetings for 2016 to continue on the third Tuesday of each month at 3:00 p.m. at the water plant.

MOTION by Sander, second by Hall to approve Resolution 16-01, A Resolution Establishing Regular Meeting Dates for 2015.

Roll call vote: Hall – yes Sander – yes Burke – yes Motion carried.

Agreement with EJ Water Cooperative:

- Commissioner Burke reported EJ Water Cooperative plans to install about 90,000 feet of transmission main to serve approximately 200 customers mostly west of Cardinal Hill Road and north of New City Road. They continue to work to get necessary easements and additional commitments from potential customers. Segatto will contact Middendorf for the proposal which includes the additional information and adjustments requested by MECO Engineering to review.

Old Business:

Logo Creation:

- Commissioner Hall reported art teachers in Chatham will be meeting to discuss having their high school students design one-color logos; the teacher at New Berlin had already agreed to their students' participation.

Next Town Hall Meeting:

- Segatto sent a letter to Chatham regarding waiting until sodium permanganate testing and flushing plan implementation before scheduling another joint meeting.

New Business:

- Commissioner Burke stated leaks recently detected in Chatham were reported to potentially save the village an estimated \$200,000 per year. This could mean reduced water sale revenue for the commission.

- Commissioner Sander asked whether an invoice sent to New Berlin by Chatham for work done at the New Berlin tower by Advanced Automation Controls should be paid by New Berlin or the commission. If this work was due to recent painting of the tower or moving of SCADA equipment, it would be payable by New Berlin; Sander will follow up with Tim Bliss.

Litigation:

MOTION by Hall, second by Sander to move into executive session to discuss litigation pursuant to 5 ILCS 120/2 (c) 11.

Voice vote: Motion carried.

Executive session began at 5:15 p.m.

Regular meeting reconvened at 5:35 p.m.

MOTION by Sander, second by Hall to authorize Attorney Segatto to settle the case with Cahoy for up to \$85,000 provided all lien waivers are received and all claims are resolved and dismissed with prejudice.

Roll call vote: Hall – yes Sander – yes Burke – yes Motion carried

Adjournment:

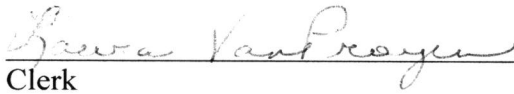
- The next regular meeting of the South Sangamon Water Commission will be February 16, 2015 at 3:00 p.m. at the water plant, 9199 Buckhard Road, Rochester.

MOTION by Sander, second by Hall to adjourn.

Voice vote: Motion carried.

- The meeting adjourned at 5:40 p.m.

Respectfully submitted,


Clerk