

South Sangamon Water Commission
Minutes of Regular Meeting of the Board of Commissioners
February 21, 2012 – 8:30 a.m.
9199 Buckhart Road, Rochester, Illinois

Commissioners:

Present: Del McCord, William Pfeffer, Craig Hall

Quorum: yes

Others Present:

Terry Burke (SSWC), Stan Bersin (Greene & Bradford), Dan Held (SSWC), Shane Hill (Chatham), Gary Kuntzman (Greene & Bradford), JJ Moffat (Total Energy Concepts), Barbara Myers (Rabin & Myers), John Myers (Rabin & Myers), Joe Pisula (Donohue), Ron Vancil (SSWC), Laura VanProyen (SSWC), Mike Williamsen (Chatham)

Proceedings:

- Meeting was called to order at 8:45 a.m. by Chairman, Del McCord and roll taken.

MOTION by McCord, second by Pfeffer to approve minutes of January 17, 2012 regular meeting.

Voice vote: Motion carried.

Treasurer's Report:

- Treasurer Pfeffer presented the 1/31/12 balance sheet which reflects the following available construction fund balances:

Warren-Boynton State Bank	\$ 31,535.66
Series 2011 Bonds Line of Credit	<u>1,915,000.00</u>
	\$1,946,535.66

- Warren-Boynton State Bank general operating funds at 1/31/12 of \$38,836.97

Approval of Open Invoices for Payment:

- Pfeffer presented the open payables list for construction-related items totaling \$447,073.11 and \$1,516.07 for non-construction items.

MOTION by Hall, second by Pfeffer to approve payment of all open payables as presented.

Roll call vote: McCord – yes Pfeffer – yes Hall – yes Motion carried.

- Treasurer's report lists \$128,258.38 payables currently being held for payment upon completion dates.

- Pfeffer presented a summary prepared by Herb Butler which shows current money available less currently known cost items leaves approximately \$54,000 to complete the project.

- Final testing on the wells and plant are in progress this week. Permits, at least verbal, should be coming in early March from EPA.

Purchasing Procedures:

- Treasurer Pfeffer reviewed procedures as established in Ordinance 10-14 regarding the use of purchase orders so everyone understands as we transition into operating the plant.

Resolution regarding CMS Purchases:

- Pfeffer explained this resolution is required to allow us to make purchases of used government equipment.

MOTION by Hall, second by Pfeffer to approve Resolution 12-01 Approving Participation in the State of Illinois Federal Surplus Property Program

Voice vote: Motion carried.

Change Order #9 for Contract “C” with Plocher Construction:

- Joe Pisula explained several items changed due to equipment changes, contract coordination and owner changes, troubleshooting and engineering omissions totaling \$13,908.

MOTION by Pfeffer, second by Hall to approve Change Order #9 for Contract “C” with Plocher Construction in the amount of \$13,908

Roll call vote: McCord – yes Pfeffer – yes Hall – yes Motion carried.

Intergovernmental Agreement with the Village of Chatham:

- John Myers presented a revision of the agreement discussed at the January 17 meeting. This agreement is now with Chatham only rather than Chatham and New Berlin for maintaining the pipeline, reading meters (except New Berlin’s) and billing any retail customers. This agreement will need to be approved by Chatham as well.

- An additional agreement with New Berlin to perform daily readings of their wholesale meter will be prepared for future approval.

MOTION by Pfeffer, second by Hall to approve Ordinance 12-02, “An Ordinance Approving an Intergovernmental Agreement”

Roll call vote: McCord – yes Pfeffer – yes Hall – yes Motion carried.

Security Fencing and Cameras at Plant and Wellsites:

- Ron Vancil stated the first four wells are fenced; six more are on hold as part of our contract with AMCO. Vehicle control gates might also be considered for additional security.

- Discussion regarding potential insurance cost savings, trouble with fence maintenance during flooding. Commissioners agreed to wait before installing any more fencing or gates.

- Security cameras are not currently included in the design. Commissioners agreed we should not wait too long to add them in the future along with possible keypads.

Logo and Mission Statement:

- Commissioner Hall made an initial contact with the schools regarding a logo design contest. He will follow up with them.

- Ron Vancil is working on a draft mission statement.

Website:

- Commissioner Pfeffer described quotes from Hanson Information and MCS to build and maintain an informational website. He recommended MCS with a shorter setup time and lower setup cost but higher monthly maintenance amount.

MOTION by Pfeffer, second by Hall to have MCS build our website as quoted \$259 for setup plus \$59 monthly for maintainance.

Roll call vote: McCord – yes Pfeffer – yes Hall – yes Motion carried.

Old Business:

Additional Voltage Conditioners:

- JJ Moffat from Total Energy Concepts proposed installing nine additional voltage conditioners now that the plant is running.
- Vancil stated a recent incident with the high voltage line did cause flickering lights and unusual electrical activity within the plant which could damage equipment.

MOTION by Pfeffer, second by Hall to approve a contract with Total Energy Concepts to install nine additional voltage conditioners at a cost of \$21,380

Roll call vote: McCord – yes Pfeffer – yes Hall – yes Motion carried.

CRP Contract:

- Chairman McCord and Attorney Myers will go to Farm Services to transfer the CRP contract this week.

Well Field:

- Two well drilling attempts have been unsuccessful. Cahoy proposed giving a credit for the tenth well and stopping with nine. We believe a tenth well is still necessary.
- Vancil proposed a new site for the tenth well. Cahoy may require an additional amount for a test hole. Commissioners agreed to move forward with the tenth well.

Tap Costs:

- Stan Bersin presented a worksheet regarding tap costs with his recommendation of \$2,750 per tap. This amount is higher than others due to the size and type of pipe in our system.
- Chatham and/or Curran-Gardner will handle all taps. Held will discuss this worksheet with Tim Hasara for further review before setting a tap fee.

New Business:

Brine Waste:

- Mike Williamsen reported on his research regarding liquid de-icer specifications. The chemical makeup of our brine waste may not qualify. IDOT generally makes their own and doesn't pay enough to make this feasible. We may look into county or local markets once we have brine to test.

Pipeline:

- Terry Burke stated the entire line has passed testing. Paperwork for all permits is in process and should be received later this month.

Water Main Extensions:

- Gary Kuntzman presented initial estimates for main extensions to use for planning if a group of customers want to hook into our system.

Wholesale Rate Analysis:

- Bill Pfeffer distributed rate study information using three-year average usage from Chatham and New Berlin and best estimates for operating costs. Utilities and chemical costs are relatively unknown amounts.
- Discussion regarding some possible areas to cut costs.
- Myers will prepare a rate ordinance for approval at next month's meeting.

Upcoming Items:

- McCord stated as we transition to operating we need to discuss exit strategies for Vancil, Burke and Williamsen.
- Commissioners agreed we need to continue to look for areas to cut costs for the first two years of operations.
- Once the plant is operating, we will want to plan some kind of grand opening event(s).

Next Meeting:

- The next regular meeting will be held Tuesday, March 13, 2012, at 8:30 a.m. at the water plant at 9199 Buckhart Road in Rochester.

Adjournment:

MOTION by Pfeffer, second by Hall to adjourn the meeting.

Voice vote: Motion carried.

- The meeting adjourned at 11:05 a.m.

Respectfully submitted,


Clerk