

South Sangamon Water Commission
Minutes of Regular Meeting of the Board of Commissioners
March 20, 2018; 3:00 p.m.
Water Plant, 9199 Buckhart Road, Rochester, Illinois

Commissioners:

Present: Lee Bloome, Craig Hall

Absent: none

Quorum: Yes

Others Present:

Dan Held & Greg Frieden (Woodard & Curran), Randy Segatto, (Barber, Segatto, et al), Max Middendorf (MECO Engineering), Laura VanProyen (SSWC), Bill Brown (CM&T), Patrick McCarthy (Chatham), Mike Krall (New Berlin)

Darlene Judd, Keith Osborn

Proceedings:

- The meeting was called to order at 3:04 p.m. by Chairman, Lee Bloome, and roll was taken.
- A new commissioner was scheduled to be appointed by the Village of New Berlin at their meeting on March 21, 2018.

- The representative from GEM Energy Solar was not yet present.

MOTION by Bloome, second by Hall to move her follow-up report to the end of the agenda/

Voice vote: Motion carried.

Management Report Presented by Dan Held:

- Due to vacation schedules at the plant, the regular monthly IEPA report was not yet printed but would be posted to the website as part of the Operating Report as soon as it was reviewed and finalized.

- With items yet to be included regarding the lagoon effluent pump and well #1, the budget was projected to be approximately \$7,000 over

Engineering Report Presented by Max Middendorf:

- Wesley Chapel project was waiting for 16" casing material to be delivered, probably next week.

- Sangamon County Highway Department asked to coordinate with their contractors to avoid too much congestion at the job site.

- David Cook indicated reviews are running about 30 days behind and should be complete regarding the Chloramine conversion around mid-April.

- Budgetary quotes for the project had been received with \$20,000 from Henson Robinson mechanicals and \$6,700 from Woodard & Curran for SCADA programming.

Public Comments:

Commissioners heard questions regarding:

- Installation of new membranes
- Extending the life of the membranes – Bloome indicated this was being addressed as part of the Stem-to-Stern long term plan
- Dollar threshold for Capital Improvement items – Bloome stated items under \$5,000 were handled directly by Woodard & Curran; larger items were brought to the board for discussion and approval
- Well #1 pump replacement

Approval of Minutes:

MOTION by Hall, second by Bloome to approve the minutes of the February 20, 2018 regular meeting as presented.

Voice vote: Motion carried.

Treasurer's Report:

- Laura VanProyen distributed unaudited draft February 28, 2018 financial information and historical water usage report for Commissioners' review. There were no questions or discussion regarding the information.
- Hall asked for an update regarding the insurance claim on the Mansion/Wesley Chapel Roads main break.
- Segatto indicated we had contacted our agent and had heard from our claims adjuster, but there is nothing yet to report regarding the outcome of that claim.
- Hall further inquired regarding the status of the insurance renewal.
- Segatto stated we have requests for quotes from Cincinnati Insurance through our current agent, AJ Gallagher (formerly Nicoud) as well as from another company through Corkill Insurance. Troxell Insurance would also quote Cincinnati Insurance, and so would be the same as Gallagher.
- Those quotes would be reviewed and discussed at the April meeting.

Approval of Invoices for Payment:

- VanProyen presented a list of payable items totaling \$99,779.54 to be approved for payment

MOTION by Hall, second by Bloome to pay all invoices as presented.

Roll call vote: Hall – yes Bloome – yes

Motion carried.

Fiscal Year 2019 Capital Projects:

- Chairman Bloome had recently met with Woodard & Curran plant staff and Middendorf to discuss what capital projects and large maintenance items are critical and should be included when planning the FY2019 budget. A list of Capital Improvement Projects and Standard Maintenance Issues which came from this meeting is attached as Exhibit A to these minutes.

- Boome gave further detail regarding some of these items:
- After the engineering report from this meeting, the Chloramine Conversion cost estimate should be increased to \$26,700
- The main raw water line from the well field to the plant has become restricted over time and would now require attention.
- With the water main break, revenues were down. This and other projects had caused a backlog in payments to the management company.
- The pump on well #1 would need to be replaced
- Aerator tubes had become fouled and would need to be replaced
- The arc flash study had been discussed previously and should be done to ensure safety of all electrical gear.
- It would be prudent to have a reserve in case of another main break.
- Extreme cold caused the permanganate line to freeze; it would need to be relocated/buried to avoid this in the future.

Short Term Borrowing:

- Bloome reviewed preliminary proposed budget numbers based on the Curry report and current budget information which show a deficit. Along with the Capital Improvements and Maintenance needs discussed earlier, there was a need to consider short-term borrowing.
- Segatto suggested sending Requests for Proposals (RFP) to local banks and calling a special meeting to review those proposals.

MOTION by Bloome, second by Hall to authorize a Request for Proposal for a short-term business loan in an amount not to exceed \$750,000.

Roll call vote: Hall – yes Bloome – yes

Motion carried.

2018 Wholesale Water Rates:

- This item was tabled until more information is known regarding borrowing and final budget.
- The increase scheduled to begin June 1, 2018, which was approved as part of last year's wholesale rate ordinance

Old Business:

Bulk Water Sales:

- Hall asked Middendorf what it would cost to reopen the bulk water saleman to again bring in that additional revenue; \$25,000 was the bare bones minimum.

New Business:

- There was no new business.

The representative from GEM Energy Solar had not yet arrived.

Adjournment:

- The next regular meeting of the South Sangamon Water Commission will be April 17, 2018 at 3:00 p.m. at the water plant, 9199 Buckhart Road, Rochester, Illinois.

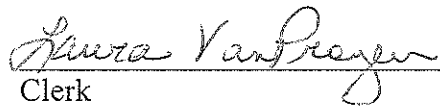
- Any special meeting regarding results of the RFP will be scheduled and properly posted as needed.

MOTION by Hall, second by Sander to adjourn.

Voice vote: Motion carried.

- The meeting adjourned at 3:45 p.m.

Respectfully submitted,


Clerk

SSWC

FY 2019 Capital and Large Maintenance Items

Capital Improvements Projects

Membrane Second Payment	73,375
SCADA for the GST Alt Valve	80,000
Wesley Chapel Road WM Repair	53,526
Chloramine Conversion	20,000
Main Line Pigging Station	260,000
Backlog	248,976
	735,877

5 year business loan at 5% for \$735,877

(169,969) /yr

Standard Maintenance Issues

Well Replacement	31,021
Aerator Tubes	5,000
Arc Flash Study	15,000
Main Break Reserve	20,000
Permanganate Line Relocation	5,000
	76,021

Exhibit A
to 3.30.2018 minutes