

**MEETING MINUTES
SANGAMON VALLEY PUBLIC WATER DISTRICT
REGULAR BOARD MEETING
DECEMBER 2ND, 2019
5:00PM**

Held in the Olen G. Parkhill, Jr. Water Treatment Plant Conference Room

MEMBERS PRESENT: Mike Larson, Bob Buchanan, Meghan Hennesy, Bud Parkhill, Frank Howard, James Ingram, Kerry Gifford, Lindsey Stroud-Rodts. A Quorum was present.

MEMBERS ABSENT: Mike Melton

GUESTS PRESENT: Marlin Livingston, Liz Nussel, & Robert De Atly from the Thornewood HOA

1. CALL TO ORDER: Chairman Hennesy called the meeting to order at 4:57pm.

2. APPROVE AGENDA: Chairman Hennesy asked for any changes to the agenda. Gifford noted a change to the agenda to remove item 7.A.D. (Approval of 2012 Bond Abatement Ordinance) due to paying to Bond off this year, and to adjust the Ordinance number on the 2013 Bond Abatement Ordinance to No. 2019-12-02-02. No other changes were suggested.

Motion by Parkhill to approve the agenda as presented, 2nd by Buchanan. All voting yes, motion carried.

3. PUBLIC COMMENT: Marlin Livingston introduced himself. He lives in the Thornewood subdivision, and is also a member of their Homeowners Association, but he is representing himself this evening, and is not representing the HOA specifically. Mr. Livingston noted that he had spoken with Mr. Gifford earlier that day regarding fiber optic installation in their neighborhood. Mr. Livingston stated that they are not happy with Mediacom, and they have received presentation from two other companies in town, Volo & CCG. Mr. Livingston stated that the reason he reached out to Mr. Gifford was because he was aware that there is an issue between SVPWD and CCG regarding who is liable for the damage, should damage occur during installation of the fiber optic lines. Mr. Gifford explained that SVPWD will mark the mains. Mr. Gifford also noted that we have had no issues with Volo in only marking the main lines, and not marking the service lines for them. Volo has not requested service line locating, however they have asked for assistance with locating curb stops, and we have helped them with that.

Ms. Nussel joined the public comment, and was introduced as the President of the Thornewood HOA. Mr. De Atly also joined.

Chairman Hennesy further explained that CCG did meet with SVPWD at the beginning of the summer, and that SVPWD has in depth discussion with them trying to figure out how we could work with them to install fiber optic. She explained that the real stumbling block is that our ordinances are different that the Village of Mahomet in that we only own the Main. In terms of our responsibility that is all that we can mark, because if

they hit the main that we have marked, we own it and are liable for the damages should they hit it. The way our ordinances are written explain that anything located off of the main (service line, curb stop, etc) are owned by the homeowner. When CCG came and talked to us, they told us that they would be boring and that they don't mark any of the lines, they wanted us to mark the lines. However, as soon as we mark the service lines we take responsibility for that mark being accurate, and if they hit that line we would be paying for it, which is tantamount to you paying for since we are a user-based district and we fund our district off of your fees. So we worked with CCG, and tried to figure out what their process was for ensuring that they don't hit the service lines, and they were not willing to take responsibility for damages that would occur if we mark the curb stop or the service line. SVPWD decided that it was in the best interest of the District not to take responsibility for it, and we would not want the homeowner to take responsibility for it. Chairman Hennesy noted that if a service line was hit it could cost anywhere from \$1,200 - \$5,600 or more depending on if it was hit under the driveway. There was just too much risk at stake, since we are not funded like the Village is with tax dollars in order to be able to fix things like that. We just don't have the taxing dollars that Village does, so we have to be pretty sensitive about what risks we take on because if we take on a risk that we can't afford, the only way to pay for that is to have a rate hike for the customer. We didn't feel like that was something we were willing to do. We went through a few iterations with CCG to try and make this happen and we weren't able to get this done. Chairman Hennesy also wanted to reiterate that she doesn't know what arrangement the Village has with CCG so the information from CCG to us on what the Village will cover is hearsay. Mr. Livingston asked if, hypothetically, if it were inside the city bounds, would the city normally mark the service line all the way up to the house? Chairman Hennesy stated that it is her understanding that they would up to the shut-off on the property, and they own that line. Mr. Livingston asked for clarification on the difference between the public-right-of-way. Chairman Hennesy explained that we own the main, the homeowner owns the service line and shut-off, but that Village owns the land within the public-right-of-way. Chairman Hennesy also noted that we have ongoing conversation with the Village as well to try to help solve this problem because we really do recognize that this is a benefit that everybody in Mahomet wants and we are trying to help get this done. Mr. Larson noted that there is simply solution that these companies have, and if you directional bore, after the utilities are located, you will go down and vacuum the dirt out. He noted that we told CCG and Volo that really the answer to this is, that we can get your really close to where the lateral service line is, and then you can horizontal drill to find the line. He stated that Volo said they will work with us to do this, but CCG just said no. Chairman Hennesy stated that CCG said it is cost prohibitive for them to do that. Mr. De Alty asked what the likely hood was that the service line runs perfectly north to south to meet the main. Chairman Hennesy stated that it is still difficult because those are put in by contractors, and not us. Mr. De Alty asked for clarification regarding the neighborhoods that have received service in our district and asked what the rate of hits were for Volo's installation. Gifford stated that they have not hit anything and they have been a pleasure to work with on locating curb stops or if they need help finding anything, and they do take responsibility if they were to hit something. Mr. Parkhill stated that CCG is not a reputable company. They decided that they were going to put service in without taking to anyone, near the BP on Prairieview Rd. and they shot through there with their boring machine, and when they entered one of our neighborhoods they hit a service line going to the American Legends building and then they refused to pay for the repair after they said they would. Chairman Hennesy stated that we did do further research on CCG and discovered that they did installation in Monticello, and CCG suggested that they had a hit rate of 5 homes. We heard from the Village of Monticello and discovered it was closer to 35 homes, so it is really hard to assess what the risk is going to be when we don't get information from them that matches up. Chairman Hennesy stated that she apologizes, and that she understands their concerns. Mr. Larson stated that we don't endorse one company over the other, but it is black and white between the two companies. One company was willing to take responsibility for hitting services lines and one company was not. Larson stated that we are willing to work with either company, and work hand in hand, but we only ask that they pothole, and they take ownership of the service line, when or if they hit it. Mr. Livingston asked what the current procedure is that Larson is referencing. Larson explained that it is a vacuum that basically sucks the water & dirt up so they can see

down in a hole and locate utility lines. Chairman Hennesy reiterated that we did tell CCG that we were willing to mark the boxes to give them some indication, but they gave us the impress that if we did that we would be responsible, so we said no. Ms. Nussel asked if potholing was something that CCG would have to purchase the equipment and do that themselves, or could that be hired out. Larson stated that they could hire that out, but for the business they are in, most directional boring companies will pothole. Mr. De Atly noted that he rented one of those machines for about \$400/Hr and it goes about 4' deep. Chairman Hennesy reiterated that we are not telling CCG that they have to pothole, but just that if they hit a line, they would be responsible for it. Ms. Nussel asked if the neighborhood could just doing the potholing themselves. Chairman Hennesy stated that the neighborhood could do whatever it wants as the property owners, but her noted of caution is that something you can pothole and still can't find a line, and unless you have their word that if they hit it they will pay for it that would still be on the homeowner. Mr. Livingston thanked the District for allowing them to speak this evening. Chairman Hennesy said no, thank you, we are here to serve you. Parkhill reiterated we are here to help you, we just aren't a taxing entity and we don't have the revenue or resources to make the repairs outside of our jurisdiction. Chairman Hennesy also stated that we had to make a decision that ultimately protects you, the customer. Mr. Livingston stated that they need to clarify this for the homeowners, because they think the District won't mark it. Chairman Hennesy thanked the guests once more for coming tonight to hear from the District directly. Mr. De Altly noted that there have been some other complaints before. Chairman Hennesy noted that if those folks contact us and let us know we can help. We can only help with problems that we know about, our guys will come out and a lot of things go on inside the house but we would be more than happy to come out and help identify the problem. Mr. Gifford also noted that with a new facility we have experienced some bumps, most recently with our water softening system, but that should be resolved very soon. Mr. Livingston noted that some of it isn't that the water is bad all the time, it is occasional, then sometimes you won't hear anything. Ms. Nussel noted that the only ongoing this is the build-up. Chairman Hennesy asked the guests to please spread the word that if residents go to our website and like our facebook page, we do send out notifications such as the hardness issue, we will alert you and communicate when the problem is solved, but we can only do that if we have people signed up for it. Mr. De Atley, Ms. Nussel, & Mr. Livingston thanked the Board for hearing from them and left the meeting.

Chairman Hennesy noted that she was glad they came and were able to hear from us directly. She noted that it may be beneficial to do another communication campaign regarding fiber optic installation, and refresh everyone's memory. Mr. Ingram also suggested sending the guests a Thank-You note for attending this evening.

4. SECRETARIES REPORT:

- A) Regular Meeting Minutes – October 28th, 2019:** Chairman Hennesy asked if everyone had a chance to review the secretary's report for the open meeting from October 28th, 2019. She asked if anyone has any changes, corrections, or additions. No one did.

Motion to approve the Secretary's Report from October 28th, 2019 as presented by Larson, and 2nd by Ingram. All voting yes, motion carried.

- B) Budget Meeting Minutes – November 12th, 2019:** Chairman Hennesy asked if everyone had a chance to review the secretary's report for the open budget meeting from November 12th, 2019. She asked if anyone has any changes, corrections, or additions. No one did.

Motion to approve the Secretary's Report from November 12th 2019 as presented by Buchanan, and 2nd by Parkhill. All voting yes, motion carried.

5. TREASURER'S REPORT: Gifford reviewed all charges over \$1,000 from the December 2nd Current Accounts Payable report.

- Ameren Illinois - \$12,208
- IMCO - \$3,368
- Meyer Capel - \$4,705
- The Cincinnati Insurance Company - \$2,168.00 (monthly)
- **Total - \$27,064.45** – as of November, 27th 2019 – To be signed at this meeting.

Gifford noted the Income & Expense sheet total net income, highlighted in yellow for everyone, is \$166,000. He noted that we are even ahead on capacity/tap-on charges which is telling him that we had more hook ons to new homes than he thought they would. Second page is the debt service. Gifford noted that we have \$1.9 million in total cash, which is right in line with AWWA standards reserve requirements. Larson asked what the AWWA recommends for Operating Cash? Gifford noted 3 months. He also noted that our annual Bonds Debt Service is 1.25 times. Gifford noted that he didn't have anything else to report on the Treasure's side. Chairman Hennesy asked if anyone had any other questions. No one did.

Motion to approve the Treasurer's Report as presented by Parkhill, and 2nd by Larson. All voting yes, motion carried.

6. GENERAL MANAGER'S REPORT: Gifford noted that he was unable to provide his standard typed GM Report this month due to an injury, so he would be giving a verbal report instead. He reviewed the water loss reports and noted that it is around 6.5% loss after accounting for hydrants, breaks, and water treatment plant use. He noted there was one sewer back-up in the Briarcliff area last month, due to tree roots. He noted that we have cleaned that area twice in 12 years, so we need to start thinking about fitting this in as a project down the road. He would recommend this getting done in the next 5 years. Larson asked if we can budget an annual amount and go ahead and do it. Gifford stated that it would cost roughly \$200,000 total to line all of Briarcliff subdivision, which is about 5,000 feet, and he noted that he was going to discuss this further during the 20 Year Master Plan committee meeting. Gifford noted that the softening system is in parameters now, however, we still need to take all of the inlet screens out and clean them or replace them. Gifford is going to ask for help from Tim Culver's crew to get this all done in one day. Chairman Hennesy asked if we did end up purchasing those from Tonka and Gifford confirmed that we did. Chairman Hennesy asked if there were any further questions on the General Manager's Report. No one had any further questions.

7. NEW BUSINESS:

A. Approval of Capital Projects

- 1. Northward Expansion Phase 1 – Items 1, 2, & 3 - \$69,800** – Gifford noted that this is what was recommended by him in the Budget Meeting and it would get the District shovel ready for expansion to North 2500. This is primarily for easements, engineering costs, and surveying costs. Larson asked if this expansion cost was going to be funded by the entire

District. Gifford said they will be, but this requested amount is only for a portion of the project. This specific project is about ¾ of a mile in length for 1 water main up to 2500 North. Chairman Hennesy asked if anyone wanted to entertain a motion to approve Northward Expansion Phase 1 – Items 1, 2, & 3 for \$69,800.

Motion by Buchanan and 2nd by Parkhill motion to approve Northward Expansion Phase 1 – Items 1, 2, & 3 for \$69,800.

Roll Call Vote as follows:

Roll Call Votes: 7.A.1.	Buchanan – Yes	Hennesy – Yes	Howard – Yes
Ingram – Yes	Larson – Yes	Melton – Absent	Parkhill - Yes

All present voting yes, motion carries.

- 2. South Prairieview Rd – Entire Project - \$122,800** – Chairman Hennesy called to entertain a motion to approve South Prairieview Rd – Entire Project - \$122,800.

Motion by Ingram and 2nd by Larson to approve South Prairieview Rd – Entire Project - \$122,800.

Gifford noted that this would cover Casey’s, Fittok, and the Fire Dept Training Center. His proposal would create improved water flows and fire protection for existing residents and commercial customers. Gifford noted that there are three potential funding sources for this project: 1) SVPWD Cost (which includes existing customers) -\$40,260, 2) Assessments (Future Business Development) - \$60,000. 3) Village of Mahomet Economic Development Grant - \$21,740. Chairman Hennesy asked if the District has talked to the Village regarding this project and potential funding yet. Gifford stated that he and Parkhill were supposed to coordinate with the Fire Chief and speak to the Village together, but they have not yet. Larson asked if there was a reason for the loop right now, noting that it is ideal, but not necessary at this time. He asked if there was any validity to the District just doing a single line vs. a loop. Gifford stated that he would prefer to tie it together in a loop because then it creates better flow, fire protection, and water quality long-term. Larson stated that he is just wondering because it would be the difference between spending \$60,000 now or \$120,000 now and what the advantages are to looping and spending more. Chairman Hennesy did note that in her discussion with Kelli at the Village, a specific topic discussed is why we don’t dead end things and by doing that now it would cause a pause in discussion if the District were to then dead end a line. She noted that the District could continue to pursue conversation with the Village about assistance for paying for the project, but we should still continue with it regardless of their assistance. Chairman asked if there was any further discussion. There was none.

Roll Call Vote as follows:

Roll Call Votes: 7.A.2	Buchanan – Yes	Hennesy – Yes	Howard – Yes
Ingram – Yes	Larson – Yes	Melton – Absent	Parkhill - Yes

All present voting yes, motion carries.

- B. Approval of 2020 Budget - \$1,652,415.16** – Chairman Hennesy noted that she spoke with Parkhill prior to the meeting and that there were a couple concerns regarding personnel compensation (5 ILCS 120/2(c)(1), so she suggested going into executive session before further discussion or approval of the 2020 Budget.

Motion to enter Executive Session by Parkhill and 2nd by Buchanan at 6:00pm for the discussion of Personnel Compensation relating to the 2020 Budget.

Motion to Leave Executive Session by Ingram, and 2nd by Parkhill at 6:33pm.

Chairman Hennesy stated that we are now back in open session and we have on the table the approval of the 2020 Budget as present, with the modifications on personal compensation discussion in Executive session. She asked to entertain a motion for approval.

Motion to approve the 2020 Budget - \$1,652,415.16 by Ingram, and 2nd by Parkhill.

Roll Call Vote as follows:

Roll Call Votes: 7.B	Buchanan – Yes	Hennesy – Yes	Howard – Yes
Ingram – Yes	Larson – Yes	Melton – Absent	Parkhill - Yes

- C. Approval of 2010 Bond Abatement Ordinance No. 2019-12-02-01** – Stroud asked for approval of the 2010 Bond Abatement Ordinance No. 2019-12-02-01. Ordinance abating the tax hereto levied for the year 2019 to pay the principle of and interest of \$1,085,000 general obligation bonds (alternative revenue source), Series 2010, of Sangamon Valley Public Water District, Champaign County, Illinois.

Motion by Larson and 2nd by Ingram to approve the 2010 Bond Abatement Ordinance No. 2019-12-02-01.

Roll Call Vote as follows:

Roll Call Votes: 7.C	Buchanan – Yes	Hennesy – Yes	Howard – Yes
Ingram – Yes	Larson – Yes	Melton – Absent	Parkhill - Yes

D. Approval of 2013 Bond Abatement Ordinance No. 2019-12-02-02 - Stroud asked for approval of the 2013 Bond Abatement Ordinance No. 2019-12-02-02. Ordinance abating the tax hereto levied for the year 2019 to pay the principle of and interest of \$460,000 general obligation bonds (alternative revenue source), Series 2013, of Sangamon Valley Public Water District, Champaign County, Illinois.

Motion by Larson and 2nd by Buchanan to approve the 2013 Bond Abatement Ordinance No. 2019-12-02-02.

Roll Call Vote as follows:

Roll Call Votes: 7.D	Buchanan – Yes	Hennesy – Yes	Howard – Yes
Ingram – Yes	Larson – Yes	Melton – Absent	Parkhill - Yes

8. OLD BUSINESS:

- A) Lake Ridge Subdivision/ Mumm Recovery** – Gifford noted that Tom Mumm came to see him and Gifford provided him with the law from Illinois as to what his obligations are as a contractor. Gifford said that Mr. Mumm suggested to him that he wanted to meet with Chairman Hennesy and Vice Chairman Parkhill to discuss the amount he owes further. Gifford stated that he will wait a little bit and see if he wants to schedule a time to meet.
- B) Annexation/IGA Committee Update** – No update at this time.
- C) Personnel Policy Committee Update** – No update at this time.
- D) 20 Year Master Plan Committee Update** – No update at this time.

9. EXECUTIVE (CLOSED) SESSION: No further Executive sessions were held other than during Item 7.B.

10. ADJOURNMENT:

Prior to adjournment Larson suggested doing something for the employees for the Holidays such as gift cards, gifts, etc. Stroud recommended having a small dinner party for the employees and board members and it was approved by the board to schedule a dinner for the employees and board members for some time in early January.

Motion by Howard to adjourn at 7:00pm. All voting yes, motion carried.

Respectfully submitted,

Lindsey Stroud-Rodts
Secretary, Board of Trustees