

MEETING MINUTES
SANGAMON VALLEY PUBLIC WATER DISTRICT
REGULAR BOARD MEETING
JULY 22ND, 2019
5:00PM

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

MEMBERS PRESENT: Bob Buchanan, Meghan Hennesy, Bud Parkhill, Mike Melton, Kerry Gifford, Lindsey Stroud-Rodts. A Quorum was present.

MEMBERS ABSENT: Frank Howard & Mike Larson

GUESTS PRESENT: Joe Pisula of Donohue & Associates

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 suggested to move item “Update – Northward Expansion of Water District” up to item 4. A. so Mr. Pisula could speak on behalf of this agenda item along with WTP Site Improvements. **Motion** by Parkhill to approve the change, 2nd by Buchanan. All voting yes, motion carried.

3. PUBLIC COMMENT: None

4. NEW BUSINESS:

A) Update – Northward Expansion of Water System: Mr. Pisula handed out a second draft of the Northward Expansion proposal. The update with this second draft includes more detail descriptions around the figures previously provided. One thing that has been amended on figure 1B, is a map that includes the updated hot spots of those residents affected by the People’s Gas leak. The cost has also been increased due to inflation. In this updated draft, the phasing was also eliminated due to not knowing if phasing would be needed, so the cost is now a total cost vs. being represented in different phases. Mr. Pisula also included potential areas that are higher risk of potentially being affected by the gas leak. Mr. Pisula also provided a PDF version of this draft for Mr. Gifford. Gifford also confirmed that he has reviewed this draft and agrees with everything Pisula presented. Pisula also noted that if a funding source doesn’t present itself to move forward with this proposal, he may have to do continuous inflation related updates. Pisula noted that we will also not be adding fire protection with this proposal. We would essentially be creating a rural water district north of I74. Hennesy and Gifford confirmed that this updated draft would be sent to Senator Chapin’s office for his review.

B) Water Treatment Plant Site Improvements – Contract Award & Bid Review:

The lowest bid from the public bid was A&R Services, Inc. Pisula's team originally estimated around \$57,000, and the lowest bid came in at about \$87,000. Pisula and Tim Cowan suggested that the least important items (bid items 1 – 7) we can hold off on. Item 8-16 are the most important. Mr. Pisula suggested approaching A & R to award the contract for the full amount of the bid, and then issue a change order and remove items 1-7, for a revised contract for \$43,985.60. A & R is willing to work with SVPWD on the adjustment. **Motion** by Buchanan to award the contract and approve the change order. 2nd by Melton. All voting yes, motion carried. Chairman Hennesy signed the bid award and change order to send back to A & R. Mr. Pisula reiterated that after everything is signed by both parties, 3 copies of all documents are made. One for the District, one for the contract, and one for the Engineers.

Mr. Pisula also mentioned he and Kerry had discussed a task order for site observations of the contractors, not to exceed \$8,000. This would also include future change orders and a final walk through. This is task order 22 B. **Motion** by Melton to add this to the agenda, as well as approve Donohue and Associates' task order 22 B. 2nd by Parkhill. All voting yes, motion carried. Mr. Pisula left the meeting.

C) Review of Pay Period for SVPWD Employees: Gifford stated that when the direct deposit went into effect for the employees, this caused the office to process payroll on Wednesday, in order for direct deposit to be in the employees bank account by Friday, leaving Wednesday and Thursday processed for payroll, prior to the shift being completed. Stroud stated this caused potential issues if an employee gets called out or sent home. Stroud and Gifford proposed to change the pay period from Friday – Thursday, to Wednesday – Tuesday, keeping the payday still Friday, and the pay cycle biweekly. Melton asked if there was any thought to paying once a month. Gifford and Stroud disagreed with that stating it would most likely negatively affect those non-salary employees. Parkhill agreed. Chairman Hennesy asked if employees have been asked about the pay period adjustment and if anyone had any issues with this. Gifford and Stroud confirmed that none of the employees have any issues with this change. **Motion** to approve the pay period cycle to Wednesday – Tuesday by Parkhill. 2nd by Melton. All voting yes, motion carried.

D) Changing Candlewood Estates/Seymour Billing Cycle: Gifford stated that this change has previously been approved through the ordinance revision, but the District wants to adjust to one billing cycle as soon as possible. **Motion** to approve Candlewood/Seymour billing cycle by Buchanan, 2nd by Melton. Stroud noted that right now the District is one 3 separate billing cycles and due dates, Candlewood, Seymour, and Homeowners. The goal is to get all 3 areas on the same cycle and same due date. The October billing cycle is when we want to do the first full month switch on the billing cycle. Stroud also noted that we will need to discuss Seymour's cycle change with their Board, and also obtain their approval on the due date change. We also want to notify all customer's by the end August so they have over a month's notice. With the changes, bills would be mailed around the 30th of the month and due by the 20th of the following month. All voting yes, motion carried.

5. SECRETARIES REPORT: Chairman Hennesy asked if everyone had a chance to review the secretary report for the June 17th, 2019 regular board meeting. She asked if anyone had any changes, corrections or additions. Chairman Hennesy asked for a motion to approve secretary's report/meeting minutes from June 17th, 2019. **Motion** by Melton and 2nd by Buchanan to approve the secretary's report from June 17th, 2019 regular board meeting. All voting yes, motion carried.

6. TREASURER'S REPORT: Gifford noted that the payables report is in a different format that prior meetings and is all on one report instead of several reports. Gifford noted that this reports includes all transactions through August 31st. Gifford reviewed all charges over \$1,000 from the July 22nd Current Accounts Payable report:

- Workman's Comp - \$1,430.00
- Altofer Generators - \$10,472.28
- CMS – Central Management Services - \$6,031.00
- Classic Plumbing - \$2,189.24 –Gifford questions this invoice stating CCG should have taken care of this invoice and the original check should have been voided. Gifford asked Stroud to hold this check back until we could research it further.
- CUSI – Billing software update - \$1,500.00
- Express Employment Professions - \$8,238 due to an employee being out for 6 weeks and having 2-3 contract employees between May – July
- Annual IEPA Fee - \$2,500.00
- Solar Salt - \$4,230.00
- Martin Hood - \$2,300.00 for annual audit
- Meyer Capel Legal Fees - \$2,794.62
- Cincinnati Insurance Company - \$2,110.00
- New Locator - \$
- Water Solutions Unlimited - \$1381.00

- Total - \$112,967 for June 17th, 2019 – August 31st

Gifford elaborated on a few other expenses. Last month we had a mass mailing that increased our postage expense. On top of the contract services as well as the new locator, that helped to increase the expenses in June. We are about \$13,000 over our budget, but should be able to catch up after July's usage comes in with it being so dry, we should see some records numbers. Parkhill asked about the red \$60,000 deficit, he questioned whether this should come from our total income to help improve the metrics, instead of taking this from our operating income only. Gifford stated that this has always been based off of operating income. Non-operating income is reserved more for projects and growth and development. Operating income pays for operating expenses. Gifford also stated that in about two months we will be out of the hole. **Motion** to approve the Treasurers Report by Parkhill, 2nd by Melton. All voting yes, motion carried.

7. GENERAL MANAGER'S REPORT: Gifford stated that there was a chlorine problem at the plant, but it has been resolved. We found out the ammonia was converting to nitrite in the filter, and nitrite has 5x more chlorine demand, so we couldn't feed enough in the residual. Gifford stated it may be something we have to continue to do once a year. Gifford also mentioned that he met someone in the Lake Ridge area with a banking background, and was a country clerk for Douglas County many years so he recommended this gentleman come to meet with a member of our Board regarding out vacant seat on the board. Parkhill stated he is originally from the Cole County area, and is now retired and living in the Mahomet area for his

grandkids. Parkhill and Gifford let him know that unfortunately the appointments are out of our hands, but directed him where to go to apply for the position. Chairman Hennesy also stated that she has a few other potential candidates that she can reach out to as well.

See GM report below for all details.

- **Income:** June water sales remain below expected amounts due to the wet weather at \$135,700.49. On an annual basis we are 6.9% below budgeted forecast. July has turned hot and dry and I fully expect water sales to improve. Total operating revenue is 7.9% off for the year. Non-operating revenue through June is at \$42,950. The District received 9 new housing permits issue through July 16th. This year continues to be very slow year for new housing starts but with the completion of Prairie Crossing 5th and Thornewood 5 Phase II we should see a better second half of the year with new housing starts.
- **Expenses:** Overall operating expenses are trending above average with the budget through the end of June. I expect improving conditions to expenditures once we get past the busy summer months.
- **Meter Reading:** 14 meters were estimate in the month of June with 1,872 accounts were billed. The June average water usage per customer were as follows: Homeowners 5,770 gallons, Candlewood 2,916 gallons.
- **Water Plant and Distribution System:**
 - **Water Distribution System:** Water loss for the month of June was near normal at 7.6%. We found a leak on an irrigation system in Thornwood subdivision that may have been contributing to the water loss trending above 6%.
 - **Water Treatment Plant Chlorine Disinfectant:** I tested Nitrite levels after the iron filters on a hunch that nitrites were forming and increasing chlorine demand significantly. My hunch was confirmed the nitrite levels leaving the iron filters was above 1.0mg/L. My corrective answer was to inject all the chlorine at the head of the plant at high chloramine level and by doing so I would be removing ammonia bacteria food source and providing a strong chloramine disinfectant to the iron filters for cleaning. The theory worked! We are back to normal operations with abundance of chlorine.
 - **Water plant building issues pricing:** The moisture problem around the iron filters duct will be correct by the end of July.
- **Wastewater Plant and Collection System:**
 - **Wastewater Plant:** We had no sewer back-ups or major operation or maintenance issues. Chlorine disinfection for fecal coliform inactivation is now in operation. It appears with the hot and dry July weather we should be shutting the effluent discharge down by the end of the month this will save on chemical cost.
 - **Collection System:** We had no sewer back-ups in the month of June. With the very wet month inflow and infiltration flows to the sewer plant peaked at 4 times the annual average flow.
- **Subdivision Updates:**
 - **Prairie Crossing 5:** Sewer and Water construction inspection completed and punch list for corrective work has been provided to Farnsworth Group. All construction testing requirements and bacteria test are done.
 - **Ridge Creek IV:** Unlimited Construction provided the final maintenance bond with the correct amount of surety. This development is now in the one year maintenance bond warranty period.
 - **5th Addition to Thornwood Phase II:** Sewer and Water construction inspection completed and punch list for corrective work has been provided to Farnsworth Group. All construction testing requirements and bacteria test are done.

8. OLD BUSINESS:

- A) **Update – Campus Communications Group Fiber Optic to Mahomet:** Nothing new to report with CCG. Gifford, Hennesy, & Stroud still needs to meet to discuss more with the HOAs and come up with a communication plan moving forward. Chairman Hennesy recommended discussing reaching out to CCG during the next meeting.
- B) **Update – Review of Construction & Safety Ordinance (HDD Drilling):** Gifford stated he would prefer to have an individual ordinance for Horizontal Directional Drilling separate from general construction due to the amount of damage that had or could be caused. Chairman Hennesy asked Gifford is he would like the Board to entertain a motion to approve the HDD ordinance tonight. Gifford stated he wasn't ready yet, he is just working on feedback on what has been presented so far. Chairman Hennesy recommend having them provide a copy of the permit on file, in addition to acquiring one. This will be added to the agenda for next month as well for a final review. Parkhill and Gifford also mentioned as a side note that they are starting communication with a loan office regarding acquiring a new loan for the Sewer Plant project.

9. EXECUTIVE (CLOSED) SESSION:

No Closed Session was held.

10. ADJOURNMENT:

Motion by Melton to adjourn at 5:55pm.

Respectfully submitted,

Lindsey Stroud-Rodts
Secretary, Board of Trustees