

MEETING MINUTES
SANGAMON VALLEY PUBLIC WATER DISTRICT
REGULAR BOARD MEETING
SEPTEMBER 23RD, 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, Mike Melton, James Ingram, Kerry Gifford, Lindsey Stroud-Rodts. A Quorum was present.

MEMBERS ABSENT: Frank Howard

GUESTS PRESENT: None

1. CALL TO ORDER: Chairman Hennesy called the meeting to order at 5:00pm.

2. APPROVE AGENDA: Chairman Hennesy asked for any changes to the agenda. She asked to add a section to Closed Session for discussion of ongoing legal matters. No other changes were suggested. **Motion** by Parkhill to approve the change, 2nd by Buchanan. All voting yes, motion carried.

3. PUBLIC COMMENT: None.

4. NEW BUSINESS:

A) New Board Member Appointed – James Ingram – Chairman Hennesy welcomed Jim to the Board. Introductions were given by all present. Jim’s background includes Teaching, Real Estate, and County Clerk for Douglas County.

B) Forest Preserve – Government Payment Policy – Stroud stated that our Billing Clerk, Angie, sent the bills out to the Forest Preserve like normal, and the bills were past due. The Forest Preserve sent us a letter listing out all of the late fees for each account and a copy of the Local Government Payment Policy Act to indicate why they are not paying the late fees. The Forest Preserve notes that they have 60 days to pay a bill, and should only be charged a 1% penalty if late, based on the Act. Gifford stated that our current policy in our ordinance reflects a 20% penalty if late, 1 day after the due date on the bill. Gifford does agree that we should only be charging a 1% penalty for local government specifically. Chairman Hennesy asked if this was a new issue with the Forest Preserve specifically. Gifford and Stroud confirmed that it is. This is the first time the Forest Preserve has incurred a penalty. Gifford’s opinion is that the Forest Preserve should account for these recurring bills during their budget approval. Chairman Hennesy suggested writing a letter to the Forest Preserve clarifying if this will be a one-off

situation, or if we should be expecting this in the future. Ingram suggested seeing if the dates of their board meetings have changes, as this may have been the cause of the penalty. Hennesy also suggested that for the purpose of Ordinances, we should definitely adjust to show that for a Government agency, there should be a 1% cap on penalties. Larson stated that he wasn't sure if this indicates a cap, that it may just be a minimum. He recommended getting a legal opinion on that first. Larson also agreed with Hennesy and stated that we should write them a letter and state that we agree to not pursue the late payments at this time. Hennesy agreed that we should run this statute through legal first to clarifying the time frames listed.

Motion to waive all fees for the Forest Preserve in this one instance by Ingram, 2nd by Larson. All voting yes, motion carried.

Additional follow up to check with legal regarding that Local Gov't Payment Statute, and then we will follow up with the Forest Preserve with our findings on how to handle this moving forward.

C) Identity Theft Prevention Program Introduction – Stroud presented a template version of this program from the IRWA website to the Board with her recommendations on what to include and remove from the template provided. Gifford also stated that once the Board has approved a final version this would need to be updated and approved annually by management. Larson asked what our current process is for preventing identity theft. Gifford and Stroud stated we have an application for new service that must be completed, and we also check ID's when the new resident is applying in person. Stroud also stated that once a new account is created we don't keep credit card information on file, we lock our cash drawers, and safes each break or evening, as well has password protected computer sign ons and for all programs. Ingram asked if we are obtaining signatures when the resident is applying for service and he said that is all we need after providing proof of identity. Chairman Hennesy wanted to clarify that this is more of a cross our T's, dot our I's, we don't really have a problem, and we just want to make sure we have this in our policies. Gifford confirmed this. Chairman asked the other Board Members to take this home to review it and let Kerry or Lindsey know if they have any suggestions to add to this program as presented before the final draft is drawn up. Larson asked if we have someone that currently handles our IT consulting. Gifford confirmed that we do, and Larson suggested adding that into this program as a security item as well.

D) Serv Line Insurance – Leak, Water & Sewer Line Protection – Stroud presented a full proposal quote from Serv line with multiple rate options for Leak, water & sewer line protection. Chairman Hennesy asked if the Water District would sign up for this program, not the customer. Stroud explained that the Board would decide if this would be an all in/opt out or sign-up program. Chairman Hennesy asked what the cost to the District would be. Stroud confirmed that this costs the district nothing, the cost would completely fall on the customer. Chairman Hennesy clarified that if the customer doesn't chose to sign up for this program that the District then would not cover their leak. Gifford confirm that is correct, it would then be the customer's responsibility. Larson asked what we as a District would get out of this, or would we just be advertising their program. Gifford confirm that we would get reimbursed by Serv Line should a guest have a leak, based on the program guidelines. Parkhill asked if we have had this before. Gifford confirmed that we have not. Parkhill asked if this was necessary. Gifford thinks it is a great program and it would be great public

relations to be able to offer this sort of insurance. Larson asked if the board thinks this is a good value for our customers and if it is, then we should do it. Stroud and Gifford stated the water leak protection would be a great value. Stroud stated she didn't know as much about the water and sewer line protection to know if that would be of value to the customer. Ingram asked if other communities have done this and what the reputation of the company is. Gifford stated that this is a very popular program with Illinois Rural Water and American Water. Chairman Hennesy asked if the line protection was all outside. Gifford confirmed that this would not cover any damages to lines inside the home, there is only leak protection for that. Chairman Hennesy confirm that Stroud and Gifford are asking for approval the ability to send this out as an option to have customer's opt into it. Ingram suggested that if we do this could we simplifying the options so it is easier to understand. Stroud stated she could make a document simplifying the options, but she also asked for clarification on what we want to offer the customer. Larson and Chairman Hennesy suggested combining the water and sewer leak protection combined. Ingram asked if there is a problem will the office be handling the calls and adjustments. Stroud stated no, this would all be handled directly through Serv Line, then Serv Line would cut us a check for the bill. Larson suggested that we should not suggest or endorse the program, but just offer it to our customers. Chairman Hennesy confirmed that we can offer all 3 tiers for the combined water and sewer leak protection, and then offer all 3 tiers for both water and sewer lines. Larson stated that if we are going to move forward with this program, we should ask ServLine to come and host a forum to discuss their programs. Stroud to follow up with Serv Line on next steps in the process.

E) Text & Voicemail Software Options – Stroud presented 5 voicemail and texting software programs with varying pricing points, and features to help increase customer communication for things such as shut-off notices, boil orders, etc. Chairman Hennesy asked if these programs would give us the ability to text customers as well as leave an automated voicemail. Stroud confirmed. Ingram asked about the top two choices which are Call-Em-All, and CUSI. Stroud explained that CUSI would sync and save each call or text directly with our existing billing system, but the cost is significantly higher than the other 4 options as there is an initial set up cost, a monthly cost, plus a per call cost. Call-em-all has the ability to pay monthly based on number of calls, or to pay-as-you-go. Ingram also asked how many messages we expected to send out on an annual basis. Gifford confirmed we normally have 2 Boil orders at most a year, and have 1,800 customers. Ingram asked which companies offer the best rates. Stroud confirmed that the list of 5, other than CUSI, have the best rates available. Chairman Hennesy asked for the specific rates for Call-em-all. After reviewing the rates she recommended trying out Call-Em-All as the pay-as-you-go first. **Motion** to approve Call-em-all on a “pay-as-you-go” basis by Larson, 2nd by Buchanan. All voting yes, motion passed.

F) Strategic Planning Brainstorming Session – Chairman Hennesy stated that she and Parkhill discussed setting project plans for some bigger topics. The three topics discussed were: 1) The Sewer Plant, 2) Finishing up the Annexation, and 3) Looking for an Operator to train under Kerry for 5 years. Gifford recommended splitting these topics up into two different planning sessions. First he recommended revising the Personnel and Policy manual. Second he recommended grouping together growth, annexation, and capital improvement planning. Gifford stated that he and Parkhill had a planning session before the water projects started, and everything on that list was completed. The newer projects he discussed included updating the administrative building, bring water up to 2500 N, bring

water to S. Prairieview road for commercial development, and the Wastewater treatment plant and updated collections system. Gifford stated his meeting with the EPA went well, but that permit won't be a 20 year guarantee, it will probably only be about 5 years. Gifford also stated that we have no Intergovernmental Agreement (IGA) in place with the Village of Mahomet and that could hinder the Districts growth. Chairman Hennesy asked how the board wants to tackle this list. She recommended coming in on a Saturday for a planning session or breaking these topics into mini sessions, or committees. Parkhill stated that he would like to see the District prioritize these items and put a reasonable deadline, or expected deadline for completion times on all projects. Gifford stated that annexation is going to be put on a halt until we get an IGA in place with the Village. Chairman Hennesy recommended reaching out to Patrick Fitzgerald specifically to discuss the IGA and getting that going. Larson suggested making 3 sub-committees: 1) Sewer Plant/Capital Plan or 20 Year Master Plan, 2) Annexation/IGA, and 3) Personnel Policy. Larson stated that he could be most helpful on the 20 Year Master Plan. Chairman Hennesy stated she would be happy to help on the IGA and Personnel Policy Committee. Ingram offered to help wherever needed. Parkhill offered to help with the Annexation/IGA. Chairman Hennesy reviewed the committees. Larson on the 20 Year Master Plan; Herself and Parkhill on the Annexation/IGA; Herself and Ingram on the Personnel Policy. Chairman Hennesy suggested working towards scheduling a kick off meeting for each group. Gifford stated that the IGA should really be at the top of the pyramid. She stated that she and Parkhill will work on that asap, and then they will report back at the next meeting, then the other committees can get started based on the progress with the IGA and Annexation.

5. SECRETARIES REPORT: Chairman Hennesy asked if everyone had a chance to review the secretary report for the July 22nd, 2019 regular board meeting. She asked if anyone had any changes, corrections or additions. Mr. Ingram noted that there was a typo for Coal County that should have been Coles County. Chairman Hennesy asked for a motion to approve secretary's report/meeting minutes from July 22nd, 2019 once the typo is corrected. **Motion** by Melton and 2nd by Ingram to approve the secretary's report from July 22nd, 2019 regular board meeting. All voting yes, motion carried.

6. TREASURER'S REPORT: Gifford noted that after the income statement on page 4 there is an AP Aging summary for July/August/September that were already paid due to skipping a meeting. Gifford reviewed all charges over \$1,000 from the September 10th Current Accounts Payable report as well as the September 18th Current Accounts Payables report:

- Classic Plumbing - \$1,055.00
- CMS – Central Management Services - \$10,110.00 – for two months
- Donohue & Associates - \$4,191.22
- Express Employment Professions - \$1,608.00 – For 1 Waste Water Tech
- Gunther Salt - \$4,299.66
- Illinois EPA Loan Payment - \$7,463.36
- Menold Construction - \$7,175 – 2 of 2 payments
- Midwest Meter - \$7,940.00
- Seymour Water District - \$3,494.24 – CC Reimbursement
- **Total - \$52,233.84** as of September 10th, 2019 – Already signed and mailed payments.

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- IMCO - \$1,023.90
 - Mattex - \$2,835.35
 - **Total - \$5,324.50** – as of September 18th, 2019 – To be signed at this meeting.

Gifford also noted that we did have record sales for the month of August at \$187,123.18. This is the highest sales month for the District to date.

Motion to approve the Treasurers Report by Melton, 2nd by Parkhill. All voting yes, motion carried.

7. GENERAL MANAGER'S REPORT: Gifford stated that the biggest thing he wanted to point out was that one of the softener vessels is leaking. The tank is all Fiberglass. Tonka agreed to provide a new tank at no cost. He said that it should arrive in about 2-6 weeks. Due to this issue, we are not meeting our Hardness goal of 90 for water softening. Chairman Hennesy asked to put out an alert letting our residents know about the hardness issues, with ranges and some potential side effects. Gifford also stated that the concrete work between the administrative building and the pole building is set to begin in about a week. In addition, Gifford, Chairman Hennesy, and Stroud all attended the Mahomet Chamber of Conference meeting to listen to Ameren speak about Storm Preparedness. Chairman Hennesy stated that this keeps the District in the loop on happenings in the community. She also mentioned keeping community events more top of mind during the budget planning meeting.

See GM report below for all details.

- **Income:** With the typical warm and dry summer months July and August water sales increased dramatically. The month of August was a record water sale month with total sales at \$187,123.18. On an annual basis, water sales at 2.0% ahead of the budget forecast. Non-operating revenue through August 31st is at \$93,163.02. The District has issued 21 new housing start permits through September 17th. The uptick in new housing starts awas due to the completion of Prairie Crossing 5th and Thornewood IV 2nd Edition subdivisions. Based off new housing starts this year's annual growth rate is at 1.2%.
- **Expenses:** Overall, operating expenses are trending above average with the budget through the end of August. I expect improving conditions to expenditures once we get past the busy summer months.
- **Meter Reading:** 12 meters were estimated in July and 10 meters were estimated in August. 1,886 customer accounts were billed in July and 1,885 in August. The July average water usage per customer were as follows: Homeowners 7,424 gallons, Candlewood 3,227 gallons. August average water usage were as follows: Homeowners 10,423 gallons, Candlewood 3,418.
- **Water Plant and Distribution System:**
 - **Water Distribution System:** Water loss through August 31st is slightly above normal at 8.4%. In June, we found a leak on an irrigation system before the meter. In addition, July we had 2 large meters that failed in the Forest Preserve. All problems with current leaks and failed large meters have been corrected.
 - **Water Treatment Plant:** Following issues over past 2 months: 1. Iron filters going biological making nitrites and reducing chlorine residuals leaving the water plant. We increased dosage to the pre-chlorine entry point in order to eliminate nitrite forming bacteria. The increase in pre-chlorine dosage caused an iron issue going to the softeners resulting in reducing softening performance. We must find a good balance of chlorine dosing between pre and post treatment application points. 2. Pur-IX water softening rinse pump impellers need to be replaced the gallon per minute output of the pumps has significantly been reduced. (Impellers will be replaced next week). 3. SCADATA and Tonka control panel communication switch failed and locked out the iron filter backwash process. (This has been

corrected).

- **Wastewater Plant and Collection System:**
 - **Wastewater Plant:** With the hot and dry summer weather the sewer plant effluent pump was turned off and we are not discharging to the river. This saves on chemical cost used to inactivate the formation of fecal coliform. New concrete pad and permanent hoist installed at the effluent pump lift station. This makes lifting the pump to remove turtles stuck in the impeller quick and easy.
 - **Collection System:** July and August we had two sewer back-ups in Candlewood due to kids throwing ticks and rock into a sewer manhole.
- **Subdivision Updates:**
 - **Prairie Crossing 5th & 5th Addition to Thornewood Phase II:** Both subdivisions have met the District construction requirement and wait the trustee's approval to accept into the District. The maintenance bond requirement of 15% has been provided by both subdivision developers.
 - **Ridge Creek IV:** This development is now in the one year maintenance bond warranty period.

Motion to approve General Manager's report

8. OLD BUSINESS:

- A) **Update – Review of Horizontal Directional Drilling (HDD) Ordinance:** Gifford update the ordinance from the suggestions from the July 22nd meeting and has forwarded it to Donohue and Associates to review. Chairman Hennesy stated to let Lindsey or Kerry know if anything else comes to mind on this review before the final ordinance approval.
- B) **Update – Northward Expansion of Water System – Survey Results:** Stroud stated that this is just an update at this point. The District sent out a total of 104 surveys, and so far 59% of residents haven't responded at all, 23% responded yes to receiving water, and 18% responded no. She also stated that we just sent out a second round of surveys to those that had not responded previously with a little bit more information on the District. Gifford stated that once we get our responses back, we will put those addresses into the county GIS system and map which areas have said yes, to see where we could potentially begin our expansion. Chairman Hennesy asked if we are capturing cell phone numbers and emails as part of the survey. Gifford and Stroud confirmed that we are. Parkhill stated that one of the potential residents in that area we are looking at expanding to suggested that if we could partner with a Fiber-optic company, they would be willing to sign up for water service as well. Chairman Hennesy suggested having a town hall meeting where we could invite people in and talk to them face-to-face. Chairman Hennesy suggested having another conversation with Volo to see what a partnership with them might look like. Chairman Hennesy and Gifford asked Stroud to reach out to Mr. Volk from Volo about attending our regular January meeting to discuss a possible partnership for Northward Expansion.
- C) **Update – Prairie Crossing 5th Addition Approval:** Gifford stated that the final inspection with Donohue and Associates final approval and recommendation to the board that we accept the subdivision.
Motion to accept the recommendation for approval of Prairie Crossing 5th Addition by Melton. 2nd by Parkhill. Roll call vote: Larson – Yes, Hennesy – Yes, Buchanan – Yes, Melton – Yes, Ingram – Yes, Parkhill – Yes. Motion passes.
- D) **Update – Thornewood 5th II Addition Approval:** Gifford stated that the final inspection with Donohue and Associates final approval and recommendation to the board that we accept the subdivision.

Motion to accept the recommendation for approval of Prairie Crossing 5th Addition by Parkhill. 2nd by Melton. Roll call vote: Larson – Yes, Hennesy – Yes, Buchanan – Yes, Melton – Yes, Ingram – Yes, Parkhill – Yes. Motion passes.

9. EXECUTIVE (CLOSED) SESSION:

Motion by Melton and 2nd Ingram by to enter Executive Session for the discussion of employee compensation & performance, and well as discussing ongoing litigation. All voting yes, motion carried. Entered Executive Session at 6:41 PM.

Motion by Melton and 2nd by Ingram to leave Closed Session and return to open Session. All voting yes, motion carried. Returned to open session at 6:59 PM.

10. NEW BUSINESS:

A) Raise Request:

Motion by Larson and 2nd by Melton to approve Gifford's request for a raise up to \$16.00/Hr for Employee upon completion and passing of their Class C & D Water Operator State Test. Roll call vote: Larson – Yes, Hennesy – Yes, Buchanan – Yes, Melton – Yes, Ingram – Yes, Parkhill – Yes. Motion passes.

11) ADJOURNMENT:

Motion by Melton to adjourn at 7:01pm.

Respectfully submitted,

Lindsey Stroud-Rodts
Secretary, Board of Trustees