

**MEETING MINUTES
SANGAMON VALLEY PUBLIC WATER DISTRICT
BUDGET BOARD MEETING
MARCH 1ST, 2021
4:30PM**

Held at the Olen G. Parkhill Jr. Water Treatment Plant and via GoToMeeting

MEMBERS PRESENT: Olen G. Parkhill, Jr., Mike Larson, Mike Melton, Michelle Grindley, Bob Buchanan, Kerry Gifford, & Lindsey Stroud-Rodts. A Quorum was present.

MEMBERS ABSENT: Meghan Hennesy

GUESTS PRESENT: Terry Boyer

1. CALL TO ORDER/ATTENDANCE: Vice Chairman Parkhill called the meeting to order at 3:32pm. Roll call attendance as follows:

Roll Call Attendance:

Hennesy: Absent	Melton: Present	Parkhill: Present	Grindley: Present
Buchanan: Present	Larson: Present	Vacant	

2. APPROVE AGENDA: Vice Chairman Parkhill asked if anyone had any suggested changes to make to agenda. There were none.

MOTION by Grindley to approve the agenda as presented, 2nd by Larson. Roll call vote as follows:

Roll Call Vote:

Hennesy: Absent	Melton: Yes	Parkhill: Yes	Grindley: Yes
Buchanan: Yes	Larson: Yes	Vacant	

All present members voting yes, motion carries.

3. PUBLIC COMMENT: Vice Chairman Parkhill asked for public comment. There was none.

4. SECRETARY'S REPORT:

A. Approval of Open Minutes from Budget Meeting held January 21st, 2021 –

MOTION by Buchanan to approve the minutes as presented, 2nd by Grindley.

Roll call vote as follows:

Roll Call Vote:

Hennesy: Absent	Melton: Yes	Parkhill: Yes	Grindley: Yes
Buchanan: Yes	Larson: Yes	Vacant	

All present members voting yes, motion carries.

B. Approval of Closed Minutes from Budget Meeting held January 21st, 2021

MOTION by Buchanan to approve the minutes as presented, 2nd by Grindley.

Roll call vote as follows:

Roll Call Vote:

Hennesy: Absent	Melton: Yes	Parkhill: Yes	Grindley: Yes
Buchanan: Yes	Larson: Yes	Vacant	

All present members voting yes, motion carries.

C. Approval of Open Minutes from Regular Meeting held January 25th, 2021-

MOTION by Larson to approve the minutes as presented, 2nd by Grindley.

Roll call vote as follows:

Roll Call Vote:

Hennesy: Absent	Melton: Yes	Parkhill: Yes	Grindley: Yes
Buchanan: Yes	Larson: Yes	Vacant	

All present members voting yes, motion carries.

D. Approval of Closed Minutes from Regular Meeting held January 25th, 2021-

MOTION by Larson to approve the minutes with changes, 2nd by Grindley.

Roll call vote as follows:

Roll Call Vote:

Hennesy: Absent	Melton: Yes	Parkhill: Yes	Grindley: Yes
Buchanan: Yes	Larson: Yes	Vacant	

All present members voting yes, motion carries.

5. TREASURER’S REPORT:

Approval of Accounts Payable listing for January, February, & March 2021 – Gifford reviewed the Income and Expense Report and all A/P listings over \$1,000.

AP Summary as of February 22nd, 2021 - \$53,340.98 (Over \$1,000 below)

- Ameren Illinois - \$7,337.31
- CMS - \$5,505.00
- Donohue & Associates - \$21,893.48
- Gunther Salt - \$4,424.22
- Meyer Capel - \$2,532.00
- MTK Technologies - \$2,833.03
- Water Solutions Unlimited - \$2,175.21

MOTION by Buchanan to approve the Treasure’s Report as presented, 2nd by Grindley.

Roll call vote as follows:

Roll Call Vote:

Hennesy: Absent	Melton: Yes	Parkhill: Yes	Grindley: Yes
Buchanan: Yes	Larson: Yes	Vacant	

All present members voting yes, motion carries.

6. GENERAL MANAGER'S REPORT: Gifford's GM/Treasurer's Report is below.

General Manager/Treasurer Report January 2021.

District Covid-19 Operation Level: The Water District current level of operation is at a level two which means the virus is considered to be at a dangerous level to the public health.

Treasurer report:

Income: January water sales were typical at \$133,535.27. Operating revenue is right in line with budget expectations. **The water district continues not to collect \$3,000/month in penalty and reconnect fees.** Non-operating revenue was above average due to mild January weather conditions. Through February 17 the water district issued 6 w/s permits.

Expenses: January operating expenses were 10% below budget amounts at \$107,641.75. Accounts payable expenses to note: MTK \$2,833 new computer with a communication wall mount unit installed and Donohue & Associates \$21,893.48 USDA loan preliminary engineering along with Thornewood 6 phase 1 review fees.

Billing: 10 meters were estimated in January and 1,929 customer accounts were billed. The average water usage per customer were as follows: homeowners 5,179 gallons, candlewood 3,010 gallons.

Water Plant and Distribution System:

Water Distribution System: The unaccounted-for water loss for the year was 5.4%. The District typical unaccounted for water loss range is between 3% - 6%.

Water Treatment Plant: Tonka/Kurita new and improved acid cleaning system for the multiport valve is working great! Brine and rinse pump discharge pressure are running with limited head pressures. Water hardness is consistently with in water quality parameters. Donohue and Associates applied for the proper IEPA operating permit for the acid clean system.

Wastewater Treatment Plant and Collection System:

Wastewater Plant: Typical winter work with the main issue being monitoring and cleaning the influent mechanical bar screen. Wash downs and maintaining heat are critical to prevent any break downs of the screen.

Collection System: No sewer back-ups in the month of January.

Subdivision Updates:

6th addition to Thornwood Phase 1: Donohue and Associates and the water district are in the construction plans review phase of the proposed development.

Ridge Creek 5th addition: The subdivision will remain in the maintenance bond phase until August of 2021.

7. NEW BUSINESS:

A. Approval of Cyber Security – Gifford noted that we have just reviewed our security and then there was an incident in Florida where a plant's lime dosage feed was hacked, and so we decided to sit through a Cyber security webinar to learn more about where our potential issues were. Gifford noted that we did this through Iron Tech Security and they are very well known in our industry. Wallen explained that the gaps in our were minor, but we did decided to get a Threat Locker, a password protection program, both for the office and a separate one for the Water Treatment Plant itself, through Tonka, as well as upgrading all of the Windows 7 OS to a Windows 10 OS. In order to move forward with the upgrades, Wallen and Gifford asked for the Board to approve an addition to the Equipment line items on the 2021

Budget for an additional \$4,100.00 to make these changes. Larson suggested having the WTP run from a standalone computer in the plant that cannot be accessed remotely to help increase the security. Gifford explained that this would be a problem in the summer time when the flows swing greatly and it would force someone to go to the WTP in person during off hours and increase overtime cost.

MOTION by Grindley and 2nd by Melton to approve the increase to the Equipment Line item in the 2021 Budget by \$4,100.00.

Roll call vote as follows:

Roll Call Vote:

Hennesy: Absent	Melton: Yes	Parkhill: Yes	Grindley: Yes
Buchanan: Yes	Larson: Yes	Vacant	

All present members voting yes, motion carries.

B. Eminent Domain – Ordinance No. 2021-03-01-01 – Gifford noted that this is for the property south of American Legend where we need to do the emergency sewer main extension. Gifford stated the homeowner will not provide us with access for an easement, alternatively we looked at how we can do a sewer any other way. As a public water district we do have the ability to use eminent domain through our attorney. Gifford is requesting the board approve this eminent domain in order to proceed with the emergency sewer main extension for American Legend. Larson asked his that home is current connected to our sewer. Gifford said no. Gifford stated that they will be a potential customer some day in the future if and when their septic system fails. Larson asked if we can make an appeal to the homeowner to try and offer a discount to hook up. Gifford stated that was not an option, the homeowner isn't willing to assist in any way.

MOTION by Melton and 2nd by Grindley to approve to use Eminent Domain on the property south of the American Legend emergency sewer main extension.

Roll call vote as follows:

Roll Call Vote:

Hennesy: Absent	Melton: Yes	Parkhill: Abstain	Grindley: Yes
Buchanan: Yes	Larson: Yes	Vacant	

With a vote of 4 AYES, motion carries.

C. Approval of Construction Phase – 6th Additional Thornewood Phase 1 – Gifford asked for approval on this contingent we received the Letter of Credit.

MOTION by Grindley to approve the construction phase of the 6th Additional to Thornewood, Phase 1, contingent the District receives a Letter of Credit, 2nd by Melton.

Roll call vote as follows:

Roll Call Vote:

Hennesy: Absent	Melton: Yes	Parkhill: Yes	Grindley: Yes
Buchanan: Yes	Larson: Yes	Vacant	

All present members voting yes, motion carries.

8. OLD BUSINESS:

A. Discussion of Penalties/Disconnections – Wallen reminded the Board that currently we are not charging penalties and are not disconnecting customers due to non-payment unless a customer is over \$400 in arrears, with no payment arrangement on file. Wallen and Gifford asked for the Board’s recommendation on how to proceed as some customers with lower monthly charges are going to 1 year or more without a single payment, or setting up a payment arrangement. The Board agreed with Wallen and Gifford to re-instate penalties at the new rate of 10% (passed in the new Ordinances), and lower the threshold for disconnections, effective immediately. The board also stated that Gifford and Wallen will have full authority to waive any penalties for those customers willing and able to set up payment arrangements and work with the District.

MOTION by Larson to approve reinstating penalties and allowing Gifford and Wallen the ability to waive penalties on a case by case basis, 2nd by Melton.

Roll call vote as follows:

Roll Call Vote:

Hennesy: Absent	Melton: Yes	Parkhill: Yes	Grindley: Yes
Buchanan: Yes	Larson: Yes	Vacant	

All present members voting yes, motion carries.

B. Approval of American Legend Emergency Sewer Main Extension – Gifford did an ROI for this emergency repair. He presented the board with 2 proposals. The lowest price he received was from A&R at a cost of \$27,548.25. Gifford noted that this is just a quote, so he is requesting the Board approve this, not to exceed \$30,000.00. Larson asked if there was a cost recovery mechanism in place for hook-ups. Parkhill confirmed that there was.

MOTION by Buchanan to approve the quote from A&R Construction to complete the American Legend Emergency Sewer Main Extension for an amount not to exceed \$30,000.00, 2nd by Melton.

Roll call vote as follows:

Roll Call Vote:

Hennesy: Absent	Melton: Yes	Parkhill: Abstain	Grindley: Yes
Buchanan: Yes	Larson: Yes	Vacant	

With a vote of 4 AYES, motion carries.

9. EXECUTIVE SESSION:

A. Potential Purchase of Real Property – 5 ILCS 120/2(c)(5)

B. Probable Litigation – 5 ILCS 120/2(c)(11)

MOTION by Buchanan to leave open session for the purpose of discussing potential purchase of real property and probable litigation, 2nd by Larson at 4:08pm.

Roll call vote as follows:

Roll Call Vote:

Hennesy: Absent	Melton: Yes	Parkhill: Yes	Grindley: Yes
Buchanan: Yes	Larson: Yes	Vacant	

All present members voting yes, motion carries.

MOTION by Buchanan to return to open session, 2nd by Melton at 5:05pm

Roll call vote as follows:

Roll Call Vote:

Hennesy: Absent	Melton: Yes	Parkhill: Yes	Grindley: Yes
Buchanan: Yes	Larson: Yes	Vacant	

All present members voting yes, motion carries.

Upon returning to Open Session the Board made the following motions:

MOTION by Larson to approve Gifford to proceed forward on the Northern Expansion Phase and Cost Estimate, 2nd by Grindley.

Roll call vote as follows:

Roll Call Vote:

Hennesy: Absent	Melton: Yes	Parkhill: Yes	Grindley: Yes
Buchanan: Yes	Larson: Yes	Vacant	

All present members voting yes, motion carries.

MOTION by Larson to retain Phil Vaness as Legal Counsel to help complete the shell bill to go to committee on March 26th, 2nd by Buchanan.

Roll call vote as follows:

Roll Call Vote:

Hennesy: Absent	Melton: Yes	Parkhill: Yes	Grindley: Yes
Buchanan: Yes	Larson: Yes	Vacant	

All present members voting yes, motion carries.

Following the motion, the Board added that we need to schedule a Special Meeting with Cook-Witter consulting firm.

10. ADJOURNMENT:

MOTION by Parkhill, and 2nd by Grindley to adjourn at 5:12pm.

Roll Call Vote:

Hennesy: Absent	Melton: Yes	Parkhill: Yes	Grindley: Yes
Buchanan: Yes	Larson: Yes	Vacant	

All present members voting yes, motion carries.

Respectfully submitted,

Lindsey Wallen
Secretary, Board of Trustees