

Curran-Gardner Townships Public Water District

3384 Hazlett Road | Springfield, Illinois 62707-2522 | 217.546.3981

Regular Meeting – Tuesday, May 9, 2017 – 7:00 p.m.

Audio for the meeting found here: <http://www.currangardner.com/>

Members: Chairman Mitchell, Vice Chairman Todd Folder, Trustee Oschwald, Trustee Valois, Trustee Mayes, Trustee Dorr, Trustee Hammitt, Operations Manager Wayne Nelson, Engineer Max Middendorf, Treasurer Katherine Elsner, Secretary Jessica Ryg. Excused: Business Manager Cherril Graff

Guests: Wayne Benanti

The meeting opened first with the **Pledge of Allegiance**.

II. Secretary:

The April 11, 2017 minutes were presented. Trustee Dorr made a motion to accept the minutes with changes. Trustee Oschwald second the motion. The motion passed.

The March 28, 2017 special board meeting minutes were presented. Trustee Oschwald made a motion to accept the minutes with changes. Trustee Mayes second the motion. The motion passed.

The March 14, 2017 special board meeting minutes were presented. Trustee Oschwald made a motion to accept the minutes. Trustee Mayes second the motion. The motion passed.

III. Treasurer:

CGTPWD completed its fiscal year end on April 30, 2017. The income and expenses for May 1st to May 9th of 2017 are not listed on the Profit and Loss Budget Performance due to the year end.

Income: For the period of April 12 through April 30, 2017, the District had water income of \$54,504. For the YTD, the water income was \$1,429,430. Including other income with water, the monthly total income was \$50,764. The total FY 2017 income as of April 30, 2017, was \$1,886,923 which equals 98% of the budget.

Expenses: For the same period, the District monthly expenses totaled \$48,500. The fiscal YTD total expenses were \$1,448,648 which equals 85% of the budget.

Net Income (Loss): The YTD FY17 unaudited net income is a gain of \$444,795.

The bill list was presented. The vendor payments for April 12 through May 9, 2017, are \$160,631.54.

A motion was made by Trustee Dorr to accept the report pending audit. Trustee Valois second the motion. The motion carried.

A motion was made by Trustee Dorr to pay the bills. Trustee Valois second the motion. The motion carried.

The Eck, Shafer and Punke, LLP (Address: 600 East Adams, Springfield, Illinois, 62701) will be at CGTPWD for the annual audit starting on June 5, 2017.

FY 2018 Budget was presented by Trustee Oswald. He said there were three items that were adjusted. The Line Item 4040 was previously budgeted to \$20,000. However, by using the new, online bill payment feature, this Line Item was reduced to \$10,000 with the expectation there will be less late fees incurred by customers.

On page 2, the Debt Service Obligations/Reserve Requirements were examined. It was suggested by Co-Bank that the District include \$35,000 for interest in this portion.

On the last page, the estimate for the painting of the water tower was reduced and the excess fund of \$95,000 will go into resolving CGTPWD's dead-end loops.

Also, \$5,210 was moved into Capital Expenditures for fire protection.

A motion was made by Trustee Valois to accept the FY 2018 Budget Report pending the audit report. Trustee Mayes second the motion. The FY 2018 Budget Report passed.

Treasurer Elsner said one of the requirements from USDA was to set up a local checking account to receive the construction loan advances from CoBank as well as for disbursement of the same funds to the contractor. Treasurer Elsner opened an account at Illinois National Bank and \$100 was deposited.

The 2017 meeting closed.

The following were sworn in as CGTPWD Trustees since they were elected on Tuesday, April 4, 2017:

- Trustee James T. Mitchell
- Trustee James A. Mayes
- Trustee Rose M. Hammitt

The official 2018 meeting started.

Vice Chair Folder asked for CGTPWD Board nominations.

Trustee Dorr nominated Trustee Jim Mitchell for CGTPWD Chairman. No other nominations were on the floor. Vice Chair Folder closed the nominations. A roll call vote was taken:

Trustee Folder: Yes

Trustee Valois: Yes

Trustee Hammitt: Yes

Trustee Mitchell: Yes

Trustee Dorr: Yes

Trustee Mayes: Yes

Trustee Oswald: Yes

With seven yes votes, the nomination for CGTPWD Chairman passed.

Chairman Mitchell nominated Vice Chair Todd Folder for CGTPWD Vice Chair. No other nominations were on the floor. Chairman Mitchell closed the nominations. A roll call vote was taken:

Trustee Folder: Present
 Trustee Valois: Yes
 Trustee Hammitt: Yes
 Chairman Mitchell: Yes
 Trustee Dorr: Yes
 Trustee Mayes: Yes
 Trustee Oswald: Yes

With six yes votes and one present vote, the nomination for CGTPWD Vice Chair passed.

Vice Chair Folder nominated Jessica Ryg to be the CGTPWD Board Secretary. No other nominations were on the floor. Chairman Mitchell second the motion. A roll call vote was taken:

Trustee Hammitt: Yes
 Trustee Oswald: Yes
 Trustee Mayes: Yes
 Trustee Dorr: Yes
 Chairman Mitchell: Yes
 Trustee Valois: Yes
 Vice Chair Folder: Yes

With seven yes votes, the nomination for CGTPWD Secretary passed.

Vice Chair Folder nominated Katherine Elsner to be the CGTPWD Treasurer. No other nominations were on the floor. Chairman Mitchell second the motion. A roll call vote was taken:

Trustee Hammitt: Yes
 Trustee Oswald: Yes
 Trustee Mayes: Yes
 Trustee Dorr: Yes
 Chairman Mitchell: Yes
 Trustee Valois: Yes
 Vice Chair Folder: Yes

With seven yes votes, the nomination for CGTPWD Treasurer passed.

Chairman Mitchell summarized his term at CGTPWD. He thanked everyone for their service and looks forward to serving the Board the next four years.

A motion was made by Vice Chair Folder to keep the meetings on the second Tuesday of each month beginning at 7:00 p.m. Trustee Valois second the motion. The motion passed.

XI. Operation Manager's Report (Nelson)

The New Berlin Project was completed and operation is in full-swing. The IEPA Operating Permit was received on May 1, 2017.

Bids are being accepted for the removal of lime sludge in the lagoon. Bids are due on June 13. The actual removal will take place after this fall's harvest. The District will seek bids for both 2017 and 2018.

High traffic areas such as Bradforton Road and Old Jacksonville Road will receive raised valve boxes. This is a slow process since it involves two flaggers and two laborers.

An engineering firm sought input from CGTPWD on an eight-inch service line to a five-acre tract just west of the Orthopedic Center near the intersection of Old Jacksonville Road and Koke Mill Road. The possible facility may annex to the city, but would still be our customer using our water.

Electrician Joe Lee will install a new motor on the lime stack (shaker motor).

The annual hydrant flushing program began. This ensures that each hydrant is operating correctly. A notice went out in the April newsletter.

XII. Business Manager's Report:

There have been several positive comments on the newsletter. The District is updating customer's email addresses. This will allow the District to broadcast alerts on boil orders, etc.

Customers continue to take advantage of the ability to pay their bills on-line.

The USDA Loan requirements have the office staff busy filling requests for our USDA loan. The USDA also advised that the equal opportunity notice and disability icon be placed on our website.

Website: The minutes and audio are going up on the new website hosted by LRS soon.

XIII. District Engineer's Report

It was recommended that the RFP bid winner is Leander Construction of Canton, Illinois. They were the lowest bidder and below approximate estimate. An award letter will be issued for \$3,123,000.

It was clarified that a mixing system for the tanks could cost \$33,000 which includes two flow measuring flumes (this gives a more accurate discharge to the lagoons). While it is not critical, it should be considered for the scope of the work.

Possible project cost breakdown:

- Construction (This includes: pre-engineered shell, building floor, foundation, chemical feed rooms, electrical room, heating, ventilation plant process piping, yard process piping, Lime Slurry equipment, clarifier, filters, blowers, backwash pump, lagoon modifications, site work, fencing, SCADA upgrades and demolition): \$3,121,192.04
- Preliminary Engineering Report: \$17,000
- Engineering: \$260,983
- Inspection: \$195,738
- Special Engineering Services/Surveys: \$20,798

- Environmental (USDA-RD): \$0
- Archaeological: \$0
- Soils Investigations: \$2,776.50
- Advertising: \$0
- Legal/Bond Council: \$16,000
- Audit: \$8,000
- Interest during construction: \$135,000
- Contingencies (change orders, enhancements): \$262,511.48

The estimated total project costs: \$4,040,000.00

XIV. Guests – none

XV. Chairman, Vice Chair, Finance, Planning, Personnel, Systems Over-sight, Policy and Ordinance: none

XVI. Unfinished Business: CGTPWD will be hearing from the Village of Curran regarding the sewerage collection system billing soon.

XVII. New Business

- A. Administrative Building – stated in above minutes.
- B. Award Water Treatment Plant Expansion Contract: Vice Chair Folder made a motion to accept the bid of \$3,121,192.04 from Leander Construction Company. Trustee Dorr second the motion. Discussion included Trustee Oschwald asking Engineer Middendorf about the history of this company from an Engineer’s point of view. Chairman Mitchell asked for a roll call vote:

Vice Chair Folder: Yes
 Trustee Valois: Yes
 Trustee Hammitt: Yes
 Chairman Mitchell: Yes
 Trustee Dorr: Yes
 Trustee Mayes: Yes
 Trustee Oschwald: Yes

With seven yes votes, this motion passed.

- C. Executive CoBank’s \$4,040,000 CGTPWD Construction Loan and related documents:
 1. Board Resolution
 2. Incumbency Certificate
 3. Organizational Documents and Certification
 4. CoBank Instruction Letter
 5. Credit Agreement No. 00105759SLA
 6. Promissory Note No. 00105759ST01
 7. W-9 Form
 8. Opinion of Counsel
 9. Master Agreement for Cash Management and Transaction Services
 10. Designation of Authorized User(s) Form (Exhibit C)

11. Reoccurring Wire Transfer Templates (Exhibit D)
12. ACH Direct Debit Authorization
13. Other documents requested to establish credit facility

Trustee Oswald made a motion to execute the CoBank loan and related documents. Trustee Mayes second the motion. There was a discussion on the purpose of an intermediate construction loan. The USDA required the District to seek out bids for the construction loan, including CoBank. CoBank responded with favorable terms; 1.25% over a thirty-day LIBOR (the 30-day LIBOR was .995%) with no closing fees. CoBank works closely with the USDA on these kinds of projects and understands the process. A roll call vote was taken:

Vice Chair Folder: Yes
Trustee Valois: Yes
Trustee Hammitt: Yes
Chairman Mitchell: Yes
Trustee Dorr: Yes
Trustee Mayes: Yes
Trustee Oswald: Yes

With seven yes votes, the motion passed.

XVIII. Guests – None

IXX. Executive Session – None

XXI. Adjournment. The board rested at 8:20 p.m.