

Curran Gardner Townships Public Water District Minutes

Board of Trustees Regular Monthly Meeting

Tuesday, February 10, 2015 at 7:00 p.m.

CGTPWD Administrative Office

3384 Hazlett Road

Springfield, Illinois 62707

The following board members were present: Chairman Jim Mitchell, Vice Chair Diane Valois, Trustee Todd Folder, Trustee Bob Green, Trustee Eric Oschwald, Trustee Carol Helmerichs Treasurer Scott Schuett, Engineer Max Middendorf, Business Manager Cherril Graff and Superintendent Bob Dalton.

Absent: Trustee Kurt Taraba

Guests: Bill Castor, Jim Mayes, Mike Hammitt, Rose Hammitt, Wayne Benanti, Merry Riley, Carrie Brazil and Dennis Dorr

1. The Pledge of Allegiance was said.
2. Secretary: Trustee Folder made a motion to pass the December 9, 2014 minutes with corrections. Trustee Green second the motion. The motion passed.

Trustee Green made a motion to pass the January 13, 2015 meeting minutes with corrections. Trustee Oschwald second the motion. The motion passed.

The January 20, 2015 meeting minutes were tabled until next month (March 10, 2015).

The January 28, 2015 meeting minutes were tabled until next month (March 10, 2015).

3. Treasurer Report (Scott Schuett): The month of January showed \$151,264.23 in revenue. The year-to-date is \$1,602,380.16. The January expenditures were \$157,151.12 and the year-to-date is \$1,712,227.97.

The January gallons pumped were 12,977,000 and the District invoiced for \$142,874.27. The difference is 14.2%.

A motion was made by Trustee Green to accept the budget report pending audit. Trustee Oschwald second the motion. The motion carried.

Treasurer Scott Schuett's Account Payable Report: Account Payable Report: Mr. Schuett reported that the loan on the Ditch Witch has been paid in full as reflected on line item number 32, Reference number 6305. There were \$71,685.70 in bills for the month of January.

Trustee Bob Green made a motion to pay the bills pending audit. Trustee Oschwald second the motion. The motion carried.

4. Treasurer Schuett introduced Bill Castor from Eck, Schafer & Punke, LLP (E.S.P.). They are located at 227 South Seventh Street, Springfield, Illinois, 62701, 217-525-1111. Perrino & Associates merged with E.S.P in 2014. Mr. Castor was assigned the audit. Mr. Castor gave a brief history of how the audit companies merged. He then went over the budget report and table of contents as a whole to the Board and audience. He gave an audit report binder to Chairman Mitchell and Treasurer Schuett. Mr. Castor said our District was given a clean audit opinion. The financials are fairly stated with the Generally Accepted Accounting Principles in the United States.
  - a. P.1 & 2 – Table of Contents
  - b. P. 3, 4 & 5 - Showed the independent auditors' report
  - c. P. 6 through P. 10 - Financial statements, statements of net position, statements of revenues, expenses and changes in net position, along with statements of cash flows and notes to financial statements
  - d. P. 11 –22 Notes to Financial Statements (April 30, 2014 and 2013)
  - e. P. 23 - Cash balances. It was understated, but noted by the audit team.
  - f. P. 24 – Blank
  - g. P. 25 – Illinois Municipal Retirement Fund Schedule of Funding Progress (unaudited)
  - h. P. 26 - Blank
  - i. P. 27 & 28 - Report of Internal Control letter. It includes the Water District's response to findings with details on page 29. Weaknesses were discussed. Mr. Castor reinforced that this is not uncommon in small entities. The audit team looked at documentation of cash and found that stronger procedures could be put in place. Mr. Castor felt the governing board should review the documentation accordingly to make sure there are controls are in place.
  - j. P. 29 – Schedule of Findings
  - k. P. 30 – Blank
  - l. P. 31 – Schedule of Required Ordinance Information
  - m. P. 32 – Schedule of Insurance Coverage (unaudited)
  - n. The 114 Letter showed the scope of the audit, responsibility of the board, responsibility of management, responsibility of the audit team and uncorrected or corrected misstatements. It reflected the past practice of helping management close entries.

Vice Chair Valois made a motion to accept the audit. Trustee Eric Oschwald second the motion and the motion carried.

5. Superintendent Report (Bob Dalton):

The lime feed issue was resolved and a leak at the Curran Tower was repaired by Caldwell.

The District requested bid with a number of companies to provide lagoon cleaning services. We have received a bid from Merrell Brothers and awaiting others.

The ad for excavators to serve this District was published and bid will be closing on February 25 at 10:00 am.

Well Number 2 has thawed and additional insulation and heat tapes have been installed. The permit for the construction of the platform was issued by IEPA.

MECO provided the District with multiple suggested GPS units. The units chosen would most easily work with the GIS system for mapping our system. A packet with pricing was provided to the Board for consideration.

The CGTPWD crew provided additional aggregate around the meter and valves at the Bradfordton Elevator bulk sales location to remove a potential trip hazard.

Menard Rural Water Coop: The District continues to work with Wayne Jones and Guy Sternberg to get additional direction in assisting residents of the area to address their concerns.

CWLP-Loami-CG Project: The District's work crew met with the two landowners regarding a broken field tile. The problem area was not related to our installation. They identified a sink hole a short distance upstream from the water main that they excavated and found the water flowing through the tile. It will be addressed by the individual property owners.

SCADA – The vendor has addressed the punch list items and the District will provide the vendor with the retainage funds which are due.

Plant Manager Position: Vice Chair Valois, Trustee Folder and Superintendent Dalton have been working toward scheduling an interview with a potential candidate for the position.

Business Manager Cherril Graff and Superintendent Bob Dalton worked on a policy for customer meter testing in order to be proactive regarding concerns expressed by customers of other area water systems. It will be presented for the Board's review and comment.

Business Manager Cherril Graff developed a Purchase Order protocol so that purchases can be approved and appropriately assigned to projects or budgeted items.

Business Manager Cherril Graff is developing a property control system to identify the value of the contents of the District's property. This will properly document the assets and values for risk management.

Springfield Technology Park and Altorfer Site: The plans have been submitted to IEPA for construction approval and the project was discussed.

6. Manager's Report (Vacant)

7. Business Manager Cherril Graff said she has sent the proper paperwork to the USDA for consideration of a possible water plant expansion loan application.

Trustee Todd Folder shared the City of Hayworth's water works ordinances including those that contain rental property.

8. Engineer's Report (Middendorf) said that the IEPA for Construction Permit received #2015-0569-0.

The punch list items were addressed by SCADA, but a few suggestions were made by Capital Planning. Those suggestions include a valve actuation at two new tanks and to retrofit the valve installation at the Old Jacksonville water tank. The communications issue from last month still needs to be addressed, but the CGTPWD is working to complete the documentation.

Engineer Middendorf spoke about the water system improvements. He analyzed the annual cost for the District and costs for various alternatives. He initially proposed bundling all the assets (power, communication and water main) into one outer casing/conduit. The estimate from the vendor is approximately \$40,000.00 more for this option. So, he did a cost benefit analysis done from the following options: Alternate #1, Alternate #1A, Alternate #1B, Alternate #2A and Alternate #2B.

Alternate #1: \$1,521,512  
Alternate #1A: \$1,524,956  
Alternate #1B: \$1,526,965  
Alternate #2A: \$1,942,201  
Alternate #2B: \$1,948,544

It was recommended by MECO to integrate this into an estimate adjustment of \$4,020,000 (Alternate 1A's Cost Estimate by MECO [no bundling, independent second carrier pipe for water]). Please note that #1B is the bundling option.

9. Chairman's Report: Chairman Mitchell said on Saturday, February 28<sup>th</sup> there will be an open house and tour of the water plant. The time is still pending for this event. After the tour, there will be a question and answer portion about the water plant. The old Plant is forty-seven years old. He would like to encourage all residents to attend to better explain the potential USDA Water Treatment Plant Expansion proposal.

10. Guest Mike Hammit asked if the audit will be made public. It is offered on Illinois Comptroller Leslie Munger's website under "The Ledger". Here is the link:  
<http://warehouse.illinoiscomptroller.com/LandingPage.cfm?Code=083/020/19#.VNrDCcJ0xkg>

We will also put the 2014 audit on the CGTPWD website when it is ready for publishing.

It was suggested by Mike Hammit to do a cost comparison on the possible loan(s) for the water treatment plant expansion project. Trustee Eric Oschwald said he would make the phone calls for a financial comparison.

#### 11. Unfinished Business:

Employee Handbook Policy/Status: Business Manager Cherril Graff wrote a Meter Accuracy Testing Policy which includes a procedure and reimbursement for residents.

A blue packet full of GPS information was passed out to each Trustee. In it included the product design, product description, unit price and subtotal for:

- Trimble Geo 7 Series Premium Centimeter Kit with TerraSync Centimeter Edition (high accuracy handheld)
- GPS Pathfinder Office Software
- Mapping Training: Terrasync Training – 1 Day
- Seiler Mapping Tech Support Agreement – 1 Year
- Juno 3B Handheld
- Trimble Pro 6H Receiver with Floodlight
- TerraSync Standard Software
- Carbon Fiber Range Pole – 2 Meters
- Juno 3 Handheld Range Pole Bracket

With J.U.L.I.E., accuracy is needed. A feature of the Geo 7 is that there is a database that can be populated.



Trustee Eric Oschwald made a motion to buy Trimble Geo 7 Series Premium Centimeter Kit with TerraSync Centimeter Edition for \$14,485.00. Trustee Bob Green second the motion. A roll call vote was taken:

1. Trustee Carol Helmerichs: Yes
2. Trustee Eric Oschwald: Yes
3. Chairman Mitchell: Yes
4. Trustee Bob Green: Yes
5. Vice Chair Valois: Yes
6. Trustee Todd Folder: Yes

7. Trustee Kurt Taraba: Absent

The motion carried.

Trustee Folder made a motion to pass the Water Treatment Plant Expansion/MECO Project #620-054 for #1A, Unbundled. Vice Chair Valois second the motion. The motion carried.

Trustee Todd Folder made a motion to go into Executive Session. Vice A roll call vote was taken to go into Executive Session.

1. Trustee Carol Helmerichs: Yes
2. Trustee Eric Oschwald: Yes
3. Chairman Mitchell: Yes
4. Trustee Bob Green: Yes
5. Vice Chair Valois: Yes
6. Trustee Todd Folder: Yes
7. Trustee Kurt Taraba: Absent

[The board exited at 9:34 p.m.]

[Board returned at 10:29 p.m.]

A roll call vote was taken to go back into session:

1. Trustee Carol Helmerichs: Yes
2. Trustee Eric Oschwald: Yes
3. Chairman Mitchell: Yes
4. Trustee Bob Green: Yes
5. Vice Chair Valois: Yes
6. Trustee Todd Folder: Yes
7. Trustee Kurt Taraba: Absent

Treasurer Scott Schuett brought to the board's attention that the union is not collecting dues until March, 2015. It was clarified that the employees have the option to opt out of the union. It was clarified that dues are deducted two months after a pay raise. This means employees can keep the first two months of their raises, but after the second month, the union will collect their portion. Treasurer Schuett reminded the Board that the union will not bill the District.

Chairman Mitchell explained that in Executive Session the Board discussed salaries, executive minutes and the union contract.

Trustee Oschwald made a motion to adjust Treasurer Schuett's salary. Vice Chair Valois second the motion. A roll call vote was taken:

1. Trustee Carol Helmerichs: Yes
2. Trustee Eric Oschwald: Yes

3. Chairman Mitchell: Yes
4. Trustee Bob Green: Yes
5. Vice Chair Valois: Yes
6. Trustee Todd Folder: Yes
7. Trustee Kurt Taraba: Absent

The motion carried.

Trustee Oschwald made a motion to adjust the Secretary's pay for 2015. She started in February, 2014. Trustee Green second the motion. A roll call vote was taken:

1. Trustee Carol Helmerichs: Yes
2. Trustee Eric Oschwald: Yes
3. Chairman Mitchell: Yes
4. Trustee Bob Green: Yes
5. Vice Chair Valois: Yes
6. Trustee Todd Folder: Yes
7. Trustee Kurt Taraba: Absent

Trustee Oschwald made a motion to adjust the Business Manager Cherril Graff's salary for 2015. She has surpassed her six month probation time frame. Trustee Valois second the motion. A roll call vote was taken:

1. Trustee Carol Helmerichs: Yes
2. Trustee Eric Oschwald: Yes
3. Chairman Mitchell: Yes
4. Trustee Bob Green: Yes
5. Vice Chair Valois: Yes
6. Trustee Todd Folder: Yes
7. Trustee Kurt Taraba: Absent

12. Adjournment: Having no further business before the board, the board adjourned at 10:39 p.m.