

Minutes of the Meeting of the Board of Trustees
Sangamon County Water Reclamation District
Held April 30, 2019
In the Board Room of the Spring Creek Plant
3000 North 8th Street
Springfield, Illinois

The Board of Trustees of the Sangamon County Water Reclamation District met at the Spring Creek Treatment Plant of the Sangamon County Water Reclamation District, Springfield, Illinois at 9:00 a.m. on April 30, 2019. President Richard Ciotti called the meeting to order. The roll was called and the following Trustees were present: Richard Ciotti, Drinda OConnor, John Pruitt and Rex Bangert. Jim Reinhart was attending by telephone. Also present were Ed Vehovic, Treasurer, Gregg S. Humphrey, Executive Director, Jason Jacobs, District Engineer and Joe Roesch, District Attorney. Excused were Bruce Stratton, District Attorney, Justin Reichert, District Attorney and Human Resources Office.

Trustee Rex Bangert moved to allow Trustee Jim Reinhart to attend by telephone. The motion was duly seconded by Trustee John Pruitt and upon being put to a vote was approved. Those voting "aye" when their names were called being: Richard Ciotti, Drinda OConnor, John Pruitt and Rex Bangert. Those voting "no" being: none.

Trustee Jim Reinhart moved the March 2019 meeting minutes be approved. The motion was duly seconded by Trustee Drinda OConnor and upon being put to a vote was unanimously approved. Those voting "aye" when their names were called being: Richard Ciotti, Drinda OConnor, John Pruitt, Jim Reinhart and Rex Bangert. Those voting "no" being: none.

Trustee John Pruitt moved the April 2019 invoices be approved. The motion was duly seconded by Trustee Jim Reinhart and upon being put to a vote was unanimously approved. Those voting "aye" when their names were called being: Richard Ciotti, Drinda OConnor, John Pruitt, Jim Reinhart and Rex Bangert. Those voting "no" being: none.

4. Old Business – None

5. New Business

a. Countryside Subdivision-Revised Reimbursement Request

The Board was presented with a revised reimbursement request from the developer of Countryside Subdivision. The request has been updated with additional length of sewer constructed and current construction costs. Trustee Drinda OConnor moved to approve the revised reimbursement request in the amount of \$20,760.62. The motion was duly seconded by Trustee John Pruitt and upon being put to a vote was unanimously approved. Those voting "aye" when their names were called being: Richard Ciotti, Drinda OConnor, John Pruitt, Jim Reinhart and Rex Bangert. Those voting "no" being: none.

b. Annexation Ordinance Nos. 2019-5, 6 & 9

The Board was presented with annexation ordinances for three parcels. Trustee Rex Bangert moved the ordinances be approved. The motion was duly seconded by Trustee John Pruitt and upon being put to a vote was unanimously approved. Those voting “aye” when their names were called being: Richard Ciotti, Drinda OConnor, John Pruitt, Jim Reinhart and Rex Bangert. Those voting “no” being: none.

c. Proposed 2019-2020 Budget (No Action Required)

The Board was presented with a proposed budget for next fiscal year. The required notice has been placed in the paper and the required budget hearing will be at 8:45 a.m. prior to the the May 28, 2019 Board meeting.

d. Resolution No. 2019-7 Fallingbrook Sanitary Sewer Acceptance

The Board was presented with a resolution accepting the Fallingbrook Sewers as part of the District’s system. The lines have been inspected and are in good condition. Trustee Drinda OConnor moved the resolution be approved. The motion was duly seconded by Trustee John Pruitt and upon being put to a vote was unanimously approved. Those voting “aye” when their names were called being: Richard Ciotti, Drinda OConnor, John Pruitt, Jim Reinhart and Rex Bangert. Those voting “no” being: none.

e. Ordinance No. 2019-8 Bond Ordinance – 2019 Issues

The Board was presented with an ordinance proposing the issuance of revenue bonds and alternate bonds of the Sangamon County Water Reclamation District, Sangamon County, Illinois in an aggregate principal amount not to exceed \$95,000,000 for the purpose of defraying certain costs in connection with improvement of the sanitary sewer system of the District and refunding certain outstanding bonds and debt of the District. The required Bond Information Notification Act (BINA) hearing will be held at the May 28, 2019 Meeting. Trustee John Pruitt moved the resolution be approved. The motion was duly seconded by Trustee Rex Bangert and upon being put to a vote was unanimously approved. Those voting “aye” when their names were called being: Richard Ciotti, Drinda OConnor, John Pruitt, Jim Reinhart and Rex Bangert. Those voting “no” being: none.

f. Insurance Renewals

The Board was presented with insurance proposals from our agent from Bliss-McKnight and Cincinnati Insurance for the District’s auto, property, liability, workers compensation and Umbrella policies. Cincinnati’s pricing is approximately \$43,000 lower than last fiscal year as was \$15,000 lower than Bliss-McKnight. Trustee Drinda OConnor moved to accept the Cincinnati proposal. The motion was duly seconded by Trustee John Pruitt and upon being put to a vote was unanimously approved. Those voting “aye” when their names were called being: Richard Ciotti, Drinda OConnor, John Pruitt, Jim Reinhart and Rex Bangert. Those voting “no” being: none.

6. Trustee Reports

Trustee Jim Reinhart asked if and when rate increases were proposed, would the largest increase be in the first year. The Director answered that was the case.

7. Staff Reports

The Director reported on the following:

Work is progressing on the 2019 Bond Refundings along with additional bonding for capital projects. Several draft documents related to the bond issues were discussed such as:

Draft Timetable for the Bond Issues
Draft 2019 User Rate Increase Report
Draft Rate Ordinance
Draft PowerPoint Presentation for Rate Meetings

It is planned to have public meetings during the months of May and June to inform and educate the public on our proposed rates. If approved at our June meeting, the new rates will take effect for any billings issued starting in July 2019.

The draft PowerPoint presentation was shown to the Trustees.

Overall, the increases are about half of what they initially were proposed. It looked as though we would need about a 22% increase but, with the analysis done by our accountant and the “smoothing” effect of having the debt service coverage increases over a 3-year period, the required increases are a much better scenario. The District has sufficient income to cover the existing debt, but the debt service coverage ratio needs to be propped up to maintain our ratings for our 2019 bond issue. The initial debt service coverage ratio increase for FY 2020 is 9.6%, which then drops to 5.4% and then 5.0%. This gets us back on track with the required debt service coverage ratios required by our Master Bond Ordinance. Also, we have included a cost-of-living increase of CPI-U + 1% along with increases for the mandated CSO-LTCP and disinfection projects. The rate ordinance will only set rates for 5 years so a reevaluation can be performed to determine if the increases are providing the required outcomes.

The District has received notification of its NPDES Permit renewal for the Spring Creek Plant. We are well ahead of the curve on having our phosphorus and nitrogen removal in place with the new plant, but there will be a requirement for the District to develop, or be part of a watershed group that develops, a Nutrient Assessment Reduction Plan (NARP). This requirement is due to the fact that we discharge upstream of a stream segment which is determined to be at a risk for eutrophication. The plan must be developed and submitted by December 31, 2023, so there is ample time to complete the necessary work. This is something we need to take hold of and control, because if we don't, IEPA will let the environmental groups prepare the plan and we would have to live with whatever they come up with.


Trustee Jim Reinhart left the Meeting at this point.


8. Attorney's Report-No Report

9. Adjourn Meeting

There being no further business to come before the Board of Trustees, Trustee Rex Bangert moved the meeting be adjourned. The motion was duly seconded by Trustee Drinda OConnor and upon being put to a vote was unanimously approved. Those voting "aye" when their names were called being: Richard Ciotti, Drinda OConnor, John Pruitt and Rex Bangert. Those voting "no" being: none. The meeting was adjourned at 9:33 a.m.

Minutes approved,


President

Attest: 
Clerk

