

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE SALT CREEK SANITARY
DISTRICT HELD AT 201 S. ROUTE 83, VILLA PARK, IL ON OCTOBER 18, 2021.**

The Regular Meeting was called to order by Trustee Hensley at 6:00 p.m.: Present: Trustees, Raymond Hensley – President Robert Taglia – Vice President and Mary Agrusa - Clerk. Also, present: Manager Jim Listwan, Business Administrator Ray Hoving, Engineer Mark Halm, Engineer Darryl Carstensen and Attorney Robert Kay.

Public Participation: No members of the public were present at the meeting.

Minutes Approved: Trustee Taglia moved, seconded by Trustee Agrusa to approve the minutes of the Regular Meeting of September 20, 2021. Ayes: Hensley, Taglia and Agrusa. Motion carried.

Bill Listing: Review and discussion ensued. Trustee Taglia moved, seconded by Trustee Agrusa to approve the bill listing dated October 18, 2021 in the amount of \$126,257.81 and to pay when funds are available prior to their due date. Ayes: Hensley, Taglia, Agrusa. Motion carried.

Water Shut Off List: Business Administrator Hoving presented a list of delinquent accounts dated October 18, 2021. The list represented a total amount due to the district of \$12,298.67. Trustee Agrusa moved, seconded by Trustee Taglia to approve the water shut off list dated October 18, 2021 as presented. Ayes: Hensley, Taglia, Agrusa. Motion carried.

Reconciliation Report – September 2021: Business Administrator Hoving presented the September Reconciliation report for review and discussion. Trustee Agrusa moved, seconded by Trustee Taglia to approve the Reconciliation report for September 2021 as presented. Ayes: Hensley, Taglia, Agrusa. Motion carried.

Investment Recommendations: Business Administrator Hoving recommended the following CD's be reinvested upon maturity.

Corporate Fund – Business Administrator Hoving recommended re-investing the CD maturing on October 21, 2021 in the amount of \$250,000 for a term not to exceed six months. Trustee Taglia moved, seconded by Trustee Agrusa to re-invest the \$250,000.00 for a period not to exceed six months. Ayes: Hensley, Taglia, Agrusa. Motion Carried.

Debt Service Fund – Business Administrator Hoving recommended re-investing the CD maturing on October 21, 2021 in the amount of \$250,000 for a period not to exceed six months. Trustee Agrusa moved, seconded by Trustee Taglia to re-invest the \$250,000. Ayes: Hensley, Taglia, Agrusa. Motion Carried.

Bank Resolution R-2021-02: Business Administrator Hoving presented Resolution 2021-02 which is a bank resolution that designates authorized signers for banking purposes at First Midwest Bank. This resolution is necessary due to the appointment of the new trustee Mary Agrusa. The resolution removes former trustee Troy Clampit from the list of signers. Trustee Taglia moved; seconded by Trustee Agrusa to approve Resolution 2021-02. Ayes: Hensley, Taglia, Clampit. Motion carried.

Engineers Report – Facility Plan: Engineer Mark Halm and Darryl Carstensen of Deuchler Engineering presented a draft of the facility plan. The engineers stated the purpose of the plan was to get an overall assessment of the current infrastructure at the plant as well as create a plan for future improvements based on the findings of the assessment. They explained that the facility plan is a prerequisite to obtaining low interest loans through the State Revolving Loan Fund (SRLF). Their findings revealed significant deficiencies at the plant due mostly to the age of the infrastructure at the plant. The plan also highlighted processes that while still functioning can be more efficient and reduce costs

in the longer term. Finally, the assessment found that upgrades to the plant will be needed so that the plant can meet the more stringent requirements for phosphorous removal that will be required by the end of the decade by the Illinois Environmental Protection Agency (IEPA). The engineers then presented multiple alternatives that would address the deficiencies and required upgrades identified in the assessment. Alternative number one would rehabilitate rather than replace the existing facilities at an estimated \$13.5 million dollars. Construction would be completed in a shorter amount of time. Alternative number two would replace the existing facilities which will make the plant more efficient in terms of energy used as well as man-power needed to operate the plant. The new design would have a longer service life and the processes that treat the wastewater would be more reliable and better able to meet the new IEPA requirements. This alternative would come at an estimated cost of approximately \$31 million and would see the plant under construction for a longer period of time. Ultimately the engineers recommended alternative number two. They stated that while the upfront costs would be more than twice the amount of alternative number one the longer life cycle and increased efficiencies would balance out the longer-term costs of rehabilitation. This alternative could be broken down into phases so that the cost would be spread out over a longer period. Finally, the engineers presented a schedule for financing their recommended alternative. The plan calls for an increase of approximately \$0.50 per 1000 gallons each of the next three years followed by more modest increases in the years that follow. Overall the average increase in user fees would be approximately 2% per year over the next twenty years.

Discussion ensued after the presentation. Manager Listwan stated the importance of upgrading the plant due to aging infrastructure that in some cases dates back to the 1950's and some that is even older than that. Business Administrator Hoving presented an informal rate study that showed the cost to residents is one of the lowest in the surrounding suburbs. He stated that unlike other municipalities the district does not levy a tax nor does it have other sources of revenue such as sales tax. Trustee Taglia asked if the district was obligated to expend the funds if the board approved the plan at this meeting. He hoped that there would be some sort of community outreach for such a large expense. Engineer Halm stated that approval of the plan simply allows the district to submit to IEPA. The district is not obligated financially until a construction contract is signed. Trustee Hensley moved; seconded by Trustee Taglia to approve Facility Plan as presented. Ayes: Hensley, Taglia, Agrusa. Motion carried.

Deuchler Engineering to Fehr Graham Assignment: Engineer Mark Halm announced that Deuchler Engineering merged with Fehr Graham & Associates. Mr. Halm presented a document (Assignment) that will formally transfer all rights and obligations under the Master Service Agreement between Deuchler and the district to Fehr-Graham as of the closing date of the transaction that is scheduled for November 1, 2021. Trustee Hensley moved; seconded by Trustee Taglia to approve the Assignment. Ayes: Hensley, Taglia and Agrusa. Motion carried.

Manager's Report - September 2021: Manager Listwan presented his report for the month of September. Trustee Taglia moved, seconded by Trustee Agrusa to approve the Manager's Report for September 2021 and place it on file. Ayes: Hensley, Taglia, Agrusa. Motion carried.

Employee Benefits: Business Administrator Hoving stated that he received the districts health insurance renewal for calendar year 2022. He pointed out that there is more than one employee whose spouse will be Medicare eligible during the upcoming year. According to Mr. Hoving there was no language in the employee manual regarding this scenario. He said that the costs associated with these individuals is quite high and that the district pays almost the entire yearly premium. It was agreed that an amendment to the

policy should be made to include this situation. Attorney Bob Kay stated that he would work with Mr. Hoving and Manager Listwan on a revision to the manual.


Meeting Adjourned

Trustee Taglia moved, seconded by Trustee Agrusa to adjourn the meeting at 7:40 p.m. Ayes: Hensley, Taglia, Agrusa. Motion carried.



APPROVED _____

Raymond E. Hensley, President



ATTEST _____

Mary Agrusa, Clerk

Prepared by: Ray Hoving, Business Administrator