

**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 16, 2023.**

The Regular Meeting was called to order by Trustee Taglia at 6:00 p.m.: Present: Robert Taglia- President, Ann Marie Testa – Vice President, and Robert Wagner - Clerk. Also, present: Manager Jim Listwan, Business Administrator Ray Hoving, Attorney Bob Kay and Engineers Darryl Carstensen and Mark Halm.

Public Participation:

FY 2022-2023 Audit Presentation: Ms. Jessica Holzknacht from Selden Fox presented the FY 2022/2023 Audit Report. Ms. Holzknacht stated that:

Assets decreased approximately 7% due to depreciation.

Cash decreased by \$411,000 however investments increased by \$741,000

Revenues equaled \$3.4 million and Expenses were \$2.9 million.

Net position was higher than FY 2022 and totaled \$9,801,989.

Discussion ensued following the presentation. Trustee Wagner asked why pension costs had increased. Ms. Holzknacht stated this was due to market fluctuations. Trustee Wagner also asked about transportation equipment. It was stated that this included the district pickup truck, the managers vehicle and the dump truck. Trustee Wagner suggested that a glossary of terms would be beneficial to help understand the technical nature of the report. Trustee Wagner asked if the budget must be balanced? Attorney Bob Kay stated that legally it did not. Trustees thanked Ms. Holzknacht for presenting. Trustee Wagner made a motion to accept the FY 2022-2023 Annual Financial Report; seconded by Trustee Testa. Ayes: Taglia, Testa and Wagner. Motion carried.

Minutes Approved: Trustee Wagner moved, seconded by Trustee Testa to approve the minutes for the Regular Meeting on September 18, 2023. Ayes: Taglia, Wagner, Testa. Motion Carried.

Bill Listing: Review and discussion ensued. Trustee Wagner moved, seconded by Trustee Testa to approve the bill listing dated October 16, 2023 in the amount of \$147,549.68 and to pay when funds are available prior to their due date. Ayes: Taglia, Wagner, Testa. Motion Carried.

Water Shut Off List: Business Administrator Hoving presented a list of delinquent accounts dated October 16, 2023. The list represented a total amount due to the district of \$23,606.24. Trustee Wagner moved, seconded by Trustee Testa to approve the water shut off list dated October 16, 2023 as presented. Ayes: Taglia, Wagner, Testa. Motion Carried.

Reconciliation Report – September 2023: Business Administrator Hoving presented the September Reconciliation report for review and discussion. Trustee Wagner moved, seconded by Trustee Testa to approve the Reconciliation report for September 2023 as presented. Ayes: Taglia, Wagner, Testa. Motion Carried.

Corporate Fund Investment Recommendation: Business Administrator Hoving reported that there was a Treasury that was maturing on October 31, 2023 in the amount of \$263,000. Based on the current cash flows needed Mr. Hoving recommended re-investing the maturing treasury for a term not to exceed twelve months. Trustee Testa made a motion; seconded by Trustee Wagner to approve the re-investment of funds in a US Treasury not to exceed twelve months. Ayes: Taglia, Testa and Wagner. Motion carried.

Improvement Fund Investment Recommendation: Business Administrator Hoving reported that there was a Treasury maturing on October 31, 2023 in the amount of \$118,000. Mr. Hoving also noted that there were excess funds in the Improvement Fund checking account at 5/3 Bank. Based on the current cash flows needed Mr. Hoving recommended transferring \$300,000 from the checking account to the brokerage account to be invested along with the maturing treasury for a term not to exceed twelve months. Trustee Testa made a motion; seconded by Trustee Wagner to approve the transfer of funds and the investment in a US Treasury not to exceed twelve months. Ayes: Taglia, Testa and Wagner. Motion carried.

Replacement Fund Investment Recommendation: Business Administrator Hoving reported that there was a Treasury that was maturing on October 31, 2023 in the amount of \$105,000. Based on the current cash flows needed Mr. Hoving recommended re-investing the maturing treasury for a term not to exceed twelve months. Trustee Testa made a motion; seconded by Trustee Wagner to approve the re-investment of funds in a US Treasury not to exceed twelve months. Ayes: Taglia, Testa and Wagner. Motion carried.

Debt Service Fund Investment Recommendation: Business Administrator Hoving reported that there was a Treasury that was maturing on October 31, 2023 in the amount of \$437,000. Based on the current cash flows needed Mr. Hoving recommended re-investing the maturing treasury for a term not to exceed twelve months. Trustee Testa made a motion; seconded by Trustee Wagner to approve the re-investment of funds in a US Treasury not to exceed twelve months. Ayes: Taglia, Testa and Wagner. Motion carried.

Employee Health Insurance Renewal: Business Administrator Hoving advised the board that he had just received the renewal for employee health insurance through Blue Cross/Blue Shield of Illinois. He noted that there was a 6% increase in premiums over the previous year. Mr. Hoving stated that he would give a full report and recommendation at the November meeting.

Phase 7 Refresher/Engineer's Report: Staff asked Engineer's Mark Halm and Darryl Carstensen to provide a refresher presentation on the need for the upcoming projects due to the fact that there were two new trustees on the board. They started off by stating the reason for the upgrades that are needed. The biggest factors were mandates from the EPA for more strenuous limits on phosphorous, nitrogen and ammonia-nitrogen in the effluent. They also noted that much of the equipment at the plant is past its useful life with some of the plant infrastructure being original from the 1920's and 30's. The engineers presented the timeline of events and the steps that were taken up to this point in time. They informed the board of the facility plan that was completed. The plan assessed the current plant's equipment and processes which led to a report that was submitted to the Illinois Environmental Protection Agency for approval. The IEPA approved the report which called for two separate projects that would be funded by the State of Illinois Revolving Loan Funds (SRLF). The first project, phase 6, would rebuild the belt press due to deteriorating components and replace the UV system first put into operation in the early 2000's. This portion was needed due to the manufacturer no longer supporting or manufacturing the equipment. The new system will be more energy efficient and easier to maintain due to the design. The second project, phase 7, will be the larger of the two according to the engineers. The project will replace the existing headworks to a modern design that is more energy efficient as well as more efficient at processing the influent from the village sewer. The project will also allow for the district to remove nutrients (phosphorous/nitrogen) biologically which means that the district will be less dependent on expensive chemicals that are needed remove the nutrients prior to being discharged into Salt Creek. The engineers then detailed the costs to the district due to the two new loans that are needed to complete the projects. The engineers stated that during the first two years rates increased by approximately 7-8% but over the life of the loan the average annual increase was closer to 2%. The board thanked the engineers for explaining the need for the projects to the new trustees.

Manager's Report – September 2023: Manager Listwan presented his report for the month of September. Manager Listwan did not report any excursions from the permit for the month. Trustee Wagner moved, seconded by Trustee Testa to approve the Manager's Report for September 2023 and place it on file. Ayes: Taglia, Wagner, Testa. Motion Carried.

2024 General Liability Plant Insurance: Manager Listwan presented the proposal from Assured Partners for General Liability Insurance for 2024. Assured Partners is the broker and coverage would be provided by Illinois Counties Risk Management Trust (ICRMT). The proposal represents an approximately 9% increase over the 2023 policy with coverages remaining the same. Manager Listwan also noted that there was a possibility that the plant would need additional flood insurance. Business Administrator Hoving noted that the district was awaiting the proposal from Illinois Public Risk Fund for workers compensation insurance. Trustee Wagner moved; seconded by Trustee Testa to approve the renewal of the Plant Insurance for 2024 at a 9% increase. Ayes: Taglia, Testa and Wagner. Motion Carried.

Trustee Reports: Trustee Wagner discussed his time at the IAWA annual meeting and thanked the district for allowing him to attend. He also thanked Manager Listwan and Engineer Halm for the tour of WEFTEC held at McCormick Place. Trustee Wagner also reported about his attendance at the District 88 intergovernmental meeting. At the meeting he spoke about the future of Salt Creek and his hope to begin having open houses and tours again. Trustee Wagner reported that he took the first lesson on the Veolia website for wastewater treatment.

Trustee Taglia stated that he met with Pragna Kathrani, the owner of 933 W North Ave. Unit D, regarding her account. Trustee Taglia read off the list of concerns and issues that the owner told him about during their meeting. 1. Concern is that charges fees even when there is no service. 2. Notice of lien does not contain an account number. 3. Liens are holding up the sale of her building. 4. On 11/10/2018 has a charge of \$1251.01 but never received a bill. 5. account #47 was billed 2338 for 334 days. She said the actual read was different. 6. Did not receive bills, would like a history report and all printed bills. 7. How does a resident stop account at Salt Creek? 8. late charges with no usage. Discussion ensued and no action was taken.

Staffing: Manager Listwan and Business Administrator Hoving informed the trustees that they had completed the first round of interviews with prospective candidates to fill the position of Plant Superintendent upon Mr. Listwan's retirement. Staff reported interviewing four very well qualified candidates however two had stood out among the rest for their hands-on experience with both the operations and the maintenance aspects of the plant. Mr. Listwan and Mr. Hoving stated that they would be asking the two finalists to return for a follow up interview in the next week or two. It was then asked if staff would be able to make an offer to the selected candidate. Attorney Bob Kay stated that if the Superintendent was going to report to the new executive director that the board should officially appoint the director position prior making the offer. The board agreed with Attorney Kay and Mr. Hoving stated that he would place the executive director position on the agenda for November.

Meeting Adjourned

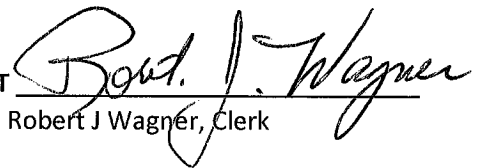
Trustee Wagner moved, seconded by Trustee Testa to adjourn the meeting at 7:57 p.m. Ayes: Taglia, Wagner, Testa. Motion Carried.

APPROVED



Robert Taglia, President

ATTEST



Robert J Wagner, Clerk

Prepared by: Ray Hoving, Business Administrator