

SHOREWOOD FOREST UTILITIES, INC.
425 Utility Dr
Valparaiso, IN 46385
219-531-0706

BOARD OF DIRECTORS MEETING

President, Terry Atherton
Vice President, Randy Becker
Treasurer, Jerry Hanas
Secretary, Greg Colton

Meeting of April 16, 2015

NOTE: All minutes are summarized to give the community the essential information of what has happened at meetings and what votes were taken. Board discussions and public comments are not presented verbatim.

Pursuant to the call of the Board of Directors of Shorewood Forest Utilities, Inc., Board President Terry Atherton called the April 16, 2015 meeting to order at 7:05 p.m. in the Shorewood Forest Clubhouse. Directors Terry Atherton, Randy Becker, Jerry Hanas and Greg Colton were present. Also in attendance were Plant Manager Forest Ash, John Sturgill from McMahon Associates (the Utility's engineering adviser), and two members of the Utility.

Approval of Prior Minutes:

The March 19, 2015 Board of Directors Regular Meeting minutes were accepted and approved.

Shop Report:

A copy of the March 18 through April 13, 2015 Shop Report, prepared by Forest Ash, Plant Manager, was distributed to all Members who were present, and is as follows:

Shop Report

March 18th through April 13 , 2015

Main Plant

1. Permit capacity is 450,000 GPD. We had an average flow of 181,700 GPD and our high flow was 240,000 GPD. We treated a total of 5.632 million gallons of wastewater last month, or 40% of our permitted capacity. The following percentage rates are an indication of how efficiently the plant is operating: 98.4% removal of BODS; 98.2% of Suspended Solids; 99.6% of Ammonia; and 96.5% of Phosphorus (80% minimum). We have gone 61 months without a violation.
2. On March 12th, we walked to the creek for our monthly inspection.
3. On March 30th, we have put the micro screen filters to automatic.
4. The augers of the new filters have clogged on multiple occasions. We have increased the speed to 100% and have not had issues with the augers since.
5. On April 11th, after getting called out for an auger VFD failure, the controls would not go back to automatic. We opened the lift station and found the pipe the level transducer was in had plugged with grit. We pulled the level transducer out of the pipe/stilling well, and cleaned it off. The level readings corrected and the controls went to automatic.

6. Report of the Micro screen removal of TSS and CBOD

Micro Screen Removal Rate

	Influent TSS	Effluent TSS	% of removal	Influent CBOD	Effluent CBOD	% of removal
31-Mar	515	77.6	84.93204	169	138	18.3432
1-Apr	449	166	63.02895	446	148	66.81614
2-Apr	921	128	86.10206			
7-Apr	678	175	74.18879			
8-Apr	735	114	84.4898			
9-Apr	543	98.4	81.87845			
Total removal	3841	759	80.23952	615	286	53.49593

Lift Stations

1. Lift station pump run times from March 1 - 31, 2015

Station	Cycles	Run Time (hrs)	Station	Cycles	Run Time (hrs)
Sagamore	526	22.9	Nature Preserve	1679	128
Pixley	668	42.5	Devon	1672	63.7
Edgewood	586	44	Main	5750	153.9
Surrey Hill	595	28.9	Wessex	602	31.2
Wexford	519	23.4	Scarborough	412	13.1
Amhurst	1590	106.5	Shorewood ct.	753	102.7
Roxbury	1564	88			

- On March 20th, Roxbury called for a high level alarm. We logged into the computer and it was not showing a level trend. Philip replaced the Dwyer transducer with a new Dwyer transducer.
- On March 23rd, when we checked the SCADA, we noticed Roxbury was not communicating. Upon arrival, we found the radio had gone out, and replaced it with a new radio from stock.
- On March 26th, we noticed that Roxbury pump 2 was running slowly. We went to the station to look at the pump and discovered the guide rail had broken off the wall. The guide rail has been welded back in place.
- On April 2nd, Sagamore lift station was hit by lightning. The radio is not working, a fuse to the 24 volt power supply was blown, and the level is not registering. We replaced the fuse to the power supply, and were able to run the station on floats. We have ordered a new radio, and are awaiting for this to arrive.
- On April 8th, we responded to a call to Wessex Rd. The rotophase was loud when the pumps ran. We greased the Roto Phase and the noise lessened.

Sewer Lines & Manholes

1. On March 30th, we were called to Scarborough rd for a sewer over flow. Advanced Septic drained the line and Great Lakes used their jetter truck to knock a hole through the clog.
2. On April 1st, we responded to what looked to be a forced main break on Devon Rd. We shut the station off, and Advanced Septic sucked out the manhole and maintained the lift station. Weiler Plumbing dug up where the water was coming from to find a service lateral buried 6 inches in the ground had broken. The service lateral is in the manhole that Devon Lift Station dumps into. Weiler Plumbing also used a 4 inch root cutting head to relieve the plugged line.
3. On April 2nd, we tried to televise the lines. On Scarborough the camera flipped in the line, we could not proceed. Devon line was full of grit and grease we could not go any further than 100 feet. We called and scheduled Metz to come out with their jetter.
4. On April 7th, Metz came and cleaned the line on Devon, and Scarborough. Also; we had them televise the lines, they found roots in both lines. We had them cut the roots out to prevent further backups.
5. On April 9th, we responded to a call of sewer back up on Wilshire ct. We checked the manholes and water was flowing freely. We spoke with the plumber and home owner and informed them that it was in the lateral.

Other

1. We have traded the 1999 F-150 for a new 2015 F-250.
2. On April 1 & 2, London Witte was in for the financial Audit.
3. On April 9th, we attempted to test a pass through valve. The valve did not fit in the pipe.

Submitted By
Forest W. Ash

Mr. Ash reported that the Utility has now gone 61 months without a violation.

Mr. Ash included in the Shop Report for the first time a table expressing the Microscreen Removal Rate. He noted that the microscreen removed 80.239% of the total suspended solids going into the plant, and 53.49% of the CBODs.

Mr. Ash noted that the Utility purchased a new 2015 F-250 and traded in the 1999 F-150.

Mr. Ash reported that he tested the new Big Mouth lateral line stopper, but it got stuck in an 8" pipe.

Item #5 under the Main Plant report led to some discussion about the cause of the jam in the lift station outside the new headworks. It was Mr. Ash's opinion that grit and grease will continue to clog the 8" vertical pipe (stilling well) that houses the level transducer. He believes the stilling well should be pulled because it is a flawed design that will continue to get clogged. He removed the level transducer from the still well and reattached it inside the wet well.

Treasurer's Report:

Treasurer Jerry Hanas informed the Board that the audit being performed pursuant to the bond covenants is due May 1, and he is working with the Utility's accounting firm London Witte Group. The final audit will require a signature from one or more Board members. Director Colton moved that the Board authorize either Mr. Hanas or Mr. Atherton to sign the audit if that is all that is needed, otherwise, the entire Board will sign the audit. The motion was seconded and passed.

Treasurer Jerry Hanas gave the Treasurer's report for March 2015. Treasurer Hanas reported that the Utility has Debt Service Reserve Funds totaling \$244,487, with a fully-funded target of \$325,920. Restricted Funds total \$1,403,844 and Restricted Cash & Checking totals \$1,757,303. As of March, year-to-date the Utility had income from operations of \$215,524 and operating expenses of \$88,493, leaving a Net Operating Income of \$127,031. Bond payments totaled \$86,841. The Debt Service Ratio was 1.47. President Atherton noted that the calculation of the debt service ratio is affected by a lot of beginning-of-the-year operating expenses.

In response to a question from Director Becker, Mr. Ash replied that the reimbursement from NIPSCO's contractor Robert Henry has been received and applied.

Old Business - Phase 1B Project Status

Forest Ash reported that the driver for Waste Management refused to pick up the Utility's refuse from the microscreen headworks. Both Mr. Ash and Mr. Atherton recalled receiving multiple assurances from Waste Management that the Utility's refuse was eligible for pickup. Mr. Ash will review his records and follow up with Waste Management.

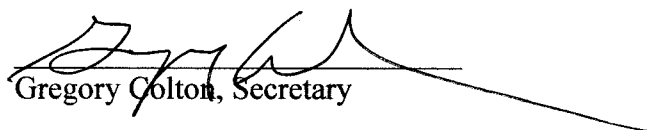
John Sturgill from McMahon Associates distributed to Board members a copy of Disbursement Request #11, dated April 16, 2015, which summarized the project costs and disbursements to date.

Mr. Sturgill reported that the Gaskill & Walton contract is \$50,200 short of completion. G&W has requested a Board motion authorizing a person to execute a document certifying the project is substantially complete. The next step would be a walk-through by G&W and Utility representatives to develop a "punch list" of items to be completed before the Utility would pay G&W the \$40,000 retainage. Director Colton moved that the Utility certify the G&W contract is substantially complete and that President Atherton be authorized to execute an appropriate document to that effect. The motion was seconded and approved unanimously.

Mr. Sturgill provided a handout dated April 16, 2015 projecting that unspent bond contingency funds will total \$355,162.13. There was a short discussion about what capital projects the money should be used for. A workshop was tentatively scheduled for April 27th for Board members to discuss with McMahon Associates various capital improvement projects on the horizon for the Utility.

President Atherton adjourned the meeting at 7:38 p.m.

Respectfully submitted,


Gregory Colton, Secretary