

SHOREWOOD FOREST UTILITIES, INC.

425 Utility Dr
Valparaiso, IN 46385
219-531-0706

BOARD OF DIRECTORS MEETING

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

Meeting of March 17, 2016

NOTE: All minutes are summarized to give the community the essential information of what has taken place 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 Greg Colton called the March 17, 2016 meeting to order at 7:07 p.m. in the Shorewood Forest Club House. Directors Greg Colton, Randy Becker, Jerry Hanas, and Ken Buczek were present. Director Terry Atherton was absent. Also in attendance were Plant Manager Forest Ash, and three members of the Utility.

Approval of Prior Minutes:

Board President Mr. Colton asked if there were any questions concerning the minutes from the previous meeting of February 18, 2016. There were none. The minutes of the Board of Directors Regular Meeting of February 18, 2016 were subsequently accepted and approved.

Shop Report:

A copy of the February 16, 2016 through March 16, 2016 Shop Report, prepared by Forest Ash, Plant Manager, was distributed to all Members who were present, and is summarized as follows:

Shop Report

February 16th, through March 16th, 2016

Main Plant

1. Permit capacity is 450,000 GPD. We had an average flow of 179,400 GPD and our high flow was 281,100 GPD. We treated a total of 5.202 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: 99.5% removal of BODS; 99.5% of Suspended Solids; 99.6% of Ammonia; and 96.5% of Phosphorus (80% minimum). We have gone 72 months without a violation.
2. On February 23rd, we walked to the creek for our monthly inspection.
3. On February 19th, during the winter storm, at 9:30 pm, we were called out to the plant for power failure. We had to reset the VFD to the Aeration blowers.
4. On February 21st, we were called out for an auger VFD failure on Microscreen #1. We cleaned the screen and put it back in service.
5. March 7-10, Blue Water put a coating of rust preventative on the microscreens, they also installed 4" vents on the lids.
6. On March 8th, we were called out for a VFD Booster pump failure on Microscreen 2. We reset the unit and put it back in service.

7. We have Aeration Tanks 1 and 4 running for the next plant improvement project phase.
8. On March 15th, we were called out for auger VFD failure on Microscreen 1. We cleaned off the auger and put it back in service.
9. March 15th, we shut off #3 aeration tank, and begin to drain it.
10. During high winds on March 16th, we sporadically lost power at the plant, and shop causing the generator to run and the blower VFD's to fail.

Lift Stations

1. Lift station pump run times from February 1 - 29, 2016

2. On

Station	Cycles	Run Time (hrs)	Station	Cycles	Run Time (hrs)
Sagamore	601	27.0	Nature Preserve	1088	133.5
Pixley	404	25.2	Devon	1218	52.8
Edgewood	650	47.2	Main	5619	146.5
Surrey Hill	571	35.7	Wessex	683	50
Wexford	493	23.6	Scarborough	458	15.8
Amhurst	1219	106.3	Shorewood ct.	678	113.8
Roxbury	1847	64.5			

February 19th, we were called to Shorewood Ct. for VFD failure and had to reset the CPU.

3. On February 25th, we were called to Nature Preserve for a communication failure. We discovered a tree had fallen and taken down our antenna. We called MB Controls and got a new antenna put back up.
4. On March 2nd, we pulled pump 1 at Sagamore. We cleaned rags out of the pump and put it back in service.
5. On March 2nd, we pulled pump 2 at Roxbury. We cleaned rags out of the pump and put it back in service.
6. On March 8th, we were called to Shorewood ct. for a high float alarm. There was no level reading so we replaced the level transducer but did not get any level reading. We had MB Controls move the transducer from analog 1 to analog 2 and we got our signal back.
7. On March 16th, a power outage caused both VFDs for the pumps at Shorewood Ct. to fail. We reset the VFDs and put the station back in service.

Sewer Lines & Manholes

1. On February 23rd, we were called to Amhurst Rd. for a backed up sewer line. Our service main line was flowing freely, and we advised the homeowner to contact a plumber.
2. March 14th, Pro-Form came and started the sewer line patching.
3. March 15th, Metz Sewer begin their sewer cleaning and televising project.

Other

1. Nothing this month.

Submitted By
Forest W. Ash

Questions and Answers:

1. Mr. Hanas asked if Metz had seen anything unusual since they had begun televising the sanitary sewers. Mr. Ash informed him that as of right now, they have not.
2. Mr. Hanas also asked if Pro-Form was doing the work we outlined last year. Mr. Ash told him they were.

3. Mr. Colton asked how long the projects would take to be completed. Mr. Ash stated that Pro-Form had about another week or so and they should be complete. Metz had approximately 30 days of cleaning and televising remaining to do.
4. Mr. Hanas asked how Metz obtained the water for their truck to jet out the lines. Mr. Ash stated that they have a meter they put on the fire hydrant and then pays IAW for the water usage.

There were no further questions.

Treasurer's Report:

Treasurer Hanas gave the financial report, Restricted Bonds total \$80,908, Debt Service Reserve of \$263,578 with a Debt Service Reserve target of 325,920, leaving amount still owed of \$62,342. We have Capital Replacement Fund of \$787,700, Construction Fund of \$357,702, Capacity Fee of \$352,123 total Restricted Investments of \$1,497,542, total Restricted Bond & Investments \$1,842,028. The Utility has Total Operating Funds of \$215,678, 3.6 months of cash on hand, Payables of \$886 and Receivables of \$116,971. We had Income of \$144,512 Operating Expense of \$57,993 giving a Net Operating Income of \$86,579. Bond payments of \$57,402 giving an Income after Bond Payments \$29,177, and the Debt Service Coverage Ratio is 1.50.

Mr. Hanas reported that he and Mr. Ash were working on the budget. Last year's budget projected \$879,850 in income. Actual income was \$886,558, approximately \$7,000 higher than expected. We budgeted \$389,921 for expenses and actual expenses totaled \$354,146; or approximately \$35,000 under our projected target. We have moved approximately \$180,000 into our capital account for capital projects. All in all, we met our financial targets.

President Colton asked if there were any question on the financials, there were none.

Old Business:

President Colton asked Mr. Ash to give an update on the Aeration Tank #3 project. Mr. Ash stated that Gaskill and Walton were in the process of welding the blower header piping to the diffusers, and the remaining material had all been delivered.

Mr. Colton asked Mr. Ash to explain the operational process changes that were going to be undertaken in the next couple of weeks due to Aeration Tank #3 being out of service. Mr. Ash explained that Aeration Tank #3 would be drained on Monday the 21st. Wealing Brothers would be there to remove the remaining sludge and clean the tank, so the contractors would be able to work in the tank. Once the tank was cleaned, Gaskill and Walton would begin removing the old diffusers and install the new ones. The factory representative from Aquarius would be at the plant for the startup of the new aeration system on March 29th.

President Colton asked Mr. Ash if McMahon and Associates intended to send a concrete expert to look at the north wall of Tank #3 to assess its integrity and potential use as a common wall for a backup aeration tank. Mr. Ash said he would call McMahon and remind them to do the inspection once the Tank #3 was out of service and cleaned

Mr. Hanas asked if the inspection would include checking the existing cold joint connection that would be needed for connection to a potential future aeration tank. Mr. Ash replied that the inspection would include the cold joint and the overall integrity of the wall.

President Colton asked if there were any more questions.

A Member asked Mr. Ash how much televising and cleaning the utility was planning to do. Mr. Ash replied that the entire utility collection system would be televised and cleaned over the next 3 years, which would include the Shorewood Forest, Edgewood, Arbor Lakes, and Sagamore subdivisions.

New Business:

President Colton asked Mr. Ash to explain the progress made on venting the microscreens in the new headworks building. Mr. Ash explained that Blue Water had removed the rust, coated the stainless steel, and installed a 4" vent for the microscreens. Mr. Ash explained that he contacted four HVAC contractors (Dodrill Mechanical, Young Plumbing, Wieler Plumbing, and Loving's Heating) and sought bids to install the ductwork from the microscreens to the roof vent. Out of the four contacted, three came out to the plant to see the proposed work, and only Loving's provided a bid, in the amount of \$4,150. Director Hanas moved that the bid be accepted. Director Buczek seconded the motion and it was approved unanimously.

President Colton mentioned that there would be an election for the Board this year. In the next billing statement, Members will receive a candidate's application form for any members interested in running for the Board. The application has to be returned by early May. A candidates' night will be held in June, and the election will be in July.

President Colton asked if there were any further questions from the Board. There were none.

The floor was then opened to the membership for questions, but there were none.

President Colton adjourned the meeting at 7:45 pm.

Respectfully submitted,

Kenneth L. Buczek, Secretary