

SHOREWOOD FOREST UTILITIES, INC.

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

BOARD OF DIRECTORS PUBLIC MEETING

President, Greg Schafer
Vice President, Anthony Cimino
Secretary & Treasurer, Tom Szefer
Director, Margie Stiles

Meeting of May 23, 2019

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.

Note: Customer and member are used interchangeably except for the Shellbourne Conference Center which is a customer only; they are not a member because they do not have voting rights.

CALL TO ORDER (00:01)

President Greg Schafer called the May 23, 2019 Shorewood Forest Utilities, Board of Directors Public Meeting to order at 7:05 p.m. in the Shorewood Forest Clubhouse. Present were President Greg Schafer, Vice President Anthony Cimino, Secretary/Treasurer Tom Szefer, and Director Margie Stiles. Also, in attendance were Plant Manager Forest Ash, Administrative Assistant Linda Walla, and 5 members of Shorewood Forest Utilities.

President Greg Schafer welcomed everyone to the meeting and stated that meetings are run using the Rules of Roberts Law; every time there is an issue being presented, members will have a chance to interact by asking questions and commenting on these issues while the Board discusses each issue. He encouraged members to ask questions if they need clarification or provide their valuable input to help the Board of Directors better understand their concerns.

APPROVAL OF MINUTES (1:14)

Secretary/Treasurer Tom Szefer stated that the Executive Meeting Minutes for March 12th and May 16th, 2019 and the Public Meeting Minutes for March 21st, 2019 are ready to be approved.

The July 19th, 2018 Public Meeting Minutes are not ready for Board approval due to the class action lawsuit and collection of revenue from past due accounts taking a higher priority by the Board of Directors in which these tasks are extremely time consuming.

A motion was made by President Greg Schafer and seconded by Director Margie Stiles to accept the Executive Meeting Minutes for March 12th and May 16th, 2019 and the Public Meeting Minutes for March 21st, 2019. The motion was approved unanimously.

OPERATIONS REPORT (March & April 2019) (2:05)

Plant Manager Forest Ash presented the Operations Report as follows:

- The plant has been running efficiently; we have not only met, but well exceeded all National Pollutant Discharge Elimination System (NPDES) permit *winter limit* requirements.
- In March we had an average flow of 213,100 GPD and our high flow was 346,300 GPD. We treated a total of 6.6 million gallons of wastewater.
- In April we had an average flow of 239,500 GPD and our high flow was 490,100 GPD. We treated a total of 7.4 million gallons of wastewater.
- The following are the National Pollutant Discharge Elimination System (NPDES) permit monthly average limits and the lab results of our influent and effluent:

| MARCH | INCOMING (Av) | | OUT GOING (Av) | | I.D.E.M. (Limits) | |
|------------|----------------|-------------|----------------|------------|-------------------|------------|
| | lbs. | mg/l | lbs. | mg/l | lbs. | mg/l |
| CBOD | 463.3 | 252 | 6.1 | 3.6 | 93.9 | 25 |
| TSS | 1,426.5 | 740 | 11.2 | 6.7 | 112.7 | 30 |
| AMMONIA | | 16.4 | | 0.1 | | 1.5 |
| PHOSPHORUS | | 6.4 | | .5 | | 1.0 |

CBOD - Carbonaceous Biochemical Oxygen Demand.

TSS - Total Suspended Solids

| APRIL | INCOMING (Av) | | OUT GOING (Av) | | I.D.E.M. (Limits) | |
|------------|----------------|-------------|----------------|------------|-------------------|------------|
| | lbs. | mg/l | lbs. | mg/l | lbs. | mg/l |
| CBOD | 412.0 | 188 | 9.6 | 3.8 | 93.9 | 25 |
| TSS | 1,111.1 | 510 | 37.2 | 13.7 | 112.7 | 30 |
| AMMONIA | | 19.1 | | 0.1 | | 1.5 |
| PHOSPHORUS | | 5.8 | | 0.6 | | 1.0 |

CBOD - Carbonaceous Biochemical Oxygen Demand.

TSS - Total Suspended Solids

- **Shop Log** (*This section was not available at the time of the meeting*)

Repairs Done In-House

1. Rebuilt Pumps #1 and #2 at the Edgewood Lift Station
2. Replaced light bulbs and glass sleeves on the ultraviolet lights in the filter building.
3. Replaced the back-up batteries at all 14 Lift Stations.
4. Finished installing generators at Roxbury, Amhurst, and Wexford Lift Stations.
5. Cleaned the main lift station at the plant.
6. Installed the concrete pads for the generators at Devon, Shorewood Court, and Surrey Hill Lane Lift Stations; in addition to the concrete pad for the control panel at Surrey Hill Lane.
7. Changed the oil in all four plant blowers and the #3 clarifier blower.
8. Removed the roots in the manhole at the Swamp Outfall.
9. Replaced the alternator on the Vactor Truck.

Repairs Done by Outside Contractors and Vendors

10. Elliot's Landscaping cut the trees to clear a path to the manhole at the Swamp Outfall.
11. Weiler Plumbing repaired a break in our main sewer pipe (force main) at Deer Ridge.
12. Weiler Plumbing repaired a break in our main sewer pipe (force main) at 350 W; split cost with homeowner.

FINANCIAL REPORT (5:56)

Secretary/Treasurer Tom Szeffc presented the financial reports as follows:

Fifth Third Bank Money Market (This section was not available at the time of the meeting)

Secretary/Treasurer Tom Szeffc stated that on March 27th our money market account (12 months, 1.5% APY) at Fifth/Third Bank matured so we opened a new account for 12 months at an interest rate of 2.05% APY.

Secretary/Treasurer Tom Szeffc further stated that he checked with other banks in the area and Fifth/Third Bank had the best interest rate compared to the following banks:

- Chase Bank does not offer commercial money markets.
- Horizon Bank money market rate is 1.95% APY this month, .03% APY for all months after that.
- First Source Bank money market rate is .14% APY (no minimum required, no service charge for writing up to 6 checks/month).
- Centier Bank money market rate is 1.90% APY with no expiration date.
- First Merchants Bank money market rate is 2.00% APY for 12 months (\$10K minimum balance).

Fifth Third Bank CD (This section was not available at the time of the meeting)

Secretary/Treasurer Tom Szeffc stated that on April 9th our Certificate of Deposit (18 months, 1.86% APY) at First Source Bank matured, so on April 15th we opened 20 new accounts (ten \$99,999.99 CD's and ten \$50,000.00 CD's) for 12 months at a interest rate of 2.65% APY; penalty for early withdrawal is 2% of CD value or loss of interest accrued at the time of withdrawal, whichever is lowest. He also added that by having the CD's in smaller increments, we maximize our interest rate and minimize our penalty.

Note: interest accrued on these CD's after one year is \$39,750, assuming none will be cashed before April 15, 2020.

Secretary/Treasurer Tom Szeffc further stated that he checked with other banks in the area and Fifth/Third Bank had the best interest rate compared to the following banks:

- Chase Bank does not offer commercial Certificates of Deposit.
- First Source Bank CD rate is 2.45% APY for 12 months (penalties were not disclosed).
- First Merchants Bank CD rate is 2.65% APY for 12 months (penalty for early withdrawal is 9 months interest).
- Centier Bank CD rate is 2.65% APY for 12 months (penalty for early withdrawal is 6 months interest).
- Horizon Bank's CD rate is 2.70% APY for 12 months (penalty for early withdrawal is 6 months interest).

Financial Charts (This section was not available at the time of the meeting)

SHOREWOOD FOREST UTILITIES, INC.
MONTHLY, YTY & YTD FINANCIAL REPORT FOR MARCH 31, 2019

| LINE # | MARCH INCOME & EXPENSES | SOURCE | CASH FLOW | MARCH |
|---|---|---|---|--------------------------------|
| 1 | Income: | | Sewer Pymts, Tap-In Fees, Penalties | \$ 78,809.65 |
| 2 | Expenses (Including Legal Expenses = \$0): | | Operating Fund Account | \$ 27,946.48 |
| 3 | Bond Payment (2014A & 2014B Regions Bank): | | Bond Payment | \$ 26,527.92 |
| 4 | Debt Service Reserve Payment (2014A & 2014B Regions Bank): | | <i>Escrow Reimbursement</i> | \$ (5,152.02) |
| 5 | Surplus / Deficit: | Line 1 - 2 - 3 - 4 | | \$ 29,487.27 |
| 2019 INCOME & EXPENSES | | SOURCE | CASH FLOW | YEAR-TO-DATE |
| 6 | Income: | + Line 1 | Sewer Pymts, Tap-In Fees, Penalties | \$ 231,298.30 |
| 7 | Expenses (Including Legal Expenses = \$10,875.00): | + Line 2 | Operating Fund Account | \$ 104,594.72 |
| 8 | Operating Income Before Bond Payments: | Line 6 - 7 | | \$ 126,703.58 |
| 9 | Bond Payments (2014A & 2014B Regions Bank): | + Line 3 | Bond Payments | \$ 79,583.76 |
| 10 | Debt Service Reserve Payments (2014A & 2014B Regions Bank): | + Line 4 | <i>Escrow Payments (Overpaid)</i> | \$ (1,686.26) |
| 11 | Surplus / Deficit: | Line 8 - 9 - 10 | | \$ 48,806.08 |
| 12 | Debt / Service Ratio (Must be Greater Than 1.25): | Line 8 / (\$28,893 * 3) | Line 8 / (Highest Bond Pmt Ever x 3 Pmt Periods This Year) | 1.46 |
| RESTRICTED FUNDS | | SOURCE | CASH FLOW | YEAR-TO-YEAR |
| BOND FUND: | | | | |
| 13 | Bond Payment Fund (2014A & 2014B Regions Bank): | + Line 3 | Bond Payments + Int | \$ 1,616,426.17 |
| 14 | <i>Escrow Reimbursement</i> <i>TRF - Swept to Debt Service Reserve (Regions Bank):</i> | <i>Line 4</i> | | \$ (5,152.02) \$ (2,344.01) |
| 15 | Bond Payment Fund Target (2014A & 2014B Regions Bank): | | | \$ 4,687,458.01 |
| 16 | Amount Still Owed: | Line 13 + 14 - 15 | | \$ (3,078,527.87) |
| ESCROW ACCOUNT (WILL BE USED TO PAY DOWN THE BOND PAYMENT FUNDS 2014A & 2014B): | | | | |
| 17 | Debt Service Reserve (2014A & 2014B Regions Bank): | + Line 4 | Debt Service Reserve + Int | \$ 323,576.08 |
| 18 | <i>AR - Swept from Bond Payment Fund (Regions Bank):</i> | <i>Line 14</i> | | \$ (2,344.01) |
| 19 | Debt Service Reserve Target: | | | \$ 325,920.00 |
| 20 | Surplus: | Line 17 - 18 - 19 | | \$ 0.09 |
| UNRESTRICTED FUNDS | | SOURCE | CASH FLOW | YEAR-TO-YEAR |
| OPERATING FUNDS | | | | |
| 21 | Operating Fund (First Source Bank): <i>AR - MAR 8; \$5,152.02 - Debt Service Reserve (Regions Bank):</i> <i>TRF \$0.00 - Money Market Account (Fifth/Third Bank):</i> <i>AR \$0.00 - Money Market Account (Fifth/Third Bank):</i> <i>AR \$0.00 - Capital I & R Fund (First Source Bank):</i> | <i>Line 4</i> <i>Line 29</i> <i>Line 25</i> | Sewer Payments Include: Cash + Credit & Debit Cards + Savings & Checking Accounts. Tap-In Fees (\$1,000 / Home) Penalties + Int | \$ 189,639.74 |
| 22 | Petty Cash: | Line 21 | Operating Fund | \$ 100.00 |
| 23 | Total: | Line 21 + 22 | | \$ 189,739.74 |
| 24 | Operating Funds Available (Months): | Line 23 / \$40,000 | | \$ 4.74 |
| IMPROVEMENT & REPLACEMENT FUND | | | | |
| 25 | Capital Improvement & Replacement Fund (First Source Bank): <i>TRF - \$0.00 - Operating Fund (First Source Bank):</i> <i>AR - MAR 1; \$26,868.44 - Money Market Account (Fifth/Third Bank):</i> <i>AR - MAR 6; \$5,680.00 - Money Market Account (Fifth/Third Bank):</i> | <i>Line 29</i> <i>Line 29</i> | Capacity Fees (\$2,000 / Home) + Int | \$ 4,428.00 |
| RESERVE FUND | | | | |
| 26 | Certificate of Deposit (First Source Bank): | | | \$ 1,150,000.00 |
| 27 | Certificate of Deposit Interest (Since Oct 9, 2017): | \$58.9654/Day for 31 Days = | \$1,827.93 | \$ 31,723.40 |
| 28 | Total: | Line 26 + 27 | | \$ 1,181,723.40 |
| 29 | Money Market Account (Fifth/Third Bank #:0480 / Fifth/Third Bank #:5053): <i>TRF - MAR 1; \$23,868.44 - Capital I & R Fund (First Source Bank):</i> <i>TRF - MAR 6; \$5,680.00 - Capital I & R Fund (First Source Bank):</i> <i>AR \$0.00 - Capital I & R Fund (First Source Bank):</i> | <i>Line 25</i> | | \$ 332,531.10 |
| 30 | Money Market Interest (Since Mar 27, 2018): | | Interest = \$336.92 | \$ 5,604.95 |
| 31 | Total: | Line 29 + 30 | | \$ 338,136.05 |
| 32 | Business Elite Checking (5th/3rd Bank #:0472 / 5th/3rd Bank #:5038): <i>AR \$0.00 - Operating Fund (First Source Bank):</i> | <i>Line 21</i> | | \$ 100.00 |
| 33 | Total Reserve Funds: | Line 28 + 31 + 32 | | \$ 1,519,959.45 |
| 34 | Total Unrestricted Funds (Operating, I & R, Reserve Funds): | Line 23 + 25 + 28 + 31 + 32 | | \$ 1,714,127.19 |
| TRF = TRANSFERRED FUNDS | | AR = ACCOUNTS RECEIVABLE | | |
| Money Market (Fifth/Third Bank) [Closed: Mar 27, 2019]: | | \$ 400,000.00 @ 1.5% APY Interest Rate | Opened: Mar 27, 2018; Matures: Mar 27, 2019 | |
| Money Market (Fifth/Third Bank): | | \$ 338,133.73 @ 2.05% APY Interest Rate | Opened: Mar 27, 2019; Matures: Mar 27, 2020 | |
| CD (First Source Bank): | | \$ 1,150,000.00 @ 1.86% APY Interest Rate | Opened: Oct 9, 2017; Matures: Apr 9, 2019 | |
| Bond 2014A (Regions Bank) [Non-Taxable]: | | \$ 2,430,000 @ 1% » 4.6% Interest Rate | Opened: Apr 2014; Matures: Apr 2029 | |
| Bond 2014B (Regions Bank) [Taxable]: | | \$ 1,045,000 @ 2% » 5.25% Interest Rate; | Opened: Apr 2014; Matures: Apr 2029 | |

SHOREWOOD FOREST UTILITIES, INC.
MONTHLY, YTY & YTD FINANCIAL REPORT FOR APRIL 30, 2019

| LINE # | APRIL INCOME & EXPENSES | SOURCE | CASH FLOW | APRIL |
|---|--|---|--|--------------------------|
| 1 | Income: | | Sewer Pymts, Tap-In Fees, Penalties | \$ 82,507.87 |
| 2 | Expenses (Including Legal Expenses = \$2,585.00): | | Operating Fund Account | \$ 30,316.61 |
| 3 | Bond Payment (2014A & 2014B Regions Bank): | | Bond Payment | \$ 26,527.92 |
| 4 | Debt Service Reserve Payment (2014A & 2014B Regions Bank): | | Escrow Payment | \$ - |
| 5 | Surplus / Deficit: | Line 1 - 2 - 3 - 4 | | \$ 25,663.34 |
| 2019 INCOME & EXPENSES | | SOURCE | CASH FLOW | YEAR-TO-DATE |
| 6 | Income: | + Line 1 | Sewer Pymts, Tap-In Fees, Penalties | \$ 313,806.17 |
| 7 | Expenses (Including Legal Expenses = \$13,460.00): | + Line 2 | Operating Fund Account | \$ 134,911.33 |
| 8 | Operating Income Before Bond Payments: | Line 6 - 7 | | \$ 178,894.84 |
| 9 | Bond Payments (2014A & 2014B Regions Bank): | + Line 3 | Bond Payments | \$ 106,111.68 |
| 10 | Debt Service Reserve Payments (2014A & 2014B Regions Bank): | + Line 4 | <i>Escrow Payments (Overpaid)</i> | \$ (1,686.26) |
| 11 | Surplus / Deficit: | Line 8 - 9 - 10 | | \$ 74,469.42 |
| 12 | Debt / Service Ratio (Must be Greater Than 1.25): | Line 8 / (\$28,893 * 4) | Line 8 / (Highest Bond Pmt Ever x 4 Pmt Periods This Year) | 1.55 |
| RESTRICTED FUNDS | | SOURCE | CASH FLOW | YEAR-TO-YEAR |
| BOND FUND: | | | | |
| 13 | Bond Payment Fund (2014A & 2014B Regions Bank): | + Line 3 | Bond Payments + Int | \$ 1,635,626.61 |
| 14 | <i>Escrow Reimbursement</i> | <i>Line 4</i> | | \$ - |
| | <i>Swept from Debt Service Reserve (Regions Bank):</i> | <i>Line 18</i> | | \$ - |
| 15 | Bond Payment Fund Target (2014A & 2014B Regions Bank): | | | \$ 4,687,458.01 |
| 16 | Amount Still Owed: | Line 13 + 14 - 15 | | \$ (3,051,831.40) |
| ESCROW ACCOUNT (WILL BE USED TO PAY DOWN THE BOND PAYMENT FUNDS 2014A & 2014B): | | | | |
| 17 | Debt Service Reserve (2014A & 2014B Regions Bank): | + Line 4 | Debt Service Reserve + Int | \$ 326,487.80 |
| 18 | <i>Swept to Bond Payment Fund (Regions Bank):</i> | | | \$ - |
| 19 | Debt Service Reserve Target: | | | \$ 325,920.00 |
| 20 | Surplus: | Line 17 - 18 - 19 | | \$ 567.80 |
| UNRESTRICTED FUNDS | | SOURCE | CASH FLOW | YEAR-TO-YEAR |
| OPERATING FUNDS | | | | |
| 21 | Operating Fund (First Source Bank): <i>TRF - APR 9; \$137,410.21 - Money Market Account (Fifth/Third Bank):</i> <i>AR \$0.00 - Money Market Account (Fifth/Third Bank):</i> | <i>Line 31</i> | Sewer Payments Include: Cash + Credit & Debit Cards + Savings & Checking Accounts. | \$ 55,504.02 |
| 22 | Operating Fund (Business Elite Checking) (Fifth/Third Bank): <i>AR \$0.00 - Capital I & R Fund (First Source Bank):</i> | <i>Was Line 34</i> <i>Line 26</i> | Tap-In Fees (\$1,000 / Home) | \$ 28,180.18 |
| 23 | Petty Cash: | Line 21 | Operating Fund | \$ 100.00 |
| 24 | Total: | Line 21 + 22 + 23 | | \$ 83,784.20 |
| 25 | Operating Funds Available (Months): | Line 24 / \$40,000 | | \$ 2.09 |
| IMPROVEMENT & REPLACEMENT FUND | | | | |
| 26 | Capital Improvement & Replacement Fund (First Source Bank): | | Capacity Fees (\$2,000 / Home) + Int | \$ 4,428.51 |
| RESERVE FUND | | | | |
| 27 | Certificate of Deposit (First Source Bank) [Closed 4-9-19; \$1,182,254.08]: <i>TRF - APR 9; \$1,182,254.08 - Money Market Account (Fifth/Third Bank):</i> | | | |
| 28 | Certificate of Deposit (Fifth/Third Bank) [Opened 4-15-2019; \$1,499,999.90]: <i>AR - APR 15; \$1,499,999.90 - Money Market Account (Fifth/Third Bank):</i> | <i>Line 31</i> | | \$ 1,499,999.90 |
| 29 | Certificate of Deposit Interest (Since Oct 9, 2017): | | \$58.9654/Day for 9 Days = \$530.68 | \$ 32,254.08 |
| 30 | Total: | Line 27 + 28 + 29 | | \$ 1,532,253.98 |
| 31 | Money Market Account (Fifth/Third Bank): <i>TRF - APR 15; \$1,499,999.90 - CD (Fifth/Third Bank):</i> <i>AR - APR 9; \$1,182,254.08 - CD (First Source Bank):</i> <i>TRF \$0.00 - Operating Fund (First Source Bank):</i> <i>AR - APR 9; \$137,410.21 - Operating Fund (First Source Bank):</i> | <i>Line 27</i> <i>Line 21</i> | | \$ 157,800.44 |
| 32 | Money Market Interest (Since Mar 27, 2018): | | Interest = \$393.84 | \$ 393.84 |
| 33 | Total: | Line 31 + 32 | | \$ 158,194.28 |
| 34 | Business Elite Checking (5th/3rd Bank #:0472 / 5th/3rd Bank #:5038): | <i>Now Line 22</i> | | |
| 35 | Total Reserve Funds: | Line 30 + 33 | | \$ 1,690,448.26 |
| 36 | Total Unrestricted Funds (Operating, I & R, Reserve Funds): | Line 24 + 26 + 30 + 33 | | \$ 1,778,660.97 |
| TRF = TRANSFERRED FUNDS | | AR = ACCOUNTS RECEIVABLE | | |
| Money Market (Fifth/Third Bank): | \$ 338,133.73 @ 2.05% APY Interest Rate | Opened: Mar 27, 2019; Matures: Mar 27, 2020 | | |
| CD (First Source Bank): [Closed: Apr 9, 2019]: | \$ 1,150,000.00 @ 1.86% APY Interest Rate | Opened: Oct 9, 2017; Matures: Apr 9, 2019 | | |
| CD (Fifth/Third Bank): | \$ 1,499,999.90 @ 2.65% APY Interest Rate | Opened: Apr 15, 2019; Matures: Mar 15, 2020 | | |
| Bond 2014A (Regions Bank) [Non-Taxable]: | \$ 2,430,000 @ 1% » 4.6% Interest Rate | Opened: Apr 2014; Matures: Apr 2029 | | |
| Bond 2014B (Regions Bank) [Taxable]: | \$ 1,045,000 @ 2% » 5.25% Interest Rate; | Opened: Apr 2014; Matures: Apr 2029 | | |

ARREARAGE AS OF APRIL 17, 2019*

| CUSTOMERS IN ARREARS | DOLLAR RANGE OF ARREARS | PAYMENTS OUTSTANDING |
|-------------------------|----------------------------|-------------------------|
| 43 | \$.01 - \$65.00 | \$ 2,002.65 |
| 100 | \$65.01 - \$140.00 | \$ 12,710.48 |
| 22 | \$140.01 - \$300.00 | \$ 4,955.72 |
| 8 | \$300.01 - \$450.00 | \$ 3,091.88 |
| 3 | \$450.01 - \$650.00 | \$ 1,531.72 |
| 1 | \$650.01 - \$800.00 | \$ 667.28 |
| 1 | OVER \$800.01 | \$ 1,318.02 |
| | AV. DELINQUENCY | |
| 178 | \$147.63 | \$26,277.75 |

ARREARAGE AS OF MAY 13, 2019

| CUSTOMERS IN ARREARS | DOLLAR RANGE OF ARREARS | PAYMENTS OUTSTANDING |
|-------------------------|----------------------------|-------------------------|
| 26 | \$.01 - \$65.00 | \$ 598.33 |
| 71 | \$65.01 - \$140.00 | \$ 8,769.08 |
| 21 | \$140.01 - \$300.00 | \$ 4,948.48 |
| 4 | \$300.01 - \$450.00 | \$ 1,466.64 |
| 4 | \$450.01 - \$650.00 | \$ 2,064.92 |
| 1 | \$650.01 - \$800.00 | \$ 671.60 |
| 1 | OVER \$800.01 | \$ 1,322.34 |
| | AV. DELINQUENCY | |
| 128 | \$133.60 | \$19,841.39 |

Email Reminders

Secretary/Treasurer Tom Szefer stated that we are now sending payment reminders via email to those whose emails we have letting them know their payment is due shortly.

OLD BUSINESS (CHANGES SINCE THE JANUARY 24th PUBLIC MEETING) (17:12)

Generac Generator Installations for Devon, Surrey Hill Lane, and Shorewood Court Lift Stations

President Greg Schafer stated that the concrete pads are in place and we are in the process of setting them on the pads and then getting them hooked up. He further added that all the generators are alike, so this will make it easier to inventory parts.

Generac Generator Installation for the Plant

President Greg Schafer stated that our 35-year-old diesel-powered generator failed one night and so it was time to get a new one; we purchased a 150 Kw Generac natural gas powered, water cooled generator for the plant and it is already on site. He also added that we are hoping to install the new one in the next 30 days.

Surrey Hill Lane Lift Station Control Panel Installation

President Greg Schafer stated that we are phasing out some old technology and this new control panel will bring us up to the latest technology and give us radio control on how the system is operating and that should be arriving anytime now.

NEW BUSINESS (20:58)

Replacement of Refrigerated Wastewater Sampler for Micro- Screens

President Greg Schafer reported that we need to replace the Refrigerated Wastewater Sampler located at the micro-screens. He went on to explain that this is a 24- hour composite sampler that takes a small test of the wastewater every 30 minutes. **Plant Manager Forest Ash** stated that there are two ways to set up the sampler; it can be set up to take samples by minutes or by pulse which is guided by the flow. He added that we will set up the new sampler by pulse. He stated that this sampler is the raw sampler that takes composites before the micro-screens. **Secretary/Treasurer Tom Szeftc** explained that the micro-screens catch the trash such as toilet paper before it goes to the aeration tank. **Plant Manager Forest Ash** went on to say that there are two samplers: one to test the raw wastewater before the micro-screens and one that tests the wastewater after the micro-screens. **President Greg Schafer** added that we also have a Refrigerated Wastewater Sampler that tests as the wastewater leaves the plant. He also added that this piece of equipment costs approximately \$1,800; it keeps the samples at an average temperature of 40 degrees, which is required so that new growth doesn't occur with-in our samples. He stated that the current sampler is about 4 years old; it failed and was already repaired twice.

Resale of Old Plant Generator on eBay

President Greg Schafer informed the membership that we are trying to sell on EBAY the old generator that runs the plant; it is currently listed at \$8,000 which includes the generator, the transfer switch, and the diesel fuel tank. He explained that carnivals use this type of generator; however, we may be hard pressed to receive the asking price of \$8,000, but even if we receive \$4000-\$5,000 that income would go toward the cost of the new plant generator that we purchased at a price of roughly \$28,000.

Board of Director's Candidates Night and Election Canceled

President Greg Schafer informed the membership that there were two candidates running for two open positions: Margie Stiles and Carlotta Holmes ran uncontested; if only two candidates apply, there is no election since they win by default, saving the Shorewood Forest Utilities, Inc. \$3,000 to \$4,000 expense in mailings etc. Carlotta Holmes informed the membership that she has lived in the Shorewood Forest Subdivision since 1996 and has a B.S. in Business and a Masters in Psychology. She stated that she was looking forward to working with the Utility Board.

President Greg Schafer stated that the annual meeting will take place as planned on Tuesday, July 1st and after that meeting the Utility Board will restructure, if needed, to see who will be President, Vice- President etc.; this will be a regular meeting and give the membership a chance to meet the Board.

COMMENTS FROM THE BOARD (27:53)

President Greg Schafer wanted to thank Director Margie Stiles and Director-Elect Carlotta Holmes for taking the time to run for the Board because this is not quite as fun as one might think. There are a lot of problems day in and day out and spending is always a issue; financing is always a issue and there is always a customer that has a problem for whatever. He also added that this Board collectively has worked very, very hard on all this. **Vice President Anthony Cimino** also welcomed Director-Elect Carlotta Homes to the Board. He also stated that he thinks our dynamic is awesome, it's selfless work and it is a pleasure working with everyone; although we don't make any money doing this, we did this to better the community; he is looking forward to working with her. **Director-Elect Carlotta Holmes** thanked everyone and said that it was appreciated.

COMMENTS FROM THE MEMBERSHIP (32:44)

Gerald Ruschak (Lot #9) said that he very much appreciates everything that this Board does.

Andrew Wargo (Lot #375) wanted to know when these homes are built now, is it required for the homeowner to have a cleanout.

President Greg Schafer replied that when these homes are built now; it is a requirement.

Andrew Wargo (Lot #375) asked if that was a state requirement.

President Greg Schafer replied that it is not a state law, it is just good common sense; this way you can clean your sewer from the outside of the building verses pulling a toilet or something. He further added that currently it is standard for us to have a cleanout; during new construction Plant Manager Forest Ash will make an inspection on the sewer line to make sure it has been done right and the cleanout is installed. He also added that it is only a \$50 to \$75 expense to do this during construction. **Plant Manager Forest Ash** also added that not only does the customer have to put in a cleanout, but we also require a tracer wire which allows us to send a signal, so we can locate. **President Greg Schafer** informed everyone that he wished we would have that tracer wire on all our main sewers, so we can locate them more easily, but that is water under the bridge.

ADJOURNMENT (35:48)

A motion was made by Vice President Anthony Cimino to adjourn the meeting and seconded by Director Margie Stiles. The motion was unanimously approved.

The meeting was adjourned at 7:43 p.m.