



## ROCHELLE UTILITY ADVISORY BOARD

Minutes Wednesday, February 11th, 2015

The Rochelle Utility Advisory Board met on Wednesday, February 11th, 2015 in the RMU Technology Center, 910 Technology Parkway. The meeting was called to order by Mr. Elliott at 3:00 p.m.

Present at the meeting:

Bob Elliott UAB Chair  
Claude McKibben UAB  
Mark Batty UAB  
Jim Black UAB  
Dan Lundquist

Dave Plyman City Manager  
Chet Olson Mayor  
Barbara Bell RMU  
Adam Lanning RMU  
Dan Westin RMU  
Joe Orlikowski RMU  
Jeff Sartorius RMU  
Adriana Milan City  
Jason Anderson City ED

Public:  
Kathy Hollonbeck

- 1. Roll Call and Introductions:** All present except Mr. Ohlinger.  
Mayor introduced **Dan Lundquist** as the new member of the UAB.
- 2. Approval of Minutes:**  
MOTION: To approve the UAB meeting minutes dated December 10th, 2014  
MAKER: Batty      SECOND: Black  
VOICE VOTE:      Motion carried
- 3. Economic Development Update:**  
Jason Anderson updated the UAB on the status of Project Red, a 3.8 MW facility for hydroponic tomato farming. In addition Jason presented the status on the Rochelle railroad expansion status.  
It was agreed to keep the ED update as a standing agenda item.
- 4. Customer Service Update**  
Barbara Bell reviewed the recent operational performance of the Integrated Voice Response system during the outage Sunday eve Feb 1. The system provided a lot of information on how many callers, how information is gathered and areas of improvements.

Barbara also reviewed key highlights for the FY15 budget in areas of customer satisfaction surveying and potential services such as pre-paid.

Action: RMU will send UAB members samples of what voice responses the callers hear.

## **5. Water/WaterRec status**

Adam Lanning provided a comprehensive report of the status of W/WRec finances/revenues and operations including the summer 2014 Rochelle Foods leak into the Water Rec collection system. See enclosed report.

## **6. Advanced Communications update:**

Scott Koteski reviewed the finances. A renewed approach to marketing fiber and internet services will be enacted on going forward.

Mr. Black pointed out that reliability needs attention.

New fiber lease customers, AT&T to NT and Syndeo Networks DNA to the stripmall by Walmart.

New fiber services: Del-Monte, Ogle County Health Department and also CHS fiber service signed. IDOT fiber lease along I-39 being reviewed. A fiber contract with Hillcrest has also been signed.

Mr. Batty queried why actual to budget was not presented. Dan Westin responded that a too detailed report had been provided earlier and that a condensed report was being built by Civic.

## **7. Electrical Enterprise Status**

Dan Westin reviewed the revenue/expense status of the electrical enterprise. Organic/expansion growth is not showing up yet from specific accounts and rate stabilization will continue within reason to maintain the commitment to predictable rates.

The book value to replacement cost status was discussed. A review of the Depreciation, Investment and Expansion account will be done. Joe Orlikowski reported on budget highlights; Steward Rd lighting project has been started.

Caron Rd Substation work will impact both FY15 and FY16.

5 KV project status was shared. More phases will be included going forward.

The PJM Tariff project was touched on briefly with the recent update that COMED is not currently planning to provide TO compliance services.

## **8. New Business: None**

9. Comments from the board: None

10. Comments from the Public: None

11. Adjournment:

MOTION: To adjourn at 4:58 p.m.

MAKER: Mr. Black SECOND: Mr. McKibben

VOICE VOTE: Motion carried

Submitted By Dan Westin

Water/Water Rec V.

*a. Financial Status*

- a. Water Fund Balance Sheet - There was a 17% increase in the Cash & Investment Accounts from this time last year. The current balance of \$1.9 million does include \$480,000 that has been set aside for future Water Projects. Total Liabilities & Equity increased 4.78% over last year.

Water Fund Statement of Revenues, Expenses, and Changes in Retained Earnings

The large increase in Other Operating Revenues is due to the increase in the percentage charged for late fees that became effective 5/1/14. Total sales are 3.56% higher than last year at this time. The Increase in Retained Earnings year-to-date is \$547,265.

Water Reclamation Fund Balance Sheet - Cash & Investments increased \$220,000 over last year but is still negative \$339,000. On May 1, the Revenue Bond was paid-in-full. Currently the fund still has two outstanding IEPA loans. One is due to mature on 8/1/17 and the other will mature on 5/16/27.

Water Reclamation Fund Statement of Revenues, Expenses, and Changes in Retained Earnings - Other Operating Revenue includes revenue from a short term contract to accept waste from Advanced Waste Service. Last year the fund received EDA grant money for the Caron Road Lift Station which is listed in the Non-Utility Income. Total sales are 10.52% higher than last year at this time. The Increase in Retained Earnings year-to-date is \$454,955

*b. Operations Report*

- a. *Water* – For the month of January RMU water produced a total of 95.6 million gallons with a daily average flow of 3.08 MG. 4 main breaks occurred during the month of January and were all fixed in a timely manner despite the adverse weather conditions.

b. *Wastewater* – For the month of January the wastewater division treated 70.7 million gallons, 146,940 pounds of influent BOD, 72,385 pounds of total suspended solids and 10,323 pounds of ammonia nitrogen. The treated effluent for January averaged 1.9 mg/L of CBOD, 0.8 mg/L of total suspended solids, 8.1 mg/L of dissolved oxygen and 0.2 mg/L ammonia nitrogen. All effluent parameters were within the permit limits set forth by the Illinois EPA.

c. *FY 2015/16 Budget Highlights a. Water Division*

- i. We plan to replace a model year 1991 dump truck at an estimated cost of \$150,000.
- ii. Install a new well pump, motor and well house at the corner of Steward and Hayes rd. which is considered ‘well 12’. The engineering estimated cost is \$1,258,000. (IEPA loan funded)
- iii. Extend a 16 inch water main along Steward rd. to connect with the new well 12 at an estimated cost of \$750,000. Construction is planned to begin June 1<sup>st</sup> of 2015. (IEPA loan funded)
- iv. Construct an elevated storage tank for Well 12 at a total estimated cost of \$2,130,000. The tower should be mostly constructed by the end of FY 2015/16. (IEPA loan funded)

c. *Wastewater Division*

- i. The excess flow lagoon which shares a berm along the Kyte River had a partial failure 2 years ago resulting in a significant expense to partially repair the berm. We plan to start a project which will fill in all deficiencies along the berm and stabilize it to prevent any further failures. The engineering estimate for this project is \$500,000.
- ii. Sanitary Sewer System 1 is a major interceptor that captures the flow from the southern industrial portion of the town and feeds into our anaerobic lagoon. This interceptor has been evaluated and needs to be replaced or lined. Due to the condition of this line, a large portion of it will be replaced at an estimated cost of \$585,000.

d. *Centrifuge Replacement Project*

- a. The current dewatering equipment used at the wastewater treatment plant is being replaced with 2 new centrifuges made by Alfa Laval at a contract price of \$1,794,000. The project includes new feed pumps, upgraded electrical panels and VFD’s, and a new polymer blending system. Construction started last month but progress has been delayed due to manufacturing problems. A final completion date of May 11, 2015 has been set.

e. *Blower Project*

The wastewater treatment plant is currently using 24 year old blowers to provide oxygen to the activated sludge system. We are replacing 1 existing blower with a turbo high

efficiency unit manufactured by Aerzen Company. RMU was awarded an Illinois Clean Energy Grant of \$54,000 with a total project cost of \$211,888. Due to the increased efficiency of the new blower, an estimated electrical savings of approximately \$25,000 per year is expected.

f. *Well 11 Rehab and Well 4*

a. Production Well 11 located at Flagg rd unexpectedly failed on January 5<sup>th</sup>. To complicate the matter production well 4 located at the overpass was out of service for routine repairs. We hired the original contractor for that well to install a rental pump due to the fact we had 1 well out of service already. The rental pump was installed and in service January 15<sup>th</sup>. The contractor evaluated the condition of the pump, motor, cable and sand separator. They provided costs estimates for either replacing or repairing the existing components which ranged from \$81,768 to \$88,187 respectively. We decided it was beneficial to replace the equipment since replacing allowed us to downsize the motor from 300 HP to 200 HP. This will result in a significant electrical savings. The estimated completion date is March 1 at a total project cost of \$167,607. The motor and pump were last rebuilt in 2008 which is in line with the expected life of this equipment. g. *Well 4 Rehab*

b. Production well 4 which is located at the 251 overpass was taken out of service for routine repair work in October of last year. The repair work includes rebuilding the electric motor, replacing the pump assembly and cable, removing a bridge and cleaning of the well at an estimated cost ranging from \$123,634 to \$197,434. The estimated completion date for this project is February 20<sup>th</sup> of this month.

g. *Service to Airport and Airport Lift Station*

a. The airport currently operates a small lift station which pumps domestic wastewater to our treatment plant. A pump failed in November of 2014 and the second pump failed again in January of 2015 leaving no pumps available. RMU staff had to use a vacuum truck to clean out the lift station on a daily basis. It has been determined the force main was fouled with grease causing a backpressure on the line. This in turn put unneeded stress on the pumps causing them to fail. We injected a cleaning agent in the force main and were able to clear the obstructed pipe allowing a portable bypass pump to work until the original pumps are repaired. One repaired pump was shipped on Feb 10<sup>th</sup> and expect to have it installed by the beginning of next week. SCADA communication was set up with the lift station so any alarm conditions will automatically communicate with on call personnel to avoid any future problems. We have also been working with the Flight Deck to control grease from entering our sewer system to avoid fouling the force main. RMU staff is now assisting the airport in the operation and maintenance of this lift station.

h. *WIMS*

a. WIMS, which stands for WATER INFORMATION MANAGEMENT SOLUTION is an industry standard laboratory and operations software used in the water and

wastewater industry. RMU recently purchased the software at a cost of approximately \$9,000. The software will interface with our SCADA system to automatically import data from the field to our database. All data collected will be stored in the access database for easy manipulation reducing time and errors common with data collection and entry. RMU staff will build the database with a tentative completion date of May 15<sup>th</sup> saving approximately \$10,000 vs having the software company build it.