

# CITY OF PALOS HEIGHTS



## WATER AND SEWER COMMITTEE Meeting Minutes April 24, 2018

Chairman Bylut called to order the regular meeting of the Water and Sewer Committee at 6:30 p.m. in the Palos Heights Administration Building, 7607 W. College Drive, Palos Heights, IL.

Present were Chairman Bylut, Alderman Fulkerson, Alderman Basso, Alderman McGrogan, Public Works Director Scott Smith, City Administrator Dan Nisavic and Recording Secretary Pat Sheppard.

### Approval of Minutes

Chairman Bylut requested a motion to approve the minutes of the January 23, 2018 meeting. So moved by Alderman McGrogan, seconded by Alderman Fulkerson. The motion carried by unanimous voice vote.

### Director's Report: Scott Smith

- Water Main Repairs. There were numerous watermain repairs since the committee last met in January, two of which were deep and a contractor had to be called in for assistance.
- Sanitary Sewer Modeling/Evaluation. This was ongoing work to be in compliance with MWRD. The contractor, RJN, would probably attend a Water and Sewer Committee meeting within the next month or two to give the committee an update on the project as well as a presentation.
- Manhole Rehabilitation Project. The contractor would be resuming work by the end of the month (April 30) and felt they would finish up in about three weeks. Residents are notified when the contractor is working in the area regarding any disruptions in service.
- Relocation of Watermain at 127<sup>th</sup>/Rt. 83. Scott was waiting for the Intergovernmental Agreement (IGA) from the Village of Alsip, which he would bring to the committee as soon as he received. He noted IDOT plans to go to bid on the project in August.
- 127<sup>th</sup> Street Watermain Project. Restoration landscaping would take begin in a couple of weeks, weather permitting. He noted the piping on that project was completed and the system was operational.

### Water & Sewer Rates

Scott reminded the committee that in the Water Supply Contract with Alsip which was approved last spring, Alsip had changed the date (month) for water rate increases from January to June to coincide with the City of Chicago's cycle, so the 50 cent increase was split over two years, each with a .25 cent increase. Scott said the City recently received notice from Alsip regarding this year's increase of .25 cents plus a .06 cents cost of living increase from Chicago for a total of .31 cents.

Scott referred to the proposed water rate chart he had distributed. He noted the 2018 budget was adopted with a .37 cent increase. The proposed rates would have relatively little

impact on the residents: the minimum bill for residents (billed quarterly) would go from \$170.46 to \$176.42; and the minimum bill for seniors would go from \$137.49 to \$142.17. It was Scott's recommendation to approve the proposed rate increase to go into effect June 1, 2018.

Alderman McGrogan inquired what the revenue difference would be between a .31 cent increase and a .37 cent increase. The City Administrator said it was approximately \$22,000.00. Alderman McGrogan was opposed to a rate increase and did not see the justification. He felt the City had enough money in the fund balance to absorb the increase from Alsip/Chicago. The City Administrator stated the City adopted a fund balance policy in 2009 and has been the tool used to determine fund balances – no fund balance targets are exceeded. Discussion ensued on the proposed rate increases and water/sewer capital projects.

Chairman Bylut said it was his preference to move with the recommendation, citing various examples of frugality on the City's part over the past couple of years, including last year's negotiated waste hauler contract which reduced the resident's fees and the electric aggregation program that saved residents several hundred dollars of the period of the contract. After further discussion, Chairman Bylut moved to accept the proposed water and sewer rate increases, seconded by Alderman Basso. On a voice vote, the motion carried as follows: Ayes – 3, Nays – 1 (Alderman McGrogan). **AGENDA**

### **Equipment Purchase**

Scott shared a brochure for a Catch Basin/Hydro Excavator. Scott said this piece of equipment would help greatly with excavating and finding utilities in water and sewer breaks because of the amount of fiber and cable buried in the ground. It would also be used to clean sanitary sewers and catch basins. He explained it was like a giant vacuum with a fan-driven motor. Purchasing through the Suburban Purchasing Cooperative (SPC), the base price of the equipment was about \$350,000.00 and about \$420,000 with the needed add-ons. Scott referred to the preliminary quotes from SPC for financing options. Scott was going to firm up the costs, get some more brochures, and bring this back to the committee next month for approval. Alderman McGrogan asked Scott to prepare an analysis on what he spends on outside vendors for this type of work vs. the purchase of the equipment.

### **Water Truck Purchase**

Scott said the committee had previously granted him permission to go out for bid for the purchase of a new water truck. In the meantime, Scott found a less-expensive alternative going through the National Joint Purchasing Administration (NJPA). Scott wasn't sure how and/or if he could proceed with the purchase. Alderman Fulkerson did not feel Scott needed any further approval since he had found a less expensive way to purchase the vehicle. Scott said he would pursue the purchase and keep the committee informed.

### **SCADA Upgrade**

Scott reminded the committee that the SCADA upgrade project had been awarded to Metropolitan Pump Company and since that time, City staff has been researching and talking with Comcast about entering an agreement to provide phone service instead of CallOne. Comcast is offering the City a great deal on running cellular communication lines to the pump stations which will potentially save the City several thousand dollars per month on phone lines. In order for Comcast to run the lines, Metropolitan Pump would have to modify their contract. Scott referred to the addendum he had distributed detailing the equipment and services needed for the pump stations to accommodate Comcast in the amount of \$16,625.00.

Chairman Bylut moved to approve the addendum from Metropolitan Pump Company to provide equipment and service for the SCADA system upgrade to the pump stations, seconded by Alderman McGrogan. On a voice vote, the motion passed unanimously. **AGENDA**

**Adjourn**

There being no further business, Alderman Fulkerson moved to adjourn the meeting, seconded by Alderman McGrogan.

Meeting adjourned at 7:05 p.m.

Respectfully submitted,

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Patricia M. Sheppard  
Recording Secretary