

MINUTES OF THE REGULAR MEETING Wednesday, October 15, 2025

The Board of Trustees of the Sanitary District of Decatur, Illinois met in regular session Wednesday October 15, 2025, at 5:29 pm at the District's Office, 501 Dipper Lane. Present for the board meeting were board members Dan Smallwood, Phil Cochran, Rob Jacobsen, and Steve Horve. Staff present at the meeting were Kent Newton, Executive Director/CFO; Don Miller, Director of Engineering; J.D. Malone, Director of Maintenance; Ashley Bailey, Director of Compliance and Innovation; Hailey Beals, Administrative Office Coordinator and Patrick Sullivan, General Counsel for the District. The audience included David Diehl of Black & Veatch (electronically), Jamie Wilkey of Lauterbach & Amen (electronically), and staff members Kelly Carstens, Brian Casch, and John Mitsdarffer.

Mr. Smallwood called the meeting to order and led the Pledge of Allegiance.

There were no comments from the public.

Ms. Wilkey presented a brief description of the 2024-2025 Audit Report for the Sanitary District.

13398 Mr. Cochran moved that the items on the Consent Agenda including Minutes of the Regular Meeting of September 24, 2025; Payroll and Checks including travel expense reimbursements as submitted; the 2024-25 Audit Report and Engagement Letter for advisory services from Speer Financial be approved; and that the President, Clerk, and Executive Director be authorized and directed to take all actions required to execute the items on the consent agenda. Motion seconded by Mr. Cochran. **Trustee Smallwood, Cochran, Jacobsen and Horve voted Aye, and the motion passed.**

Mr. Newton reviewed the Executive Director's Report that was included in the packet. Mr. Newton informed the board that we had our first Labor Management meeting since February, and it was productive. Mr. Newton expects that we will continue to have monthly meetings now, until we have contract negotiations. Mr. Newton stated that we are starting to evaluate cloud-based financial software for the District. The current software we use was installed 5 years ago, and there have been many improvements in cloud computing since most of the country went to remote work during the COVID pandemic. Mr. Newton explained that the recent interest rate cuts have had a positive impact on our investment portfolio value. The market value has increased \$85,000 since last week and \$1.2M since January, due to our fixed rate. Mr. Newton thanked Kelly Carstens and Christina White for all the work they did for the auditors. It can be stressful to have someone asking questions about transactions that happened up to 15 months ago. They did a great job of getting all day-to-day work complete, while taking care of questions from the audit team. The auditors would like us to create a fund balance policy, which is a Board Level policy. This explains that the target levels that should be maintained and includes steps to take when levels are outside the targets, and Mr. Newton will keep the Board involved in the development of said policy. The development of weight loss management drugs has caused an uproar in the insurance industries. Mr. Newton and Holly Gulick are meeting with our insurance rep, Gallagher, to see what our options are moving forward.

Mr. Miller presented the Engineering Report that was included in the packet. The Administrative Workforce Center project is progressing, though a few issues have arisen. The lower portion of the exterior wall is constructed with block, but the contractor did not properly follow the specified detail to secure the block to the building. As a result, we instructed the

bricklayer to remove the first two rows and reinstall them correctly in accordance with the design specifications. Additionally, progress on the laboratory tile installation has been significantly slower than anticipated. It has been five weeks since the initial tiles were laid, although the work should have been completed approximately two weeks ago. Mr. Miller has reached out through the appropriate channels to address the issue. The contractors appear to be operating with a limited crew—likely due to staffing shortages and commitments to other projects—and their on-site hours have been minimal. Finally, we had planned to install a retractable TV projector in the new boardroom; however, the quoted cost of approximately \$12,000 prompted us to explore alternatives. A standard projector and screen setup, similar to our current configuration, was estimated at around \$17,000. Given these high costs, we have decided not to move forward with either option at this time. Instead, the boardroom will be equipped with a couple of monitors, and we will revisit potential display options if more cost-effective solutions become available. We are nearing completion of the plans for the Eastside Interceptor Lining Project, after which the loan applications will be submitted to the agency. Plocher Construction is mobilizing on sight, to start beginning Clarifier #11 in the Wastewater Treatment Plant Upgrades.

Dave Diehl provided an update on the Nutrient Program, including the design packages scoped with each consulting firm for the wastewater treatment plant upgrades and the associated timelines. The consulting firms have already begun their on-site visits and are making prompt progress.

Mr. Malone reviewed the Maintenance Report that was included in the packet. The maintenance group completed 552 work orders in the last month, with a heavy focus on large projects. Mr. Malone congratulated Kharson Buckles on graduating from high school. Kharson is now stepping into a full-time role and is receiving formal training. Kharson is going to be a great addition to our team. The two new Ford Transit T-150 cargo vans have been delivered and are awaiting lettering by Dynagraphics. Mr. Malone informed the Board that we are planning to have a surplus auction in spring of 2026; we expect stronger momentum then, and the auction will provide an opportunity to dispose of any unused furniture or equipment from the admin building as we relocate. The sewer-cleaning crew has been doing excellent work addressing an exposed foundation at the trestle, including re-grading and cleanup. Regrettably, we have been informed that Beehive cannot yet confirm when we will transition to Beehive 2.0. As a staff, we will collaboratively review the path moving forward.

Ms. Bailey presented the Compliance and Innovation Report included in the packet. Ms. Bailey is pleased to announce that land application commenced yesterday. The pump has experienced minor clogging—a rare occurrence—resulting in slower performance due to exceptionally thick sludge. Metro Ag applied 927,000 gallons yesterday. As disinfection season is coming to an end, Operations continues to address all challenges entering the plant. Ms. Bailey is delighted to report that the laboratory passed all DMR-QA assessments, which is particularly great as our newer technicians conducted the tests and performed as effectively as our senior technician. WEFTEC was held just a few weeks ago, with a significant number of staff attending. The attendance of the conference has returned to pre-COVID levels. Mr. Jacobsen noted that Tillamook has continued sending slugs, and Ms. Bailey confirmed that they have, although the quantity and size has improved significantly. The equalization tank has been installed, which has proven beneficial.

- 13399** Mr. Cochran moved that the Sanitary District of Decatur accept change order #1 for the 2025 Tucking Project agreement with Berglund Construction, decreasing the contract amount by (\$1,655.75) to a new total contract amount of \$78,344.25 with no increase in contract time; and that the executive director be authorized and directed to execute said change order. Motion seconded by Mr. Horve **Motion carried unanimously.**
- 13400** Mr. Jacobsen moved that the Sanitary District of Decatur enter into an agreement for the Thickened Sludge Force Main Relocation agreement with Burdick Plumbing and Heating, the lowest responsive responsible bidder, in the contract amount of \$154,132; and that the president and clerk be authorized and directed to execute said agreement. Motion seconded by Mr. Cochran. Mr. Cochran inquired about the difference in the bid amounts and if the low bidder was comfortable with the price. Mr. Miller thought the low bid was fair and the contractor was comfortable. **Motion carried unanimously.**
- 13401.** Mr. Cochran moved that the Sanitary District of Decatur issue a purchase order to Illini Supply, INC, in the amount of \$109,001.76 for moving existing office furniture, and purchasing and installing new office furniture and that the executive director be authorized and directed to execute said change order. Motion seconded by Mr. Horve. Mr. Newton recognized the work that Ms. Bailey did to coordinate the furniture needs and explained that much of the order was through joint purchasing. Mr. Jacobsen inquired about the original budget for office furniture and whether the moving of furniture was included in the whole project price previously approved. Mr. Newton stating that the cost of office furniture was grouped into furnishings and not specifically allocated. He went on to clarify that the furnishings were not approved in the construction contract but was included in the overall project budget as FF&E that was previously shared with the board. **Motion carried unanimously.**

There was no New Business, Closed Session, or Attorney Report.

- 13402** Mr. Cochran moved that the board adjourn. Motion seconded by Mr. Jacobsen. **Motion carried unanimously.**

The meeting adjourned at 6:36 pm.

The next meeting is scheduled for November 19, 2025, at 5:30 PM.

Clerk