

City of Nokomis
City Council
Special Meeting Minutes
April 25, 2022

The City Council of the City of Nokomis, County of Montgomery, Illinois held a Special Meeting at the Nokomis City Hall on Monday April 25, 2022. Mayor Holliday called the meeting to order at 5:00 p.m. and City Clerk Hill called the roll. Those present were Commissioners Stauder, Glenn, Nash, Durbin and Mayor Holliday. Also present were City Clerk Rachel Hill, Deputy Clerk Karri Smith. Visitors present were Ellen Christener (Free Press), Clarann Hulbert, Gary Hulbert, Tim Chumley, John Koontz, Keith Hancock, Dolan O'Malley, Jim Ruppert, Mike Charnisnky, Jack Tosetti, Roger Nuxoll & Andy Hanfland (Farnsworth), Cameron Jones & Adam Fox (Benton & Associates), Lee Beckman and Eric Emmerich of EJ Water. Dylan Goldsmith and Scott Hunt (WHKS) entered at a later time.

Mayor Holliday turned over the floor to Eric Emmerich from EJ Water for his assessment presentation to the City Council with the Water and Waste Water proposal.

Eric Emmerich addressed the Council with a short personal story about his family farm and how he has grown up with EJ water from the beginning. He explains how EJ Water is member owned. Mr. Emmerich then gives a rundown of the information he plans to discuss. He explains to the Council that if we were to sign with EJ Water we would transfer all of our water and waste water assets to EJ Water but the City would keep whatever funds the City has in those accounts. He then discusses with the Council that he would like to get more information from Farnsworth about the water main project the City has already started. He also discussed how the EJ water would switch all of the meters over to smart reads that work with their software and replace lead lines and remove remote readers. Emmerich states that it would take two to three weeks to switch the meters, they would replace the broken meters. Emmerich discussed the emergency interconnect stating the City is on an island of sorts with surrounding communities being on different water sources. He then discusses the ten year plan with the City stating that they would include painting the water tower, and stating that would probably cost around 250,000.00 dollars. He also let the Council know that EJ Water would go through our town and camera and clean the water lines, they would also set up SCADA and set up the pumps for the portable generator. Commissioner Glenn asked about the waste water plant. Mr. Emmerich stated he would like to understand the future plans that Benton and Associates has made for the plant better before he can really answer that question. He also states that EJ water would look into the source of the City's water on a fifty year scale. He then went on to discuss the changes they have made at Beecher City and with Montgomery County Water. He then moves onto discuss the rates they would look at setting for the City. Water rates would

start at with a minimum of \$20.00 with and overage charge of \$7.33. Waste Water rates would start with a minimum of \$9.25 with and overage of \$6.46. A combined average bill starting in 2022 for 3,000 gal would be \$56.83. With a 5% annual increase per year for 10 years for water. All rate increases are based on 1000 gal usage. After the ten years are up the average rate increase is around 2.4%. Mr. Emmerich then states that they have just started a program that includes a charge of \$3.99 per meter for customer who choose to sign up for leak protection up to \$3000.00 for home owners that may not be able to afford needed repairs. Mr. Emmerich then discussed the growth rate of the country, diversified revenues and debt of the surrounding communities they serve. Commissioner Glenn asked if we obtain water form EJ would we need to build a new plant. Mr. Emmerich replied stating that Witt will actually decommission the plant and cap the well because EJ does not believe the wells will keep up. Commissioner Glenn let the council know that he believes the city has always had problems and that he believes the IEPA sent down two guys and they told the council that the City has shallow wells, he then asked Eric Emmerich if he would look into that. Mr. Emmerich then replied that yes they would look into that and that they City of Witt building will turn into a shop and that the City of Dietrich is the same, the EPA says they don't have good enough wells. Commissioner Glenn then asked if someone calls in a leak even if it is in the middle of the night dose your guys go out. Eric Emmerich replied, yes they have crews for construction and crews for water breaks. Commissioner Glenn then asked what biggest City they have is there. Mr. Emmerich then replied they biggest City they have is Centralia, Commissioner Stauder then stated but that is not as a supplier, Mr. Emmerich replied no they only manage their system, and that the City of Watson is there largest and they supply 14 town waste water services. And they proved day to day services for one town including billing. Mr. Emmerich stated they would host a town meeting. Commissioner Durbin asked what the cost of new hook ups would be. Emmerich replied general cost to hook up is \$500.00 and \$2,000.00 for installations. He also stated they have started a program called pay it forward that allows members to help others member who may need bill assistance. Commissioner Durbin then asked after ten years with inflation is there anything that says the 2.4% won't go up? Mr. Emmerich responded saying no we can't make promises, it use to be 1.9% and has gone up to an average 2.4%. Commissioner Glenn asked what the 20 year trend was for water rates. Mr. Emmerich responded with 1.9% until recently. Mr. Emmerich then asked if anyone had any questions. The Union Steward for the Public Works Union, employee Dolan O'Malley asked if EJ water would be maintaining the entire system. Mr. Emmerich responded yes, Witt currently pays them to fix a leak if one occurs and they are available 365 days a year, they also do the billing and all of the after-hours call outs. Mayor Holliday asked, where are these crews located? Emmerich responded, EJ has employees all over and if they partnered with the City of Nokomis they would probably hire two more people from the area. Commissioner Glenn stated we are under the gun to get some of these EPA violations fixed. Mr. Emmerich stated they would work with Benton and Associates

on those projects. Commissioner Glenn then asked if the EPA was reasonable. Mr. Emmerich responded yes, very reasonable if we provide a plan. Commissioner Glenn then asked if the City's debt would fall to EJ. Mr. Emmerich responded yes and they would itemize it out, then continues on to talk about the cost of pipe due to inflation. Visitor Dylan Goldsmith asked if EJ worked with Brotcke when they were testing Witt wells if they just tested the well or did they test the wells and the aquifer? Mr. Emmerich responded they looked at both the wells and the aquifer. Commissioner Durbin asked would they City need to work about water pressure and water quality. Mr. Emmerich responded that the water pressure comes from the tower and shouldn't be affected or potentially pushed through with booster pumps, water quality would be good because it is coming from the Kaskaskia and that plant has been voted best plant in the state. Commissioner Glenn asked if the proposal included the lift stations. Mr. Emmerich responded that it does include the lift station but that he would like to talk with Benton and Associates for a little more clarification on what the lift stations need. Commissioner Stauder asked if we partnered with EJ water would EJ cap our City wells and who would pay for that. Mr. Emmerich responded that yes EJ would Cap the wells and EJ would pay for that. And adds that per the EPA the wells would have to be capped. The question is then asked and how long would it take to go fully with EJ, Emmerich response is at least four years. The question is then asked what would be the fastest turn around, he answers three years. Commissioner Stauder asks Mr. Emmerich about the grant that EJ water applied for through the community project funding and why did it include the City of Nokomis. Mr. Emmerich responded that the grant writers wanted to include the surrounding communities because it looks better, but they have not awarded those grants yet. Commissioner Stauder stated that we were awarded the grant we applied for, it's a little misleading, and we thought maybe it was the rural area. Mr. Emmerich stated that several of the surrounding communities have reached out and talked to him about providing water to them. Visitor Jack Tosetti stated that he believes the locking rates is a great idea and does not think there will be a loss of jobs. At this time several other visitors spoke up at one time asking what about the water department employees. Visitor Dylan Goldsmith spoke to Jack Tosetti stating we would probably loose four employees and the employees EJ water hires may not even be local. Discussion continued about the loss of jobs. Me. Emmerich stated they would not be coming in to take jobs. Commissioner Glenn stated we would have to talk to the labor board. Street Department superintendent asked if EJ water would work with local union. Mr. Emmerich stated yes they would work with the local union. Commissioner Glenn asked how many hours a month would the waste water plant need after the plant improvements. Cameron Jones from Benton and Associates stated they would only need to be at the plant for about eight hours a week but that when they looked into their improvement plant they were taking into account the retirement of Brian Hayes in the next few years. Commissioner Stauder stated that when they City looked into electronic meters they didn't pay for themselves, it was too expensive to for the turn around. Mr. Emmerich stated

that EJ doesn't charge a monthly fee and at the end of the day he believes they are more efficient and you'll have less labor. Visitor Dylan Goldsmith asked Mr. Emmerich if we signed with EJ would you still build a water tower in Coalton? Emmerich responded that EJ applied for a grant to build one but if they don't get it the grant then yes we would use Nokomis's tower. Discussion was then had about Witt water tower and if they had a problem would they use Nokomis's water tower, Emmerich responded no, Nokomis water tower wouldn't be big enough. Adam Fox from Benton and Associates asked Mr. Emmerich what portion of the rate increase is based on grants, Mr. Emmerich responded that about 20% of grant money is what keeps the rates low. Discussion flowed about rates. Visitor Dylan Goldsmith asked where and when water testing would take place and how often. Mr. Emmerich stated that testing would be the same as the city is doing today, and testing would be done locally. The question was asked how much will the bill for sewer go up if we added the lift stations to the project plan with Benton and Associates. Cameron Jones of Benton and Associates responded that it would probably go up to around \$15.00 but that is the difference of spreading out the project cost over ten years vs. upfront. Commissioner Glenn stated the majority of the town is people who live in poverty and can't afford a high bill and spreading it out will help. Mayor Holliday stated that his water bill is the cheapest bill he has. Commissioner Durbin asked if the City receives grant funds who get that money. Mr. Emmerich stated that EJ would take over those funds, but that we wouldn't be able to partner with them until those projects are done. He also stated they will officially be taking over in Witt in June. Commissioner Stauder stated that they applied for the CFP grant because we have violations with the EPA that need resolved. Mr. Emmerich stated they would find a way to work with the EPA and probably send in a letter of understanding.

With no further discussions to be had. Commissioner Nash made a motion to adjourn at 6:38 p.m. Commissioner Glenn seconded the motion. Voting yes, Commissioners Stauder, Glenn, Nash, Durbin and Mayor Holliday. Nays none, the motion carried.

Respectfully Submitted,

Rachel Hill
City Clerk