

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF TRUSTEES
OF FOX METRO WATER RECLAMATION DISTRICT
HELD WEDNESDAY, MAY 22, 2013**

The Board of Trustees met in a regular monthly meeting at 9:30 A.M. in the offices of the District at the Water Pollution Control Plant on Wednesday, May 22, 2013. President James K. Detzler presided and present with him were Trustee Judith S. Sotir, Trustee Albert E. Heriaud & Trustee Christopher F. Childress. Also present were District Attorney Dallas Ingemunson, District Engineer Philippe Moreau, Manager Thomas F. Muth, Jeff Humm, Jimmie Delgado, Chris Morphey, Matt Woodin, Polly Gonzalez and Norma Rodriguez. Also in attendance were Eddie McCall from H.R. Green, John Frerich and Amy Underwood from Walter E. Deuchler Engineering, and Leo Pawlowski from the Northeast Neighbors.

The bills were presented and read. It was moved by Trustee Heriaud, that the bills be allowed as read, and that checks be drawn in payment account during the month of April, 2013 in the amount of \$1,295,588.70 be ratified and approved. Motion was seconded by Trustee Childress, put to vote and unanimously carried that the bills be paid as presented.

It was moved by Trustee Heriaud, seconded by Trustee Childress, put to vote and unanimously carried that the Treasurer's Report for April, 2013 be approved as submitted.

It was moved by Trustee Heriaud, seconded by Trustee Childress, put to vote and unanimously carried that the minutes of the April 17, 2013 Regular Board Meeting be approved as written, each of the Trustees having received and read copies of said minutes before the meeting.

It was moved by Trustee Heriaud, seconded by Trustee Childress, put to vote and unanimously carried that the minutes of the May 1, 2013 Special Board Meeting be approved as written, each of the Trustees having received and read copies of said minutes before the meeting.

It was moved by Trustee Detzler, seconded by Trustee Heriaud, put to vote and unanimously carried that the Regular Board Meeting be temporarily adjourned for the Committee of Local Improvements.

The Regular Board Meeting adjourned at 9:35 A.M.

Manager Muth presented to the Trustees the latest draft of the proposed letter to the users of Fox Metro regarding the rate increase. The letter reads as follows:

IMPORTANT NOTICE TO CUSTOMERS

RATE INCREASE

Dear Resident,

The Fox River is an amenity that we all cherish and take pride in keeping clean. Unfortunately, the river is listed as “impaired” by the federal Environmental Protection Agency (EPA) due to various pollutants. Despite the fact that Fox Metro meets or exceeds all of its permit limits and conditions, Fox Metro has been mandated by the state and federal EPA to make major improvements to its wastewater treatment processes to further improve the treated discharge to the Fox River.

Fox Metro and all other dischargers along the Fox River basin (such as wastewater treatment plants, municipal combined and storm sewer pipes and rural field tiles) will be required to implement an aggressive 20 year plan to attain water quality compliance. In addition, part of Fox Metro’s aging infrastructure will need to be upgraded to meet new safety and environmental compliance standards.

As a good steward of the environment, Fox Metro has already begun implementing portions of the needed improvements. However, it is estimated that approximately \$262 million will need to be spent over the next 10 years to meet these unfunded EPA mandates.

As you may be aware, Fox Metro’s only source of revenue is from user fees that each dwelling owner pays bi-monthly. Fox Metro does not levy any tax on your real estate. In order to meet its financial obligations, Fox Metro will need to increase user fees by 30%, starting with all bills issued after August 1, 2013. User fees will then be increased 5% each year for a period of 10 years. Based on water usage for an average family of four, the first year’s user fee increase will equate to approximately \$8 per month or \$16 per billing cycle.

In summary, the increased user fees will provide the means to meet the water quality objectives for the Fox River and will enable Fox Metro to comply with new, unfunded federal and state mandates. Should you have any questions or concerns, please feel free to contact us through our website at www.foxmetro.dst.il.us or via telephone at 630-301-6881.

Manager Muth stated with Board approval of this latest draft of the letter this could go out to the users of Fox Metro as soon as next week in their bills.

Trustee Childress commented he thought the content of the letter was excellent but he recommended the title be changed to read EPA mandates plant improvements result in rate increase. Engineer Moreau cautioned the Board that some of this expense is due to aging infrastructure which is not EPA mandated expenses.

Manager Muth stated he would brainstorm changes to revise the title on the letter.

Manager Muth also asked the Trustees how they would prefer to get the information out to the public in advance of the rate increase. Manager Muth stated the letter could be put on Fox Metro's website. Manager Muth then asked if the Trustees would like the newspapers contacted? President Detzler and the other Board members replied yes. President Detzler recommended John Ethridge from the Ledger be contacted, he will meet with the District and write an accurate article. President Detzler stated he would contact him. Manager Muth stated he would contact the appropriate person at the Beacon News.

The Trustees also discussed notifying the State Representatives and Senators regarding the rate increase in case they are contacted by concerned citizens.

The Board agreed to notify the State Representatives and Senators first, then the appropriate newspapers, then to mail the letter in the user fee bills.

Manager Muth also discussed a joint meeting that was held with the communities that are served by Fox Metro. The major issues discussed were inflow and infiltration, surcharges, overloads, and then what ultimately happens to the homeowners is flooded basements. Strategies to try and alleviate this were discussed. It was decided to coordinate a meeting with municipalities to discuss preventative maintenance programs to help alleviate flooding in the homes.

Manager Muth informed the Board last month the plant treated a daily average flow of 54.2 MG, this was a record flow but Fox Metro met the permit levels everyday.

To summarize the events of the flood last month involves extensive electrical rehabilitation. The equipment that was damaged was over thirty-five years old and would not meet today's code. To provide temporary power from a generator over 40 cables are run on the ground into Building K. It took staff over eight hours to put Building K back on line. Questions remain of how to restore electric to bring back the building into operation?

Building L, which is the building adjacent to Building K has some space available due to the addition of the GBT's and the elimination of the Dissolved Air Flootation process. The electric can be relocated in that building. This would provide the electrical equipment to be placed in a controlled environment that meets code.

Manager Muth informed the Trustees he feels demolition of the remaining equipment now located in Building L could be done for less than \$40,000.00. This would include clearing space in the building, relocation of boiler and heating lines.

Also, Manager Muth stated he felt building of a pad on the north and west side of the building and running the necessary conduit for the electric could also be accomplished for less than \$40,000.00

Manager Muth requested authorization from the Board to proceed with these two projects. After discussion, the Trustees agreed with Manager Muth's recommendations for the aforementioned projects and authorized him to proceed.

With no other matters to come before the Committee of Local Improvements, it was moved by Trustee Detzler, seconded by Trustee Heriaud, put to vote and unanimously carried that the Committee of Local Improvements be adjourned and the Regular Board Meeting reconvene.

The Regular Board Meeting reconvened at 10:00 A.M.

Manager Muth opened and read aloud bids received for the Original Combined Sewer Interceptor (OCSI) Indian Creek Crossing Replacement Project as follows: Allan Mack & Sons – Total Bid - \$256,172.00 and H. Linden & Sons – Total Bid - \$338,830.00. The Engineer's estimate for this project was \$205,000. Engineer Moreau informed the Trustees this job needs to get completed in the summer months, it is a difficult job replacing the old interceptor, the access is poor, the creek has to be bypassed and the flows have to be maintained while replacing. There is only a three day window to complete this project. The majority of the cost is labor since it will involve twenty-four hour shifts to complete. Therefore, it was moved by Trustee Sotir, seconded by Trustee Heriaud, that based on necessity of this project, the low bid of Allan Mack & Sons be accepted and the bid of H. Linden & Sons be held pending specification review by Fox Metro Water Reclamation District and Walter E. Deuchler Engineering staff.

Manager Muth also opened and read aloud bids received for the Rehabilitation of Primary Clarifiers Slabs D-4 and D-5 as follows: Boller Construction – Total Bid \$270,000.00; Allan Mack & Sons – Total Bid - \$385,863.00; and R.A. Ubert Construction – Total Bid - \$495,000.00. The Engineer's estimate for this project was \$270,000.00. It was moved by Trustee Sotir, seconded by Trustee Heriaud, put to vote and unanimously carried that the low bid of Boller Construction be accepted and the bid of Allan Mack & Sons be held pending specification review by Fox Metro Water Reclamation District and Walter E. Deuchler Engineering staff.

Attorney Dallas Ingemunson addressed the Board with the Attorney's Report. Attorney Ingemunson requested approval of Resolution No. 906, Easement Agreement with Linda J. Haan, to the Board for their approval, which read as follows:

WHEREAS, the District has negotiated with Linda J. Haan, Owner, for sanitary sewer easements across property of said party known as Lot 6, Barthlomews First Subdivision and described as follows:

A 10 foot wide easement to construct, operate, maintain, inspect, remove, replace sanitary sewer, together with such equipment and appurtenances as may be necessary or convenient in connection with the property functioning and operation

of such sewer, over, along, upon, across and under the strip of real estate legally described as follows:

LOT 6, BARTHOLOMEWS FIRST SUBDIVISION OF PART N ½ SEC. 17 T.37N.R.8E OF 3RD. P.M. KENDALL COUNTY, ILLINOIS

WHEREAS, said Linda J. Haan, Owner has executed and delivered to the District the proposed easements,

NOW, THEREFORE, BE IT RESOLVED, that the District shall and does hereby accept the said easement and the President and Clerk of the District are authorized and directed to affix their signatures accepting said easement.

BE IT FURTHER RESOLVED that the Clerk and the Attorney for the District are hereby authorized and directed to take such steps to have said easement filed with the County Clerk of Kendall County, and recorded with the Recorder of said County according to the law in such case made and provided.

It was moved by Trustee Heriaud, seconded by Trustee Childress, put to vote and unanimously carried that Resolution No. 906, Easement Agreement with Linda J. Haan, be approved as written.

PASSED by the Board of Trustees of Fox Metro Water Reclamation District this 22nd. day of May, 2013 by a voice vote of 4 to 0.

Attorney Ingemunson presented Resolution No. 907, authorizing Ordinance No. 845, Annexation of Linda J. Haan Trust Property, which read as follows:

WHEREAS, a petition signed by Linda J. Haan Trust, the owner of record, for annexation of certain territory located in Kendall County, Illinois, to the Fox Metro Water Reclamation District has been heretofore filed, and

WHEREAS, said territory described in said Petition is contiguous to Fox Metro Water Reclamation District, and

WHEREAS, it is hereby determined by the Board of Trustees of Fox Metro Water Reclamation District this it will inure to the benefit and welfare of the District if said territory is annexed to Fox Metro Water Reclamation District,

NOW, THEREFORE, BE IT RESOLVED that Ordinance No. 845 annexing the territory therein described to the Fox Metro Water Reclamation District be and the same is hereby passed, and

BE IT FURTHER RESOLVED that the Clerk and the Attorney for the District are hereby authorized and directed to take such steps to have said easement filed

with the County Clerk of Kendall County and recorded with the Recorder of said Kendall County according to the law in such case made and provided.

It was moved by Trustee Detzler, seconded by Trustee Heriaud, put to vote and unanimously carried that Resolution No. 907, authorizing Ordinance No. 845, be approved as written.

PASSED by the Board of Trustees of Fox Metro Water Reclamation District this 22nd. day of May, 2013 by a voice vote of 4 to 0.

Attorney Ingemunson requested approval of Resolution No. 908, Intergovernmental Agreement between Fox Metro Water Reclamation District and the Village of Oswego, regarding Sanitary Sewer Investigation and Rehabilitation, which read as follows:

WHEREAS, the Fox Metro Water Reclamation District and the Village of Oswego have heretofore entered into negotiations for the mutual benefit of the respective governmental units, and

WHEREAS, an Intergovernmental Agreement pertaining to the Investigation and Repair of Sanitary Sewers at Various Locations, has been prepared and has been approved by the Village of Oswego on the 7th. day of May, 2013.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

1. That the Intergovernmental Agreement as adopted by the Village of Oswego and as presented to the Board of Trustees of Fox Metro Water Reclamation District is in the best interests of the Fox Metro Water Reclamation District, and is hereby approved.
2. That the President and Clerk of the Fox Metro Water Reclamation District are hereby authorized and directed to execute the aforesaid Intergovernmental Agreement.

It was moved by Trustee Heriaud, seconded by Trustee Childress, put to vote and unanimously carried that Resolution No. 908, Intergovernmental Agreement between Fox Metro Water Reclamation District and the Village of Oswego regarding Sanitary Sewer Investigation and Rehabilitation, be approved as written.

PASSED by the Board of Trustees of Fox Metro Water Reclamation District this 22nd. Day of May, 2013, by a voice vote of 4 to 0.

Philippe Moreau addressed the Board with the Engineer's Report. Mr. Moreau requested approval of Partial Payment No. 2 to Frank Marshall Electric, Inc. in the amount of \$8,829.00 for work completed on the Building C Substation Upgrade Project. It was moved by Trustee Sotir, seconded by Trustee Heriaud, put to vote and unanimously

carried that payment be made in the amount of \$8,829.00 to Frank Marshall Electric, Inc. for work completed on the Building C Substation Upgrade Project.

Mr. Moreau requested approval of Partial Payment No. 1 to Allan Mack & Sons, Inc. in the amount of \$34,447.00 for work completed on the Ferric Chloride Addition Project. It was moved by Trustee Sotir, seconded by Trustee Heriaud, put to vote and unanimously carried that payment be made in the amount of \$34,447.00 to Allan Mack & Sons, Inc. for work completed on the Ferric Chloride Addition Project.

Mr. Moreau requested approval of Partial Payment No. 40 to Williams Brothers Construction, Inc. in the amount of \$132,972.39 for work completed on the Temperature Phased Anaerobic Digestion (TPAD) Project. Mr. Moreau informed the Trustees this dollar amount will be utilized to pay two subcontractors, SBA and Amp Electric. Therefore, it was moved by Trustee Sotir, seconded by Trustee Heriaud, put to vote and unanimously carried that payment be made in the amount of \$132,972.39 to Williams Brothers Construction, Inc. for work completed on the Temperature Phased Anaerobic Digestion (TPAD) Project.

Mr. Moreau also requested approval of Partial Payment No. 14 to Len Cox and Sons Excavating in the amount of \$7,800.00 for work completed on the Cedar Glen Subdivision Sanitary Sewer Improvements Project. It was moved by Trustee Sotir, seconded by Trustee Heriaud, put to vote and unanimously carried that payment be made in the amount of \$7,800.00 to Len Cox and Sons Excavating for work completed on the Cedar Glen Subdivision Sanitary Sewer Improvements Project.

Manager Muth addressed the Board with the Manager's Report. Manager Muth stated he would have an Electrical Master Plan ready for presentation to the Board next month.

Manager Muth and Maintenance Supervisor Morphey discussed the rehabilitation of Building K's electrical system with the Board.

The wastewater overload caused the transformers and switchgear of the main pumping station (Building K) to fail due to overstressing during continuous extensive pumping. In order to regain power to the main pumping station, large generators were trucked to the treatment plant on the night of April 18th and were connected to various process units to put Building K back in operation.

The generators initially came from Hertz. The Hertz rental at Building K failed twice, once on Saturday and again on Monday. The District decided the equipment was not reliable and currently have rental units from Patten Cat. The Hertz rental unit at the O&M Building failed, and provided poor quality power and caused damage to a major UPS and potable water pump. An overhead door was damaged while power was off. The water in the O&M Building was managed with portable trash pumps the District owned until the power was restored. The UPS was replaced by the IT Department, part of the SCADA Network had to be overnighed as a critical item.

The extent of damages is significant because it will require replacement of transformers, low and medium voltage switchgears and other electrical equipment which typically require a long delivery schedule. The Patten rental generators will need to remain in stand-by for approximately eleven months, until such time new equipment is installed and operational.

The April Flood initial damage report includes generator rental from Hertz in the amount of \$12,189.74, Patten generator cost of \$78,603.67. Diesel fuel costs of \$81,153.08 for the month of April and \$32,542.48 cost for the month of May. Marshall Electric costs total \$1,946.03, DL Power cost of \$24,425.00. Cost for VISTA Gear and Transformers total \$225,840.00, Square D Low Voltage Switchgear costs total \$207,752.00 and the transfer switch cost totals \$30,727.00.

Mr. Morphey reported the District has filed the needed paperwork for assistance from IEMA and now FEMA. A claim has been filed with the District's insurance company and they are sending out an insurance specialist to inspect the electrical damage. Currently, District staff is working on collecting cost information.

Chris Morphey reported to the Trustees the electrical equipment has been ordered. Mr. Morphey stated when the Electrical Master Plan is presented next month, it will be his recommendation to budget between \$1.5 and \$2 Million dollars per year for needed electrical upgrades and equipment replacement.

Trustees Sotir and Childress commented an overview of where the money is going to and why it is needed would be helpful to the Board.

Manager Muth stated \$260 Million in total is needed in the next ten years to meet the needs of the District.

Manager Muth requested an Executive Session be held to discuss personnel, pending litigation, and related matters. It was moved by Trustee Sotir, seconded by Trustee Childress, put to vote and unanimously carried that at the conclusion of the public comments of today's meeting, we will temporarily adjourn for an Executive Session.

Manager Muth and John Frerich informed the Board Fox Metro was the recipient of a \$90,000 grant from the Illinois Clean Energy Foundation for the Geothermal Installation at the New Laboratory Building.

With no other business to come before the Board, it was moved by Trustee Detzler, seconded by Trustee Sotir, put to vote and unanimously carried that this meeting be temporarily adjourned for Executive Session.

The Meeting temporarily adjourned at 10:45 A.M.

The Regular Board Meeting reconvened at 11:35 A.M.

President Detzler announced there were no further decisions reached in Executive Session, therefore it was moved by Trustee Sotir, seconded by Trustee Heriaud, put to vote and unanimously carried that the Board Meeting be adjourned.

Meeting adjourned at 11:37 A.M.