

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF TRUSTEES
OF FOX METRO WATER RECLAMATION DISTRICT
HELD WEDNESDAY, June 19, 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, June 19, 2013 President James K. Detzler presided and present with him were Trustee Judith S. Sotir, Trustee Michael C. Funkey, Trustee Albert E. Heriaud & Trustee Christopher F. Childress. Also present were District Attorney Dallas Ingemunson, District Engineer Philippe Moreau, Manager Thomas F. Muth, Jimmie Delgado, Chris Morphey, Matt Woodin, Michael Petersen, Joel Ilseman, Norma Rodriguez. Also in attendance were Eddie McCall from H.R. Green, John Frerich and Megan Siarkiewicz from Walter E. Deuchler Engineering, and Leo Pawlowski from the Northeast Neighbors.

The bills were presented and read. It was moved by Trustee Sotir, that the bills be allowed as read, and that checks be drawn in payment account during the month of May, 2013 in the amount of \$981,140.42 be ratified and approved. Motion was seconded by Trustee Funkey, put to vote and unanimously carried that the bills be paid as presented.

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

It was moved by Trustee Sotir, seconded by Trustee Heriaud, put to vote and unanimously carried that the minutes of the May 22, 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 Detzler, seconded by Trustee Sotir, 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.

John Frerich addressed the Trustees with a presentation on the Electrical Master Plan and introduced Megan Siarkiewicz, who is the electrical engineer who will be heading all the electrical projects in house.

John Frerich stated they saw the need for a Master plan when they noticed that they had to replace a large amount of electrical equipment and cabling in contract 1 and the T Pad project in 2008/2009.

The goal of the Master Plan is to evaluate all the existing system components. An evaluation and analysis has been completed on the equipment to determine the age and the condition and prioritize what needs to be replaced. The goal is also to incorporate

energy reductions, include Sustainable Designs, Integrate future improvements and provide a cost and an implementation schedule to complete all of the work.

We have three different size of cabling that run throughout the plant. The medium voltage is the higher voltage and is fed thru Com-Ed service. Ninety-eight percent of this cabling has been completed. The smaller portion that is left to be completed will be done when we upgrade service B from Com-Ed.

We are standardizing the medium voltage Switchgear. The existing Cutler Hammer/Square D will be replaced with an S & C Vista switchgear. We are also evaluating the Medium voltage transformers. Medium voltage transformers are scheduled to be upgraded with the medium voltage switchgear at each building. The new transformers are Cooper Power System transformers.

The Existing System Components consist of the electrical system and fiberoptic. As new cabling and duct banks are replaced, we will GPS those locations exactly and we have those mapped out. In future projects we will add red die in the concrete encasement around the duct banks so when anything is being excavated around it and you come across the red die you know you've come across a duct bank and you can avoid it.

What has been useful for staff is a schematic that demonstrates where the different lines are. There is Service A and Service B and the schematic show how each service is intertwined to the new lab. The schematic has been distributed in PDF format so it can be used out in the field. This will help the electrical staff if they have to take a building out of service where they can do a disconnect or cut-out and still provide power from another source.

We use the Medium voltage Switches/Transformers to isolate each building. Each building has its own interior power distribution center consisting of low Voltage Switchgears and/or Motor Control Centers for isolation of equipment.

There are two services into the Plant. Service A and Service B, which is the main feed and there are different circuits (feeders) on each service. Two future Services (C and D) will be added with the South Plant expansion.

Currently Service A and B are fed from different substations on the ComEd side. The goal is to have all buildings fed by both Services. This will ensure that if a Service from ComEd is lost, the other service will be used and it reduces down time during outage of one service. It is an EPA requirement that you have to have two different independent sources of power at a plant.

The existing generated power on site was looked at. We have two diesel powered generators for buildings P and O&M to provide emergency electrical service. We also have a Natural/digester gas generator that could be retrofitted to provide emergency power. It is currently being used as a curtailment program. It was discussed in the Master plan. It was expensive but at least it was considered as a third source.

The Waste Water Treatment Plant Expansion was reviewed for permanent back-up generators for use in power outages. Staff decided to go with Quick Connect device. You have a large plug similar to an extension cord that connects the emergency generator to the Quick Connect device. This eliminates multiple cables, wires & significantly reduces the electrical down time. This is incorporated in the Master Plan.

Trustee Childress addressed the question of cost relative to solving the problem ourselves instead of using Hertz or other companies to come and fix the outage problem. John Frerich stated that taking into consideration how often the generators would be used, fueling and maintenance it would be more expensive to address the problem ourselves. Manager Muth stated that in the past twenty five years we have only lost power to the plant a handful of times. It is very rare that we loose both services. Mike Petersen addressed the board by explaining that by using the Quick Connect it would take considerable less time to restore power to the plant than if we used the current equipment that we have in place.

Manager Muth stated that the key point to the Quick Connect is that it is a whole lot safer. Both Trustee Childress and Trustee Sotir agreed that Quick Connect would be faster and safer to use.

Mike Petersen stated that we would be using a company called Patten Caterpillar out of Elk Grove Village.

John Freirich continued with his presentation and addressed the issue of power monitoring. He stated that without the ability to monitor power we cannot manage it. Power monitoring gives the District power to detect any load changes, maximize the use of energy efficient equipment, helps predict possible power outages, assists in locating defective generators and transformers and detects poor power that can damage equipment.

An implementation schedule has been created. It was modified and coordinated with work being done in the South plant and other capital projects. This is part of our rate study.

The work that has been completed is that the electrical MV cables have been replaced, the MCCs in Building C and Building N have been replaced, the medium voltage switches in Building I and Building N have been replaced, the transformers in Building N have been replaced, added redundant power sources in Building I and Building N and replaced Service A entrance gear.

The projects that are still in construction are the replacement of Medium voltage switches and transformers; installation of MTS and Quick Connect at Building C. The projects in design are the replacement of Medium voltage switches and transformers; installation of LVSG and MTS at Building K/L, replacement of Service B entrance gear and installation of 480 V feeder for Building B and O&M.

With no other matters to come before the Committee of Local Improvements, it was moved by Trustee Detzler, seconded by Trustee Sotir, 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.

At 10:00 A.M. a Public Hearing was held on the Appropriations Ordinance for FY 2013/2014 Budget for Fox Metro Water Reclamation District. There being no further questions from the Trustees and no comments or questions from the public, Attorney Ingemunson presented Ordinance No. 846, An Ordinance of the Board of Trustees of the Fox Metro WRD Appropriating Monies for its Corporate Purposes (“Enterprise Fund”) to be expended during the fiscal year beginning June 1, 2013 and ending May 31, 2014 and setting forth its annual Budget, to the Board for their approval. It was moved by Trustee Funkey, seconded by Trustee Sotir, put to vote and unanimously carried that Ordinance No. 846 be approved as written.

Attorney Ingemunson presented Resolution No. 911, Authorizing Ordinance No. 846, Appropriations Ordinance for Fiscal year 2013/2014, to the Board for their approval, which read as follows:

WHEREAS, pursuant thereto, notice of a public hearing on said Ordinance No. 846 was published in the Beacon News at least 30 days prior to said hearing date, June 19, 2013, and

WHEREAS, a public hearing was held at 10:00 o’clock a.m. on June 19, 2013 in the Board Room of Fox Metro Water Reclamation District at 682 A Route 31, Oswego, Illinois, and that pursuant to said Notice, no amendments or corrections were made to proposed Ordinance No. 846;

NOW, THEREFORE, BE IT RESOLVED, that Ordinance No. 846, a copy of which is attached as Exhibit “A”, is hereby passed in its final form.

It was moved by Trustee Sotir, seconded by Trustee Funkey, put to vote and unanimously carried that Resolution No. 911, authorizing Ordinance No. 846, Appropriation Ordinance for Fiscal year 2013/2014, be approved as written.

ADOPTED by the Board of Trustees of Fox Metro Water Reclamation District this 19th. Day of June, 2013 by a voice vote of 5 to 0.

Attorney Ingemunson addressed the Board with the Attorney’s Report. Attorney Ingemunson presented Resolution No. 909, Prevailing Wage, to the Board for their approval, which read as follows:

WHEREAS, present Illinois Law (820 ILCS 130) requires that Fox Metro Water Reclamation District, as public body, file with the Secretary of State during the month of June of each calendar year an Ordinance or Resolution setting the prevailing rate of wages as defined in the Prevailing Wage Act, and

WHEREAS, the statute also provides that if Fox Metro Water Reclamation District, as a public body desires that the Department of Labor ascertain the prevailing rate of wages, it shall notify the Department of Labor to ascertain the general prevailing rate of hourly wages for work under contract or for work performed by the District without letting the contract. Upon such notification the Department of Labor shall ascertain such general prevailing rate of wages and certify the prevailing wage for Fox Metro Water Reclamation District, and

WHEREAS, the District hereby finds and determines that it does not have the necessary personnel and facilities to make the requisite determination of the prevailing rate of wages.

NOW, THEREFORE, BE IT RESOLVED:

1. That the District comply with the Illinois Statute regarding the Prevailing Wage Act 820 ILCS 130/0.01 et seq. by passing an appropriate resolution therefore.
2. That the District shall notify the Department of Labor to ascertain the general prevailing rate of hourly wages as set forth in said Illinois Statute and to certify the prevailing wage to the District.
3. That the District, in addition to the above, comply with the other applicable provisions of the Prevailing Wage Act.

It was moved by Trustee Detzler, seconded by Trustee Funkey, put to vote and unanimously carried that Resolution No. 909, Prevailing Wage, be approved as written.

PASSED by Board of Trustees of Fox Metro Water Reclamation District this 19th Day of June, 2013 by a voice vote of 5 to 0.

Attorney Ingemunson presented Resolution No. 910, Authorizing the Fox Metro Water Reclamation District to Borrow funds from the State of Illinois Environmental Protection Agency, to the Board for their approval, which read as follows:

WHEREAS, it is in the best interests of Fox Metro Water Reclamation District to borrow funds from the State of Illinois Environment Protection Agency.

NOW, THEREFORE BE IT RESOLVED by the Board of Trustees of Fox Metro Water Reclamation District that the "ORDIANANCE AUTHORIZING THE FOX METRO WATER RECLAMATION DISTRICT TO BORROW FUNDS FROM THE STATE OF ILLINOIS ENVIRONMENTAL PROTECTION AGENCY" be and the same is hereby approved, and the President of the Board of

Trustees and the Clerk are hereby authorized to execute said "ORDINANCE AUTHORIZING THE FOX METRO WATER RECLAMATION DISTRICT TO BORROW FUNDS FROM THE STATE OF ILLINOIS ENVIRONMENTAL PROTECTION AGENCY".

It was moved by Trustee Sotir, seconded by Trustee Funkey, put to vote and unanimously carried that resolution No. 910, Authorizing the Fox Metro Water Reclamation District to Borrow Funds from the State of Illinois Environmental Protection Agency, be approved as written.

PASSED by the Board of trustees of Fox Metro Water Reclamation District this 19th Day of June, 2013 by a voice vote of 5 to 0.

Philippe Moreau addressed the Board with the Engineer's Report. Mr. Moreau requested approval of Final Payment No. 6 to L. J. Dodd Construction, Inc. in the amount of \$40,352.51 for work completed on Morgan Creek phase 2. It was moved by Trustee Sotir, seconded by Trustee Funkey, put to vote and unanimously carried that payment be made in the amount of \$40,352.51 to L. J. Dodd construction, Inc. for work completed on Morgan Creek phase 2 project.

Mr. Moreau requested approval for Partial Payment No. 2 to Allan Mack & Sons, Inc in the amount of \$147,536.00 for work completed on the Ferric Chloride Addition Project. It was moved by Trustee Sotir seconded by Trustee Funkey, put to vote and unanimously carried that payment be made in the amount of \$147,536.00 to Allan Mack & Sons, Inc. for work completed on the Ferric Chloride Addition Project.

Mr. Moreau also requested approval of Partial Payment No. 3 to Frank Marshall Electric, Inc. in the amount of \$85,671.00 for electrical work completed to Substation Building C. It was moved by Trustee Sotir, seconded by Trustee Funkey, put to vote and unanimously carried that payment be made in the amount of \$85,671.00 to Frank Marshall Electric, Inc. for electrical work completed to Substation Building C.

Manager Muth addressed the Board with the Manager's Report. Manager Muth gave an update on insurance claims. Manager Muth asked Jimmie Delgado about a pending payment of \$160,000.00, Mr. Delgado stated a payment was authorized and we are still waiting to receive it. Mr. Delgado stated he would check with the adjuster to get status.

Manager Muth discussed the issue of Hertz brought four generators which were not dependable. One generator failed twice and another caused severe problems. There was another smaller generator that could be seen from the high way and a passer-by called the fire department because he could see smoke coming out of the generator. It burned out a well, which we had to replace. Manager Muth states we have not paid Hertz any monies and there is currently a balance of approximately \$16,000.00.

Manager Muth stated that Hertz has proposed to settle by reducing the total amount owed by \$5,000.00.

Trustee Funkey questioned if the insurance payment covers the entire loss that was incurred by Patten. Mr. Delgado responded that what is covered are the invoices for the Patten generators and the fees for fuel delivered to run those generators.

Mr. Moreau wanted to make it clear that the 160,000.00 payment is from the District's insurance. Hertz is a different matter. Hertz is the equipment that was used when we had the big storm event and caused the Plant more problems.

Trustee Funkey wanted to be clear that Patten had been paid. Manger Muth confirmed that they were and that the District would be reimbursed 100% by the insurance. Chris Morphey reported that the cost to the district relating to the Hertz generators would be \$26,000.00. It includes the cost to replace a well, an overhead door, the UPS in the computer room and a refrigerator in the break room. Mr. Morphey indicated Hertz states the District owes them \$16,000.00. The adjuster stated he would not cover that loss Mr. Morphey met with the adjuster on June 14, 2013 and the adjuster stated they would cover that loss. Anything Hertz doesn't cover the insurance would reimburse the District.

Trustee Funkey wanted to make clear that the adjuster that was discussed is the adjuster from the District carrier. Mr. Morphey confirmed that he was.

Mr. Morphey stated he has met the Hertz's adjuster several times and was going to meet with him one more time. Hertz's adjuster hasn't given Mr. Morphey a way to file a claim because they are self-insured through their branches.

Trustee Childress asked about other damages in the plant not related to the generators. Mr. Morphey stated the voltage switch for Square D. Mr. Morphey state he is trying to get a report finalized from Square D to the District's adjuster and they will be doing additional testing to our transformer by someone that was hired by the District and the adjuster agreed to do one more test in Building K.

Trustee Childress asked about other damages out side the plant, like flow meters etc.. not related to the generators. Manager Muth stated there were no instances that he was aware of. Mr. Moreau stated that there were sewer back ups but they were not caused by Fox Metro. They were out of Fox Metro's control. Trustee Childress asked if the only damage sustained was to the generators in Building K. Mr. Moreau confirmed that it was.

Manager Muth updated the Board on the Rate Increase. Manager Muth state that information letters were sent out to ten State Senators and Representatives. Manager Muth has received one response from Representative Hatcher, who suggested that we attend one or both of her Town Hall meetings in June. Manager Muth stated that after a discussion regarding attending Town Hall meetings with Mr. Detzler, it was concluded that it would be a very large task to be able to attend to every Town Hall meeting.

Manager Muth and Trustee Detzler had a meeting with the Ledger and an article was printed in the Ledger about the District's rate increase. Manager Muth has attempted to contact the Beacon News both by e-mail and phone and has been unsuccessful. He stated he would continue to pursue communication with them.

Trustee Childress suggested contacting the Daily Herald.

Trustee Funkey suggested sending information packet to Representative Hatcher to be disbursed at her Town Hall Meetings.

Manager Muth stated that the rate increase information has been sent out to all of the District's employees to make them aware and to help answer any questions customers may have about the issue. Manager Muth asked for the Board's approval in sending out the rate increase notification to the District's customer and all Board members approved.

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

It was moved by Trustee Childress, seconded by Trustee Sotir, put to vote and unanimously carried that the Executive Meeting minutes of December 19, 2012 through May 22, 2013 be accepted as recommended by Manager Muth.

Trustee Detzler asked Joel Ilseman status on plant. Joel Ilseman replied everything is running smoothly no issues to report. Mr. Moreau stated to the Board that the Plant has not had any over flows despite the recent large storms.

Trustee Detzler asked the District Accountant Jimmie Delgado status on accounting. Mr. Delgado stated that one Audit has been completed and is currently preparing for another.

Meeting temporarily adjourned at 10:50 A.M.

There being no further 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 adjourned.

Meeting adjourned at 11:15 A.M.