

**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF TRUSTEES  
OF FOX METRO WATER RECLAMATION DISTRICT  
HELD WEDNESDAY, JANUARY 22, 2014**

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, January 22, 2014 President James Detzler presided and present with him were, Trustee Albert E. Heriaud, Trustee Christopher F. Childress & Trustee Michael C. Funkey. Trustee Judith S. Sotir. Also present were Attorney Greg Ingemunson, Manager Thomas F. Muth, Jimmie Delgado, Matt Woodin, Dan Rivera, Christopher Morphey, and Norma Rodriguez. Also in attendance were John Frerich and Mark Halm from Walter E. Deuchler Engineering and Leo Pawlowski Sr. from 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 November, 2013 in the amount of \$785,621.95 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 Heriaud seconded by Trustee Funkey, put to vote and unanimously carried that the Treasurer's Report for December, 2013 be approved as submitted.

It was moved by Trustee Funkey, seconded by Trustee Heriaud, put to vote and unanimously carried that the minutes of the December 18, 2013 Regular Board Meeting be approved as written, each of the Trustees having received and read copies of said minutes before the meeting.

With no New Business or Public Comments, It was moved by Trustee Detzler, seconded by Trustee Funkey, 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 began with the Committee of Local Improvements by reviewing the 2013 Safety Report. The report outlined lost and modified days, accidents per month, accidents per location, types of accidents and ways to improve. Information was compiled from 2009 through 2013 and the results were as follows: Lost days due to reported accidents at the district was an average of 20.8 days per year during this five year period.

Accidents were a total of 95 for the five year period. The highest year accident total was in 2009. Trustee Childress asked how this relates to national or other Waste Water

Management facilities. Manager Muth said that he hadn't researched it but will try and get him an answer. He said he will have to see if other Waste Water agencies keep detailed data as well.

Accidents per location – There were a total of 95 accidents from 2009 to 2013. The highest number of accidents during the past five years occurred in buildings O & M, C, D & H (clarifier buildings).

Types of accidents – The highest percentage were impact/pinches and splash/sprays at 20% for the five years.

Part of the body hurt – The major parts were head, back and hand. In the past five years there were 17 incidents involving the head, 12 incidents involving the back and 12 incidents involving the hand.

Manager Muth went over ways to improve. Most accidents/injuries were ergonomic (strains, pulls, lifting techniques) issues. A program will be in place to address those issues and their will be safety changes.

Manager Muth explained the Safety Committee Changes. He said the safety consultant retired in May of 2013. In July 2013 Illinois Counties Risk Management Trust became our new Risk Management consultant. Manager Muth introduced Dan Rivera who has been with the District for five years, he became our new Safety Coordinator.

In 2014 we will be working to develop an incident investigation program and start being proactive towards safety rather than reactive. Manager Muth said that some of the goals are to improve our Hazardous Material Communication Training and have an emergency action plan for all bulk hazardous materials on and off plant. We will also have more in-house training. We will work to identify and correct any issues that may have contributed in causing an accident in a timely manner. Instruct management to plan the most effective employee training sessions possible.

Manager Muth provided the Board with a three year Plant Summary and Goals for 2013.

Total Plant Flows for 2013 – 12,877,000,000 gallons, the average daily flows were 35.28 million gallons per day and precipitation was 41.22 inches. For 2012, flows were at 10,963,000,000. Average daily flows were 30 million gallons and precipitation was 26.80 inches. For 2011, flows were at 13,851,000,000. Average daily flows were at 38.9 million gallons and precipitation was 45.13 inches.

For Suspended Solids the removal rate for 2013 was at 98.5%, in 2012 it was at 98.6% and in 2011 it was a 99%. These averages are very comparable for all three years. The CBOD removal were also comparable with 2013 being at 98.3%, 2012 at 97.3% and in 2011 at 98%. The same goes for Ammonia Nitrogen Removal. In 2013 it was 98.5%, in 2012 it was 97.3% and in 2011 it was at 99%.

Manager Muth said that we had three excursions this year, one for Ammonia, one for solids and one for chlorine. Those excursions happened in June, July and August of 2013.

Trustee Funkey was under the assumption that an excursion was when waste came to the plant and the plant couldn't handle that flow and it was diverted directly into the river. Manager Muth explained that situation was not an excursion but overflow. Trustee Funkey asked if an Ammonia excursion was when the Ammonia levels get so high and we can't remove it and we just have to let it go. Manager Muth confirmed that was correct. He also explained that there were different circumstances that caused those excursions. We strive to have no excursions but they are not always unavoidable. The parameters and variables that we have to take into account with a plant this size when operating especially at design capacity.

Manager Muth said that one of the goals was to reduce overflows. He presented a 20 year history chart of the amount of rainfall that we receive in a year and the number of overflows each year. He explained that in 2013 we had 2 overflows and they had to do with the April rain event where the river was at a hundred year flood elevation. We had 38 inches of rain and if we compare to other years that had similar rainfall, there were a greater number of overflows then. The reason we didn't have more overflows this year is because we have the Wet Weather Flow Facility helping us treating flows. Having this facility is of great benefit because it reduces the potential of having overflows into the river. Manager Muth said that the two overflows that occurred in 2013, 171 million gallons were overflowed into the river because the river elevations were so high and the amount of water that was coming to us. Manager Muth believes that the number of overflows would have been greater if we didn't have the CSO facility because we utilized the facility nine times in 2013 to detain the flows and diverted them back for full treatment and without the Wet Weather Flow Facility we would have overflowed those nine instances.

Phillipe Moreau said that the EPA guidelines for a combined sewer overflows in plant such as this one, is four events per year. As soon as we go over that limit there can be consequences so we know that we cannot over flow more than four events per year and an event is considered continuous rainfall and continuous overflow in a 24 hour period. Obviously having zero overflows is excellent but as long as we have less than four we are meeting the policies of the USEPA with regards to the combined sewer overflows.

John Frerich said that the CSO policy is four overflow events per year, however if we look at the Clean Water Act, this is where the USEPA comes back at us and say any overflow into the river is a violation of the Clean Water Act. So even though if we have four overflows, which is according to policy, it doesn't meet water quality standards. They always say the CSO policy of four overflows per year according to the USEPA is a good start. Trustee Childress stated that the USEPA can say that because they are not the ones that pay for it. Trustee Sotir agreed and added that is the same as when the USEPA said to the District that we were not charging rate payers enough but we should be charging 2% of median household income.

At 10:00 A.M. Manager Muth opened and read aloud bids received for Air Main Replacement Project as follows: R C Wegman Construction Co. – Total Bid \$2,918,000.00; Independent Mechanical Industries, Inc. – Total Bid \$2,498,700.00; Hayes Mechanical – Total Bid \$2,853,000.00; Dahme Mechanical Industries, Inc., – Total Bid \$2,740,000.00; Mechanical Inc., – Total Bid \$2,333,000.00; Morrison Construction Company, - Total Bid \$2,799,000.00, Whittaker Construction and Escavating – Total Bid \$2,597,175.00. The Engineer’s estimate for this project was \$2,000,000.00.

Trustee Funkey stated that all of the bids were in excess of our estimate and asked if we should go out and re bid again. Manager Muth said that the system we are bidding for is forty years old, the electrical is antiquated, the piping system leaks, and we need new telemetry. Trustee Funkey said that it’s a fact that it needs to be done and asked if delaying 30, 60, or 90 days would make a difference. Chris Morphey said that the critical issue is the scheduling of how the work is going to be accomplished in the summer months in order to have it completed so we can have all of our aeration tanks 100% ready for winter. Trustee Detzler pointed out that the lowest bidder is close to the Engineer’s estimate.

Trustee Childress said that he knows that the engineers looked at this but asked if they are absolutely convinced that there is no other way around this except to purchase a new Air Main. He wanted to know if there was another way to seal the existing pipe that we have not considered. Phillipe Moreau stated that this has been looked at numerous times, anything else besides a new system would just be a bandage job. He is not sure if they would be successful in finding the leak. There were some spot dig ups to try and pin point the leak but the pipe is huge and it is underground. He said that they also looked into lining the pipe and that can’t be done because the line is in service and lining it would take several days. This is a very difficult project once constructed. Manager Muth said that there are two pipelines within a foot or foot and a half of the existing air pipeline but we have to work around them. He said its laid strategically and the middle pipe is the one that is leaking. Trustee Childress asked if it would be advantageous to do design build RFP to have other companies come and provide solutions to see if there is another way that this problem can be fixed that we don’t know about. He said the purpose of this system is to move air and he thought maybe there is another process besides lining. He understand that we can’t take this out of service but wants to know if there is a temporary way to move the air until the pipe can be lined which would be cheaper. Manager Muth said that we are dealing with two 900 horsepower motors in addition to two 250 horsepower motors that are needed to get the fifteen tanks with the oxygen it needs to have the DO level to keep the microorganisms thriving.

Trustee Sotir stated that the concern were the microorganisms and the timing of how this project needs to be completed. She said if something temporary was to be done and this temporary fix failed in the middle of winter, by the time that we would be able to replace it, we would lose those microorganisms and functionality and have a serious issue. Mr. Moreau said that if this pipe goes off line for several hours the plant would be in serious

jeopardy. He said that there are employees on staff who are former contractors and they have looked at this pipe and tried to find different ways to solve the problem in the most economical way possible. This is a very difficult project and it has been in the plans for several years. This project involves more than just the pipe, it also involves the replacing the roof in the building and there is a lot of electrical instrumentation that is forty years old that has to be replaced because of its age.

Trustee Childress asked if this project also included replacing the motors. Mr. Moreau said that motors were not included in this job. He said this would be the next phase. Mark Halm who is the Manager of the project addressed the board with an explanation of the next phases of the project that will make it more cost effective. He said that the first phase is replacing the air head and the existing blower system will be used. With the first phase we know that there two 900 horsepower blowers and each one produces about 20,000 CFM and the plant uses another four blowers and each one of those is 250 horsepower and they produce approximately 5,000 CFM. The plant is producing approximately 60,000 CFM with the compressor system and the demand in the system for the biology is approximately 45,000 according to the meters. A computer modeling was completed and to maintain a milligram per liter residual within the system 40,000 CFM is needed. It is calculated that the leak is approximately 20,000 CFM. Taking into account the cost for compressing the air, this accumulates to \$190,000.00 savings per year. The next phase of the project would be replacing the two 900 horsepower blowers. They would be replaced with three or four 400 horsepower turbo blowers which are newer technology and are more energy efficient. The mechanical efficiency would reduce the power consumption by 25 to 30 percent. Trustee Childress asked if the actual blowers are the ones that are going to be replaced. Manager Muth confirmed that they were. Trustee Childress asked if the blowers are going to be replaced if it would be feasible to move them closer to the building to avoid problems in the future. Mr. Halm explained that the blowers need a building because there is a 60 inch pre stressed concrete cylinder pipe that runs out is approximately 650 feet long so their would have to be smaller buildings along that cylinder pipe to have blowers in them. This also involves running power to each of those buildings and the cost for this option would be very high so that would not be a feasible option. Trustee Childress asked if this line feeds multiple locations and Mr. Halm confirmed that it did. Manager Muth explained that the pipeline feeds to fifteen tanks. Mr. Moreau said that based on the need and the timeline and also the fact that the bids are slightly above the engineer's estimate, it is his personal feeling that if this project goes out for rebid, he believes that the new bids are not going to come in much lower. Manager Muth stated that we either accept the lowest bid or the project gets delayed for a year. Based on all the things that are involved in this project such as drawings, fabricating the pipe and the critical time where the pipe has to be installed which is in the summer, that only gives us a very small window to accomplish this task.

Trustee Funkey asked if we rebid this project next month, it would delay the project a year. Manager Muth said that it was probable. Mr. Halm said that there are five aeration plants and if the project is delayed only a portion of the project would be completed. The plan was to complete three plants this year. Trustee Funkey said that he doesn't want this

project to fail. Mr. Moreau said that if project is delayed and pushed back by one year there is going to be a cost of \$180,000.00 in energy.

Trustee Childress asked what the chances were to sleeve that pipe or consult with someone that might have a different angle on how to fix the leak. Mr. Moreau said that their job is to bring these experts in and this has been done already. Manager Muth stated that he has asked numerous people to investigate wrapping each joint. Mr. Halm said that option was also investigated and found that carbon reinforcement wrap around the joints took too long because of the cure time. The product has to be cured before the blowers get turned back on for the biological system. Trustee Childress asked about an internal fix such as aero seal product that seals it from the inside. Manager Muth said that part of the problem is that inside the pipe is approximately 150 degrees or higher and if the blowers are shut down there is only a two hour window that this has to be completed. If its not completed within that timeframe we are going to lose microorganisms. This process takes twenty to thirty days to recover. These twenty to thirty days of excursions have to be explained to the EPA so that is not a workable solution. Trustee Childress said the aero seal that he is describing is one that runs through a furnace to a temperature of 180 degrees and it works with the blowers working and this product only seals the holes and it doesn't go into the tank. Matt Woodin said that there are access issues because it's a long run and there are different sizes of pipe and it also has to be pressurized. Numerous ways and scenarios were investigated and it was discovered that none of those avenues were going to fix the problem on a permanent basis. A temporary fix would not be cost effective. Chris Morphe explained that there is only one access to the underground line and that is through Building G and if an aero seal is used it can get into the 15,000 diffusers and cause major problems.

Trustee Sotir said that we are looking at a 40 year old system and agreed with Trustee Childress in that if there is an alternative way to fix this problem which is less expensive we should do it but if this less expensive way is only a temporary solution and that solution failed we would be faced with a critical problem. Trustee Childress said he is not looking for a temporary fix he is looking for a permanent solution. Phillipe Moreau said that this new system is a permanent solution and the pipe would be above ground so any leaks that may occur would be identified and fixed right away.

Trustee Funkey agrees that it needs to be fixed and this has been discussed for several years, his feeling is that we should rebid in thirty days. He said that our invitations are out and from our standpoint everything is prepared, he believes that the bids are too high.

Trustee Detzler asked Trustee Sotir what her thoughts were on whether to rebid or not and she said that she disagreed because she is more concerned about the time frame because she believes is critical that this gets done this year.

Mark Halm said that the bidders are all good contractors who have provided good prices and to get lower prices the plans would have to be modified by either reducing the scope, change materials and other things which would take some time and then we would have to rebid. Trustee Funkey said that wasn't his suggestion. He said that he doesn't believe

we should revise our specifications. He said that there was quite a difference in price between the bids that were presented today.

Trustee Detzler asked Trustee Heriaud if he believed we should rebid and he said that the timing is going to be critical and if its delayed we could have a big problem.

Trustee Sotir asked if the bid numbers met budget. Manager Muth said that they were over budget by approximately \$400,000.00. Mr. Jimmie Delgado told the Board to keep in mind that we have had savings on some other bids and we have also brought in more revenue than anticipated.

Trustee Detzler asked what Trustee Childress thoughts were and he reiterated that we need to exhaust all resources, he is not insinuating that they weren't but inquired if anyone reached out to the gas company who sleeves pipes and has to keep it live, has to keep it pressurized and the process is very similar because a volatile substance is being moved. Trustee Sotir said that gas is not organic there aren't any bugs at the other end and she is concerned at what would happen if those bugs are lost. Mark Halm addressed Trustee Childress and said that option was not reviewed and added that the 60 inch main that is buried has a number of different fittings and the problem is that the exact location of the leak has not been identified. He said that he is aware that there are some leaks in the main line but there also may be some leaks in the lateral lines, he can understand injecting an aero seal and having it flow under pressure in the major 60 inch line but he finds it difficult to figure out injecting that substance into the lateral lines that serve each tank because we can't break into them. Trustee Childress said that this the purpose of this aero seal, they float to where the opening is, if air is escaping through that opening it pushes that seal through the opening. Manager Muth asked how do we bulk head it so that it doesn't go into every meter because it needs to be blocked off so it won't go anywhere else. He said that we would need to identify every location and would it have to be done strategically so it doesn't affect the plant. Trustee Childress asked if that was cheaper than \$2.3 million. Mark Halm said to look at the lifecycle cost and questioned if it was better to take such an approach and the viability of that approach lasting for a long time when we know that we are going to need a biological system forever. If we install the galvanized steel pipe, it will last a very long time and it will be easier to maintain. Mr. Halm said that in terms of lifecycle cost installing something above ground is the better option. Trustee Childress said that the other option has not been reviewed. Mr. Halm said they focused their energy on outside fixes because those fixes would not be as disruptive to the system since there is only one pipe. Many different scenarios and options were reviewed and they were not able to find an option where the system could be kept in service reliably the biology likes a steady flow.

Trustee Sotir said that with a 40 year old system anything besides a new system would be a temporary fix because at some point it s going to fail because of the age of the entire infrastructure. There is a safety issue and there is an economical issue, we could try and keep constantly replace parts but is that the most efficient way to deal with how we function in our budget. When it was first discussed about going out to bid for this project the concern was that there was a very small time window that we would have and the end

result would be critical to the system if we lost the bugs. She agrees with Trustee Childress that we should look at newer ideas and new technology on future projects.

Trustee Childress agrees but he doesn't know if it would be permanent or temporary fix or maybe not even a fix at all because this option was never reviewed. Manager Muth said you are exactly right we did not look into this option. We have been reviewing alternatives for years to rehab this system. It was my decision to ask the Board to seek bids on this project. With the importance of the aeration process, the sensitivity of the microorganisms the extreme heat, the two hour time constraint for shut down and the possibility of 15,000 diffusers getting partially plugged I felt it was too much risk to try the process. Trustee Childress just stressed that this option was not looked at and it's a possibility that he could be totally wrong. Trustee Funkey stated that everyone understands that we can't let the system fail and has expressed how he feels about the cost of the project and agrees with Trustee Childress that other solutions should be investigated.

At this time Trustee Detzler asked for a verbal vote from the Board Member whether to rebid for this project or not. The vote was 3 to 2 in favor not to rebid for this project. It was moved by Trustee Sotir seconded by Trustee Heriaud, and a vote of 3 to 2 carried in favor that the low bid of Mechanical Inc., be accepted for \$2,333,000.00 and the bid of Independent Mechanical Industries, Inc., for \$2,498,700.00 be held pending specification review by Fox Metro Water Reclamation District and Walter E. Deuchler Engineering Staff.

At this time the meeting was resumed with the Committee of Local Improvements and Manager Muth continued with Item number four of the 2013 Goals. He said that the rehabilitation of Clarifiers D-4 and D-5 was completed.

Item # 5 Installation of Tertiary Filter - It is on line but there are a few punch list items that need to be completed.

Item #6 – Implement Ferric Chloride Addition at TPAD – Project has been completed, there was a probe that needed to be verified which delayed the project We need to fill the tanks with water to test instrumentation and have been holding off due to extreme weather.

Item #7 – Make Improvements to Air Quality – In October a representative from Deuchler's come in and gave a presentation on Odor Investigation. We acquired a significant amount of information and we only received two forma odor complaints. Trustee Sotir asked if there is still a process in place in making these improvements. Manager Muth said that we don't expect to do a lot of capital at this plant but improvements will be made at the South plant to identify and control odors based on new technology.

Item #8 – Continue to Expand Instrumentation Capabilities & Automation – The virtualization of plant SCADA is complete, we have replaced the RAS level transducers



which are monitored by SCADA. There were instrumentation changes made at M-3 TPAD. Temperature probes were added to the heat exchangers and now batch and mixing adjustments can be controlled by SCADA. Replaced five flowmeters at the aeration tanks and are now monitored on SCADA, replaced D.O. and S.S meters and are now able to produce more trending with history derived from SCADA.

Manager Muth went over the Administrative Goals as follows:

Item #1 – Implement GIS throughout the District – We are currently working with the City of Aurora with their GIS being interconnected to ours. The televising of the sewers has been added so they can now be viewed remotely. There is infrastructure in place to support multiple users of mobile devices. There is planning under way for Maintenance and Operations to create a layer for their needs.

Item #2 – Continue to Sample/Analyze the Fox River - We are doing the sampling for the Fox River Study Group. We are looking at the fish, mussels and macro invertebrates. We are sampling the D.O. during May through September and being able to have all that information available.

Item #3 – Pursue 100% compliance with Grease Program - We had a reduction in staff in that department. We made some changes in staff workload and performed some cross training. We are on track with the grease program and have made progress with the City of Aurora. They are cooperating and have pledged to help us. We are being more proactive with the non-compliant customers. We are creating reasonable timelines for those businesses to become compliant.

Item #4 – Train and Transition Current and New Employees - A large group of employees retired approximately six months ago. We have good new talent stepping up and Manager Muth is pleased with the progress that has been made. Operations Department has been the most affected and at times the experience level on off shifts during storm events has been marginal. We have stressed high level training and communicated expectations and so far we are doing good.

Item #5 – Continue Team Training – We have monthly departmental meetings, Union/management meetings, Senior Management Team meetings and quarterly management meetings. Time limits are set for topics and an agenda is prepared for each one of the meetings.

Item #6 – Establish a Seven (7) Year Sewer Maintenance Program – Trying to prioritize in the highest inflow/infiltration areas based on flow meters that have been installed. Coordinate with towns and other areas that they are investigating and are working with them towards collaborative projects. The monthly/quarterly meeting that we conduct with the City of Aurora and other villages are beginning to pay off. They are starting to petition their Boards to have more money for sewer replacement and projects. With investigation projects we are starting to develop our lining, grouting and dig repairs.

Manager Muth went over the Strategic Planning.

Item #1 – Evaluate the Rate Study and Implement a User Fee Increase - We completed the rate study and have a rate increase in effect and the number of complaint calls have significantly reduced.

Item #2 – Continue to Implement the Long Term Control Plan – We are currently in the process of getting the South Plant designed and will be submitted to the IEPA in approximately one year.

Item #3 – Collaborate with Agencies and Groups to Improve the Environment – We are continuing our efforts to work with agencies and groups that are participating in different events such as Oswego’s Recycling Extravaganza, Aurora Farmer’s Market, Aurora Greenfest, Sci Tech, Fox River Study Group and Conservation Program. We participate and hand out fat trappers and collect expired medication. We have collected over 4,000 pounds of expired medication in one year. This is 4,000 pounds of medication that is not going into our process and into the river. The IEPA collects it from us and incinerates it.

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 10:57 A.M.

Attorney Greg Ingemunson addressed the Board with the Attorney’s Report. Attorney Ingemunson presented Resolution No. 916, Approval of an Intergovernmental Agreement with the City of Aurora for the operation and maintenance of the Combined Sewer Overflow Facility at 400 North Broadway, Aurora, Illinois, which read as follows:

WHEREAS, the FOX METRO WATER RECLAMATION DISTRICT and the CITY OF AURORA have heretofore entered into negotiations for the mutual benefit of the respective governmental units, and

WHEREAS, an Intergovernmental Agreement for the operation and maintenance of the Combined Sewer Overflow Facility at 400 North Broadway, Aurora, Illinois, has been prepared and has been approved by the City of Aurora on the 25<sup>th</sup> day of November, 2008 and renewed on the 12<sup>th</sup> day of December, 2013 for a 5 year period.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

1. That the Intergovernmental Agreement as adopted by the CITY OF AURORA 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 Sotir, seconded by Trustee Funkey, put to vote and unanimously carried that Resolution No. 916, Approval of the Intergovernmental Agreement with the City of Aurora for the operation and maintenance of the Combined Sewer Overflow Facility at 400 North Broadway, Aurora, Illinois, be approved as written.

PASSED by the Board of Trustees of Fox Metro Water Reclamation District this 22<sup>nd</sup>. Day of January, 2014 by a voice vote of 5 to 0.

Phillipe Moreau addressed the Board with the Engineer's Report. Mr. Moreau requested approval of Final Payment No. 3 to Frank Marshall Electric., in the amount of \$61,448.00 for 480 V Fedders to Building B and O & M Replacement 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 \$61,448.00 to Frank Marshall Electric, for work completed on 480 V Fedders to Building B and O & M Replacement Project.

Phillipe Moreau requested approval of Partial Payment No. 2 to Whittaker Construction, in the amount of \$23,737.50 for Building K & L Modifications – Interior 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 \$23,737.50 to Whittaker Construction, for work completed on Building K & L Modifications – Interior Improvement Project.

Phillipe Moreau requested approval of Partial Payment No. 1 to Corrosion Resistant Equipment Company, Inc., in the amount of \$13,962.00 for Building J – 1 FRP Tank Procurement. It was moved by Trustee Sotir, seconded by Trustee Heriaud, put to vote and unanimously carried that payment be made in the amount of \$13,962.00 to Corrosion Resistant Equipment Company, Inc., for work completed on Building J 1 FRP Tank Procurement Project.

At this time, Manager Muth addressed the Board with the Manager's Report. Manager Muth asked the Board to review and approve the 2014 Board Meeting Dates. He asked the Board's approval to move the March Board Meeting to March 26, 2014 due to the IAWA mini conference being held on March 19, 2014. All Board members were in favor to change the March 2014 Board Meeting to March 26, 2014.

Manager Muth requested authorization to seek bids for Calhoun Street Sanitary Sewer Replacement project to be opened at 10:00 A.M., February 19, 2014 at the Board of Trustees Meeting.

Trustee Sotir asked the reason for the replacement. Manager Muth responded that the sewer has sags and numerous cracks and it needs to be replaced.

It was moved by Trustee Sotir, seconded by Trustee Funkey, put to vote and unanimously carried to seek bids for the Calhoun Street Sanitary Sewer Replacement project.

Manager Muth requested an Executive Session to discuss personnel, pending litigation, and related matters. It was moved by Trustee Detzler, seconded by Trustee Heriaud 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.

Trustee Detzler asked Leo Pawlowski if he had any questions or concerns and Mr. Pawlowski said he had none.

Trustee Detzler asked Matt Woodin if he had anything to add and Mr. Woodin said he did not.

Trustee Detzler asked for an update on the Plant. Chris Morphey said that everything is running well in spite of the cold temperatures that we are currently experiencing. We were able to remove some of the generators that we had on rental as a result of the 480 Volt feeder that was replaced. Building L is on schedule getting the electrical room build. Building J, the storage tanks have been ordered for the chlorine and they are currently working on a containment area to be ready for chlorination season.

Trustee Detzler asked Jimmie Delgado to update on financials. Mr. Delgado said that financials are good, revenues are ahead, expenses are ahead due to the April rain event. We have information from IAWA to begin our salary survey and putting together the budget. Manager Muth said that the budget will be presented to the Board in April.

Trustee Childress asked for an update on bad debt. Jimmie Delgado said that he didn't have the information with him but would provide that to him. Mr. Delgado said that usually bad debt is low but there has been more litigation and Tax Sales. He explained that when a tax sale happens there is a clear deed given and that's where some of our losses have occurred. We are aggressive with liens, collections, Judgments and shut offs.

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

Meeting adjourned at 11:07 A.M.

The Regular Board Meeting reconvened at 11:30A.M.

Trustee Childress addressed the Board and said that he was approached by the Kendall County Administrator, Jeff Wilkins and they have a Referendum on the ballot for

municipal aggregation. What other municipalities have done is put an insert in their billing to make them aware of the Referendum. This Referendum would benefit the customers because they would have the option of obtaining lower electrical rates. He said that the unincorporated area of Kendall County is not eligible because they didn't pass a Referendum last time. Part of the problem is reaching those residents. Boulder Hill is one of those communities that need to be notified of this Referendum. Jeff Wilkins asked if we can enclose an insert in our next Boulder Hill billing advising residents this new Referendum. This is non promotional, the District will not have any financial responsibility. This is basically a way to help residents of that community know that they can get better electrical rates. Manager Muth does not see a problem with this but would ask that Kendall County send the District a request in writing to do this and provide the District with the insert and we could include it in our next Boulder Hill billing which will be on February 3, 2014. All Board members were in agreement and saw no issue in doing this because it is just an awareness piece.

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

Meeting adjourned at 11:50 A.M.