

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF TRUSTEES
OF FOX METRO WATER RECLAMATION DISTRICT
HELD WEDNESDAY, JANUARY 21, 2015**

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 21, 2015. Present were, Trustee James K. Detzler, Trustee Judith S. Sotir, Trustee Michael C. Funkey, Trustee Albert E. Heriaud, & Trustee Christopher F. Childress. Also present were Attorney Boyd Ingemunson, Manager Thomas F. Muth, Engineer Philippe F. Moreau, John Frerich from Walter E. Deuchler, Field Services Manager Matt Woodin, Controller Jimmie Delgado, Human Resources Coordinator Patrick Divine, Operations Supervisor Joel Isleman, Dan Rivera and Norma Rodriguez.

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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 December 2014 in the amount of \$1,956,177.07 be ratified and approved. Motion was seconded by Trustee Funkey, put to vote and unanimously carried that the bills be paid as presented.

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It was moved by Trustee Sotir seconded by Trustee Funkey, put to vote and unanimously carried that the Treasurer's Report for December, 2014 be approved as submitted.

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It was moved by Trustee Sotir, seconded by Trustee Funkey, put to vote and unanimously carried that the minutes of the December 17, 2014 Regular Board Meeting be approved as written, each of the Trustees having received and read copies of said minutes before the meeting.

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With no Public Comments, 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 9:35A.M.

Manager Muth addressed the Board with the Committee of Local Improvements and introduced Dan Rivera who Chairs the Safety Committee for Fox Metro. Dan said that 2014 was a great year for the District and all the departments did a good job in making safety their priority. He gave a safety statistics for the last five years to the Board.

There were 17 accident reported in 2014. Many of these were minor only cuts and scrapes. All types of injuries have to be reported no matter how minor because in the industry that we are in any cut or scrape has a high possibility of becoming infected.

Dan said there were only two accidents that needed to be reported to OSHA in 2014 and those were also minor but the employee was required to go to the doctor. Two days were lost due to accidents and two modified days were reported where an employee could not perform their full duty.

Dan gave a breakdown of accidents per month. He reported that from January to August was a great period for the District because even though there were some reportable accidents they were just minor. First reportable OSHA accident occurred in September. The next item was accidents per location and Dan reported that there was not a trend in buildings where accidents occurred. The most common types of accidents were impact and pinches, followed by overexertion/strain and rash/irritation. The body parts that were affected the most were hands, arms, backs and head.

Dan stated to the Board that because most of the injuries were to the hand and arm, due to tools slipping and malfunctioning because of their age, the possibility of replacing the tools over the next couple of years is encouraged.

Dan also reported that in 2014 the Illinois Counties Risk Management Trust (I.C.R.M.T) provided all employees with an Ergonomic Presentation.

Dan concluded and said the Safety Manual has been revised and updated. In 2015 the Safety Committee will be working to develop an online training portal with I.C.R.M.T. that will provide additional training for personnel. They will have to take a test at the end of each presentation to establish understanding of the material.

The 2015 goals for the Safety Committee are to have an accident free year. Have a better foundation of incident investigations. Safety Committee members will need to attend OSHA classes to have a better understanding of safety regulations. Management and employees should complete six online training courses applicable to their respective departments.

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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 Regular Board Meeting reconvene.

The Regular Board Meeting reconvened at 9:45 A.M.

Attorney Boyd Ingemunson advised the Board that there was no Attorney's Report for this month.

Philippe Moreau addressed the Board with the Engineer's Report. Mr. Moreau requested approval of Partial Payment No.3 to Frank Marshall Electric, Inc., in the amount of \$30,240.00 for Farnworth Pump Station MCC Replacement 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 \$30,240.00 to Frank Marshall Electric, Inc., for work completed on Farnsworth Pump Station MCC Replacement Project.

Mr. Moreau requested approval of Partial Payment No. 4 to R. J. O'Neil, Inc., in the amount of \$20,250.00 for P-1 HVAC Renovations Project. It was moved by Trustee Childress Sotir by Trustee Funkey, put to vote and unanimously carried that payment be made in the amount of \$20,250.00 to R. J. O'Neil, Inc., for work completed on P-1 HVAC Renovations Project.

Mr. Moreau requested approval of Partial Payment No. 1 to Lite Construction, in the amount of \$41,400.00 for Building P-1 Remodel Phase 2 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 \$41,400.00 to Lite Construction, for work completed on Building P-1 Remodel Phase 2 Project.

Mr. Moreau requested approval of Partial Payment No. 2 to Frank Marshall Electric, Inc., in the amount of \$55,134.00 for Gas and Heat Detector Modification 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 \$55,134.00 to Frank Marshall Electric, Inc., for work completed on Gas and Heat Detector Modification Project.

At this time, Manager Muth addressed the Board with the Manager's Report. Manager Muth asked the Board if they had an opportunity to review the Policy Manual that was given to them last month and if they didn't have any questions or concerns, they were ready to approve it. Trustee Funkey stated that he had a chance to review the Manual and wants to meet with Human Resources to discuss the manual. Manager Muth asked that this matter be tabled for February 18, 2015 Board Meeting.

Manager Muth reviewed the completion of the 2014 Goals with the Board of Trustees. Under Plant Goals; 1. Manager Muth reported to the Board that in 2014 total plant flow to the plant was 12.962 billion gallons which was higher than 2013 and 2012 this was due the heavy snowfall we had in 2014. The average daily flow was 35.49 MGD with a high of 82.2 MGD on July 1, 2014. Precipitation recorded at the plant was 38.78 inches with a high of 2.04 inches on June 3, 2014

Suspended solids averaged 187mg/L influent, 2.1 mg/l effluent with an average removal rate of 98.7%. CBOD's averaged 142 mg/l influent, 2.5 mg/L effluent with an average removal rate of 98.0%. Ammonia Nitrogen results averaged 17.9 mg/L effluent, 0.37 mg/l effluent with an average removal rate of 97.9%.

Manager Muth reported that there were two excursions, one on July 2, 2014 and this was due to heavy rainfall. The bisulfite supply was depleting much more quickly than expected. The storm caused major power outages in the region where the District's bisulfite supplier produces and ships from. They could not be contacted due to the outages. In an effort to conserve the bisulfite supply, we reduced the amount used and that caused the excursion. The other excursion happened on July 17, 2014 due to instrumentation problem. A corrective action plan is in place to avoid these issues in the future. There were 2608 analysis reported to the IEPA and there were only two deficiencies.

Manager Muth also reported that over the past three years there have been only two overflows. Those overflows happened in 2013 during the April rain that was equivalent to a 20 year storm event with the river and 100 year flood stage. There were no overflows in 2012 and 2014.

Manager Muth said that we have applied for the Silver Award from the National Association of Clean Water Agency and they will make their decision in July.

In summary, the plant performed very well and all employees should be commended for their dedication and effort.

2 & 3 – Completed the construction of K & L interior electrical improvements and replaced Service B.

4 – Technology – Plant Foremen are using iPads to report problems and take pictures. This enables them and other employees offsite monitor Plant functions. They can make decisions and correct issues without coming on site during their off hours. A virtual tour of our plant is almost complete and it will be available on our website soon. Digital time clocks were purchased for the Plant. This will help in calculating payroll and keep track of employee's attendance. The plant has a new End Loader that is calibrated for weight. It now registers how much weight is loaded into each truck and now we have an accurate amount of filter cake we have stored and how much we are applying to farms that can submit to the IEPA.

5 – Air Main Project went very well. All five plants and the whole system are operational. It was estimated that only three plants would be finished but all five plants were completed. The next step is to remove the old piping that is currently under water. This is estimated to be completed the summer of 2015.

6 – BNR Pilot Study – Intend to do the BNR in Plant 4 in summer of 2015. Two mixers have been installed and are on line to keep the nitrification continuing. If this is successful 3 more mixers will be placed on line in the next few weeks.

7 – Minimize Air Quality Efforts – Continuing to use Hydrogen Peroxide and using Bioxide at pumping stations. Continuing to perform air quality testing around the perimeter of the plant. When a clarifier is taken off line the employees are very proactive and clean it right away and that has helped the plant receive very few odor complaints in 2014.

8 – Injury Free Work Force – As Dan Rivera reported earlier 2014 was a great year for the District and we are striving for an injury free year in 2015.

ADMINISTRATIVE GOALS

1 – Update Policy Manual and Safety Manual – Safety Manual has been approved and Policy Manual is in review for approval.

2 – Complete Phase 1 Remodeling of Building “P” - Phase 1 of the remodel project which includes the Billing Department, the lobby and Public bathroom are complete.

3 – Update Sewer Use Ordinance and Pretreatment Ordinance – Once the NPDES permit is finalized the Sewer Use and Pretreatment Ordinances will be updated.

4 – Septic Hauler Program – This program has been finalized and is working very well.

5 – Benchmark Job Classification – This was completed and approved by the Board in December 2014.

6 – Continue to Cross-Train and Promote Team Development – This is an ongoing process, all departments continue to work together to become a better working team and we are seeing good results.

STRATEGIC PLANNING

1 – Complete the Design of the South Plant – The design of the South Plant is 85% complete. The plans will be submitted to the IEPA with the Board’s approval. The goal is to go out for bid in June and start construction by the end of 2015.

2 – Collaborate with Agencies & Groups to Improve the Environment – Continuing the efforts to improve the environment by getting involved with Sierra Club and Fox River Eco System Partnership and have been involved with the Fox River Study Group for the past 15 years. Other agencies we work with are SciTech and Conservation Foundation. We are involved in the Oswego Recycling Extravaganza, Aurora Farmers Market and Aurora Green Fest. Fox Metro is one of the very few expired prescription collection agencies in the area. We collect thousands of pounds of unused and expired medication per year and arrange for that medication to be disposed of properly by the IEPA.

3 – Finalize our Web-site – Website was updated and the goal is to provide more information for our customers to be better informed of the functions of the District.

4 – Regional NPDES Test Lab Outreach Program – Reaching out to schools and to educate and provide hands on presentations. The lab has also been in contact with Waubensee Community College and Aurora University to discuss an Internship Program, have worked through Waubensee to establish a Lab Technician Program and have met with SciTech to have a more updated display. The Lab provides analysis for the Fox River Study Group for the Fox River. It also provides sampling for Sandwich and Batavia as part of their NPDES Permit and they do special analysis for Yorkville and other municipalities in the area.

That concluded the 2014 goals update.

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Trustee Funkey inquired about the location of all of the Ordinances for the District. He wanted to know if they have been codified. Manager Muth said that they were codified approximately 20 years ago but unfortunately they have not been updated in long time. Trustee Funkey said he would be willing to work with the District on updating them. Manager Muth said this would be a big difficult project and he would research the cost of getting this done by an outside agency such as Sterling. Attorney Ingemunson stated that the most important aspect of this project is for the Ordinances to be in one place in our website and be available for our customers to view and for the site to be user friendly. We currently have some Ordinances on our website and available for the public to view, they are located in the department that each Ordinance pertains to. The important thing is that we have all the ordinances in one place in house and this could simplify the coding project. Trustee Sotir said that we need to have one person who would be responsible to upkeep and update the Ordinances going forward. Manager Muth said that currently all the Ordinances are located in one designated area in our database and once the Ordinances are codified and updated there will be one person who will be responsible for updating and keeping those records up to date.

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Manager Muth reported to the Board that a new Vista Switchgear for Building “J” needs to be purchased. This would be a sole source purchase. The whole process would take approximately six months to complete because it needs to be ordered, plans have to be reviewed, approved and finally construction would begin approximately in June. This project will be budgeted and paid for in the next fiscal year. All Board members were in agreement and gave their approval for the sole source purchase of said Vista Switchgear for Building “J”.

Manager Muth requested authorization to seek bids for the Clarifiers D4 and H3 Mechanism Procurement, to be opened at 10:00 A.M., February 18, 2105. Manager Muth said this project is not in this fiscal year’s budget but the process will take approximately six months to build it and that will take us to the construction season which will be the next fiscal year and will allow us to go out to bid for a contractor who will install the clarifiers. It was moved by Trustee Sotir seconded by Trustee Funkey, put to vote and unanimously carried to seek bids for Clarifiers D4 and H3 Mechanism Procurement.

Manager Muth reported that he received a call from ECS our energy company whom we have an incentive with and are part of PJM asking for information regarding projects that have been completed the last five years. Deuchler’s provided them with information regarding projects that accumulated over five million dollars. These projects will be considered for possible reimbursement from electrical incentive program.

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

Operations Supervisor Joel Ilseman reported that the plant is running well and the mild winter we have had so far has helped.

Controller Jimmie Delgado reported that things are well in finances, revenues are higher and expenses are lower.

Trustee Childress advised the Board that ECS would be sending a refund check to Fox Metro soon for last year's program. He added that PJM is changing the rules pertaining to the Performance for Demand Response Program. Once those changes are finalized Trustee Childress will advise. He said some of the changes may include adding winter as a possible time we could curtail and the length of time we would have to curtail. We could qualify for an exemption because Fox Metro is classified as an emergency company.

Trustee Childress also wants to review the District's gas and electric statements to see if there is an opportunity to extend the contract to try and save money.

Lastly Trustee Childress said he was approached by a couple different companies that are aware that Fox Metro will be doing expansions. These expansions are going to be worth millions of dollars and if one project will be 130 million dollars the companies that bid on this project will have to provide a certified check bid deposit of 10%. This will eliminate local companies from bidding because they don't possess those kinds of funds. They are requesting that if it would be possible to divide the project so that local companies can participate in the bidding process. Philippe Moreau said that the District has a policy that any bid deposits have to be made with a Cashier's check. Other municipalities allow bid bonds and he agrees that presenting a Cashier's check in the amount of 13 million dollars can be difficult and this would limit the District to the large companies to bid on this kind of project. Trustee Childress said that these companies are aware that the lowest bid gets the project but if the District is excluding local companies which would benefit the community and they are the low bidder maybe they should be included. John Frerich said that Trustee Childress is asking two different things. He said one is bid bond and the other is bid deposit and also stated that the last project was 20 million dollars and the bid deposit was reduced to 5%. Trustee Funkey asked what the reason was to have the bidders present a Cashier's check rather than a bid bond. Mr. Moreau said it was to make sure that anyone bidding on the job had the financial resources to finish the job and this policy goes back to the first large expansion the District completed. John Frerich added that the reason for the Cashier's check was that if a company defaults on their bid it is easier to cash the cashier's check then to start a collection process and that this is just the bid deposit not the construction, performance or payment bond, this is strictly for bid. Trustee Childress said that it would be easier for local companies to bid on smaller projects instead of a large one.

Mr. Frerich added there was a lot of discussion with staff and the IEPA regarding dividing the big project into smaller ones. The problem they faced was that if there is more than one entity overseeing the whole project and if there is an issue you can have

multiple contractors blaming each other for them. The IEPA was consulted regarding perhaps having a Construction Manager overseeing the project and they rejected that idea citing that idea isn't conducive for their loan program because they don't want to see multiple contracts because then they would have to review them individually they are not adequately staffed to do that. They don't want to see multiple contracts for multiple projects. Trustee Sotir suggested that perhaps for some projects accept bid bonds opposed to Cashier's checks. Mr. Moreau said that is a policy that would have to be discussed by the Board. Trustee Funkey inquired if the cashier's check was intended to protect the District if the contractor does not sign the contract and the District would have to go out to bid again and would cover the expenses and delay. Mr. Frerich confirmed that was correct because delays can cause expenses. He said the intent of the cashier's check is to insure that the contractor who got the low bid has the financial means and commits to the project. Trustee Funkey also confirmed that the low bidder in addition to providing a bid deposit check and signing the contract they would also have to have a completion bond. Mr. Moreau confirmed that was correct and it would be 100% value of the project.

8803 Manager Muth said that to consider local contractors perhaps the Board could approve a set dollar amount for bidding on such a high value project instead of a percentage. Mr. Moreau said this would be something that would have to be discussed and it would become a policy decision that would have to be approved.

Trustee Sotir asked Trustee Childress if he was asking for flexibility to the policy of the Cashier's check in certain situations where we may have a high dollar amount project. He confirmed that was correct because that would allow a larger amount of local contractors to qualify to bid on projects.

8804 Mr. Moreau stated that because of the performance and payment bond as part of the contract for the overall project that will still limit the bidders to the large companies because they have the financial means to cover the bond. He said when the local contractors are considered is when that large company breaks the individual projects and obtain quotes from those local contractors and perhaps hire them as subcontractors. Trustee Funkey asked if language could be written in the contract that stated that local contractors be used as subcontractors. Mr. Moreau said that because the District is using a federal loan, the IEPA will not allow that language in the contract.

Manager Muth said that the District will have other small projects in the future where local contractors will be able to bid.

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

Meeting adjourned at 10:40 A.M.

The Regular Board Meeting reconvened at 11:05 A.M.

There were no further decisions made in Executive Session.

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 adjourned.

Meeting adjourned at 11:30 A.M.