

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF TRUSTEES
OF FOX METRO WATER RECLAMATION DISTRICT
HELD WEDNESDAY, OCTOBER 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, October 21, 2015. Present were, Trustee James K. Detzler, Trustee Judith S. Sotir, Trustee Michael C. Funkey & Trustee Christopher F. Childress. Also present were Attorney Dallas C. Ingemunson, Philippe Moreau, Manager Thomas F. Muth, John Frerich from Walter E. Deuchler, Controller Jimmie Delgado, Human Resources Coordinator Patrick Divine, Operations Supervisor Joel Ilseman, Maintenance Supervisor Chris Morphey, Field Services Manager Matt Woodin, and Norma Rodriguez.

8959

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 September, 2015 in the amount of \$1,612,872.26 be ratified and approved. Motion was seconded by Trustee Funkey, put to vote and unanimously carried that the bills be paid as presented.

8960

It was moved by Trustee Sotir seconded by Trustee Funkey, put to vote and unanimously carried that the Treasurer's Report for September, 2015 be approved as submitted.

8961

It was moved by Trustee Sotir, seconded by Trustee Funkey, put to vote and unanimously carried that the minutes of the September 23, 2015 Regular Board Meeting be approved as written, each of the Trustees having received and read copies of said minutes before the meeting.

8962

With no 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 9:35A.M.

In the Committee of Local Improvements Manager Muth advised the Board that the Fox River Study Group has been working for the last thirteen years to develop a Long Term Implementation Plan which has been summarized into a 134 page document that has to be submitted to the IEPA by the end of the year. The stretch of the Fox River under review is Southerly of the Chain of Lakes (Straton Dam) to the Dayton Dam, which is about 100 miles. The Fox River Implementation Plan (FRIP) identifies what needs to be accomplished over the next 15 years to improve the water quality for Dissolved Oxygen, Algae & offensive conditions. Phosphorous has been one of the early indicators targeted to help improve water quality and this will require 4-6 years to

complete construction projects at the wastewater treatment plants in the Fox River Watershed.

The FRIP is well written and goes into a lot of detail. The model predicts the river water quality with Phosphorous removed to 1mg 1L from wastewater treatment plants. The model also predicts water quality with waste water treatment plants discharging to 0.5 and 0.1 ppm respectfully. The FRSG also asked a scenario to be run where waste water treatment plants had zero discharge and the model results identified the river to be negatively impacted.

Manager Muth said water quality is reviewed when you have a seven day ten year low flow and that determines if the water quality meets the state standards. Unfortunately, when these samples are taken, the farms or streams are not discharging. The only ones discharging into the river are the waste water treatment plants therefore everything is predicated on what we do. He added that the river would not meet water quality standards if we were required to meet a Phosphorous discharge limit of 0.1 ppm which is very difficult and very expensive to do or even if waste treatment plants did not discharge anything into the river. Manager Muth said the model we are currently using needs to be updated which will also require additional data.

The Regular Board Meeting reconvened at 9:50 A.M.

In the Attorney's Report Manage Muth explained to the Board that the Intergovernmental Agreement Attorney Ingemunson will request approval for is for the City of Batavia to utilize VisuSewer who is our sewer contractor for cleaning and televising in order to update their sewer system and save them money.

Attorney Ingemunson requested approval of Intergovernmental Agreement between Fox Metro Water Reclamation District and the City of Batavia, Illinois, which read as follows:

WHEREAS, Article VII, Section 10 of the Illinois Constitution of 1970 provides that units of local government may contract or otherwise associate among themselves to obtain or share services and to exercise, combine, or transfer any power or function in any manner not prohibited by law or by ordinance and may use their credit, revenues, and other resources to pay costs related to intergovernmental activities; and

WHEREAS, the Illinois Intergovernmental Cooperation Act, 5 ILCS 220/1 et seq. further authorizes intergovernmental cooperation; and

WHEREAS, there is a mutual benefit of combining resources for the purpose of reducing costs to investigate and repair sanitary sewers of the CITY and District;

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING AND OTHER MUTUAL CONVENANTS HEREINAFTER CONTAINED, THE PARTIES

HERETO AGREE TO THE FOLLOWING:

- 1.1 The CITY and the DISTRICT agree to perform jointly the investigation and repair of the sanitary sewer systems. The DISTRICT shall act as the lead agency responsible for the completion of the various investigation and repair tasks as follows:
- 1.2 Investigate the sewer system by performing flow monitoring and smoke testing, reviewing sewer television tapes; inspecting manholes, entering buildings for sump pump surveys; mapping sewer pipes and structures utilizing GPS/GIS and other investigative tasks not listed herein.
- 1.3 Report the result of the investigation in writing by identifying the type and of defects, the amount of infiltration & inflow entering the sewer system, the recommended solutions to correct the defects, and an estimated cost to rehabilitate the system. Engineer's opinion of probable construction costs, prepared as part of the investigative report, shall be separated and totaled based on the ownership of the sewer system.
- 1.4 Share the cost of performing the investigation and reporting the results in parts 1.1 and 1.2 by using the actual footage of sewers owned and operated by each government entity and/or by utilizing the number of dwellings investigated in each government territory. For example, the cost of televising 10,000 linear feet of sewer in the CITY and 5,000 linear feet in the DISTRICT shall be divided 67% CITY and 33% DISTRICT and the cost of surveying 50 buildings in the CITY limits and 10 buildings outside CITY limits shall be divided 83% CITY and 17% DISTRICT.
- 1.5 The CITY may utilize the DISTRICT's Sewer Maintenance Contract, or other contracts that the DISTRICT may enter into, for cleaning, televising, and repairs to the CITY's sewer system. The CITY shall reimburse the DISTRICT in full for all costs associated with cleaning, televising and repairs performed on the CITY's sewer system.
- 2.0 The DISTRICT and the CITY may jointly design, bid and construct sewer and manhole rehabilitation projects for the purpose of reducing costs on larger bid quantities. The DISTRICT shall act as the lead agency responsible for the completion of the design, bidding and construction tasks.
- 3.0 All work conducted in accordance with Parts 1.0 and 2.0 shall require approval from the owner of the sanitary sewer system, CITY or DISTRICT respectively, prior to commencement.

- 4.0 This Agreement shall be valid for a period of 5 years and can be extended by mutual consent of the CITY and the DISTRICT.
- 5.0 The DISTRICT shall invoice the CITY on a monthly basis the CITY's costs and expenses associated with this Agreement.
- 6.0 This Agreement may be terminated by either the CITY or the DISTRICT for convenience. In the event of termination by either party, the DISTRICT shall be entitled to be reimbursed for those services performed to the date of termination.
- 7.0 Notices: Unless otherwise notified in writing, all notices, requests and demands shall be in writing and shall be personally delivered to or mailed by United State Certified Mail, postage prepaid and return receipt requested, as follows:

For the City of Batavia:

City of Batavia
100 N. Island Avenue
Batavia, IL 60510
Attn: Jeffery Schielke, Mayor

With a copy to:

Roman Seckel
Attorney for the City of Batavia
Drendel & Jansons Law Group
111 Flinn Street
Batavia, IL 60510

For Fox Metro Water Reclamation District:

Fox Metro Water Reclamation District
682 State Route 31
Oswego, IL 60543
Attn: James Detzler, President

With a copy to:

Dallas Ingemunson
Attorney for Fox Metro Water Reclamation istrict
759 John Street, Suite A
Yorkville, IL 60560

or such addresses that any party hereto may designate in writing to the others parties pursuant to provisions of this paragraph.

6.1 Miscellaneous:

- A. Failure of any party to this Agreement to insist upon the strict and prompt Performance of the terms, covenants, agreements and conditions herein Contained, or any of them, upon any other party imposed, shall not constitute or be construed as a waiver or relinquishment or any party's right thereafter to enforce any such term, covenants, agreement or condition, but the same shall continue in full force and effect.
- B. Where CITY approval or direction is required by this Agreement, such approval or direction means the approval or direction of the Corporate Authorities of the respective parties unless otherwise expressly provided or required by law, and any such approval may be required to be given only after and if all requirements for granting such approval have been met, unless such requirements are inconsistent with this Agreement
- C. Whenever appropriate in this Agreement, the singular shall include the plural, and the plural shall include the singular.
- D. The City Mayor and District President and City Clerk and District Secretary of the respective parties hereby warrant that they have been lawfully authorized by the governing boards of the respective parties to execute this Agreement. The parties shall, upon request, deliver to each other at the respective time copies of al resolutions, ordinances or other documents required to legally evidence the authority to so execute this Agreement on behalf of the respective parties.
- E. This Agreement sets forth all the promises, inducements, agreements, conditions or understanding between the parties hereto relative to the subject matter thereof, and there are no promises, agreements, conditions or understandings, either oral or written, express or implied, between them, other than are here in set forth. Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Agreement shall be binding upon the parties hereto unless authorized in accordance with law, reduced in writing and signed by them.
- F. This Agreement may be executed in two (2) or more counterparts, each of which, taken together, shall constitute one and the same instrument.
- G. In the event of any default under or violation of this Agreement, the party not in default or violation shall serve written notice upon the party in default or violation, which notice shall be in writing and shall specify the particular violation or default. The parties reserve the right to cure any violation of this Agreement or default hereunder within sixty (60)

days following written notice of such default unless such default is a monetary default in which event such monetary default must be cured within thirty (30) days. If such default is so cured within said applicable cure period, all terms and conditions of this Agreement shall remain in full force and effect. If the party I default cannot cure a non-monetary default or violation hereof within said sixty (60) day period, then the party shall grant a reasonable extension of the cure period, said extension not to exceed sixty (60) days, provided that the party in default or violation is diligently pursuing completion and/or cure and tenders proof of such diligence to the non-defaulting party upon request. The non-defaulting party may, at its sole discretion, grant such additional extensions beyond the aforementioned sixty (60) day extension period as may, in the sole discretion of the non-defaulting party, be reasonably necessary to cure said default.

- H. If any provision of this Agreement is held invalid by a court of jurisdiction, or in the event such a court shall determine the either party does not have the power to perform any such provision the entire Agreement shall be null and void.
- I. The CITY and DISTRICT agree that neither shall bring any suit or any other legal proceeding of any nature whatsoever to contest the validity of this Agreement or any portion thereof. In the event any third party challenges the validity of this Agreement, the CITY will defend any such lawsuit and the parties will share equally in cost thereof.

PASSED by the Board of Trustees of Fox Metro Water Reclamation District this 21st Day of October, 2015, by a voice vote of 4 to 0.

8963

Philippe Moreau addressed the Board with the Engineer's Report. Mr. Moreau requested approval of Partial Payment No. 2 to Kirwan Mechanical Service, Inc., in the amount of \$37,350.00 for Building E Boiler Installation 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 \$37,350.00 to Kirwan Mechanical Service, Inc., for work completed on Building E Boiler Installation Project.

8964

Mr. Moreau requested approval of Partial Payment No. 1 to Lite Construction, Inc., in the amount of \$49,140.00 for Building J Improvements 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 \$49,140.00 to Lite Construction, Inc., for work completed on Building J Building Improvements Project.

8965

Mr. Moreau requested approval of Partial Payment No. 2 to Walker Process Equipment, in the amount of \$126,770.00 for Clarifier H-3 Mechanical Equipment Procurement 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 \$126,770.00 to Walker

Process Equipment, for work completed on Clarifier H-3 Mechanical Equipment Procurement Project.

8966

Manager Muth addressed the Board with the Manager's Report and requested authorization to seek bids for P-3 Fume Exhaust Duct Replacement Projects to be opened at 10:00 A.M., November 18, 2015 at the Board of Trustees Meeting. It was moved by Trustee Sotir seconded by Trustee Funkey, put to vote and unanimously carried to seek bids for a P-3 Fume Exhaust Duct Replacement Project to be opened at 10:00 A.M., November 18, 2015 at the Board of Trustees Meeting.

Manager Muth said since the installation of the current exhaust duct and due to the large amounts samplings being performed, it has caused a problem in the stainless steel. What needs to be accomplished is to take the current fume exhaust system and replace it with an appropriate system that will be able to withstand the large amount of chemical fumes being processed due to the testing and analysis being performed. It is a health & safety issue.

8967

Manager Muth requested authorization to seek bids for Intermediate Storage Tank Grinders Projects to be opened at 10:00 A.M., November 18, 2015 at the Board of Trustees Meeting. It was moved by Trustee Sotir seconded by Trustee Funkey, put to vote and unanimously carried to seek bids for Intermediate Storage Tank Grinders Project to be opened at 10:00 A.M., November 18, 2015 at the Board of Trustees Meeting.

Manager Muth discussed with the Board the bidding requirements. He said many years ago the policy was to require a Certified or Cashier's check to insure that contractors that bid had the financial capability to complete the project. It is possible that at that time the Certified or Cashier's check was kept until such time the project was given notice to proceed and all the requirements were met. Over the years the timeline on that has been shortened and the Certified or Cashier's check has become obsolete because after the bid is accepted we allow a bid bond. John Frerich researched the bid bonds and determined that a bid bond has requirements that the contractor has to meet in order to be bonded. He said that the contractor goes through an interview and a financial review process by the bonding company on an annual basis and that determines what their bonding power is through that year. This associates with their performance and payments bonds once they get a job. The bid bond itself for a contractor does not cost them anything, once the bids are opened and an award is made, the low bidder and/or awarded contractor comes back with a payment or performance bonds at that time and that is accompanied by a cost. The cost is a sliding scale percentage on the overall cost of the jobs. Those costs are known by the bidder and are included in their bid. Trustee Funkey said there is no change in the procedure whether they come in with a Certified or Cashier's check or a bid bond. Trustee Childress asked if we could possibly get more bidders if we don't ask for a Cashier's check. Manager Muth said that is a possibility. Trustee Funkey said the initial intent for requiring a Cashier's check was to obtain a more financially sound bidder but when the bids are open, the checks are given back to all the bidders. For the contractor that won the bid

we give the cashier's check back but he has to give us a bid bond in return. Attorney Dallas Ingemunson said he doesn't think a Cashier's check is needed for submitting a bid. Trustee Funkey said we should just keep the check until the notice to proceed and the contract is signed or do away with the Certified check.

Manager Muth asked if the Board still wants to require a Certified or Cashier's Check and hold it until the contract books are signed and notice to proceed is given.

At 10:00 A.M., Manager Muth opened and read aloud bids received for Chlorination Improvements Project as follows: R J O'Neil – Total Bid \$323,779.00; Dahme Mechanical Industries Co., – Total Bid \$258,580.58. The Engineer's estimate for this project was \$275,000.00; It was moved by Trustee Sotir, seconded by Trustee Funkey, put to vote and unanimously carried that the low bid of Dahme Mechanical Industries Co., be accepted for \$258,580.58 and the bid of R J O'Neil for \$323,779.00 be held pending specification review by Fox Metro Water Reclamation District and Walter E. Deuchler Engineering Staff.

The Bid Bond versus Cashier's Check discussion continued and Trustee Childress said he would like to go with Attorney Ingemunson's recommendation that a Certified or Cashier's Check is not needed. Trustee Sotir said that the District can try and just take Bid Bonds for future projects to see if it makes a difference and if there is a problem down the road the policy can be changed back. Manager Muth said he likes the idea of evaluating this process in the event there are problems. The Board agreed to allow a bid bond for future project bidding requirements.

Trustee Childress wanted to discuss natural gas at the plant. The issue at hand is that through the history of Fox Metro we always locked into a rate for our natural gas for budget purposes. This was done in case the price of natural gas increased and our rate would not. He said our fixed rate contract expired in March of 2015. From that time we have been riding the index which is based on a spot market which is lower than the fixed rate.

The issue is whether we want to lock the gas rate for the winter to avoid any increase in price. Historical data proves financial savings and tells us to lock in to avoid budget blow outs. Trustee Childress said the prudent thing to do would be to lock in at 35.4 over the winter to avoid any blow outs in the budget. He said in January we will have to bid again for gas and electric. All board members were in agreement to lock in gas rate at 35.4.

Manager Muth requested an Executive Session be held to discuss personnel and any 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.

In New Business Maintenance supervisor Chris Morphey reported the Plant is running well and are currently collecting data from the pilot study which is going very well.

Anticipating to obtain a lot of valuable data to use to determine the amount of Ferric Chlorite that is needed to do Phosphorous removal at the North and South Plant.

Controller Jimmie Delgado reported that currently we are getting through the audit and is preparing to work on wage survey with the IAWA.

8969

With no New 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 for Executive Session

The Meeting temporarily adjourned at 10:20 A.M

The Regular Board Meeting reconvened at 10:50 A.M.

8970

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

Meeting adjourned at 10:51 A.M.
