

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF TRUSTEES
OF FOX METRO WATER RECLAMATION DISTRICT
HELD WEDNESDAY, DECEMBER 21, 2016**

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, December 21, 2016. 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, Philippe Moreau, Manager Thomas F. Muth, John Frerich from Walter E. Deuchler, Controller Jimmie Delgado, Human Resources Coordinator Patrick Divine, Operations Supervisor Joel Ilseman, Field Services Manager Matt Woodin, and Norma Rodriguez.

9222

The bills were presented and read. It was moved by Trustee Funkey, that the bills be allowed as read, and approve the checks that were drawn during the month of November, 2016 in the amount of \$3,333,235.22 be ratified and approved. Motion was seconded by Trustee Heriaud, put to vote and unanimously carried that the bills be paid as presented.

9223

It was moved by Trustee Sotir seconded by Trustee Funkey, put to vote and unanimously carried that the Treasurer's Report for November, 2016 be approved as submitted.

9224

It was moved by Trustee Funkey, seconded by Trustee Sotir, put to vote and unanimously carried that the minutes of the November 16, 2016 Regular Board Meeting be approved as written, each of the Trustees having received and read copies of said minutes before the meeting.

9225

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 gave a recap on the Air Main Replacement Project. He reminded the Board that all the piping used to be underground and in very deplorable condition. These pipes were then replaced and constructed above ground.

It has been approximately 2 years since the air main was replaced. The total plant energy use before and after the project has been evaluated. Manager Muth showed a graph of the monthly average power consumption in KW-hr per Million Gallons (MG) of treatment. One graph represented the monthly average power consumption per MG

in the period of time before the air main replacement, and another graph represented the average consumption after the air main replacement. Manager Muth showed another graph which illustrated the monthly electric bill. The graph showed the average savings is 611 kw-hr/mg treated. During October 2014 through September 2016, the District treated approximately 1.3 Billion Gallons of waste water per year. The average cost per kw-hr over this same period of time was \$0.0645. Therefore, the average annual savings over the last two years was \$517,840.00 per year.

Manager Muth said the project construction cost was \$2,635,156.00. The savings equates to a simple payback of 5.08 years. Prior to the project being awarded the Board asked for the business case substantiating the capital investment. On October 28, 2013 an email was sent out to the Board stating that the projected savings were estimated to be \$191,730.00 per year, with a 20 year present worth of savings projected to be \$3,060,000.

After approximately 2 years of operation, it appears that the District is on track to achieve significantly more savings.

Manager Muth continued with the Committee of Local Improvements and advised the Board that there is progress being made in the South Plant. One of the challenges being faced is the bar screen grit Building B3. Currently working to get the issues resolved and will be back on track.

Manager Muth reported that the River Crossing Project is approximately 90% complete and it is going very well.

Manager Muth advised the Board that the chairs in the Board room are very old and need to be replaced. He showed the Board two styles of chairs and asked for their input. Trustee Funkey asked who the supplier was. Manager Muth said the District purchases through the State and is able to get office equipment in bulk at a very good price. The Board members conceptually agreed on a style and color of chair.

The next topic in the Committee of Local Improvements, Manager Muth discussed the Industrial Pretreatment Ordinance and advised the Board that the District is required to go through the USEPA for pretreatment regulations. Manager Muth introduced Jaime Thompson who has been with the District for two years and over the last year has been placed into the Pretreatment Department and is doing a fantastic job.

Manager Muth said we have not revised our Pretreatment Ordinance since 2005 and Federal regulations have changed and we have to change our requirements. He said this was looked at as a negotiation process. The USEPA contacted the District in June of 2016.

Manager Muth said it had to be proven to the Federal Government that we were in existence and we were a Sanitary District even though since 1986 Fox Metro has

been required by the State of Illinois and the USEPA to have an Industrial Pretreatment Program. Our Attorney did an excellent job with the Federal Government because they wrote back and accepted that we have the legal authority to be a Sanitary District.

Manager Muth advised the Board that Fox Metro will update and revise the Enforcement Response Plan in the beginning of 2017 and it needs to be submitted to the USEPA in February.

Manager Muth said in revising the Pretreatment Ordinance several calls and emails were exchanged with the USEPA as everyone worked through the Ordinance changes. The USEPA is looking at BOD's and suspended solids and they want to put a limit on what industries can discharge to us due to Fox Metro's current status for these parameters. Manager Muth said that the fact is the plant processes an average of 37 million gallons per day each year and our rated daily average is 42 million gallons. That means we are at 85% capacity. When the State looks at waste water agencies and if they are above 80% loading threshold, they want that agency to be on critical review of restricted status. Manager Muth said Fox Metro is not considered on critical review because the plant is operated efficiently. The plant has not had any recent excursions or overflows so the USEPA may look at this a different way.

The USEPA has given Fox Metro verbal approval on the revised ordinance. Some of the major changes are that they want various updates to reflect USEPA imposed Pretreatment Streamlining Rule. This gives flexibility to Fox Metro to tailor the permits to balance the industrial user's requirements and still protect environment.

The USEPA also wants to limit the BOD to be 5,500 mg/l. It affected an industry: VM. Some other industries may occasionally exceed that limit. They also want to limit suspended solids to 500 mg/l. It is unlikely that it will affect any industry.

The next steps that need to be taken is that the USEPA will provide guidance to do public notice process. In March or April Manager Muth will seek Board approval after public notice ends. After Board approval, USEPA will give written approval to the ordinance.

Trustee Childress asked if the downside to this was if the USEPA comes back with harsher restrictions there could be a change at the Plant or would a fine be imposed to the abusers. Manager Muth said that one of the changes is that there will be a phosphorus limit in approximately 4 years and will project that limit on to the industries if necessary. This is an item that has been added to the Pretreatment Ordinance.

Jaime Thompson has been communicating with the industries via mail to advise them of the regulations that are being imposed. They are getting three years of advanced notice of the regulations so that they can begin making changes that they

need to prepare for this. Matt Woodin said the Pretreatment Department has performed simulations on the industries that are going to be in violation or in jeopardy of being in violation so these industries can account for any surcharges. There is one industry that will be impacted by this and they are bringing in their own specialist to begin working with our Pretreatment Department to get their process in line with Fox Metro. Trustee Funkey wanted to clarify that these will be the USEPA requirements not Fox Metro's Requirements. Mr. Woodin said that correspondence has been sent to the industries informing them and they are aware of this. Trustee Funkey said this should also be published in our website and make it clear that these are required government mandates.

Trustee Childress said it was smart to be ahead of it. Trustee Funkey said we always try to anticipate more stringent requirements and it sounds like we identify customers who would be affected by these requirements. If it is a Federal regulation we have to assume that every industry everywhere has to meet the same standard unless there was a District that would not require the pretreatment at that level which would reduce the customer's cost and then the District would treat it because the District has to meet the standard.

9226

At 10:00 A.M. Manager Muth opened and read aloud bids received for Chlorination Improvements Project as follows: Manusos General Contracting – Total Bid \$494,000.00; Whitaker Construction – Total Bid \$448,750.00; Independent Mechanical Industries – Total Bid \$485,500.00; Dahme Mechanical Industries – Total Bid \$442,499.99; The Engineer's estimate for this project was \$465,000.00. It was moved by Trustee Sotir, seconded by Trustee Funkey, put to vote and unanimously carried that the low bid of Dahme Mechanical Industries, be accepted for \$442,499.99 and the bid of Whitaker Construction for \$448,750.00 be held pending specification review by Fox Metro Water Reclamation District and Walter E. Deuchler Engineering Staff.

9227

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 10:06 A.M.

In the Attorney's Report Attorney Ingemunson asked the Board for their approval of Resolution No. 943, First Amendment to the Intergovernmental Agreement with United City of Yorkville, authorizing the District to pay a meter reading fee of fifty cents (\$.50).

9228

It was moved by Trustee Sotir, seconded by Trustee Funkey, put to vote and unanimously carried that Resolution No. 943 First Amendment to Intergovernmental Agreement with United City of Yorkville be approved as written.

PASSED by the Board of Trustees of Fox Metro Water Reclamation District this 21st day of December, 2016 by a voice vote of 5 to 0.

9229

Mr. Philippe Moreau addressed the Board with the Engineer's Report. Mr. Moreau requested approval of Partial Payment No. 12 to River City Construction, Inc., in the amount of \$1,993,602.24 for South Waste Water Treatment Facility 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 \$1,993,602.24 to River City Construction, Inc., for work completed on South Waste Water Treatment Facility Project.

9230

Mr. Moreau requested approval of Partial Payment No. 9 to Steve Spiess Construction, Inc., in the amount of \$465,064.20 for Waubonsie Interceptor River Crossing 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 \$465,064.20 to Steve Spiess Construction, Inc., for work completed on the Waubonsie Interceptor River Crossing Project.

9231

Mr. Moreau requested approval of Final Payment No. 10 to Manusos General Contracting, Inc., in the amount of \$58,054.48 for Storage Tank M-4 Cover Replacement Cover 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 \$58,054.48 to Manusos General Contracting, Inc., for work completed on Storage Tank M-4 Cover Replacement Project.

9232

Mr. Moreau requested approval of Partial Payment No. 4 to Lite Construction, Inc., in the amount of \$32,224.50 for Building P-1 Remodel Phase 4 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 \$32,224.50 to Lite Construction, Inc., for work completed on Building P-1 Remodel Phase 4 Project

9233

Mr. Moreau requested approval of Partial Payment No. 3 to River City Construction, Inc., in the amount of \$45,262.80 for Clarifiers D5 and H4 – Mechanism 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 \$45,262.80 to River City Construction, Inc., for work completed on Clarifiers D5 and H4 – Mechanism Installation Project.

9234

In the Manager's Report, Manager Muth presented the Board with the 2017 Board Meeting dates for approval. At which time it was moved by Trustee Sotir seconded by Trustee Funkey, put to vote and unanimously carried that the Board Meeting dates for the year 2017 be approved as submitted

The next item in the Manager's Report, Manager Muth discussed the District's proposed goals for 2017. They were as follows;

PLANT GOALS

1. Meet or Exceed all NPDES Permit Requirements
2. Pilot Cold Weather Nitrification in BPR in Plant No. 4
3. Pilot Tertiary Filter No. 2 for Phosphorus removal
4. Implement Chlorination Project renovation
5. Finalize Phase I and commence Phase II of O&M construction Project
6. Injury free work force
7. Complete Building "K" Air Quality Project
8. Improve SCADA capabilities

ADMINISTRATIVE GOALS

1. Perform studies related to BNR & BPR for South Plant and North Plant renovations
2. Expand electronic reporting/move toward paper free
3. Review collection accounts and achieve a 50% resolution rate
4. Install Maintenance Connect Software
5. Optimize odor control at strategic pumping stations
6. Finalize the update of the Pretreatment Ordinance
7. Develop a Public Relations Task Force

STRATEGIC GOALS

1. Complete a rate study and present to Board in March
2. Oversee the South Plant Construction
3. Continue Collaboration to improve the environment
4. Develop a Succession Plan

Trustee Childress suggested having a metric on these goals to see if they are successful. He also suggested in the Administrative Goals under collections, to base the collection of 50% resolution rate on the total amount of bad debt not on individual accounts.

Manager Muth requested an Executive Session be held to discuss personnel, Review the past six months Executive Session Minutes, 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.

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 10:36 A.M

The Regular Board Meeting reconvened at 11:25 A.M.

9235

It was moved by Trustee Sotir, seconded by Trustee Funkey, put to vote and unanimously carried that the Executive Meeting Minutes of June 17, 2016 to November 18, 2016 be approved as recommended by Manager Muth.

9236

It was moved by Trustee Funkey, seconded by Trustee Sotir, put to vote and unanimously carried to approve the recommendations of the committee with regard to Manager Muth's pay increase as proposed in Executive session and his eligibility for the efficiency incentive bonus.

9234

It was moved by Trustee Funkey, seconded by Trustee Sotir, put to vote and unanimously carried to approve the annual wage increases for all union and non-union employees.

There were no further decisions made in Executive Session.

9238

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.

Meeting adjourned at 11:30 A.M.