

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF TRUSTEES
OF FOX METRO WATER RECLAMATION DISTRICT
HELD WEDNESDAY, APRIL 20, 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, April 20, 2016. Vice President Judith S. Sotir presided and with her were, Trustee Michael C. Funkey, Trustee Albert E. Heriaud & Trustee Christopher F. Childress. Also present were Attorney Boyd Ingemunson, 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 Administrative Assistant Norma Rodriguez.

9053

The bills were presented and read. It was moved by Trustee Funkey, that the bills be allowed as read, and that checks be drawn in payment account during the month of March, 2016 in the amount of \$2,572,048.41 be ratified and approved. Motion was seconded by Trustee Heriaud, put to vote and unanimously carried that the bills be paid as presented.

9054

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

9055

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


9056

With no Public Comments, It was moved by Trustee Sotir, seconded by Trustee Heriaud, 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 Committee of Local Improvements Manager Muth explained to the Board that the District has a few buildings at the plant that are deteriorated and are in need of remodeling and repair. There is one building that was constructed in 1929 one in 1955, in 1967 and another in 1978. The initial plan was to remodel these buildings. Manager Muth introduced Mike Brown of Cordogan, Clark & Associates who has been working with staff on a plan to renovate the buildings.

Mr. Brown gave the Board a presentation which outlined the plans for the renovations of the buildings at the plant. He said he has been working with Fox




Metro over the last few years on various remodeling projects. Mr. Brown advised the Board that he began to meet with staff regarding the Operations and Maintenance Building a few months ago. He explained that this building has a lot of pieces to it because it has had additions over the years for several different uses. In 1928 the original building was constructed and it has had some remodeling. The last remodel occurred in 1978. Currently the upper floor of the O&M Building is used as office space. Mr. Brown said there have been many meetings to discuss the remodeling of that building and bring it up to more modern standards and create more office space in that building. When Mr. Brown met with staff to begin to look at the needs of all the departments and began to assign square footage they were looking at approximately 6,000 sq. ft. which is the area that is on the first floor of the 1928 Building & 1968 addition and included filling in the tool crib. To accomplish such an extensive remodel of this building there were going to be five or six different phases of construction in order to accommodate the different departments during construction.

When they analyzed the cost scenarios for the remodeling and reviewed the infrastructure, HVAC, and electrical it was discovered that remodeling that building would cost approximately \$7M for the renovation of approximately 35,000 sq. ft. Staff began to look at this in association with the current re-roofing project currently under construction. During the course of the re-roofing project they discovered a situation where they looked at the existing steel and a lot of it was rusting. In investigating how to reinforce the steel and after some design work the estimate came to approximately \$15,000.00. During the investigation it was discovered that the shop area is constructed very similar which means the cost would be approximately \$75,000.00 to reinforce the shop area.

Mr. John Frerich reported to the Board that the District has Lite Construction under contract for \$104,000.00 for re-roofing of Building O. Last month there was an accident where an employee of Lite Construction fell through the roof while working over the electrical shop and thankfully the employee did not suffer any severe injuries. The same roof structure that covers the electrical shop covers all of the O&M area and the issue now becomes how to repair the structure and keeping everything functional and operational. In addition, the steel that was in the building was tied into the old digesters to the West and that is where a lot of the corrosion was on the steel. This was not visible until the roof was pulled off. Mr. Frerich said if the plan continued to proceed with the roof another \$15,000.00 had to be added to the budget for support to that steel in order to re-roof the building.

Mr. Frerich said the plan for the entire campus had to be reviewed again and decide if the re-use of these buildings are the proper way to go. He said they looked at getting a credit from the contractor if they decided not to get a new roof and just charge for the work that has been completed to date and demolishing the rest of the 1955 building for \$5,100.00.



Mr. Brown said they began to look at new construction as alternative. He said they know they will never be able to remodel the shop area and bring it up to date. This could be something that can be demolished and be rebuilt at another location. Now we have new construction and we don't have to reinforce failing steel at higher cost. This would also give the opportunity to build new offices and create a new entrance. By demolishing the old building it would also create a new centralized parking area that can be utilized not only by visitors but also employees. What would remain would be the existing five digesters.

Mr. Brown gave an overview of the plans and drawings of the proposed new two story building that would meet the needs of all departments. It would be modern, handicap accessible and all modern codes would be enforced. There is a larger parking lot where guests and employees can park. The back of the building would have a gated entrance to control access to the facility. Conservation of history is important and parts of the original building would be salvaged and utilized throughout the campus. This is very preliminary and the issues that are being weighed are if it makes more sense to remodel a very dated and antiquated building or look at constructing a new 45,000 sq. ft. building and how it compares from a cost standpoint.

Trustee Childress inquired if this new facility equipped with office space would eliminate the need for new office space at the Field Operations Office. Manager Muth said the 20 year plan for Field Department would have to be reviewed.

9057


At this time it was moved by Trustee Funkey, seconded by Trustee Heriaud and unanimously carried to temporarily adjourn the meeting from Local Improvements for Bid Opening.

9058

At 10:00 A.M. Manager Muth opened and read aloud bids received for Exposition View Sanitary Sewer Repair – Phase 2 as follows: Len Cox & Sons Excavating – Total Bid \$157,080.00; Performance Construction. – Total Bid \$88,800.00; Conley Excavating – Total Bid \$96,515.00. The Engineer's estimate for this project was \$72,000.00. It was moved by Trustee Funkey, seconded by Trustee Heriaud, put to vote and unanimously carried that the low bid of Performance Construction, be accepted for \$88,800.00 and the bid of Conley Excavating, for \$96,515.00 be held pending specification review by Fox Metro Water Reclamation District and Walter E. Deuchler Engineering Staff.

9059

At 10:00 A.M. Manager Muth opened and read aloud bids received for Clarifier H4 Mechanism Procurement as follows: Walker Processing – Total Bid \$190,650.00; The Engineer's estimate for this project was \$200,000.000. It was moved by Trustee Funkey, seconded by Trustee Heriaud, put to vote and unanimously carried that the low bid of Walker Process, be accepted for \$190,650.00 pending specification review by Fox Metro Water Reclamation District and Walter E. Deuchler Engineering Staff.



It was moved by Trustee Funkey, seconded by Trustee Heriaud and unanimously carried to resume Committee of Local Improvements.

Mr. Brown continued with his presentation reviewing the construction plans for the O&M Building describing the materials that would be utilized and what each phase of the building would entail.


Trustee Sotir asked Manager Muth how this plan fits into the District's long term planning and will this give us the additional space that is needed. Manager Muth said the new construction would provide approximately 1/3 more workable space for an estimated \$1M less cost with significantly less disruption. Trustee Sotir asked if there are any other buildings on campus that are in the same condition. Manager Muth said they are looking at other buildings and most are in good condition. He said in next year's fiscal budget there will be a large sum of money being spent on electrical equipment because it needs to be upgraded. Mr. John Frerich said new construction was being reviewed and they incorporated everything that was in different buildings to be in the new building.

Trustee Childress asked how this new construction would be funded. Manager Muth said with cash flow over two fiscal years. Trustee Childress asked where the employees would go in the meantime. Mr. Frerich said they can stay where they are at because with the new construction they don't need to move and the new construction would not affect any of their buildings because the new building would be constructed next to the old one.

Mr. Frerich said what they are asking today is to postpone the current contract to repair the roof and get credit for the amount that has not been used and demolish the building. Trustee Childress asked if we needed to go out to bid on this. Mr. Frerich said no because we already have the current contract it would just have to be modified and change orders.

It was moved by Trustee Funkey, seconded by Trustee Heriaud and unanimously carried that take the credit and discontinue the installation of new roof, demolish the 1955 building and buildings over the two digesters and prepare for the proposed new construction.

Trustee Childress asked if we had any buildings that had any historical significance. Manager Muth said we do not but we will use an architect to help us preserve any significant history of the building and incorporate it with what is constructed. He said the Board will be involved with developments throughout the course of planning and construction. Trustee Sotir asked if there were any historical artifacts that could be incorporated into the new building. Mr. Brown said they are looking on saving the historical parts of the existing building and repurpose them on the new one. Trustee Funkey suggested the steel that will not be repurposed can be sold. Mr. Brown said that is something they planned on doing and the numbers will reflect that. Trustee Sotir said the District has a lot of



history and to utilize and retain some of that history is very important. Trustee Childress asked if there would be a construction management process. Manager Muth said that was a possibility and it can be discussed at a later date.

9061

With no other matters to come before the Committee of Local Improvements, it was moved by Trustee Funkey, seconded by Trustee Heriaud, put to vote and unanimously carried that the Regular Board Meeting reconvene.

The Regular Board Meeting reconvened at 10:32 A.M.

Attorney Ingemunson advised the Board there was no Attorney Report this month.

9062

John Frerich addressed the Board with the Engineer's Report. Mr. Frerich requested approval of Partial Payment No. 4 to Visu-Sewer, in the amount of \$69,944.20 for Farnsworth Interceptor CIPP Lining Project. It was moved by Trustee Funkey seconded by Trustee Heriaud, put to vote and unanimously carried that payment be made in the amount of \$69,944.20 to Visu-Sewer, for work completed on Farnsworth Interceptor CIPP Lining Project.

9063

Mr. Frerich requested approval of Partial Payment No.2 to Manusos General Contracting., in the amount of \$44,595.00 for M4 Cover Replacement Project. It was moved by Trustee Funkey seconded by Trustee Heriaud, put to vote and unanimously carried that payment be made in the amount of \$44,595.00 to Manusos General Contracting, for work completed on M4 Cover Replacement Project.

9064

Mr. Frerich requested approval of Partial Payment No. 7 to Lite Construction, in the amount of \$98,449.65 for Building J Electrical Improvement Project. It was moved by Trustee Funkey seconded by Trustee Heriaud, put to vote and unanimously carried that payment be made in the amount of \$98,449.65 to Lite Construction, for work completed on Building J Electrical Improvement Project.

9065

Mr. Frerich requested approval of Partial Payment No. 6 to Lite Construction, in the amount of \$51,125.85 for Building P-1 Remodel Phase 3 Project. It was moved by Trustee Funkey seconded by Trustee Heriaud, put to vote and unanimously carried that payment be made in the amount of \$51,125.85 to Lite Construction, for work completed on Building P-1 Remodel Phase 3 Project.

9066

Mr. Frerich requested approval of Partial Payment No. 1 to Lite Construction, in the amount of \$66,330.00 for Building O Roof Replacement Project. It was moved by Trustee Funkey seconded by Trustee Heriaud, put to vote and unanimously carried that payment be made in the amount of \$66,330.00 to Lite Construction, for work completed on Building O Roof Replacement Project.

9067

Mr. Frerich requested approval for Partial Payment No. 4 to River City Construction, LLC in the amount of \$348,287.40 for the South Waste Water Treatment Plant Improvements Project. It was moved by Trustee Funkey seconded

by Trustee Heriaud, put to vote and unanimously carried that payment be made in the amount of \$348,287.40 to River City Construction, LLC, for work completed on the South Waste Water Treatment Plant Project.

Mr. Frerich requested approval of Partial Payment No. 3 to Aqua Aerobics Systems, Inc., in the amount of \$446,535.84 for Tertiary Filter No. 2 Replacement – Equipment Procurement Project. It was moved by Trustee Funkey seconded by Trustee Heriaud, put to vote and unanimously carried that payment be made in the amount of \$446,535.84 to Aqua Aerobic Systems, Inc., for work completed on Tertiary Filter No. 2 Replacement – Equipment Procurement Project.


In the Manager's Report Manager Muth showed the Board the images from the time lapse camera that is installed at the construction site. He explained that the camera will be mounted in an area where it can capture images of all the construction site and the images can be viewed on our website.

Manager Muth reported that he received information from the Illinois Department of Labor regarding the incident that occurred in January where one of our employees received an electrical shock and OSHA has determined that no citations will be issued in this matter. Chris Morphey, Dan Rivera and Mike Petersen did a great job at taking steps in developing procedures to avoid this from happening again. This was an unfortunate accident but staff reacted extremely well and this letter from OSHA proves that.

Manager Muth thanked everyone who was involved with the Kiwanis One Day River Clean Up. Mr. Pat Divine and staff did an outstanding job along with the help of Deuchler's staff. It was a very cold and blistery day but the event went very well.

Manager Muth continued with the Manager's Report, he said he gives credit to Controller Jimmie Delgado with the help of the Supervisors to provide a tentative budget. It has taken a lot of work to put this budget together.

Mr. Delgado gave the Board an overview of the Fiscal Year 2016/2017 budget. He said management is projecting an operating surplus of approximately \$3,122,550. Excess revenues will be used first to offset costs for the South Plant construction and other project and then for debt-service purposes. Total billing revenues are expected to be higher by 4%. This is typical of the normal rate increase (5%) levied annually and takes into account expected decreases in surcharge revenue. Other revenues are expected to be significantly higher mainly due to the anticipated increase of \$32,000,000 in revolving loan funds received for the South Plant. Operating expenses are expected to be approximately \$40M.



Manager Muth reported in plant operations the extensions of the Electrical and Natural Gas prices for an additional 3 years, the department is projected to have a budget decrease of \$34,000.00. Overall chemical costs are slightly reduced.

For plant maintenance Manager Muth reported that numerous capital projects are proposed. Collector mechanisms for H-4 & D-5 are to be removed and replaced. All 5 plant water pumps are scheduled to be replaced. An odor control unit in Building K is proposed to improve the air quality. The completion of M-4 cover replacement will be this fiscal year. Potable water improvements along with electrical and chemical feed systems are being coordinated as part of phosphorous removal requirements. Also proposed is a move to a new Maintenance Software provider. The current provider no longer provides backup. Plant remodeling has a 2 fiscal year construction timeline with the majority of the cost in fiscal year 2017/2018.

Manager Muth reported this is Automation and Electrical's first budget as a result of restructuring at the plant. The focus is to purchase some items which are critical to process control and plant operations. Building G is scheduled for major electrical overhaul and the addition of energy efficient turbo blowers. The District has submitted a grant application to the State of Illinois for 80% recovery of monies for the Turbo Blowers. The grant could net 2 million dollars if the State approves a budget. Building G has an approximate 2 year build out and is in dire need of electrical overhaul. This fiscal year has \$4M budgeted for this project.

Manager Muth reported that Sewer Maintenance is proposing an aggressive list of capital expenditures to upgrade sewer reliability. Approximately \$2M is for CIPP lining of the Original Interceptor, Grant Street in North Aurora and River Road in Montgomery. Construction Repairs are proposed for the Brentwood Sanitary Sewer and Exposition View.

Engineering expenses are expected to be higher by \$569,000.00 due to the South Plant Project. The Lab's overall budget decreased approximately \$36,000.00 due to a reduction in capital expenditures.

For Administration Manager Muth reported the last phase of Building P renovations are anticipated to cost \$275,000.00. The project entails a roof replacement and making the building handicap accessible.

As part of the South Plant variance process, the District must construct offsite compensatory storage. The proposed project is estimated to cost \$750,000.00.

Management has also proposed a \$1,000,000.00 payment to IMRF to increase funding status from 70% to 75%, this will decrease the employer contribution percentage in future years.

Manager Muth is seeking tentative approval of the Fiscal Year 2016/2017 budget to hold a Public Hearing on May 25, 2016 at 10:00 A.M. at the Board of Trustees Meeting to discuss the Budget and Appropriations Ordinance.

It was moved by Trustee Funkey, seconded by Trustee Heriaud, put to vote and unanimously carried that the Tentative Budget be approved only for the purpose of review by the Board and hold a Public Hearing on May 25, 2016 at 10:00 A.M. at the Board of Trustees Meeting.

Manager Muth requested an Executive Session be held to discuss personnel and any related matters. It was moved by Trustee Funkey, seconded by Trustee Sotir, 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 Operations Supervisor Joel Ilseman reported the Plant is running well.

Controller Jimmie Delgado reported a citizen comment was received asking to have 35 days to pay their bill opposed to the 21 days Fox Metro currently gives customers. Management is trying to figure out a compromise but the issue becomes the shut off schedules because they are currently in line with our two largest customers which are Aurora and Oswego who also allow 21 days for their statements to be paid. Fox Metro allows a 3 day grace period before a late fee gets assessed. This customer has mentioned that he would like to discuss this issue with the Board of Trustees. Management has drafted a letter to send the customer and now discussion is needed on how this is going to be handled.

Trustee Funkey asked how many customer have requested this change. Mr. Delgado said only one customer and he pays his statement on time. He said he is the spokesperson for his neighbors who are senior citizens and their social security checks only come once a month and we only allow 21 days so it makes their budgeting tricky.

Trustee Childress said the Board will definitely take it into consideration but the cash flow impact needs to be reviewed. Also 21 days is in line with all other utilities and it is also in line with other municipalities that Fox Metro works with.

Still working on completing the Ordinance Compilation, however, the Grease Ordinance needs to be completed so when the Board re-adopts the codification it is largely complete. Attorney Ingemunson said there was concern that the draft of the new codification had the old Ordinance.

Mr. Delgado reported that Fox Metro has some large outstanding accounts from the State of Illinois. IMSA owes the District \$71,000.00 and Fox Valley Work Release owes \$12,000.00.



9071

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

The Meeting temporarily adjourned at 11:07 A.M

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

9072

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

Meeting adjourned at 11:30 A.M.