




**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF TRUSTEES  
OF FOX METRO WATER RECLAMATION DISTRICT  
HELD WEDNESDAY, SEPTEMBER 13, 2023**

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 September 13, 2023. Present were Trustee Judith S. Sotir, Trustee Michael Funkey, Trustee Dave Krahn, Trustee Randall H. Brown and Trustee Chuck Nelson. Also present were Attorney Gregg Ingemunson, District Manager Karen Clementi, Regulatory Manager Tim Rubis, Controller Linnea Scherer, Human Resources Coordinator Dan Rivera, Plant Manager Joel Ilseman, Operations Supervisor Dale Wagner, Senior Project Engineer James Kerrigan, IT Supervisor Dan Vargas, and Senior Administrative Assistant, Norma Rodriguez.

11208 The bills were presented and read. It was moved by Trustee Funkey that the bills that have been presented and paid during the month of August 2023 be approved in the amount of \$2,506,413.94. Motion was seconded by Trustee Krahn, put to vote and unanimously carried that the bills be paid as presented.

11209 It was moved by Trustee Funkey seconded by Trustee Krahn, put to vote and unanimously carried that the Financial Report for August, 2023 be approved as submitted.

Controller Linnea Scherer addressed the Board with the Controller's Report. She reported that the August interest income is negative, however, this is nothing to be concerned about. This also happened when the District first opened its account and transferred the first \$15M. She explained that the interest income goes negative because the District has to buy bonds on the secondary market which already have accrued interest earned. The District is only paying for the amount of interest that was already earned. The District will receive the full value of the bonds plus additional interest earned when it matures.




Ms. Scherer reported that the earned income from the investment page in the Financial Report does not match the 'Interest Income' on page 2. This is because the investment is adjusted to 'fair value' at year end in preparation for the audit. During the year the investments are presented at 'book value' for simplicity in adjusting and reporting.

Ms. Scherer also reported that with the added \$10M in, the weighted average yield jumped from 3.64% to 4.38%.

Lastly, on page 5 of the Financial Report the Engineering has negative 'Consulting/Professional fees' for this month. This occurred because the District received reimbursements from developers for Visu-Sewer invoices paid in prior months.

Trustee Nelson asked for an explanation of the infrastructure participation fee. Mr. Rubis said this fee is different than the annexation fee. The infrastructure is development related and the fee varies depending on where the development occurs whether it is a rural versus urban area. Manager Clementi said that in the District's website there is summary of what annexation fees pay for and what infrastructure participation fees pay for. It is basically the developer's proportionate share of what it takes to convey and treat the wastewater here and also to install the initial infrastructure into an area.

She said development is booming right now so the District is receiving money but it is spending it right back to put in the infrastructure needed. Trustee Nelson inquired if the District's annexation fees and infrastructure participation fees were in line with what the surrounding districts are charging. Manager Clementi said the District's fees are lower. Trustee Krahn inquired the date the last time the District fees were evaluated. Manager Clementi said she and staff spent a whole year going through basin by basin and increased the fees approximately 18 months ago because there had not been an increase in over 10 years. This was a big undertaking in order to get the District's fees in line where they should be and added construction cost escalator to them. Trustee Krahn asked if this was an annual escalation. Manager Clementi said it was not but that is what staff would like to do going forward to keep up with inflation and to not fall behind another 10 years. Staff will probably come to the Board



every year with a certain percentage increase just like it is currently doing with the billing rates. She said with the construction costs largely increasing right now it will be best to keep up with inflation and she will come to the Board probably late fall or early next spring with a recommendation.

Trustee Funkey said there are a number of different percentages that the District depends on such as cost of inflation and construction. He inquired if there was a way the two different drivers can be accumulated and come up with a figure and then just increase those rates by that figure every year. Manager Clementi said that is exactly what staff is going to come and propose to the Board because that is how staff has adjusted the rates in the past. They take the average between construction cost index and the inflation, average them both together for the area, come up with a number each year and then adjust the rates accordingly.


Manager Clementi said staff has used the CPI Urban for this area before, which includes Naperville, Aurora and other surrounding towns. This is listed by the Bureau of Labor Statistics and is also how staff adjusts the Visu-Sewer contract and mowing contract every year with a percentage cap.

11210

It was moved by Trustee Funkey seconded by Trustee Krahn, put to vote, and the Motion was unanimously carried that the minutes of the August 16, 2023 Regular Board Meeting be approved as written. Each of the Trustees having received and read copies of said minutes before the meeting.

In Public Comments, Trustee Sotir on behalf of the Board congratulated all of the employees who celebrated birthdays in the month of September.

Operations Supervisor Dale Wagner introduced Drew Klotz from Operations as the Fox Pride Award recipient for August 2023. Drew has been in the Operations Department since June 2004. He was nominated for the Fox Pride award because on 2 separate events, he helped avoid a major problem at the Plant. On the first event, Drew notice a vault filling with water. This vault has been under construction for over a year, but it does still have critical instruments



and valves inside. Noticing the vault filling up with water saved the District thousands of dollars in replacement equipment costs. A second event was at Building M1-A. The grit tanks valves had sprung a leak and was filling the basement with water. Drew notified the Foreman immediately, and they were able to drain the tank and pump out the basement without causing any damage to any equipment. On these two occasions, Drew helped save the District replacement costs of equipment and several manhours to replace. For these reasons Drew was chosen to be the Fox Pride Award recipient for August 2023.

Mr. Drew Klotz is also the Union Representative at today's Board Meeting.

11211


With no other Public Comments, it was moved by Trustee Funkey, seconded by Trustee Krahn, put to vote and the Motion was unanimously carried that the Regular Board Meeting be temporarily adjourned for the Committee of Local Improvements.

The Regular Board Meeting temporarily adjourned at 9:45 A.M.

In the Committee of Local Improvements, Mr. Tim Rubis addressed the Board with a Regulatory and NPDES Permit Application update. He stated that this work had been outsourced in the past and is one of the many recent examples of Fox Metro in-house staff stepping up to take on new challenges and responsibilities. Manager Clementi gave kudos to the staff for working diligently over the past year to put together Fox Metro's 5-year NPDES renewal documents. They have saved thousands of dollars in consultants fees in preparing these documents in-house.

Mr. Rubis said this is the first time that staff has prepared the NPDES permit in house. He said it was a fun project and staff worked as a team. Manager Clementi said this permit application is prepared every five years and it is a massive undertaking.

Mr. Rubis began his presentation giving an overview of the regulations. The District currently has a list of EPA issued permits. The Fox Metro permits are the Biosolids permit, Air permit and



Stormwater permit. He said today he will focus on the NPDES Permit which is the District's main discharge permit.

Mr. Rubis stated that staff will continue to work with the City of Aurora on de-combining the sewers throughout the city and ensure that everyone is on the same page with regards to tackling this obstacle. This means de-combining sewers versus building more CSO facilities that Fox Metro would have to maintain.

This seems to be more of a long-term approach as opposed to reacting to the ongoing problems of having combined sewers.

The funding for these projects has been and is provided by both agencies. Fox Metro continues to participate in the Annual Public Notification Presentation along with the City of Aurora every year. Mr. Rubis said that continued participation with this group will still be mandated in the new Permit.

Fox Metro being part of the Fox River Study Group for over 20 years has benefits such as allowing extra time to meet the stringent Phosphorus limits and being a part of this nutrient production plan. This entails working with other wastewater agencies, environmental groups, cities and counties. Mr. Rubis displayed a slide showing one of Fox Metro's current interns sampling at the Indian Creek site. He also displayed a sampling map that shows the length of the sampling that takes place along the Fox River. Elgin is the half way point where staff split samples every month. Sampling runs from the Wisconsin border all the way down to Blackberry Creek in Yorkville.

The next item discussed in the presentation was PFAS. Quarterly testing should be expected in the next permit, which Fox Metro is already doing. As discussed before, sampling frequencies could decrease based on the results and Fox Metro's results have looked good so far.

Mr. Rubis said all of the industries have been screened and staff will be able to provide a summary to the Board soon. He displayed a picture of one of the samplers used at industries that was locked and tagged out.

Mr. Rubis said staff will continue to ensure effluent compliance by following the new permit. He displayed a picture of the Gold Peak Performance Award which Fox Metro receives when it has zero excursions or violations for the year which was the case last year. He gave kudos to the Operations Department and to the whole plant in general for their outstanding job.

Mr. Rubis presented a picture of the Pretreatment Department and the Lab Department. The Pretreatment Department works in the field defense for the treatment plant and the lab runs compliance testing for both and industrial process.

Mr. Rubis answered all of the Board's questions in detail and addressed all of their concerns.

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

The regular Board Meeting reconvened at 9:55 A.M.

Attorney Ingemunson addressed the Board with the Attorney's Report and requested authorization for the Village of Montgomery Intergovernmental Agreement for the Investigation and Repair of Sanitary Sewer. Manager Clementi stated that the Village of Montgomery and Fox Metro have been negotiating an Intergovernmental Agreement for the past two years to share resources for sanitary sewer repairs and related items. Fox Metro receives some very good discounts and the Village of Montgomery would like to take advantage of those discounts. Fox Metro has similar Intergovernmental Agreements in place with the surrounding communities. Attorney Ingemunson has reviewed and approved the Agreement. The Village of Montgomery signed the Intergovernmental Agreement at their August 28<sup>th</sup> Board Meeting.

11213

It was moved by Trustee Funkey, seconded by Trustee Krahn, put to vote and unanimously carried approving the Intergovernmental Agreement between The Fox Metro Water Reclamation District and the Village of Montgomery for the Investigation and Repair of Sanitary Sewers at Various Locations as recommended by staff.

Attorney Ingemunson requested approval Ordinance No. 923 and Resolution No. 1011 Annexing Redwood of Oswego Phase III.


Manager Clementi advised the Board that the Annexation Agreement and associated documentation has been prepared for Redwood Phase III in Oswego. Phases I and II of this apartment complex at the southeast corner of Mill Road and Orchard Road were approved in 2021 and 2022, respectively. Redwood is acquiring 3 adjacent parcels for their Phase III expansion and has paid all of their Fox Metro fees ahead of today's Board Meeting.

11214

It was moved by Trustee Funkey, seconded by Trustee Krahn, put to vote and unanimously carried approving Ordinance No. 923 and Resolution No. 1011 Annexing Redwood of Oswego Phase III as submitted.

Senior Project Engineer James Kerrigan addressed the Board with the Construction Project Report. He requested approval of Partial Payment No. 22 to Williams Brothers Construction in the amount of \$300,401.28 for the Digester Complex Improvements (DCM-4) Project. The project is 93% complete. Pay request was reviewed by CDM Smith. The contractor has completed the welding for the M3 Digester cover and has completed all required inspections. Final painting of the cover has started, and the final portions of process piping and electrical work are being completed. Startup of the M3 mixer was also performed.

Mr. Kerrigan requested Partial Payment No. 23 to Whittaker Construction in the amount of \$87,882.99 for the North Aurora Pumping Station Improvements Project. The project is 96% complete. Pay request was reviewed by Strand & Associates. The facility has been connected to the forcemain and has started pumping sewage to the treatment plant. Testing of all systems while under normal operations was also performed. Work



completed this month included startup of the controls systems, pumps, grinders, and other ancillary equipment. Decommissioning of the old facility and final punch list items are now being coordinated.

Mr. Kerrigan reported that the 111<sup>th</sup> St. Pump Station project with Whittaker Construction & Excavating is 95% complete and there is no pay application submitted for this project this month. The backup generator has been tested and accepted. Installation of the final 480V power to the facility is being planned for later this fall. The contractor waiting for final permitting of the facility. No work has taken place on site this month.

The H3, H4, H5 Valve Vault Improvements Project with Williams Brothers Construction is 95% complete and there is no pay application submitted for this project this month. The contractor has ordered replacement parts for the damaged valves and continues to wait for delivery of materials in order to schedule the work. No work was performed this month.

The Orchard Road Pumping Station Generator Replacement Project with Newcastle Electric is 9% complete and there is no payment application was submitted for this project this month. Equipment is being manufactured. No work has taken place on site this month.

The Oswego Pumping Station HVAC Replacement Project with Mechanical Services, Inc., is 0% complete and no payment application was submitted for this project this month. Equipment is currently being manufactured. No work has taken place on site this month.

DCM 3 – Heat Exchanger Replacement with Anchor Mechanical, Inc., is 0% complete and no payment has been submitted for payment this month. The contract documents are being executed and the contractor is preparing for mobilization to the site once the first heat exchanger is delivered.





## **Current Planning and Design Projects:**

- **Bar Screen Replacement Project:** The project design is progressing and is approximately 60% complete. Staff and the consultant met to review the 60% design and staff has provided comments on the design to Strand.
- **Nicor / RNG Interconnection:** Staff is continuing the project with Progressive Business Solutions and Strand's assistance. Gas sphere inspections are scheduled for late September to determine if any repairs are needed prior to the RNG project. Staff is evaluating gas cleaning equipment technologies.
- **Building K-Plug Valve Replacement:** Staff is developing the RFQ documents for the installation of the Building K check valves as discussed at the June Board meeting.
- **69" Original Interceptor Inspection:** Staff is reviewing options for the project phasing and budget with contractors who perform this work.
- **Building I – Tertiary Filter Building:** The Capital Improvements Committee members are reviewing the future needs of the structure to determine the best path forward for necessary improvements to this building. An electrical review of transformer equipment will be the first building component to be addressed.
- **Building DCM 2 – Masonry Repairs:** Staff has obtained quotes to conduct repairs on several areas with loose masonry and other walls that need repair near DCM-2. Staff is reviewing the submitted quotes and work is anticipated to begin this fall.
- **Omnitrax At-Grade Railroad Crossing -** Staff completed and submitted a permit application to Omnitrax to start the process of constructing an at-grade crossing from the north WWTP to the former Western Electric property.

• **Campus Fencing** - Fencing has been added on the east side of the P buildings to fully enclose north and south plants for increased WWTP security. Staff is developing bid documents to repair the existing fencing along the railroad (west) side and add new fencing along the river (east) side of the Western Electric property to protect the 2 solar fields. SimpleRay will be clearing out many trees along the river side as part of the solar field installation, so we plan to take advantage of the already-cleared land to install the fencing shortly thereafter.


It was moved by Trustee Funkey, seconded by Trustee Krahn, put to vote and the Motion was unanimously carried that the Construction Project Report be approved as published and payments be made as requested.

Manager Clementi addressed the Board with the Manager's Report and gave them an update regarding Solar field #1 and Solar Field #2. She reported that on Thursday, August 31<sup>st</sup>, she and Plant Manager Joel Ilseman were giving a brief solar field tour to the Village of Carol Stream staff when they noticed there was significant fire damage to one of the inverters, as well as some remaining hail damage to several panels. They took pictures and contacted both Progressive and GRNE.

GRNE disclosed that there was a manufacturer's defect on this particular inverter model. 15 of the 16 inverters have already been replaced and they are awaiting the last one to arrive and it will subsequently be installed.

There are several panels that have not been replaced from the hail storm back in April. GRNE is awaiting new panels and will install those as soon as possible.

Both Progressive and Fox Metro have again requested better communication from GRNE regarding solar field maintenance and access.



Trustee Funkey inquired if this situation interfered with the production of that unit. Manager Clementi said it did interfere and staff looked at the production of electricity for the month because they have monthly production requirements. That month was mostly sunny but the two days there was no production was made up in August due to good weather. Trustee Sotir said that it is interesting to note that we can determine when it does make a difference.


With regard to Solar field #2, Manager Clementi reported that Montgomery-Countryside Fire Protection District supplied Plan Review and staff has addressed those comments over this past month.

The Village of Montgomery permitting is ongoing. The Montgomery Planning and Zoning Commission was held on September 7<sup>th</sup>.

Special Use Amendment Petition was submitted to the Village of Montgomery for first hearing on September 11<sup>th</sup> for tentative approval and for final approval on September 25, 2023. Manager Clementi and Attorney Ingemunson attended the meeting. Attorney Ingemunson said the Village Board was great but there were some issues with Montgomery's Planning Commission because they have some different requirements that they didn't have for solar field #1. He suggested in the future the Board should consider doing an Intergovernmental Agreement instead of the traditional development procedure and it would avoid a lot of issues. Discussion ensued.

Staff and SimpleRay continue to work on digital education materials and public relations materials for the new phase of the solar field.

Trustee Funkey said Montgomery is not the only Board Fox Metro deals with. He suggested having an annual reception and invite elected officials to show them what the District has done, maybe highlight their individual areas and perhaps it will help avoid some of these problems. He said these individuals could be provided with Fox Metro's Board's phone numbers and emails in case they




ever have any questions or concerns because good communication between agencies is very important.

The next item discussed was the Renewable Natural Gas. Manager Clementi said per Trustee Funkey's request at last month's meeting, she has an update regarding Renewable Natural Gas. She said Nicor Gas Rate 82 was filed in early July 2023 and was approved by the Illinois Commerce Commission on September 4, 2023. Staff was waiting for this and on September 12, 2023 staff sent an email to Nicor asking what the next steps are because there are 15 agencies all in the queue waiting for Rate 82 guidance and Nicor is working with their attorneys now to get everything updated. Trustee Funkey asked who the other agencies are. Manger Clementi said she did not know but staff is hearing that they are mostly landfills.

Trustee Funkey inquired if staff is still thinking of Fox Metro being a regional collector. Manager Clementi confirmed that was correct. Fox Metro staff with the help of Jerry Fox, regulatory attorney, and Progressive Energy negotiated with Nicor Gas on a new permanent Renewable Gas Interconnection tariff. Fox Metro will be 100% in control of all RIN's generated. Fox Metro will have much more flexibility on injections to Nicor Gas system before incurring penalties for over or under performances. Nicor Gas did not fundamentally understand that Sanitary Districts production varies throughout the year. Nicor is primarily dealing with landfills that have a very predictable and consistent gas flow. The added flexibility before penalties will save fox metro \$50K - \$100K per year.

Strand has re-run the RNG project economics and under conservative estimates, the simple payback is around 8.1 years for a District-only project.

Fox Metro staff is currently working with Nicor on the next steps which is to finalize the Interconnection Agreement between Fox Metro and Nicor. The project manager at Nicor has been contacted and she is awaiting direction from their legal counsel. Nicor is requiring Fox Metro to have a Natural Gas Supplier



designated as a “Firm Off-Taker” of the RNG. Progressive has been taking the lead on this item.

Strand has been the lead on finalizing the Nicor Gas Engineering Study. Strand is currently confirming some final details and Fox Metro Staff is working with Nicor on if this Engineering study will be included in Interconnection Agreement or a stand-alone Agreement. The report is expected to be finalized in the next couple of weeks.


Nicor gas imposed a hard cap of 25.3 MCF gas per hour injection into their system. Dan Small from Strand has updated their preliminary calculations and even with the Nicor hard cap, there would be sufficient room to add gas from both FRWRD (Elgin) and Wheaton Sanitary District to still allow for future growth at Fox Metro. Manager Clementi displayed a graph and explained it in detail.

Numerous items would need to be negotiated with other Sanitary Districts to make a Regional Hub work, but the good news is that it can be a viable option in the future.

Trustee Sotir asked that this information be added to the District’s website explaining why this needs to be accomplished and the advantages it offers to the rate payers and the District. Manager Clementi said she would like to wait to add this to the website until everything is finalized. She said what she would like to do as part of the new website, is a timeline as part of the environmental initiatives and it would include solar field #1, the charging station, solar field #2 and the prairie plantings. Each one will have a small paragraph and a picture. This would be part of the PR initiative because the District is doing a lot of great things and not just be imaged as the polluters.

At this time Trustee Sotir requested an Executive Session to discuss personnel and related matters.

It was moved by Trustee Brown 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 to discuss personnel and related matter.

In New Business Trustee Nelson asked for an update on the recent meeting with the City of Aurora regarding the Long-Term Control Plan. Manager Clementi said the City of Aurora went to Springfield at the end of August and negotiated their Long-Term Control Plan compliance. They are taking a different approach and Manager Clementi sat in at their meeting as a sign that Fox Metro supported their new approach. This will benefit the District because they are no longer building a second SCO facility. This means that Fox Metro will not have to maintain the equipment or take samples. This modified approach is involves sewer separation in the Rathbone service area and Hazel service area and it will save the City of Aurora approximately \$20M to \$40M in infrastructure costs. This will also save the District a lot of money and time. They also have a longer compliance schedule that they have negotiated as well. This is a win win for both the City of Aurora and Fox Metro. The IEPA was receptive and tentatively approved it but no official decision has been made.

The Regular Board Meeting temporarily adjourned for Executive Session at 10:33 A.M.

11217

It was moved by Trustee Brown, seconded by Trustee Nelson, put to vote and unanimously carried that the Executive Session be adjourned and resume the Regular Board Meeting.

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

No decisions were made in Executive Session.

11218

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

Meeting adjourned at 11:04 A.M.

R-574