

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF TRUSTEES
OF FOX METRO WATER RECLAMATION DISTRICT
HELD WEDNESDAY, JULY 17, 2013**

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, July 17, 2013 Vice President Judith S. Sotir presided and present with her were, Trustee Michael C. Funkey, Trustee Albert E. Heriaud & Trustee Christopher F. Childress. Also present were District Attorney Dallas Ingemunson, District Engineer Philippe Moreau, Manager Thomas F. Muth, Jimmie Delgado, Matt Woodin, Joel Ilseman and Norma Rodriguez. Also in attendance was John Ferich from Walter E. Deuchler Engineering. Trustee James K. Detzler was absent.

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 June, 2013 in the amount of \$1,169,993.33 be ratified and approved. Motion was seconded by Trustee Heriaud, put to vote and unanimously carried that the bills be paid as presented.

It was moved by Trustee Heriaud seconded by Trustee Childress, put to vote and unanimously carried that the Treasurer's Report for June, 2013 be approved as submitted.

It was moved by Trustee Funkey, seconded by Trustee Childress, put to vote and unanimously carried that the minutes of the June 19, 2013 Regular Board Meeting be approved as written, each of the Trustees having received and read copies of said minutes before the meeting.

It was moved by Trustee Sotir, 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 9:35 A.M.

Manager Muth addressed the Trustees with a presentation outlining the Municipal Discussion meeting of the April 17-18, 2013 Storm Event held at Fox Metro Water Reclamation District on July 9, 2013. Village of Yorkville was not present at this meeting. The points of discussion with the municipalities were the existing conditions, the April 17-18 2013 storm, future conditions and I & I reduction efforts. The presentation began with an overview of Fox Metro Water Reclamation District. The district was formed in the 1920's, our Facility Planning Area covers 130 square miles, we serve 7 municipalities and a population of 305,000 based on the 2010 census. We have approximately 80,000 sewer accounts and own, operate and maintain 186 miles of sanitary sewer and 3,400 manholes. It was also mentioned that we earned the Peak Performance Award for 2011 and we are receiving one for 2012 and we have also earned

the NACWA Gold Excellence In Management Award. We have 12 major pumping stations in our district.

Manager Muth went over the collection system ownership for Fox Metro Water Reclamation District. This is roughly 11,000,000 linear feet of sewer lines and Manager Muth gave the percentages for each village and they are as follows:

City	Sewer (feet)
Fox Metro	984,000
Aurora	2,617,000
Batavia	9,000
Montgomery	373,000
North Aurora	339,000
Oswego	672,000
Sugar Grove	282,000
Yorkville	69,000
Private	6,000,000
Overall	11,345,000

Manager Muth described the graphs for July 2012 that show the dry weather flow rate for the North Aurora, Waubonsie and Original Combined sewer interceptor keeping in mind that in 2012 we had a drought. He compared those graphs with the flow chart for April 14th – 21st 2013. The graph shows that in the April rain event we received a little over five inches of rainfall in a 16 hour period using the City of Aurora’s rain gauge information. The graph shows that this was a 20 year rain event. The City of Aurora marks the bridges with different storm events with different heights of the river and the marks showed that the river was a 100 year flood event.

There are major leak issues with the Waubonsie Interceptor. This is being studied by City of Aurora and Deuchler’s. There were more slides which illustrated normal flows versus flows during the storm event. More illustrations showed flooding in different areas of several villages due to the storm event.

Manager Muth stated that future conditions and CSO Long Term Control Plan was discussed. Manager Muth stated that this CSO Long Term Control Plan has been with the IEPA for three years but it has not been approved and we are having a meeting next month with the USEPA to go over some of the ramifications. We have been aggressive and have completed Phase I. We knew the frequency and volume of our overflows at our waste water treatment plant were excessive so you took action to alleviate them. Phases II thru VI is in our 20 year plan.

In the future plan there will be phosphorous and nitrogen removal and by doing that our plant will be able to treat 185 MGD. This would mean approximately one overflow per year.

Manager Muth went over the Flow Equalization Basins (FEB) in Collection Systems and why we need them and where they would be located. Basically it is to take the peak flows from the interceptors, bring them in to the FEB's, detain them, control them for odors and when the interceptor has the capacity and when the waste water treatment plant has the capacity it would go to the waste water treatment plant for full treatment instead of surcharging the system and overflowing to the river.

Manager Muth stated that Phase I of the waste water treatment plant has been completed at the cost of \$56 million. We had no overflows in 2012. We have had one this year as a result of the April rain event. During that rain event we were treating flows of 150 million gallons, before this improvement was completed we were only able to treat about 85 million gallons.

Future expenditures were discussed and this brought up the subject of the rate increases, why they were necessary and when they would be effective. Manager Muth asked that this be explained to their municipal representatives. After the meeting Manager Muth was asked if this can be presented to the Village Boards for the different municipalities.

Fox Metro Water Reclamation District activities were also discussed. We have been implementing the SCADA system. We update our ordinances on a regular basis. We have an ordinance that will add the Village of Sugar Grove into our sewer maintenance and televising program. Most of our pumping stations are controlling the hydrogen sulfide that would eat away our pipes and cause problems. We do flow monitoring, we own 30 flow monitors, the city owns some and Deuchler's own some. We collaborate as to where to place the monitors to find out where problems are located. With this system, the Village of North Aurora and Sugar Grove have done a great job in taking care of their systems. We do smoke testing, manhole inspections, video sewer lines and we do sump pump inspections.

Trustee Childress inquired as to whether there would be any legal recourse for people that are dumping their ground water into the sewer. Manger Muth and Phillip Moreau replied that it is in the Ordinance. The municipality would have to be the lead agency to address the issue.

Manager Muth discussed Municipal cooperation and stated that we have been holding monthly meetings with the City of Aurora for the past 25 years. Every 2 months with the Village of Montgomery and smaller municipalities. It was also discussed what is pertinent to the attendees regarding their municipality. We enter into Intergovernmental Agreements, we discussed budgeting and sewer system rehabilitation. We discuss planning considerations where the mistakes have been made constructing projects in flood prone areas. We have identified these certain areas in different municipalities.

Trustee Sotir inquired who from Fox Metro Water Reclamation District attends these meetings. Manager Muth advised her that Matt Woodin attends all these meetings and that he attends most of them and John Frerich facilitates them.

Lastly, CMOM (Capacity Management Operations and Maintenance) Implementation. The performance of a waste water collection system is directly related to the effectiveness of its CMOM program.

It was also discussed how do we go about maintaining the sewer service lines. Backflow prevention devices, overhead plumbing, sump pump failures, illegal connections and tampering with public sewer system was discussed. Some of the municipalities that are ahead of the game are offering back flow connection programs. They are offering to pay for overhead plumbing in some cases up to 50%. They want the homeowner to be responsible of taking care of their backflow preventor.

There is thought of making this a quarterly meeting to collaborate together. Batavia shared their Ordinance with us already and we have turned that over to other municipalities. John Frerich stated that Batavia has an Ordinance that requires overhead plumbing in all new construction. This is to try to alleviate flooding basements from a sewer perspective not from a storm perspective.

Trustee Childress inquired if the district has ever looked at having a service line replacement program and charging for it. It would be sewer line coverage. It can be funded by the District or a third party administrator. Trustee Childress said there is a couple of ways that this can be done. One would be that the District could self-insure it and administer the program, but then the District is subject to cost over-run if it gets a large volume of redemption. Typically a redemption rate is less than 30%. The other way that can be done is have a third party administrator. They will give the District 15% of the revenue all the District would do is bill it collect it and send them the money and all calls would go to a third party call center and they would dispatch a service contractor. John Frerich stated that they are starting to do some research on that and he has contacted a couple different municipalities. The issue is that in some municipalities the homeowner owns the sewer lines that go from their house to the street. It is being researched to see if there is an Ordinance that gives the District the right to go into someone's private property to perform sewer repairs. He said that there is one Village that does have that program in place and that is Sugar Grove. The difference is that they own all the sewer lines. They have extensive ordinances that gives them the authority to go into private property to perform repairs. Trustee Sotir stated that this would be a long term process

because there are a lot of issues that need to be resolved. Trustee Childress stated that this would be a program where it would be the choice of the customer if they wanted the coverage or not. Trustee Childress said that the positive thing for the District is that it would create additional revenue.

Trustee Childress said that he is available to discuss this because he is familiar with this program and he can give his input on the matter.

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 Committee of Local Improvements be adjourned and the Regular Board Meeting reconvene.

The Regular Board Meeting reconvened at 10:25 A.M.

Attorney Ingemunson addressed the Board with the Attorney's Report. Attorney Ingemunson requested approval of Resolution No. 912, Agreement Between Fox Metro Water Reclamation District and the Village of Sugar Grove for the Investigation and Repair of Sanitary Sewers at Various Locations.

WHEREAS, the Fox Metro Water Reclamation District and the Village of Sugar Grove have heretofore entered into negotiations for the mutual benefit of the respective governmental units, and

WHEREAS, an Intergovernmental Agreement **pertaining to the Investigation and Repair of Sanitary Sewers and Various Locations**, has been prepared and has been approved by the **Village of Sugar Grove** on the **19th** day of **March, 2013**.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

1. That the Intergovernmental Agreement as adopted by the **Village of Sugar Grove** and as presented to the Board of Trustees of Fox Metro Water Reclamation District is in the best interests of Fox Metro Water Reclamation District, and is hereby approved.
2. That the president and Clerk of the Fox Metro Water Reclamation District are hereby authorized and directed to execute the aforesaid Intergovernmental Agreement.

It was moved by Trustee Funkey, seconded by Trustee Heriaud, put to vote and unanimously carried that Resolution 912, Intergovernmental Agreement between Fox Metro Water Reclamation District and Village of Sugar Grove Pertaining to the Investigation and Repair of Sanitary Sewers at Various Locations, be approved as written .

PASSED by the Board of Trustees of Fox Metro Water Reclamation District this 17th day of **July 2013**, by a voice vote of 4 to 0.

Philippe Moreau addressed the Board with the Engineer's Report. Mr. Moreau requested approval of Partial Payment No. 4 to Frank Marshall Electric, Inc., in the amount of \$126,324.00 for work completed on Building C Substation Upgrade. It was moved by Trustee Funkey, seconded by Trustee Heriaud, put to vote and unanimously carried that payment be made in the amount of \$126,324.00 to Frank Marshall Electric, Inc. for work completed on Building C Substation Project.

Mr. Moreau requested approval for Partial Payment No. 3 to Allan Mack & Sons, Inc in the amount of \$79,285.00 for work completed on the Ferric Chloride Addition 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 \$79,285.00 to Allan Mack & Sons, Inc. for work completed on the Ferric Chloride Addition Project.

Mr. Moreau also requested approval of Partial Payment No. 15 to Len Cox and Sons Excavating in the amount of \$49,344.45 for Cedar Glen Subdivision Sanitary Sewer Improvement. It was moved by Trustee Funkey, seconded by Trustee Heriaud, put to vote and unanimously carried that payment be made in the amount of \$49,344.45 to Len Cox and Sons Excavating for Cedar Glen Subdivision Sanitary Sewer Improvements.

Mr. Moreau also requested approval of Partial Payment No. 1 to Allan Mack & Sons, Inc. in the amount of \$18,540.00 for OCSI-Indian Creek Crossing Replacement. It was moved by Trustee Funkey seconded by Trustee Heriaud, put to vote and unanimously carried that payment be made in the amount of \$18,540.00 to Allan Mack & Sons, Inc. for work completed on the OCSI – Indian Creek Crossing Replacement Project.

Manager Muth addressed the Board with the Manager's Report. Manager Muth addressed the issue of the Collective Bargaining Agreement which the Union ratified. Manager Muth stated that the contract was brought in slightly lower than the money the Board allocated. We came in with a 2% increase each year in the steps, 2 ½% increase outside the steps with an addition of an 8th step for the Operators and Maintenance Mechanics. The most senior Maintenance Mechanics and Operators will be eligible next year.

Manager Muth also stated that there was a bargain for a slight increase in the insurance. Trustee Funkey asked what was the bargaining on the insurance. Manager Muth stated that there will be an increase after August 1, 2013 for an employee's and family's yearly out of pocket deductible. Trustee Funkey stated that he thought it was decided that insurance was not going to be part of the negotiations. Manager Muth stated that this was an issue raised by management. Trustee Funkey stated he understood that the direction from the Board was for insurance not to be part of the negotiations. Manager Muth stated that the District was evaluated by an insurance administrator and the District is at the 98 percentile for what the District offers in insurance compared to other agencies in the State of Illinois. Trustee Funkey stated why bring something to the Board for their direction if

the direction is not going to be followed. Manager Muth stated that it wasn't a big increase. Trustee Funkey stated that it was his position that if the District was going to bargain in good faith with the union, that insurance should not be part of negotiations because insurance is so valuable to employees. He understood that all the Trustees were in agreement with that and now he is made aware that this was brought up as part of the negotiations and he is opposed to it and he thinks it should not have been made part of the negotiations. Trustee Funkey stated that the District should have taken the position that we were going to be fair with the Union and not increase their contribution to their healthcare and that is a very big and very valuable asset and an employee benefit to them. Jimmie Delgado wanted to clarify to the Board that the employees are not making a direct contribution to the District for their insurance it's an increase deductibles. Trustee Funkey stated that none the less it is a change and he thought there was not going to be any.

Trustee Childress stated that he doesn't remember precluding the change in benefit. He stated that this change didn't just come up. Trustee Funkey stated that there was never any mention of any change to the insurance coverage throughout the negotiations of this contract and he remembers distinctly from when it was started, there was a question about it and he gave his opinion and he understood that there was no disagreement from the other members of the Board and he understood that it was decided that it was not going to be mentioned.

Trustee Sotir stated that she doesn't remember it that way. She recalls that at the onset of the negotiations that it was preferred that not be put on the table as one of the issues. But depending what other things the Union brought to the table. Trustee Childress thought that the subject was not to increase the co-pay.

Manager Muth stated that over the life of the contract we will pay progressively more for our insurance. Trustee Heriaud asked what the change was. Manager Muth stated that the employee's and family's annual deductible was raised. The yearly out of pocket deductible has increased. Manager Muth stated that he wants to protect the District. Have accountability of what we have compared to other municipalities and other Districts. Manager Muth stated that the District's benefit is still the richest in the area. Trustee Funkey stressed that he understands the benefit of the program, but his disagreement is that it was mentioned at all in the negotiations. He feels that the health benefit program that is offered to the employees is very beneficial to them and it needed to be kept in order to have a good relationship with the employees. Trustee Sotir stated that she understood the issue was co-pay not anything else. She asked Trustee Funkey if it was his understanding that there was not going to be any changes to any of the health insurance benefit. Trustee Funkey responded that it was correct. Trustee Sotir stated that the Vision coverage was raised to \$450.00 per person per year.

Trustee Childress thought that a great job was done in negotiating the contract and said maybe next time specify the details of the items of negotiations to alleviate any confusion.

Manager Muth asked for the Board's approval of the Union Contract. It was moved by Trustee Childress, seconded by Trustee Heriaud to approve the Union Contract, put to vote and the motion was carried with a vote of 3 in favor. Trustee Funkey abstained.

Manager Muth requested approval to change September Board of Trustees Meeting to September 18, 2013. It was moved by Trustee Funkey, seconded by Trustee Heriaud.

Manager Muth requested an Executive Session to discuss personnel, pending litigation, and related matters. It was moved by Trustee Heriaud, seconded by Trustee Childress, put to vote and unanimously carried that the conclusion of the public comments of today's meeting, we will temporarily adjourn for an Executive Session.

Trustee Childress wanted to stress that he felt management, despite the confusion, did a fantastic job in negotiating the Union contract.

Trustee Sotir asked Joel Ilseman status on plant. Joel Ilseman replied everything is running smoothly no issues to report. The plant is averaging 44 million gallons per day. The plant is designed for 42 million and we are averaging 44 million with no problems.

Trustee Sotir asked the District Controller Jimmie Delgado status on accounting. Mr. Delgado stated that financials look good projects are picking up the District has written a couple of big checks.

Meeting temporarily adjourned at 10:50 A.M.

There being no further business to come before the Board, it was moved by Trustee Sotir, seconded by Trustee Heriaud, put to vote and unanimously carried that this meeting be adjourned.

Meeting adjourned at 11:30 A.M.