

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF TRUSTEES
OF FOX METRO WATER RECLAMATION DISTRICT
HELD WEDNESDAY, MARCH 26, 2014**

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, March 26, 2014 President James Detzler presided and present with him were, Trustee Judith S. Sotir Albert E. Heriaud, Trustee Christopher F. Childress & Trustee Michael C. Funkey. Also present were Attorney Dallas C. Ingemunson, District Engineer Philippe Moreau, Manager Thomas F. Muth, Matt Woodin, Randy Hummer, Chris Morphey, and Norma Rodriguez. Also in attendance was John Frerich from Walter E. Deuchler Engineering.

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 February 2014 in the amount of \$1,774,526.97 be ratified and approved. Motion was seconded by Trustee Funkey, put to vote and unanimously carried that the bills be paid as presented.

It was moved by Trustee Sotir seconded by Trustee Funkey, put to vote and unanimously carried that the Treasurer's Report for February, 2014 be approved as submitted.

It was moved by Trustee Sotir, seconded by Trustee Funkey, put to vote and unanimously carried that the minutes of the February 19, 2014 Regular Board Meeting be approved as written, each of the Trustees having received and read copies of said minutes before the meeting.

With no New Business or Public Comments, It was moved by Trustee Detzler, seconded by Trustee Sotir, 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.

In the Committee of Local Improvement Manager Muth advised the Board of a networking breakfast Fox Metro has been hosting for the past five years. This breakfast that takes place at our Field Office brings all of the Public Works Departments from other communities together to discuss different topics, networking and showing the importance of what we are doing with other communities. Some may not view the same importance of taking care of the sanitary sewer system because they have storm and water mains and often times the sanitary system is one of their least priorities. This is an opportunity to make them aware of how important it is of taking the funds that are in their budget and spend efficiently by offering ways of collaborating with us and venturing in new projects that are more cost effective. Matt Woodin is heading this function, and has four speakers coming in to give presentations.

Manager Muth advised the Board that the Lab has a new employee and her name is Jaime Thompson, who is the new sample collector and will also be handling the Septic Hauler Program. Starting April 1, 2014, all the septic haulers will have to adhere to our new guidelines that have been implemented. Manager Muth said that Matt Woodin has done a great job of taking all the departments that are involved and collectively changing the guidelines. The septic hauler station had to be reprogrammed, a PH meter was added and many other changes were implemented to make that program more efficient.

Randy Hummer gave a presentation regarding the Laboratory Outreach Program and would like to update the Board of what the Lab is doing. Randy reported that the lab has been reaching out to other districts to help with laboratory testing. This capability became possible with the new building being well equipped. It was known that there was a need because most of the new permits that come out require certain monitoring testing, specifically nutrients, they are total Phosphorous and total Nitrogen. A small laboratory does not have the capability to run those tests. A few can run Phosphorous but almost none can run total Nitrogen because it is capital intensive and time consuming so outside labs have to be used. Fox Metro can run those tests and last year we performed over 1,500 Phosphorous analyses. These tests are performed very easily and inexpensively now. Total Nitrogen tests are more difficult because they involve multiple determinations. Fox Metro has the necessary equipment to perform these tests and other labs don't. Fox Metro has been running these types of test routinely for years.

In the Outreach Program Randy said that we have some advantages, we are the largest waste water lab in the area, we have very skilled and knowledgeable staff and are highly respected in the area. We are frequently consulted on laboratory methods and instrumentation and we are very motivated.

Getting started with the Outreach Program was not that difficult because we have a close relationship with most laboratories in small treatment plants in the area. We have a good reputation for accuracy and efficiency and we offered to help others with nutrient requirements. We are an attractive option to our peers because we are a wastewater lab and have experience with the same process with samples and analysis. We can save smaller treatment plants a lot of money on lab costs while generating revenue for Fox Metro. Our current clients are City of Batavia, they approached us first, they are currently collecting background data on nutrients and have a very small lab that doesn't have the capability to test for Nitrogen or Phosphorous. We have been running their samples once a month to coincide with our Fox River Study Group samples. The City of Sandwich came to us last Fall and they have asked us to run total Phosphorous and Nutrients on the effluent and we also have run an upstream Harvey Creek Phosphate since November. Monitoring is required in their permit so we will be submitting to the IEPA our DMRQA results.

Trustee Sotir asked if there was a problem with distance and Randy said that it has worked out very well for both of these cities because they deliver their samples to us. Trustee Sotir said she was just concerned about the timing issues. Randy said that holding time is not an issue because the test we are running for Nutrients and

Phosphorous can be held and preserved for thirty days. The only one that there is an issue with is the Nitrate. Current Nitrate requirement by the EPA method allows only a 48 hour holding time. What these labs do for us is they call ahead to find the best delivery day.

Trustee Funkey asked if it would be beneficial for us to offer gathering the samples as a service for a fee. Randy said that is something that is being contemplated. Currently Batavia and Sandwich time their collection of the samples around our schedule. The 48 hour holding time on Nitrate was the big hold up initially but they call ahead so that they know that our instrumentation is in operation. There have also been inquiries from the sanitary districts from Yorkville, Geneva, St. Charles and DeKalb.

Randy explained that currently we are doing special tests that are unique to Fox Metro. We now have the capability to run EPA Method 1631 for low level Mercury. Before Fox Metro acquired the instrument to run this test, we had to send our Mercury samples to Ohio. There are only a handful of commercial labs in the country that run the test due to the risk of contamination. Though it is very inexpensive to run and the instrumentation does not cost more than any other equipment, people are afraid of the method.

Trustee Sotir asked Randy if we are keeping up with what the current technologies are in purchasing the right sampling equipment. Randy said that we are but a number of his peers are not. He said that we are going to offer low level Mercury testing to other district labs in the area. He is primarily thinking of helping people in the Fox River watershed. Randy said that he is trying to stay ahead of the curve in technology. He said that one of the reasons that he was attracted to doing the low level Mercury testing here in our lab was that the cost used to be approximately \$1,200.00 per year for only a handful of samples per year. It is not a difficult analysis and we are looking into the possibility to offer it to other waste water agencies.

Randy reported that anticipating change in regulations by the EPA the lab started investing in new technology. NPDES permits are now being issued with language that specifically requires the new Cyanide methods for all reporting. Cyanide testing is required in most EPA permits at least quarterly. Cyanide has always been a problematic analysis, the problems are generated by the method that was being used for many years. Commercial labs are not as current on the method as we are because they don't have the instrumentation.

Trustee Funkey inquired that since we don't collect the samples from other waste water agencies and we run the tests and the results are given, is there a disclaimer.

Randy said that there is and it basically states that we take no responsibility for the integrity of their sample. Our promissory note just states we performed the analysis by approved methodology and we have the QA and QC to back it up. When the lab starts performing low level Mercury testing Fox Metro will collect the sample for the clients.

Trustee Childress commented that this is a great asset and any time that costs can be deferred is excellent. He also inquired if from a liability standpoint is there a written

agreement with the clients that holds us harmless. Also he asked what revenue can be generated from performing these tests. Randy said that he recently revised the cost analysis per unit where he takes into account salary, overhead, commodities which would include consumables, chemicals and also less tangible things like maintenance contracts, depreciation capital and also calculate how many analysis were done the previous year and how many work hours were involved. As far as how much revenue is generated, it basically depends on the test. Our cost is less than a commercial lab would cost to generate the same type of testing. Trustee Childress asked if it would operate that through an Intergovernmental Agreement, Randy said not yet, he said it is very informal.

Trustee Childress said that his point of bringing up the Intergovernmental Agreement is because with running these tests for the smaller waste water agencies, we are technically taking business away from the commercial labs. Randy said that he is not trying to do that and that is not his intent he has a very good relationship with all of the commercial labs in the area. Fox Metro also uses some commercial labs for some of our tests as well. He doesn't want to drive a competitive edge into it so we are offering it as a service to a fellow agency in our business.

Trustee Funkey commented that Fox Metro just spent a large amount of money building a state of the art laboratory and as Randy indicated, he recognized a long time ago that these tests were going to be required and he is set up to do that. Why not become competitive with other commercial labs, if we do testing here and generate revenue we can offset some of the building costs of the lab. We have the equipment and the staff and we can do these tests, maybe we can explore and we can do it through an Intergovernmental Agreement that a commercial lab can't do.

Trustee Sotir added that the fact that are different matrix that the lab was aware of and a commercial lab wouldn't have that same protocol. Randy said that the biggest revenue makers for commercial labs are organics because everyone has to use commercial labs for organics. In our permits we have to test for organics once a year and so does every other waste water agency. It wouldn't be practical for us to invest in instrumentation or staff for a test that only has to be performed once a year.

Philippe Moreau commented that the advantage is that Fox Metro is doing their own tests and also for other waste water districts but the typical problems with large commercial labs is that they don't know what the needs are of the smaller waste water agencies.

Randy said that we are not trying to compete with commercial labs. He said our main commitment is knowing what is going into the river. We are going to generate a little bit of revenue by testing other waste water treatment plant's samples but not enough to sustain us and we are not trying to do that.

Trustee Funkey asked if there is a protocol in place that is intended to study developments and other ways to stay ahead of the curve. Randy said that probably next to Chicago we are the most proactive in that respect.

Trustee Funkey asked if we have showcased our lab and directed the invitation to see our lab and have a tour to other waste water agencies. Randy said he is president of the Northern Illinois Water Association (NIWA) and every December we host the December meeting here at Fox Metro and the invitation goes out to all the small labs in the area. Once the new lab was built he felt it was his job to showcase our capabilities.

Trustee Sotir said that the next IAWA conference is in Lisle and there might be some opportunity to showcase our lab. Trustee Funkey said that maybe one of the segments can be in our lab and invite lab staff from other districts. He said this would be good for Fox Metro because the other districts can see that we can do the testing cheaper than a commercial lab and this could help recuperate some of the money that was spent in building the lab.

Trustee Heriaud asked if there are any possibilities of working with the universities in the area and have some programs where students can come in and take a look at our lab. Randy said that he is working with Waubensee college and they may possibly purchase equipment with their grant money. They were visiting our lab because they need to know what the industry is using and what we recommend they use because they have limited budget dollars to obtain the equipment needed in order for their students to get their lab technician degrees.

Trustee Funkey said that he agreed with Trustee Childress' suggestion that it be done with an Intergovernmental Agreement because that gives a lot more structure to the relationship and also recognize what liability exposures there could be and make sure that any types of claim are covered under our insurance. He believes this should be developed and perhaps highlight in our newsletters and press releases the capabilities that we can do that other labs are not able to do.

Manager Muth confirmed with the Board if what they would like Fox Metro to do is an Intergovernmental Agreement with other labs to perform their sample testing. All Board members were in agreement that an Intergovernmental Agreement should be done.

Trustee Funkey asked if there were other entities beside Waste Water Treatment plants that would want to partake in the services of our lab. Manager Muth said many environmental groups are interested but they do not want to pay any fees. Our in-kind contribution to the Fox River Study Group for running tests is over \$450,000.00. Trustee Funkey said that what we do for the Fox River and the Fox River Study Group actually helps us because it develops our arguments with the EPA. Manager Muth said we have been proactive getting information about the Fox River so that we have our own information and when the EPA comes to us in the future we can give them data to compare from all past years.

With no other matters to come before the Committee of Local Improvements, it was moved by Trustee Detzler, seconded by Trustee Sotir, 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 10:11 A.M.

Manager Muth addressed the Board to conceptually discuss an amendment to the Industrial Wastewater Pretreatment Ordinance No. 517. Manager Muth explained that this relates to a meat processing business that became noncompliant & then questioned the analytical testing method which is stated in their permit. The local business is hiring an outside laboratory to run samples on a routine basis for quality control. This permit specifies method 1664 hexane extractable which is what the private lab is testing for with complaint results. Fox Metro's lab has been using method 1664 but the Soxhlet test provides true results when testing for fats, oils and greases from animals and vegetable fats. Fox Metro has been using the Soxhlet method for over 45 years, not the hexane extractable method. To rectify the problem we have to correct some permits to delineate the Soxhlet testing.

Trustee Sotir asked how this affects Fox Metro. Randy Hummer said that Fats, oil and grease is a big problem the way it affects Fox Metro particularly the hydrocarbon oil and greases, the animal and vegetable fats can plug up the sewer because they solidify when they cool. Fat is a source of BOD and is something we have to treat when it gets to the plant that is why we have the grease program for restaurants. Using their method they would still be able to discharge grease to us. When it is worded in the permit that you must use EPA method 1664 it creates a problem because it's method based. That allows an industry to go to the outside lab because they know Test "x" gives low numbers and will always use that one because that will always make them be in compliance. But our permit was written and designed around a limit based on method "y" which is what we use.

Matt Woodin added that we want to amend the ordinance so there is no room for error in interpretation. Manager Muth said that the problem of the test method that we say in our Industrial Waste Permit to these industries is doesn't give us a number that is truthful because the test that is being performed does not give you a correct number of what is being discharged.

Trustee Funkey said we should amend the Ordinance. Those industries don't have an EPA permit. Manager Muth said that those industries need to have a permit through us because they are a significant industrial user and generate greater than 25,000 gallons a day. Trustee Funkey said that the permit comes from us and we have to answer to the EPA. Manager Muth said we don't want the high discharge of the fat, oils and grease because that is going to cause a problem in the sewers and at our waste treatment plant. Manager Muth told the Board that this has been a hot topic for the past few weeks and have been working with the meat treatment plant because they are a very reputable and they are actively trying to take care of the problem and issue.

Attorney Ingemunson addressed the Board with requesting approval of Resolution No. 917, Agreement Between Fox Metro Water Reclamation District and the City of Aurora regarding Work Related to the CSO Control Policies.

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

WHEREAS, an Intergovernmental Agreement for the Work related to the Combined Sewer Overflow Facilities control policies, has been prepared and has been approved by the City of Aurora on the 25th day of February, 2014, and will expire on the 25th day of February, 2019.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

1. That the Intergovernmental Agreement as adopted by the City of Aurora and as presented to the Board of Trustees of Fox Metro Water Reclamation District is in the best interest of the 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 Sotir, seconded by Trustee Funkey, put to vote and unanimously carried that Resolution 917, Intergovernmental Agreement between Fox Metro Water Reclamation District and City of Aurora regarding Work Related to the CSO Control be approved as written.

PASSED by the Board of Trustees of Fox Metro Water Reclamation District this 26th day of March, 2014, by a voice vote of 5 to 0.

Manager Muth explained the Agreement to the Board and said that this has been long standing and we have been doing this with the City of Aurora for approximately twenty five years it is just now in Agreement form. Now we want to do it for an additional five years. This involves having monthly meetings, joining wet weather partnership, working with monitoring our overflows, rain gages and having the installation and maintenance of those and assessing the results and taking this information and putting it into a discharge monitoring report. This is approximately a \$25,000.00 per year expenditure for Fox Metro and in most cases the City of Aurora pays for approximately 70% of the cost.

Phillipe Moreau addressed the Board with the Engineer's Report. Mr. Moreau requested approval of Partial Payment No. 4 to Whittaker Construction & Excavating for Building K & L Modifications – Interior Improvements. It was moved by Trustee Sotir seconded by Trustee Funkey, put to vote and unanimously carried that payment be made in the amount of \$95,291.10 to Whittaker Construction & Excavating Project.

Phillipe Moreau requested approval of Partial Payment No. 2 to Frank Marshall Electric, Inc., in the amount of \$13,536.00 for North Aurora Pump Station MCC Replacement 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 \$13,536.00 to Frank Marshall Electric, Inc., for work completed on North Aurora Pump Station MCC Replacement Project.

At this time, Manager Muth addressed the Board with the Manager's Report. Manager Muth reported that he attended the IAWA Conference and said that it was very informational, was a good conference, with excellent speakers.

Manager Muth said that David St. Pierre, the General Manager of the Water Reclamation District of Greater Chicago, the largest in the world gave a nutrient status update.

The culture at Chicago used to be that because their lab collected so many samples and did so much analysis and has so much history on data that they could pretty much convince the IEPA and Illinois Pollution Control Board what the rules and regulations would be. A culture change that happened in Chicago is they came forward and decided without any Authority telling them to do so, started treating for phosphorous one part per million. This is setting the tone in Illinois because Chicago is approximately one third of the State's effluent going into the Mississippi river.

Another topic Mr. Pierre brought up was forming a private environmental utility tax. This tax would take the monies and look for proactive nutrient related projects that would be beneficial to the State of Illinois in meeting the goals and numbers of loading that has been established to reduce Gulf Hypoxia. This would be a \$15.00 per capita tax. The Thorn Creek manager discussed the impact to her 100,000 resident community. She was skeptical of the \$1.5 million per year assessment and whether the money would be kept in her community for projects. Fox Metro's District the tax would generate approximately \$4.5 million per. How does the District justify this tax when the Fox River Watershed with the Fox River Implementation Plan is going to be very expensive.

Trustee Sotir said that we are so concerned about how much is being charged to the rate payers and trying to keep those rates low and then this is a tax that suddenly comes out of nowhere that it perhaps may have a slight impact on what we do but may have a major financial gain on what Chicago is doing. Manager Muth believes this is going to be a hot topic soon and we will have to come up whether we agree or not with this.

Manager Muth said that the spokesman from Springfield for Best Management Practice Panel gave a nice presentation and said how he is collaborating with his staff and namely the Union to try to work together as a team and his end result he said was a more positive work force and he thinks he is winning because he hasn't had a grievance in nine months.

Mark from DeKalb gave a presentation regarding their implementation of SCADA and what they decided to do is to not staff it on the weekends. There had to be collaboration with the Union to change working hours and shifts he said that they collaborated financially with them.

Manager Muth reported that at the conference someone spoke regarding Catalytic Coaching. They have three different ways to increase salary. One way is cost of living,

the second is their performance and the third one is based on districtwide goals. If they weren't directly involved with the plant then it would be departmental goals. Their breakdown is 2.5% for salary enhancement and 1.8% for cost of living enhancement and 2.3% for districtwide goals.

Trustee Sotir said it was interesting that instead of tying increases individually to a person's qualifications, they tied them departmentally or to districtwide goals and once those goals are met then its pulled from that funding and if the goals are not met then the funding is not going to be available.

Manager Muth reported Marsha Willhite who is the Chief of Bureau of Water said that new permits are going to be implemented and they are two years behind. They have been waiting on comments from the USEPA as to how they want their permits to look. She said whatever the USEPA tells them as comments they are going to put it in our permit and if we don't agree with them then we can discuss it with the USEPA.

Trustee Sotir added that Marsha Willhite said that they don't have the staff and if we don't like it we have to deal with it. Phillippe Moreau said that this is the first time that she gave a straight answer regarding the position of the IEPA in that they will not argue with the IEPA.

Manager Muth said that Bonnet the Director of IEPA has a lot of money in their revolving loan fund and Marsha Willhite reiterated that. We don't have any limit as to what we can borrow, before there was a limit of \$20,000,000.00 per year. Phillippe Moreau said that by the time we get the design completed for the South Plant finished and get all the permits, timing should be perfect for us. He said in the past, for example if Fox Metro disagreed with a standard that has been applied for whatever treatment process, the typical route would be to petition the Pollution Control Board and request a change in standard and what Marsha Willhite said was that any petition variance or adjusted standard through the IPCB (Illinois Pollution Control Board) will require first approval of the USEPA. That is a big change because you can't file it until it is approved by the USEPA.

Manager Muth said that there was also a good session on Administrative and SCADA Networks. They gave some examples of large Districts who didn't know that they had firewalls between their administrative computer and their Plant SCADA Computer. Trustee Sotir was concerned about our system security and came to a meeting at our plant to make sure that we have protocols in place for that security to be maintained at the level that it needs to be. We can't discount the fact that there is cyber terrorism out there and we want to make sure that we have every advantage in place. We want a unidirectional gateway instead of a firewall because it is more robust.

With no other 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.

Maintenance Supervisor Chris Morphey reported that they are using Feric Chloride and are seeing a reduction in Hydrogen Sulfite content in gas and is currently working with Joel Ilseman to test the sludge to establish a dose that they want to maintain.

Mr. Morphey reported that they have completed the first part of work with Com Ed last week on Service B. They will come back and finish the second part in September when our equipment is here.

They have been working with Carrie Carter on our storm water prevention plan. There is going to be an overview with staff in May to train everyone on chemical spills, how to report it and give contact information to everyone.

Trustee Detzler asked if all the generators were gone and Chris Morphey said that the only ones that are left are the ones in Building L.

Trustee Childress asked if there were any issues at the Plant with the melting snow. Chris reported that the snow melted slowly so there were no issues but we did have to treat the run off of the large amount salt that was done in all the communities that we service.

Manager Muth reported that there was a Watercon Conference that also took place and mentioned that 1,650 professionals attend this conference. We were represented at this conference because Amy from Deuchlers presented a paper she co-authored with our staff regarding the TPAD project.

At this conference they also do a Wastewater Operator Challenge and an Operator could participate in laboratory, maintenance safety or operations challenges. They could do just one of the four or all of them. Our Operator Foreman Wayne Rydecki did the maintenance challenge and got first place.

Phillipe Moreau said that the Watercon Conference is a huge conference which took place in Springfield 3 days prior to the IAWA.

The Regular Board Meeting reconvened at 11:15 A.M.

Dallas Ingemunson reported that a Bill has been filed in Springfield that only affects Fox Metro Water Reclamation District requiring that we have a change of the Board. He is not sure if this is special legislation.

He said some years ago when there was issues in Elgin with members of the Board, it was suggested by members of the General Assembly that we let everyone's term lapse and continue serving, we stay in office until we are replaced. He said that none of our Board members are in our original terms now, they have all expired. He said we can go back and have terms set again. He said if the Board wants him to go in and do that he would. He doesn't know what is going to happen, he doesn't know if this Bill is going to pass because it hasn't even been heard by the committee yet.

If the Bill passes we won't have much recourse, someone can challenge it but that could be costly. Attorney Ingemunson has not seen the Bill and is not sure what the specific terms of it is.

Trustee Childress said that he has seen the bill and it basically says that upon the next appointment at Fox Metro that there will be no more than three member of one party on the Board. He said question is whether they are appointed or reappointed. Right now it is unclear what their status is. Attorney Ingemunson thinks it means the next time they ask for an appointment.

Trustee Funkey asked if this isn't the same way it was in the nineties. It required, two Democrats, two Republicans and then the party that was in control had the Chairman. Attorney Ingemunson does not believe that is correct. Trustee Funkey said that there was a change in the nineties where the Bill was passed and said the appointments will be without regard to political affiliation. He would double check and research it. Attorney Ingemunson wanted to know what the Board's thoughts were. Trustee Funkey asked if there used to be limits on the terms under the present Statutes? Attorney Ingemunson said that the Statutes says that the term is three years but under the law if your term expires you can continue until your replacement is in place. Trustee Childress said he hasn't read the Legislation but what how he understands it is that they are appointed until we are replaced. Attorney Ingemunson says that the law states that you continue acting in office until you are replaced.

Trustee Funkey says the way he understands the appointment of the Board works is that all the State Representatives and Senators that service the District have to sign off on the appointments.

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

Meeting adjourned at 11:45 A.M.