

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF TRUSTEES
OF FOX METRO WATER RECLAMATION DISTRICT
HELD WEDNESDAY APRIL 19, 2017**

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 19, 2017. Present were, Trustee James K. Detzler, Judith S. Sotir, Trustee Michael C. Funkey, Trustee Albert E. Heriaud & Trustee Christopher F. Childress. Also present were Attorney Gregg Ingemunson, Philippe Moreau, Manager Thomas F. Muth, John Frerich from Walter E. Deuchler, Controller Jimmie Delgado, Human Resources Coordinator Patrick Divine, Operations Supervisor, Joel Ilseman, Field Services Manager Matt Woodin, Mike Brown from Cordogan Clark & Associates and Norma Rodriguez.

9288

The bills were presented and read. It was moved by Trustee Sotir that the bills be allowed as read, ratify and approve the checks drawn during the month of March, 2017 in the amount of \$4,744,604.13. Motion was seconded by Trustee Heriaud, put to vote and unanimously carried that the bills be paid as presented.

9289

It was moved by Trustee Sotir seconded by Trustee Heriaud, put to vote and unanimously carried that the Treasurer's Report for March, 2017 be approved as submitted.

9290


It was moved by Trustee Sotir, seconded by Trustee Funkey, put to vote and unanimously carried that the minutes of the March 22, 2017 Regular Board Meeting be approved as published each of the Trustees having received and read copies of said minutes before the meeting.

9291

With no 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.M.

In the Committee of Local Improvements Manager Muth introduced to the Board Mr. Mike Brown from Cordogan Clark & Associates to review the proposed plans for the O&M Building. Mr. Brown presented the Board several slides that contained the proposed Plans and explained what they entailed.



Mr. Brown said this meeting was to introduce the Board to what staff has been developing on the exterior of the O&M building. This is something that has not been discussed in past meetings because the floor plan needed to be finalized.

Mr. Brown explained that it will take three phases to complete the project. The first phase will be site preparation which has already begun. The total footage of construction will be approximately 42,000 square feet at a cost of \$8.5M.

Mr. Brown continued with his presentation and explained the specifics of the interior and exterior design of the building and also the types of materials that can be used in construction. This building will have a much better practical and efficient use of space for staff. The new building has been designed to accommodate future expansion if there is a need. There will be buildable space on the second floor to build out.

There will be a designated entrance for deliveries and a separate entrance for staff, vendors and visitors. Also, the new parking lot will be able to accommodate more vehicles.


Presentation concluded with sketches of views of the outside of the new building and how it will look upon completion.

Manager Muth said today's goal is to give the Board a schematic design of the Building and if it meets their approval, staff will proceed with the next step which is to develop the design. The final step will be the designer document which will be used to go out to bid.

Mr. Brown reiterated that the process will consist of three phases. Site preparation at a cost of \$736,000.00. That has gone out to bid and a bid was awarded last month. Phase 2 is actual construction of Building at a cost of \$6.5M and will go out to bid in October, 2017. Construction will begin early 2018 and project completion in April of 2019. Phase 3 consists of site work and will go out to bid in January 2019. Construction will begin in February 2019 and a grand opening approximately in August of 2019 with a total for the project of \$8.5M.

Trustee Sotir asked if there was a possibility of our buildings accommodating solar panels. She said the new building will have a very large roof and it would be worth while researching the possibility of solar energy to run the plant. Mr. Brown said this is an option worth researching. Trustee Sotir stated that Fox Metro is building for the future and the Board should be looking at the future for energy options.

All Board members liked the floor plans and site views and agreed to move forward with the design phase. Manager Muth said he and Mr. Brown will give the Board an update in three months on the progress of the project.



In the next topic in the Committee of Local Improvements Manager Muth said Trustee Childress did an excellent job researching the solar energy proposal from GEM Energy and appreciates his time and effort. Trustee Childress said the task of the Committee that was formed at last month's Board meeting was to understand the correspondence received by Manager Muth from GEM Energy regarding solar energy. He said there are some RECs (renewable Energy Credits) that are being collected by the State of Illinois and Illinois Power Authority and it is all paid for residentially, commercially and by a municipality. They have to spend those funds on these RECs and they are encouraging people to do solar and wind projects.

GEM Energy which is a subsidiary of Rudolph Libbe is in that space and as result Mr. Brian Maillet was identifying municipal clients that might be able to utilize power and build a 2 Mega Watt system. He would need approximately 6 to 8 acres of land. He identified Fox Metro as a client because there is not enough space in Fox Metro's property to install solar panels, he contacted the Economic Development Manager at the Village of Montgomery to inquire if there was any available property nearby where he could install his solar panels and she directed Mr. Maillet to Avalon who owns the property adjacent to the plant.

Trustee Childress said the question now is if this is something Fox Metro should be considering. He and his business partner performed an analysis on what the real cost of power is. GEM Energy's proposal was to sell Fox Metro power for 5.5 cents per kWh. The project would have an estimated cost of \$3.8M. The way the deal would work is that Fox Metro would provide the space to install a 6 to 8 acre field and over the next 20 to 25 years they would sell Fox Metro power for 5.5 cents per kWh. GEM would build and design it and once the field is built there is no cost to them and they earn their income on the power and renewable energy credits. There is Federal tax credits which Fox Metro cannot take advantage of but they can sell back into the marketplace.

Trustee Childress said it was important to have a base understanding what Fox Metro's power needs are and what we are paying. He reviewed with the Board the Plant's power usage, the current electric provider charges and contract details. He said we are still in an information gathering stage but without the analysis from GEM Energy on what they are proposing the Board currently does not have enough information to make a decision and the District does not have the property to install the solar panels.

Trustee Childress said an NDA was signed with GEM Energy for the purpose of allowing Fox Metro to submit to GEM Energy data in order for them to prepare an analysis and provide the Board with a report. He anticipates the Board will have more information from GEM Energy at the next Board Meeting that would indicate what the cost of power would be and how much land is needed.

One more thing that was asked of GEM Energy was to analyze Fox Metro's site to see if there are any opportunities to build over current structures to install solar

panels. The power generated from these solar panels would only be utilized by Fox Metro none of the power would go back to ComEd for use. One unique aspect is that 65% of power used by Fox Metro is used at night time. This is another aspect of the analysis GEM Energy will provide the Board.

Trustee Sotir said the Board's general responsibility as the third largest waste water facility in Illinois should be researching things like solar energy as a model. Manager Muth said he agrees and if this economically works and there is a 25 year stability with costs it is a win, win situation.

Trustee Childress said more information is forthcoming from GEM Energy and added the thought is to look at build over. He said without the Renewable Energy Credits and tax credits, solar is not a great financial option in the State of Illinois. Trustee Sotir agreed but stated that if this is the way people are moving towards the future, the Board should give it consideration even if the numbers do not look conducive right now but they may in the future.

Trustee Childress said as a result of the analysis, he and his business partner audited Fox Metro's electric bills and it was found that the Village of Oswego has been charging Fox Metro a Municipal Utility Tax that they are not entitled to for at least the last ten years. There is nothing malicious, it is totally inadvertent but as a result Fox Metro will save an average of \$44,000.00 per year going forward. In accordance with Illinois Commerce Commission Guidelines ComEd is obligated to go back two years and reimburse the District. What needs to happen now is to notify ComEd of the issue and they will reimburse the District. Trustee Childress will discuss the issue with the District's Account Representative and follow up what his findings.

9292

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 Regular Board Meeting reconvene.


The Regular Board Meeting reconvened at 10:30 A.M.

In the Attorney's Report Attorney Gregg Ingemunson presented Resolution No. 606, Approving Ordinance No. 865, Annexation of 16.786 acres in Village of Oswego for Oswego Police Station

9293

It was moved by Trustee Sotir, seconded by Trustee Funkey, put to vote and unanimously carried that Resolution No. 948, Approving Ordinance No. 865 Authorizing the Annexation of 16.786 Acres in the Village of Oswego for the Oswego Police Department be approved as written.

PASSED by the Board of Trustees of Fox Metro Water Reclamation District this 19th day of April, 2017 by a voice vote of 5 to 0.



Attorney Ingemunson presented to the Board for their approval Ordinance No. 866 Authorizing the Fox Metro Water Reclamation District to Make Certain Improvements which will include but not limited to construction of a sludge storage facility, a combined sewerage treatment facility, a solids handling facility and a field operations and maintenance facility.

9294

It was moved by Trustee Sotir, seconded by Trustee Funkey, put to vote and unanimously carried that Ordinance No. 866, Authorizing the Fox Metro Water Reclamation District to Make Certain Improvements be approved as written.

PASSED by the Board of Trustees of Fox Metro Water Reclamation District this 19th day of April, 2017 by a voice vote of 5 to 0.

9295

Mr. Philippe Moreau addressed the Board with the Engineer's Report. Mr. Moreau requested approval of Partial Payment No. 16 to River City Construction, Inc., in the amount of \$3,191,393.85 for South Waste Water Treatment Facility Project. It was moved by Trustee Sotir seconded by Trustee Funkey, put to vote and unanimously carried that payment be made in the amount of \$3,191,393.85 to River City Construction, Inc., for work completed on South Waste Water Treatment Facility Project.

9296

Mr. Moreau requested approval of Partial Payment No. 13 to Steve Spiess Construction, Inc., in the amount of \$97,679.00, for Waubonsie Interceptor River Crossing Project. It was moved by Trustee Sotir seconded by Trustee Funkey, put to vote and unanimously carried that payment be made in the amount of \$97,679.00 to Steve Spiess Construction, Inc., for work completed on the Waubonsie Interceptor River Crossing Project.

9297

Mr. Moreau requested approval of Final Payment No. 3 to Walker Process Equipment, in the amount of \$36,663.14, for Clarifier H4 Mechanism Replacement – Procurement Contract. It was moved by Trustee Sotir seconded by Trustee Funkey, put to vote and unanimously carried that payment be made in the amount of \$36,663.14 to Walker Process Equipment, for work completed on the Clarifier H4 Mechanism Replacement – Procurement Contract.

9298

Mr. Moreau requested approval of Partial Payment No. 1 to Michels Pipe Services, in the amount of \$185,213.70, for 2016 CIPP Interceptor Lining 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 \$185,213.70 to Michels Pipe Services, for work completed on the 2016 CIPP Interceptor Lining Project.

Mr. Moreau requested approval of Partial Payment No. 6 to River City Construction, in the amount of \$18,914.16, for Clarifiers H4 & D5 Mechanism Replacement –Installation Contract 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 \$18,914.16 to River City Construction, for work completed on the Clarifiers H4 & D5 Mechanism Replacement – Installation Project.

9299

Mr. Moreau requested approval of Partial Payment No. 1 Kane County Excavating, in the amount of \$20,340.00, for Orchard Road Compensatory Storage 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 \$20,340.00 to Kane County Excavating, for work completed on the Orchard Road Compensatory Project.

10000

Mr. Moreau requested approval of Partial Payment No. 3 Whittaker Construction, Inc., in the amount of \$219,280.50 for Building G Improvements 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 \$219,280.50 to Whittaker Construction, Inc., for work completed on Building G Improvements Project.

10001

Mr. Moreau requested approval of Partial Payments No. 4 to Dahme Mechanical, Inc., in the amount of \$120,367.80 for Chlorination Improvements 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 \$120,367.80 to Dahme Mechanical, Inc., for work completed on Chlorination Improvements Project.


In the Manager's Report Manager Muth discussed the 2017-2018 budget. What is being proposed to the Board is an operating deficit of approximately \$3.8M. Manager Muth explained and discussed the reasons why and reiterated that the District has the revenue available to pay for the deficit.

Manager Muth is seeking tentative approval of the Fiscal Year 2017/2018 budget to hold a Public Hearing on May 24, 2017 at 10:00 A.M. at the Board of Trustees Meeting to discuss the Budget and Appropriations Ordinance.

10002

It was moved by Trustee Sotir, seconded by Trustee Funkey, put to vote and unanimously carried that the Tentative Budget be approved for the purpose of review by the Board and hold a Public Hearing on May 24, 2017 at 10:00 A.M. at the Board of Trustees Meeting.

Trustee Funkey asked for an update on the beautification program that began last year regarding turning our lawn areas into natural landscape. Matt Woodin said a group has been formed to help strategize the project. They are trying to balance the planting with all the construction that is currently happening at the Plant. He said they are trying to minimize how much mowing area there is and trying to get it back to a natural landscape. There are some requirements that the District needs to comply with. Mr. Woodin said the committee is also going to take this idea and apply it to the lift stations to minimize the areas that need to be mowed. He also advised the Board they will be applying the same concept to the South Plant once it



is complete. Mr. Woodin added that the areas that were planted last year have taken off great and will be able to take some pictures to show the Board at a later Board Meeting.

The next item discussed in the Manager's Report was the IMRF Liability Payment. Mr. Jimmie Delgado addressed the Board and said IMRF is the premier pension fund in the State of Illinois and is the only one that is almost close to being fully funded. One of the reasons is because there are individual employer accounts and the money is allocated to individuals. Right now Fox Metro is approximately 80% funded in the employer account. With some of the surpluses that the District has and some money that is being saved into CD's Mr. Delgado is suggesting to the Board to move \$1M to the IMRF account and the result of that is that it will increase the District's funding ranging from 2% - 5%. The other result will be that it will increase the District's balance, its rate has been 14% and it could come down to maybe 4% or 5%. By putting this money in now, in the long term the District will be paying itself back.. To simplify, by doing this the District's employee account would get 7% on its return instead of 1%.

All Board members unanimously agreed and approved Mr. Delgado to move \$1M to the IMRF Account.

Operations Supervisor Joel Ilseman reported that the three hires from 2016 have all obtained their Operator's license.

The plant did very well with all the rainfall. At one point the Plant treated 151 million gallons and it is designed for 139 million gallons and there were no overflows.

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

The Regular Board Meeting adjourned at 11:10 A.M