

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF TRUSTEES
OF FOX METRO WATER RECLAMATION DISTRICT
HELD WEDNESDAY, APRIL 19, 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 April 19, 2023. Present were Trustee Judith S. Sotir, Trustee Michael Funkey, Trustee Christopher Childress, Trustee Dave Krahn and Trustee Randall H. Brown (via video). Also present were Attorney Gregg Ingemunson, District Manager Karen Clementi, Regulatory Manager Tim Rubis, IT Supervisor Dan Vargas, Controller Linnea Scherer, Human Resources Coordinator Dan Rivera, Plant Manager Joel Ilseman, Elected Trustee, Charles Nelson and Senior Administrative Assistant, Norma Rodriguez.

11108 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 March 2023 be approved in the amount of \$5,275,428.89. Motion was seconded by Trustee Childress, put to vote and unanimously carried that the bills be paid as presented.

11109 It was moved by Trustee Funkey seconded by Trustee Childress, put to vote and unanimously carried that the Financial Report for March, 2023 be approved as submitted.

Controller Linnea Scherer addressed the Board with the Controller's Report. She reported that as of March 2023 the District's cash on hand was \$41,049,549.00. The District's Investment Portfolio was \$15,290.64 and that is split primarily between the US Treasury and government agencies. The weighted average yield increased to 3.62% up from 3.51% last month. Interest income was \$59,012.00. This is an increase from \$886.00 in March 2022. The total earned income fiscal year to date is \$192,423.00.

11110 It was moved by Trustee Funkey seconded by Trustee Childress, put to vote, and the Motion was unanimously carried that the minutes of the March 22, 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 stated that the Kiwanis One Day Clean Up event was a success. Approximately 200 people participated and volunteered in this event. She thanked all of the Fox Metro employees who helped organize, and work at this event. There were employees from every department that showed up with their families to volunteer. It was an amazing event that involved the community and different organizations in cleaning and help beautify the Fox River. A large amount of garbage was removed from the river which made this event a success.

Trustee Sotir congratulated the three employees that completed the three-year program at the Illinois Public Service Institute and will be graduating this Spring. Those employees are Manager Clementi, Linnea Scherer and Dale Wagner.

Trustee Sotir on behalf of the Board congratulated all of the employees who celebrated birthdays in the month of April.

Plant Manager Joel Ilseman introduced the Fox Pride Award recipients for the month of April, Brett Hake and Jeremy Mathre from the Maintenance Department. These two individuals were instrumental in diagnosing and repairing N-CF-1 (Centrifuge #1). Since the repair, the Operations team has noticed the machine run better than it has in many years and their repair has likely extended the life of the unit. The Operations staff is grateful and appreciative.

Mr. Ilseman introduced John Glosson, who is the Union representative at today's Board Meeting. Mr. Glosson is an Operations Apprentice. He began employment at the District in August of 2022 and is currently completing his six months training in the Maintenance Department. John has been a valuable addition to the team. He has a great attitude and is a very good employee.

With no other Public Comments, it was moved by Trustee Funkey, seconded by Trustee Childress, 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 9:40 A.M.

In the Committee of Local Improvements, Manager Clementi gave a brief update on the Renewable Natural Gas Project. Mr. Dan Small from Strand and Associates joined the meeting via phone to answer any questions from the Board.

Manager Clementi advised the Board that the Renewable Natural Gas Preliminary Engineering Design Study Agreement was signed by herself after it was reviewed by the Regulatory Attorney, Strand and Associates, and Progressive. Staff is currently awaiting counter-signature from Nicor, once signature is received a check will go out. Nicor requested \$47,927.00 for the Study Fee. This is well under the \$150,000.00 threshold previously authorized by the Board. Target study completion date is June 19, 2023. Strand is completing more design engineer calculations in support of Nicor's work.

Mr. Small said a couple of things that he and Fox Metro are working concurrently with Progressive is communicating with third parties. He explained that there needs to be a third party involved between Fox Metro and Nicor to purchase the gas and RINS and Progressive is assisting with this and also concurrently working on the Interconnection Service Agreement. A first meeting was held yesterday with Fox Metro's attorney as well as Nicor's attorney to review some initial review comments and this will continue for a few more meetings. The goal is to be able to have the Interconnect Agreement in place by the time Nicor completes their Preliminary Study on June 19, 2023. From that date, there will be some reviews and updates that will be brought to the Board. The Nicor program that Fox Metro is currently working through expires on July 15, 2023. At that time if the Board decides to proceed, Strand would begin with their preliminary design of conditioning equipment and improvements at the District to begin the project.

Trustee Funkey said there was mention of a third party involved in this project. He said he does not recall any mention of a third party in the original conversation. He asked who the third party is, why are they needed and how much is it going to cost the District. Trustee Childress



said it technically does not cost the District anything. He explained that the third party is not doing anything with regard to the natural gas, what they are doing is selling the RINs off into the market place as a registered broker. Mr. Small said Nicor requires this because they can't purchase the gas directly, there has to be a third party. This is something that Progressive is working through because there are a lot of third-party entities out there and they are trying to make the best business case for the District.

Trustee Childress said that there was discussion regarding the Nicor contract claiming that they cap 100% of the value of the RINs and he questioned if that has been resolved. Manager Clementi said that matter was tabled and both sides agreed to go back and discuss. Mr. Small said the RINs are still in discussion but all that is being discussed is the \$3.9M that Nicor can invest into this and they are recovering that value back through RINs over a twenty-year period and there is a cap. Trustee Funkey said it was discussed that Fox Metro would become a regional collector of natural gas to go through its system to be sold. Manager Clementi said that would be the ultimate goal with this. Since the beginning Nicor has not been very receptive to this idea but she believes that can be resolved. Strand has been working on some calculations on how much gas Fox Metro can take. Mr. Small sent information yesterday on this exact topic. Economics are based just off the current District gas production, whether it becomes a regional it is still in evaluation. Nicor is giving Fox Metro a maximum flow rate that it can put into their pipeline. Right now, the District is producing just a little bit under the maximum Nicor is allowing so there is some availability for some other people to have some inputs. However, as the District grows, it should just be 100% Fox Metro gas and this is what needs to be evaluated. Is it cost effective, is there enough storage, the potential revenue and timing when the District's growth is expected to occur and this will be discussed during preliminary design.

Trustee Funkey said with the move towards renewable energy and the government behind it is expected that there will be additional legislation in the future that will support renewable energy and he believes the District should be in a good position to assist as many districts as possible and make the RINS to offset the District's expense. Trustee Sotir said this gas otherwise would have gone to

waste but now it will be put into valuable service. Manager Clementi said right now the District is going to take things slow with Nicor and get them comfortable, get our own gas in and perhaps expand this as time goes on. The District will be in a position to do it without additional expense. Trustee Childress said Nicor is very highly regulated and is very particular regarding who touches their gas main, the amount of gas that goes in and the type of gas that goes in their main.

With no other matters to come before the Committee of Local Improvements, it was moved by Trustee Funkey, seconded by Trustee Childress, 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 9:47 A.M.

Attorney Gregg Ingemunson addressed the Board and said he forwarded them the Open Meetings Act Memorandum for their review and can be discussed at next month's Board Meeting.

Manager Clementi addressed the Board with the Construction Project's Report. She requested Partial Payment No. 18 to Whittaker Construction in the amount of \$279,804.67 for the North Aurora Pumping Station Improvements Project. The project is 91% complete. Pay request was reviewed by Strand & Associates.

Manager Clementi requested approval of Partial Payment No. 17 to Williams Brothers Construction in the amount of \$210,566.59 for the Digester Complex Improvements (DCM-4) Project. The project is 79% complete. Pay request was reviewed by CDM Smith.

Manager Clementi requested approval of Partial Payment No. 11 to Vissering Construction in the amount of \$209,234.12 for the 111th Street Pump Station Project. The project is 81% complete. Pay Request was reviewed by Trotter and Associates.

Manager Clementi requested approval of Partial Payment No. 10 to Williams Brothers Construction, Inc., in the amount of \$9,837.90 for the H3, H4 & H5 Valve Vault Improvements Project. Project is 90% complete. Pay request was reviewed by CDM Smith.

Manager Clementi requested approval of Partial Payment No. 1 to Newcastle Electric, in the amount of \$17,073.00 for the Orchard Road Generator Replacement. Pay request was reviewed by Trotter and Associates.

It was moved by Trustee Funkey, seconded by Trustee Childress, 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 discussed the 2024 Fiscal Year budget. She distributed the Fiscal Year 2023-2024 Budget memo to the Board for their review and discussion. Controller Linnea Scherer gave a brief overview. She reported that there is a forecasted budget surplus, which is primarily driven by Grant and incentive revenues as well as some front funded Connection and Annexation fees. There is also a lag between construction of old projects and completing them and the design of new projects. This operating surplus will be used to fund future improvements.

The Billing revenues are budgeted based on prior year usage data. She said this information is in the District's Accounts Receivable System and she applied this to the user rate that is going to be in effect as of June 1, 2023. There was also an increase in collection of shut-off fees for this budget and catching up on shut-offs since the pandemic. The District relies on the staffing from our member communities to perform the shut-offs and we rely on their schedule to coordinate with their shut off dates.

Manager Clementi reported that surcharges have increased slightly this year. The District has two industries that are putting in a lot of compatible pollutants and they are Aurora Packing Company and Oberweis Dairy and they pay a lot of fees. Aurora Packing Company is going through construction at this time and when that is completed, they will have a pretreatment system and those fees will drop. Oberweis Dairy does not have a pretreatment system and they are not required by law to have a system because they only discharge compatible pollutants.



Pretreatment recovery fees have also increased. Those are not surcharges. They are fines, permits and lab fees. There is additional revenue increase due to connection fees and annexation fees since Oswego and Sugar Grove are experiencing increased growth.

Controller Scherer reported there is an increase in interest income as a result of the Board taking action to have the District's investments separately managed by an investment firm.

A new budget account has been created for Grant and incentive revenues. This new account increases transparency and tracking. For 2023-2024 Management has budgeted for income from the American Rescue Plan Act (ARPA) DuPage County as well as Inflation Reduction Act (IRA) reimbursement for Solar Field #2.

Ms. Scherer said there have been some wage changes due to personnel changes, department changes as well as retirements and new hires. Operating expenses can vary year over year based on staffing maintenance needs, gas/oil/chemical costs, and other items which vary for each department. Some include decreases in electricity costs due to savings from Solar Field #1 and increases in chemical costs.

There were also some changes to the way departments budget for certain line items. The major change includes moving Safety, Security, and Janitorial out of Maintenance and into Administration. Engineering Consulting Fees were also moved out of Engineering and into Administration. These changes were made to properly reflect the nature of the expense as well as the managers in charge of approving the expenses.

Manager Clementi reported that project expenses include Engineering consultant fees and they are budgeted to be \$3,000,000.00. Engineering design is scheduled to begin in several large projects, including the B Bar Screen Rehabilitation Project, the Building K valve replacement, and the Boulder Hill Circle Drive West sanitary sewer main replacement. Engineering design is already underway or scheduled to begin for several other smaller operational, maintenance, and repair projects.

11114

It was moved by Trustee Funkey, seconded by Trustee Childress, put to vote and unanimously carried that Regular Meeting temporarily adjourn to hold the Public Hearings.

Attorney Ingemunson called for the Public Hearing at 10:00 A.M. regarding Abby Properties, LLC (Tuscany Station in Oswego). Notice of said Public Hearing was duly published in the Beacon News. The Board of Trustees approved Ordinance No. 916 and Resolution No. 1004 in tentative form at the March 22, 2023 Meeting. Attorney Ingemunson presented Ordinance No. 916 and Resolution No. 1004 to the Board for their approval and advised them to table the approval until the Annexation Fees are paid by Abby Properties. No vote was taken.

Attorney Ingemunson called for the Public Hearing at 10:02 A.M. regarding ASF TAP IL. II, LLC (Hummel Trails in Oswego). Notice of said Public Hearing was duly published in the Beacon News. The Board of Trustees approved Ordinance No. 917 and Resolution No. 1005 in tentative form at the March 22, 2023 Meeting.

There being no further questions from the Board and no comments from the public, Attorney Ingemunson presented Ordinance No. 917 and Resolution No. 1005 to the Board for their approval.

11115

It was moved by Trustee Funkey, seconded by Trustee Childress, put to vote and unanimously carried that Ordinance No. 917 Resolution No. 1005, regarding ASF TAP IL. II, LLC (Hummel Trails in Oswego), be approved as written.

ADOPTED by the Board of Trustees of Fox Metro Water Reclamation District this 19th day of April, 2023 by a voice vote of 5 to 0.

11116

It was moved by Trustee Funkey, seconded by Trustee Childress, put to vote and unanimously carried that the Public Hearing adjourn and the Regular Meeting Reconvene.

At 10:10 A.M. Manager Clementi opened and read aloud bids received for the Collection System Properties Landscaping and Mowing Contract Project as follows: Four Seasons Landscaping

11117

Plus, – Total Bid \$88,540.00; ASCOI, LLC – Total Bid \$95,428.00; The Engineer’s Estimate for this project was \$105,000.00. After Discussion, it was moved by Trustee Funkey, seconded by Trustee Childress, put to vote and unanimously carried to accept the bid from Four Seasons Landscaping Plus, for \$88,540.00 with a one-year contract with a five year annual renewals and hold the bid from ASCOI, LLC for \$95,428.00 pending specification review and approval by Fox Metro Water Reclamation District Staff.

11118

At 10:15 A.M., Manager Clementi opened and read aloud bids received for the Oswego Pump Station HVAC Replacement Project as follows: Complete Mechanical Services – Bid \$167,126.00 with a \$6,000.00 allowance for instrumentation controls integration, for a Total Bid of \$173,126.00; After extensive Discussion, it was moved by Trustee Funkey, seconded by Trustee Childress, put to vote and unanimously carried to defer the discussion of the acceptance of this bid to Executive Session.

Manager Clementi continued with the Manager’s Report. She reported that the fiscal year 2024, five Capital Improvement projects are scheduled to be complete: the 111th St. Pump Station, the North Aurora Pump Station, the Digester Complex Improvements/DCM4 project, the H3, H4, and H5 vault improvements, and the Orchard Road Pump Station generator replacement project.

11119

After detailed discussion of the proposed Fiscal Year 2023/2024 budget for Fox Metro Water Reclamation District, Manager Clementi asked the Board to seek tentative approval and authorize a Public Hearing for 10:00 A.M., May 24, 2023 at the Board of Trustees Meeting. It was moved by Trustee Funkey, seconded by Trustee Childress, put to vote and unanimously carried that tentative approval be granted to the Fiscal Year 2023/2024 Budget as presented for Fox Metro Water Reclamation District subject to further information identifying the reason for the proposed budgeted amount and a public hearing be held at 10:00 A.M. at the May 24, 2023 Board of Trustees Meeting for final approval.

Tim Rubis addressed the Board with a PFAS update. He advised that he received the 2023 first quarter results for biosolids, influent and effluent. He reviewed the results with the Board and focused



mainly on sludge data because this seems to be getting more publicity lately especially when it comes to wastewater treatment. He presented Michigan's criteria that needs to be met for land application with regard to PFAS, specifically PFOS concentrations. PFOS is a common form of PFAS chemicals and displayed a slide with the District's PFOS concentrations and it showed all of the results are largely below the required threshold.

Trustee Sotir said this is going to be a long-term project and thanked Mr. Rubis for tracking this and keeping the Board updated on this issue.

Trustee Childress said the key is that Fox Metro is far below any standard that has been created to date. Mr. Rubis said these preliminary results are very good and staff did not know what to expect because this is so new.

Manager Clementi advised the Board that she, Operations Supervisor Dale Wagner and Maintenance Foreman, Eric Hutt attended a one-day conference in Madison, Wisconsin last week that was focused solely on PFAS with regard to wastewater treatment, and biosolids.

The most toxic PFAS and PFOS are no longer manufactured in the US but many other countries are still using them and goods imported to the US are a significant source.

Many wastewater facilities are observing higher levels of PFAS in their effluent than influent. A current area of research is to figure out why.

Quebec banned US biosolids imports on March 13, 2023. New Brunswick and Nova Scotia are expected to follow suit. Maine is transporting their biosolids by truck and rail to other states and this is very expensive.

A lot of experimental treatments are being tested. No large scale, tried and true treatments exist yet. This is very expensive and impractical at this time.



Many facilities are exploring alternative biosolids disposal options and they include: Dryers to reduce the volume, tree farms, composting facilities, filling former sand and gravel mines, railroad transport to more agricultural and rural states.

Trustee Funkey stated Michigan is one of the states that is at the forefront and is trying to resolve this issue. Manager Clementi said this is causing big problem there because of the State's manufacturing facilities.

Trustee Childress said he is pleased that staff addressed this issue early and it is being monitored. This is important to the District because it is important to the community.

Manager Clementi said a large portion of the conference she attended discussed experimental treatments and that is where the research is, it is very expensive and nothing is scalable. Discussion ensued.

Continuing with the Manager's Report, Trustee Sotir stated this is Trustee Childress' last Board of Trustees Meeting and presented Ordinance No. 918 Recognition of Christopher F. Childress and it read as follows:

WHEREAS, Christopher F. Childress has served Fox Metro Water Reclamation District as an appointed member of the Board of Trustees for the past 13.5 years, serving as Secretary/Clerk for 5.5 years;

WHEREAS, he has given an extraordinary amount of time, expertise and service to Fox Metro Water Reclamation District;

WHEREAS, he has been an excellent representative of the Fox Metro Water Reclamation District on the local, State and National level in advocating for initiatives that provide outstanding waste water programs and services;

WHEREAS, he has made meaningful and thoughtful contributions to the planning and development of Fox Metro Water Reclamation District's outstanding facilities;



WHEREAS, he is recognized for his commitment to provide direction and support for the success of Fox Metro Water Reclamation District;

WHEREAS, the Board of Trustees desires to acknowledge the contributions of Christopher F. Childress;

THEREFORE, BE IT RESOLVED, the Fox Metro Water Reclamation District Board of Trustees hereby recognizes and honors Christopher F. Childress for his commitment, dedication, and the many years of distinguished service on the Fox Metro Water Reclamation District Board of Trustees.

11120

It was moved by Trustee Funkey, seconded by Trustee Krahn, put to vote and unanimously carried that Ordinance 918 Recognition of Christopher F. Childress be adopted as written.

Trustee Childress thanked all of the Trustees and said Fox Metro has an excellent Board, they contemplate what is happening in the District and they are committed to the District and the area. This Board is non-political, it is about what is best for the residents and it always has been. Trustee Childress said he appreciates all the leadership, former District Manager Tom Muth and the current District Manager, Karen Clementi. He said he is very proud of the things that were accomplished since he has been on the Board and he is very proud to have been part of it. He said it is really the staff in all of the different departments that make the District a success with all of their hard work and dedication.

Manager Clementi stated that she would like to invite Trustee Childress back when the District conducts the ribbon cutting ceremony for Solar Field #2 and the Board would like to name that solar field after him.

11121

With no other matters to come before the Board, Manager Clementi requested an Executive Session be held to discuss the last four months of Executive Session Meeting Minutes, personnel and related matters.

11122

It was moved by Trustee Funkey, seconded by Trustee Childress, 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.

The Regular Board Meeting temporarily adjourned for Executive Session at 10:44 A.M.

11123

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

Regular Board Meeting reconvened at 11:42A.M.

No decisions were made in Executive Session.

11124

It was moved by Trustee Funkey, seconded by Trustee Childress, put to vote and unanimously carried that the bid from Complete Mechanical Services, Inc., of St. Charles in the amount of \$167,126.00 plus \$6,000.00 allowance for a total of \$173,126.00 for the Oswego Pump Station HVAC Replacement Project be accepted subject to review of staff.

11125

It was moved by Trustee Funkey, seconded by Trustee Childress, put to vote and unanimously carried that the Executive Meeting Minutes of December 21, 2022 to March 22, 2023 be approved as written and remain closed based on the recommendation of staff.

11126

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

Meeting adjourned at 11:44 A.M.

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