

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF TRUSTEES
OF FOX METRO WATER RECLAMATION DISTRICT
HELD WEDNESDAY, OCTOBER 23, 2024**

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 October 23, 2024. Present were Trustee Judith S. Sotir, Trustee Michael Funkey, Trustee Chuck Nelson, Trustee Randall Brown and Trustee Scott Gryder. Also present were District Manager Karen Clementi, Regulatory Manager Tim Rubis, Human Resources Supervisor Dan Rivera, Plant Manager Joel Ilseman, Senior Project Engineer James Kerrigan, IT Supervisor Dan Vargas, and Senior Administrative Assistant, Norma Rodriguez. Also in attendance was Mr. Shawn Ajazi from Progressive Energy.

11378

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 September 2024 be approved in the amount of \$1,985,357.87. Motion was seconded by Trustee Brown, put to vote and unanimously carried that the bills be paid.

11379

It was moved by Trustee Funkey seconded by Trustee Brown, put to vote and unanimously carried that the Financial Report for September 2024 be approved as submitted.

Manager Clementi addressed the Board with the Controller's Report on behalf of Linnea Scherer. She advised that the Audit is complete and staff is at the stage of reviewing and finalizing the audit report. She advised the audit went very well and the District has received an unmodified opinion, which means that the auditors determined that District's finances are presented fairly in all material respects. Manager Clementi said Sikich gave Controller Linnea Scherer a wonderful review during the exit meeting with her. They commended her on how organized she is, which in turn makes their job easier.

11380

It was moved by Trustee Funkey, seconded by Trustee Brown, put to vote, and the Motion was unanimously carried that the Controller's report for September 2024 be approved as presented.

It was moved by Trustee Funkey, seconded by Trustee Brown, put to vote, and the Motion was unanimously carried that the minutes of the September 25, 2024 Regular Board Meeting minutes be approved as written. Each of the Trustees having received and read copies of said minutes before the meeting.

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

Manager Clementi introduced the Fox Pride recipient this month, Brenda Dominguez from the Billing Department. Brenda has stepped up as Chair of the Public Relations Committee, which is outside her comfort zone. She is doing a beautiful job and has also been an excellent ambassador for the District at public events. One of those public events Brenda and Union President Miguel Vazquez participated in was a bilingual Career Expo at West Aurora High School. This Expo includes students from multiple area schools and businesses to show students the importance of learning a different language. Brenda said this is the third year the District has participated in this event. She likes to see the encouragement she brings the students to study a second or third language besides their first language because this will help them immensely in their future careers.

Plant Manager Joel Ilseman introduced Field Maintenance Technician, Ryan Kiest who is the Union representative at today's Board Meeting. Ryan has been working at the District in the Field Department for approximately four years and is doing a great job.

Mr. Ilseman introduced Geographic Information System Specialist Greg Weber as the non-union representative at today's Board Meeting. Mr. Weber has been with the District for approximately four years and is a great asset to the District.

With no other Public Comments, it was moved by Trustee Funkey, seconded by Trustee Brown, 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 introduced Shawn Ajazi from Progressive Energy to give a presentation regarding leveraging State and Federal Incentives for battery energy storage deployment. Manager Clementi said this is something she and Mr. Ajazi have been working on for many years. There have been times with the District's existing solar field that its producing over 100% of plant's electric consumption but we have no ability to store the excess electricity that is being generated. As the District puts Solar Field #2 on line, there are going to be more times when excess energy is going to be generated. The thought is to be able to store the excess energy in a battery. Mr. Ajazi took it to the next level and found some great rebates for the District and it will actually make more sense to sell the power when energy is expensive and buy it when it is cheaper. Manager Clementi said what she is most excited about is that this battery will allow Fox Metro to bridge the gap for a minimum of four hours when the plant loses power and generators have to be leased. These batteries will allow the plant to be self-sufficient in case of a major flood or tornado or if there is a power outage at the plant.

Mr. Ajazi began his presentation and stated he and Fox Metro staff have identified a solar field site for both the North Plant and the South Plant. The presentation is defined to the location where the batteries are recommended to be installed. The large part is to leverage the State and Federal incentives that are available by pairing battery storage with solar at both fields. Staff is looking to enhance energy independence, maximize the use of renewable energy and optimize the financial benefits. They are layering all of the incentives that are available outside of just the State incentives, which are still scheduled to be around for another seven and half years.

Mr. Ajazi stated that batteries provide grid stability, resiliency and backup power. There is also the environmental impact because it reduces the carbon footprint by minimizing the District's dependence on fossil fuels for back-up power.



The challenges with batteries are the initial investment costs. There is a high upfront cost for the combined system and there are some regulatory complexities.

The project specifics are using both solar projects, Fox Metro can take advantage of the Battery Energy Smart Inverter Rebate. The system is going to work seamlessly with integrating current grid operations with power being pulled off of ComEd as well as intergrade the solar component to allow the battery to also charge during peak time frames. The system will have a software program that monitors the battery every two seconds to see if the battery needs to stay in the status of “charge” or “deploy” to the market.

Mr. Ajazi stated with the performance of the battery it will also change the load profile for Fox Metro. The project will change the load profile of Fox Metro with solar offset, battery throughput and load reduction during seasonal peak capacity and transmission hours. The reduced quantities will drive a net utility bill reduction of \$1,569,000.00 over 15 years.

Mr. Ajazi explained how the battery energy storage system works. The way to earn is when the battery is entered into the market, the batteries will have software that will work seamlessly with the Fox Metro SCADA system. It will allow the battery to further lower and shave the PLC value during the critical time frames as well as put power back into the market when peak time frames occur. The market Fox Metro is in is called the Pennsylvania/New Jersey Transmission Authority so it is not only Illinois high prices, the program can detect high prices in Maryland or Pennsylvania and battery will give the command to deploy. The entire grid needs to be looked at as a whole, not just what is occurring in Illinois or specifically ComEd. Trustee Sotir inquired how this is monitored. Mr. Ajazi explained that it is monitored specifically through the software that is integrated directly into the PJM grid which reads signals every two seconds. It will give the order to charge or discharge. The software reads the market. There is a program that reads if Fox Metro runs a battery, is it going to make revenue and if it's not, the battery will stay charging. If the market goes up and it is at a price point where the Fox Metro can save or incur revenue, it will deploy and the battery will charge in the middle of the night when power prices come down. Fox Metro will have a dedicated site to show



the energy management of the Intelligence Generation software and system performance. The purpose is to let customers easily see financial performance of projects and the key features are the financial dashboard with daily performance updates. It covers the entire project and all value streams. It will convert a full reconciliation to month RTO settlements and it will generate monthly customer invoicing. Staff will be able to track live all the savings, the revenue, how the battery is deployed by Kw hours and what the performance level is. Manager Clementi said staff envisions uploading this data on to the District's website to allow the public to see what the District is doing.

Mr. Ajazi presented a slide which showed an example of the proposed Battery Pack. He said the recommendation for Fox Metro is the Tesla battery packs because there will be a Warranty Agreement and Maintenance Agreement with the vendor directly that will automatically be built in to the economics because the vendor does not want any other company to work on their battery packs.

Mr. Ajazi said staff is seeking approval to move forward with contract pending legal review/approval from General Energy for the following: To purchase the (3) three Battery Energy Storage Systems to connect to the 3 Fox Metro defined meters. Staff is also seeking approval to review contract with Intelligence Generation for the Battery Deployment Services. Once contract has been legally approved, Manager Clementi and Trustee Sotir will execute the agreements with General Energy and Intelligence Generation. Manager Clementi said staff did receive quotes from other vendors to install the battery and in accordance with the District's Purchasing Policy rather than doing a Change Order and this was the best contract for the District. Final Engineering, design, construction schedules and procurement will also need to be prepared. Finalize interconnection Agreements with ComEd and this is a very lengthy process which takes a minimum of 140 days to complete. The target project energization is late 2025 into 2026. Discussion ensued.

At 10:00 A.M. Manager Clementi opened and read aloud bids received for the P1 Server Room HVAC Project as follows: Premier Mechanical, Inc., – Total Bid \$184,000.00; Complete Mechanical

Services Inc., - Total Bid \$152,525.00; Commercial Mechanical, Inc., - Total Bid \$180,800.00; Dahme Mechanical – Total Bid \$154,600.00; Helm Service – Total Bid \$164,000.00; Air Comfort – Total Bid \$232,786.00; MG Mechanical Service – Total Bid \$170,250.00; R.J. O’Neil – Total Bid \$156,000.00; Voris Mechanical – Total Bid \$160,000.00. After discussion and finding all the bids are well in excess of the Engineer’s estimate, Trustee Funkey inquired if these bids should be considered or go back and figure out the issue and re-bid the project. Senior Project Engineer James Kerrigan said he would like to review the bids and investigate the cause of the large discrepancy between the Engineer’s Estimate and the Contractor bids. After extensive discussion, it was moved by Trustee Funkey, seconded by Trustee Gryder, put to vote and unanimously carried to reject all bids and matter be referred to staff for further review and re-bid project.

Continuing with the Committee of Local Improvements, Trustee Gryder asked Mr. Ajazi if he has seen anything with mechanical issues or catching fire? Mr. Ajazi said there have been some instances of batteries catching fire out in California. The way the megapacks are designed are individually self-contained and typically the fire does not spread and they have their own cooling mechanisms for HVAC. Manager Clementi stated that there will be a Maintenance Contract, if anything happens the outside vendor will be required to fix it. Discussion ensued regarding safety of the batteries and Mr. Ajazi answered all of the Trustees questions in detail and addressed all of their concerns.

Trustee Funkey said he reviewed all of the information in Mr. Ajazi’s memo and inquired how much out of pocket this project is going to cost the District. Mr. Ajazi responded that it will cost the District \$6.2M. Trustee Funkey stated that it was mentioned that it was uncertain if the District would be able to recover all of the rebates and asked if there has been any change in this. Mr. Ajazi stated the District will get 40% Base case and an additional 10% on top of the entire project for energy community and it would receive 50% for Best case. Manager Clementi stated that staff has worked this through, their primary goal was to have a battery back-up and the fact that the District could effectively get a battery and be able to pay it

back in less than four years but now to be able to make money on it is quite a business case.

Trustee Funkey inquired after the District pays the \$6.2M, how quickly will the District get the 40% credit. Mr. Ajazi said the District will get the tax credit the following tax year. After the District files its tax return, it will get the payment back within three months from the Federal Government. After three months the system is energized the District will get the \$2.7M back directly from ComEd. Manager Clementi explained that in best case the District will get 93% back the first year the system is energized. Mr. Ajazi explained that if the system energizes in early 2026, the District will not get the tax credit until 2027. Discussion ensued regarding the installation construction of the battery and who is responsible for bidding it out.

11384

With no other matters to come before the Committee of Local Improvements, it was moved by Trustee Funkey, seconded by Trustee Brown, 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 10:27A.M.

11385

Manager Clementi addressed the Board with Action Items. She requested authorization to Amend the Solar Field #2 Installation Contract with General Energy to include the installation of solar energy battery backup, not to exceed the amount of \$6.2M. It was moved by Trustee Gryder, seconded by Trustee Nelson, put to vote and the Motion was unanimously carried to Amend the Solar Field #2 Installation Contract with General, Energy to include the installation of solar energy battery backup, not to exceed the amount of \$6.2M.

11386

Manager Clementi requested Authorization to Execute an Interconnection Agreement with Nicor Gas for the Renewable Natural Gas (RNG) Project and the Associated Expenditure of \$2,263,504.43. After discussion it was moved by Trustee Funkey, seconded by Trustee Brown, put to vote and the Motion was unanimously carried to authorize and execute the Interconnection

Agreement with Nicor Gas for the Renewable Natural Gas (RNG) Project and the associated expenditure of \$2,263,504.43.

11387

Manager Clementi presented for approval Resolution No. 1022 and Ordinance No. 933 Annexing a vacant 3.1627 Acre Property located at 7S330 Eola Rd, in DuPage County owned by the City of Aurora, Illinois. It was moved by Trustee Brown, seconded by Trustee Gryder, put to vote and the Motion was unanimously carried to approve Resolution No. 1020 and Ordinance No. 933 Annexing vacant 3.1627acre property located at 7S330 Eola Road., in DuPage County owned by the City of Aurora, IL.

11388

Manager Clementi requested approval of the Collective Bargaining Agreement with AFSCME Local #3297 to expire May 31, 2029. It was moved by Trustee Nelson, seconded by Trustee Gryder, put to vote and the Motion was unanimously carried to approve and sign the Collective Bargaining Agreement with AFSCME Local #3297 to expire May 31, 2029 as presented.

11389

Manager Clementi requested approval of Resolution No. 1022 for the Assignment of Easement with the Village of Montgomery to transfer ownership of Fox Metro's Route 25 Lift Station to the Village of Montgomery in exchange for Fox Metro acquiring Village of Montgomery's Jefferson Street Pump Station. After discussion, it was moved by Trustee Brown, seconded by Trustee Funkey, put to vote and the Motion was unanimously carried to approve Resolution No. 1022 for the Assignment of Easement with the Village of Montgomery to transfer ownership of Fox Metro's Route 25 Lift Station to the Village of Montgomery in exchange for Fox Metro acquiring Village of Montgomery's Jefferson Street Pump Station as presented.

Manager Clementi discussed Fox Metro's Employee Benefit Package. She asked the Board to consider adopting Fox Metro's new Employee Benefit Package. She said the Insurance Committee met on October 15, 2024 and staff was very pleased with the plan Stumm insurance was able to broker for Fox Metro. Stumm mentioned at the Insurance Committee meeting that most of their 900 clients averaged a 14.7% increase and nationwide insurance premiums increased an average of 15%. Stumm was able to

negotiate the District's insurance premium down to 3.3%. In addition, the District gets a 1% discount for bundling health and dental together. Metlife held all of the District premiums the same with the Long Term Disability, Life Insurance but there was an increase in Short Term Disability premiums, this is based on usage. Discussion ensued.

It was moved by Trustee Brown, seconded by Trustee Funkey, put to vote and the Motion was unanimously carried the approval to renew the Fox Metro Employee Benefit Package as presented.

Senior Project Engineer James Kerrigan addressed the Board with the Construction Report. Mr. Kerrigan reported that the 111th St. Pump Station project with Vissering Construction is 95% complete and there is no pay request this month. With the ComEd power connections having been completed, it is anticipated that the final pay application will be submitted next month and the project will be complete.

Mr. Kerrigan reported that the Orchard Road Pump Station Generator Replacement Project with Newcastle Electric, Inc., is 86% complete, and there is no pay request this month. Construction work is complete, the contractor is now completing project close out documentation.

Mr. Kerrigan requested approval of Final Payment No. 6 to Mechanical Services in the amount \$20,237.60 for the Oswego Pump Station HVAC Replacement Project. The project is 100% Complete and the pay request was reviewed by CDM Smith. Project is complete

Mr. Kerrigan Reported that the North Aurora Pumping Station Watermain Installation Project with J&S Construction Sewer and Water, Inc., is 1% complete and there is no pay application submitted for this project this month. Staff is coordinating with the Village of North Aurora and the Park District to help move this project along.

Mr. Kerrigan reported that the Boulder Hill Sanitary Sewer Repairs Project with Steve Spiess Construction, Inc., is 89% complete and there is no pay request submitted for this project this month. Final



surface paving is being scheduled for next month and the project will then be complete.

Mr. Kerrigan requested approval of Partial Payment No. 3 to Williams Brothers Construction, Inc., in the amount of \$328,540.62 for the North Waste Water Treatment Plant Bar Screen Replacement Project. The project is 8% complete and the pay request was reviewed by Trotter and Associates. Utility relocations are continuing. Staff and the contractor are coordinating for the upcoming major shutdowns that are required for building bypass pumping work.

Mr. Kerrigan reported that the Solar Farm #2 with General Energy Corporation is 10% complete. There is no pay request this month. Construction is anticipated to begin on site in mid-November. Construction permits with Kendall County and the Village of Montgomery are in process of being transferred to General Energy

11391

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

Trustee Sotir said she needs to set up a working group to discuss the Responsible Bidders Ordinance. The members of this group are Trustee Funkey, Trustee Nelson and Manager Clementi. This topic has been discussed in several Board Meetings and it is a point where the issue needs to be resolved and the Ordinance is worded correctly in order to bring it to the Board for approval.

Trustee Sotir requested an Executive Session to discuss personnel, and related matters.

11392

It was moved by Trustee Funkey, seconded by Trustee Brown, put to vote and unanimously carried to temporarily adjourn for an Executive Session.

The Regular Board Meeting temporarily adjourned for Executive Session at 11:06 A.M.



11393

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

Regular Board Meeting reconvened at 11:59 A.M.

No decisions were made in Executive Session.

11394

It was moved by Trustee Funkey, seconded by Trustee Nelson, put to vote and the motion unanimously carried that the Executive Meeting Minutes of April 17, 2024 to October 23, 2024 be approved and kept closed as recommended by the Board of Trustees and Manager Clementi.

11395

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

Meeting adjourned at 12:00 P.M.

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