

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF TRUSTEES
OF FOX METRO WATER RECLAMATION DISTRICT
HELD WEDNESDAY, MARCH 18, 2026**

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 18, 2026. Present were Trustee Judith S. Sotir, Trustee Michael Funkey, Trustee Randall Brown, Trustee Chuck Nelson. Trustee Scott Gryder was absent. Also present were District Manager Karen Clementi, Attorney Bryan Wellner from Mahoney, Silverman and Cross, LLC, Plant Manager Joel Ilseman, Maintenance Supervisor Chris Morphey, Human Resources Supervisor Dan Rivera, IT Supervisor Dan Vargas, Senior Project Engineer James Kerrigan, Controller Linnea Scherer and Senior Administrative Assistant Norma Rodriguez.

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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 February 2026 be approved in the amount of \$5,571,878.19. Motion was seconded by Trustee Brown, put to vote, and unanimously carried that the bills be paid as presented.

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It was moved by Trustee Brown, seconded by Trustee Funkey, put to vote, and unanimously carried that the Financial Report for February 2026 be approved as submitted.

Controller Linnea Scherer presented the Controller's Report to the Board. She noted that the budget will be covered in the Manager's Report. Manager Clementi, along with Controller Scherer and the Fox Metro Supervisors, are available to address any questions from the Trustees on the proposed Fiscal Year 2027 budget.


Ms. Scherer informed the Trustees that the budget presentation is being scheduled one month earlier than in previous years. This change is intended to support a smoother transition in the event new Trustees are elected. Presenting the budget in March for approval in April helps ensure that newly elected Trustees are not required to approve a budget without adequate time for review. Staff plans to maintain this revised schedule in both election and non-election years for consistency.

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It was moved by Trustee Brown, seconded by Trustee Funkey, put to vote, and the Motion was unanimously carried that the Controller's Report be approved as written.

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It was moved by Trustee Brown, seconded by Trustee Funkey, put to vote, and the Motion was unanimously carried that the minutes of the February 18, 2026 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 addressed the public and asked for any public comments. Trustee Brown announced that the Lyons Club will be having a pancake breakfast on April 11, 2026 at St. Mark's Lutheran Church in Aurora, IL.

Trustee Funkey questioned why today's agenda did not include any discussion of the recent change to the prior policy regarding trustee compensation. Trustee Brown responded that the Board did not plan to address the matter at this meeting. Trustee Sotir added that she would prefer to have Attorney Silverman present when the issue is discussed. Trustee Funkey then asked when the matter would be addressed, and Trustee Sotir stated it would be discussed at next month's Board meeting.

Trustee Funkey noted that he had received a memo two days prior to last month's meeting, dated May 2025, regarding this issue. He questioned why a change had been made without prior discussion or approval by the Board. Attorney Wellner explained that he had a brief conversation with Attorney Silverman and understood that work on the matter was ongoing. He indicated that individual discussions outside of a public meeting were intended to take place before bringing the issue to the full Board.


Trustee Funkey questioned why a change had occurred prior to those discussions. Attorney Wellner responded that he was not familiar with all the details but believed that further discussions outside of a public meeting should occur before any public consideration. Trustee Funkey reiterated his concern that changes were made before such discussions, and Attorney Wellner again emphasized the need for preliminary discussions prior to a public meeting. Trustee Funkey concluded that he would wait.

There being no more Public Comments, Trustee Sotir, on behalf of the Board, congratulated all of the employees who celebrated birthdays in the month of March.

Plant Manager Joel Ilseman introduced Josh Stork as the Union Representative at today's Board Meeting. Josh has been at the District for 7 years, he began in Operations and is now an Electrician Apprentice and doing a great job.

With no other Public Comments, it was moved by Trustee Nelson, 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 9:37 A.M.



In the Committee of Local Improvements, Manager Clementi addressed the Board with the Year 2027 Budget Overview. She reported that management is projecting an operating deficit of \$157,823 for the 2026–2027 fiscal year. Prior-year reserves will be applied first to offset project costs. Total revenues are expected to increase by \$4,097,617 compared to the 2025–2026 budget, which are primarily driven by higher Infrastructure Participation Fees and interest income.

Operating expenses are budgeted at \$30,923,222, reflecting an increase of \$2,214,803 over the prior fiscal year. Capital expenditures are projected to decrease by \$3,644,727. The District has generated surplus revenue at the end of each of the past several years, strengthening its financial reserves for future projects. While maintaining reserves for planned projects and emergencies is important, these balances are expected to fluctuate annually.

As a government entity, the District aims to operate on a “net zero” basis, meaning revenues should ultimately be used to benefit ratepayers rather than be held indefinitely. This principle, together with the current fiscal-year forecast, supports staff’s recommendation to forgo the planned rate increase on June 1, 2026.


With regard to revenues, Manager Clementi reported that the projected minor increase in user fees was calculated based on actual expenses incurred from March 2025 through February 2026. The increase is primarily attributed to higher-than-budgeted usage, driven by population growth and increased production at large industrial users.

Additional revenue increases are projected in infrastructure participation fees, Annexation fees received and interest income. Infrastructure participation fees for 2026–2027 are expected to be largely funded by the significant development in Sugar Grove.

The increase in interest income reflects the ongoing management of District investment funds. While these revenues are expected to decline over time as funds are expended, the increase for this year is primarily due to the transfer of additional funds from the IMET account to a Meeder-managed account, which yields higher returns.

Staff did not include grant incentive revenues in the budget. The District is going to apply for a grant related to the battery project and may receive incentives as the project progresses. However, because there is uncertainty regarding both the approval of the grant and the timing of any potential funding— which could take several years—staff chose not to incorporate these revenues into the current budget.

Manager Clementi discussed the personal property replacement tax (PPRT), noting that it is beyond staff’s control and continues to decline statewide. She explained that this revenue is distributed by the State and, according to the Illinois



Municipal League (IML), approximately \$4.26 billion has been diverted from local governments to the State since 2009.


Manager Clementi explained that payroll is consistent at 94 full time employees, 1 part time employee and 5 Trustees. Operating expenses fluctuate each year depending on the District's needs. Management is projecting an approximate 7% increase in the operating budget, largely driven by staffing changes, software and licensing costs, the planned acquisition of a Vactor truck, and the replacement of the centrifuge's internal rotating assembly.

Manager Clementi noted that a significant portion of the budget is allocated to engineering consultant design services. Numerous planned projects require design work by consultants. Staff is actively focusing on strategic planning to achieve stacked benefits—addressing multiple challenges with a single solution. Additionally, staff is prioritizing process optimization projects, particularly in the areas of disinfection and primary treatment.

Trustee Nelson inquired about the District's use of diversified engineering consultants, noting that several years have passed since the approach was implemented and asking how it has performed. Manager Clementi reported that the results have been exceptional, rating the approach a 15.5 on a scale of 1 to 10. She stated that the District is currently paying approximately 60% of its previous engineering costs. Ms. Scherer added that this comparison does not account for inflation, further emphasizing the savings. Manager Clementi also noted that project completion speed has more than doubled and that overall productivity has significantly increased. She explained that staff strategically engages multiple consultants simultaneously to avoid bottlenecks, typically working with four to five firms at a time to maintain efficiency, accountability, and competitive pricing. Manager Clementi further stated that staff conducts regular peer reviews of consultant work. When concerns arise, an additional consultant is engaged to review the work at a minimal cost. She cited the HVAC system issue in the lab as an example of this practice.

Manager Clementi reported that a major capital expense for the year is the planned purchase of a Vactor truck. She explained that while the District currently owns a jetter truck, it does not have a Vactor truck, which operates as a vacuum system used to remove grease, dirt, leaves, and other debris from sewer pipes. Staff has budgeted \$800,000 for this purchase and described the vehicle as a “tool on wheels.”

Staff researched multiple manufacturers, noting that Vactor is the brand name and is manufactured in Illinois. The equipment is available through the Sourcewell government purchasing program at a discount. The Vactor truck would be used both at the treatment plant and within the collection system. Currently, these services are performed by a third-party contractor at an approximate fully loaded cost of \$591.97 per hour. The District maintains approximately 1,020,700 linear feet of sanitary sewer infrastructure, including siphons and forcemains. Nearby



communities, including North Aurora, Oswego, Montgomery, and Yorkville, each own at least one Vactor truck, while Aurora owns several.

Trustee Brown inquired about the anticipated delivery timeline. Manager Clementi responded that the truck would be custom-built for the District and that the delivery timeframe is currently uncertain.

Manager Clementi further noted that sewer cleaning is required under the District's NPDES permit to maintain maximum conveyance capacity. She advised that the Vactor truck is expected to have a payback period of no more than five years and a minimum useful life of ten years. She also stated that operating the equipment would provide skilled work opportunities for union laborers and allow the District to perform these services in-house rather than relying on third-party contractors.


Trustee Sotir asked whether a future replacement would be incorporated into the budget, given the truck's estimated minimum 10-year useful life. Manager Clementi stated that it should be considered, but expressed confidence that the equipment would exceed that lifespan. Trustee Sotir emphasized the importance of planning for replacement due to the high cost. Ms. Scherer explained that the budget reflects actual expenditures, while for audit purposes the cost will be depreciated over its useful life. She added that once the equipment reaches the end of its useful life, it is not considered a liability, and future replacement costs could be funded through the District's investment pool.

At 10:00 A.M., Manager Clementi opened read aloud bids received for the 2026-02 OCSI Rehabilitation and Lining Project as follows: Inliner Solutions – Total Bid \$3,198,346.00; SAK – Total Bid \$3,997,735.00; Visu-Sewer – Total Bid \$3,804,120.00. After discussion, it was moved by Trustee Brown, seconded by Trustee Nelson, put to vote and unanimously carried to accept the bid from Inliner Solutions in the amount of \$3,198,346.00 and hold the bid from Visu-Sewer in the amount of \$3,804,120.00 pending review and approval from staff.

Continuing with the Committee of Local Improvements, Manager Clementi presented a graph illustrating that the majority of the District's expenses are related to capital projects, totaling over \$30 million if all projects are completed as scheduled. She noted that, when combined with the District's outstanding IEPA loan obligations, total commitments exceed \$39 million. Approximately 60% of the District's budget is allocated to both existing and new capital projects, reflecting staff's commitment to maintaining public infrastructure. She added that these costs continue to rise annually due to expanding infrastructure and inflation.

Trustee Funkey inquired about the annual reduction in the District's debt obligations. Manager Clementi responded that debt has decreased by approximately \$500,000 this year. Ms. Scherer clarified that the reduction is not

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consistent year to year, as it depends largely on the timing of loan repayments. Manager Clementi added that many older loans have been paid off, with only a few smaller ones remaining; however, the primary obligation is the South Plant loan, which will be repaid through 2039. Ms. Scherer further noted that her financial report includes a page detailing remaining balances and payoff timelines for each loan.


Mr. James Kerrigan explained that project-related expenses fluctuate significantly from year to year, driven by the scope of new initiatives and the progress of existing projects. For fiscal year 2026–2027, approximately \$12.3 million is allocated for projects currently under contract which are the North Waste Water Treatment Plant – Bar Screen Replacement Project, Battery Project and the Renewable Natural Gas Project with an additional \$11.35 million budgeted for several new, large-scale projects.

A number of projects are scheduled to begin in the upcoming fiscal year, including ongoing treatment plant repairs and maintenance, as well as major collection system initiatives such as the Original Combined Sewer Interceptor Rehabilitation and the Sugar Grove Pump Station Improvements. Additional funding has also been set aside for ongoing needs, repairs, and rehabilitation efforts across the District, including facility infrastructure and structural improvements as needs arise. A detailed Fiscal Year 2026–2027 Capital Project Expenses Summary was also provided to the Board for review.

Manager Clementi noted that, according to data from the National Institute of Building Sciences (NIBS), every dollar spent on preventative maintenance yields approximately six dollars in savings compared to reactive maintenance. She also shared insights from the IAWA conference she attended the previous week, highlighting discussions that indicated many agencies are falling behind on maintenance. As a result, these agencies are facing costly emergency repairs and lack sufficient funding to address necessary improvements due to delayed action.

Manager Clementi explained that the District’s needs and workflows evolve over time. To ensure the budget accurately reflects these changes, certain line items are periodically consolidated or separated to reduce redundancy and enhance transparency. While most adjustments are incremental from year to year, management highlighted notable updates within the Field Operations and Engineering departments in the FY 2026–2027 budget.

Historically, these department budgets were distributed across Maintenance, Operations, and Billing. The primary driver for the recent restructuring is changes in staffing over the past several years. Budgets are developed and monitored by senior staff responsible for tracking departmental expenses.



Field Operations staff are now supervised by the Maintenance Department; accordingly, the majority of related expenses have been reallocated to the Maintenance budget, as reflected in the Budget Overview. Certain costs, such as odor control, were reassigned to the Operations budget due to their operational nature.

Engineering-related expenses have been transferred to the Billing Department—now renamed “Billing and Permits”—to better align with the District’s processes for charging utility customers and developers for services.

Trustee Nelson referenced a recent *Tribune* article regarding PFAS in drinking water, noting that while some communities have received funding, it falls significantly short of the costs required to meet new regulatory standards. He observed that PFAS was not addressed in Manager Clementi’s presentation and asked for her perspective on potential future developments.

Manager Clementi stated that, as a member of the IAWA Executive Committee, she recently met with the IEPA, where PFAS was discussed. She reported that the IEPA has consistently indicated that PFAS is not currently a regulatory focus for wastewater agencies, as they are considered passive receivers. She added that several PFAS-related bills are pending at the state level, primarily focused on biosolids, and that the IAWA is awaiting further regulatory direction. At the federal level, efforts are underway to establish passive receiver exemptions.

Trustee Funkey recalled that at the June 18, 2025 Board meeting, he proposed an ordinance prohibiting the District from accepting industrial PFAS for treatment; however, the motion did not receive a second. He expressed concern that, despite current guidance, regulatory focus could shift, potentially requiring the District to treat PFAS at significant cost. He reiterated his position that the District should proactively adopt a policy refusing PFAS and await regulatory response. He asked whether there were additional PFAS-related considerations beyond those already discussed.

Manager Clementi responded that quarterly industrial sampling data indicates no identifiable PFAS sources within the District. She noted that current PFAS levels are negligible and significantly below limits established in other states, such as Michigan and Minnesota. She added that the District would receive advance notice of any regulatory changes through IEPA communications or legislative action, and that compliance schedules could be negotiated if necessary.

Trustee Funkey highlighted that ongoing and future development, including residential growth in Sugar Grove and commercial development such as Crown Development, could introduce potential PFAS sources. Manager Clementi agreed, explaining that new industrial users are evaluated prior to connection using historical data and are subsequently monitored through quarterly sampling.

She noted that the District's Pretreatment Program allows for permit-specific provisions to address potential concerns.

Trustee Sotir commented on the complexity of PFAS regulation, noting the existence of thousands of PFAS compounds, while the District currently tests for approximately 40. She suggested that any regulatory response would likely require a regional approach due to the scope of the issue. She emphasized the value of IAWA in tracking legislative and regulatory developments.

Manager Clementi added that the District would receive sufficient notice before any PFAS limits are implemented and could negotiate compliance timelines with the IEPA. She stated that, in a worst-case scenario, significant capital investment could be required, potentially necessitating a rate increase.

Trustee Sotir compared the situation to prior phosphorus mandates, which required substantial investment, and expressed concern that PFAS treatment could present even greater challenges. Trustee Funkey reiterated that adopting a policy now would better position the District to mitigate future risk. He suggested establishing limits on acceptable PFAS levels or prohibiting industrial PFAS discharges.

Trustee Sotir questioned the feasibility of implementing such limits at this time, citing current uncertainties. Trustee Nelson noted that a resolution could serve as a non-binding policy statement, while an ordinance would establish enforceable criteria. Trustee Funkey indicated support for either approach.

Manager Clementi recommended consulting legal counsel to determine the appropriate framework, noting that any PFAS-related limits on industrial users would require approval from the USEPA and incorporation into the District's Pretreatment Program. Trustee Funkey agreed and emphasized his concern about avoiding significant future financial burdens associated with PFAS treatment infrastructure.

With no other matters to come before the Committee of Local Improvements, it was moved by Trustee Brown, seconded by Trustee Funkey, 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 10:32 A.M.

In Discussion and Action Items, Manager Clementi presented Ordinance No. 951 and Resolution No. 1031 to the Board for approval of the Lincoln Prairie LLC Phase 4 Annexation of the 32.786 acres in Aurora, IL. After discussion and the recommendation of staff, it was moved by Trustee Funkey, seconded by Trustee Brown, put to vote and unanimously carried to approve Ordinance No. 951 and

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Resolution No. 1031 for the Lincoln Prairie LLC Phase 4 Annexation of the 32.786 acres in Aurora, IL as presented.

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Manager Clementi requested authorization to seek bids for the 2026-03 Sewer Maintenance-Interceptor Televising Project – North Aurora area to be opened at 10:00 A.M. on April 22, 2026 at the Board of Trustees Meeting. It was Moved by Trustee Funkey, seconded by Trustee Nelson, put to vote and unanimously carried to authorize to seek bids for the 2026-03 Sewer Maintenance-Interceptor Televising Project – North Aurora area to be opened at 10:00 A.M. on April 22, 2026 at the Board of Trustees Meeting.


11652

Manager Clementi requested authorization to seek bids for the 2026-04 Aeration Tank Repairs Project to be opened at 10:00 A.M., May 20, 2026 at the Board of Trustees Meeting. After discussion, recommendation and request from staff, it was moved by Trustee Funkey, seconded by Trustee Brown, put to vote and unanimously carried to authorize to seek bids the 2026-04 Aeration Tank Repairs Project to be opened at 10:00 A.M., May 20, 2026 at the Board of Trustees Meeting.

The Board discussed the Solar Field #1 Asset Purchase Agreement. Manager Clementi reported that staff is continuing to work with MSC to prepare all necessary documentation, in accordance with the Board’s direction, should the matter proceed to a vote. Attorney Wellner advised the Board that Attorney Silverman has reviewed the agreement and submitted redlined revisions to the other party. A response has been received, and he is currently evaluating whether the proposed changes are in the District’s best interest. The agreement remains a work in progress. No Board action is required at this time. Progressive is also assisting with the review and has provided valuable input.

The Board next discussed the bid process for the potential sale of a portion of the Reckinger Road property. Manager Clementi noted that the District previously received an offer for the property and, as discussed at a prior meeting, the property had been listed on the MLS and a contract executed with a realtor. She said Attorney Silverman advised that this approach is not consistent with the proper method for disposing of public assets, as land is considered an asset of the District. She stated that the sale must proceed through a formal bid process in accordance with the Illinois Sanitary District Act of 1917, which outlines requirements for the acquisition and disposal of assets.

Based on his research, Attorney Silverman recommended that the District solicit bids for the property and establish a base price. This would allow for competitive offers, including from parties other than the initial prospective purchaser. Manager Clementi requested that Attorney Silverman review the District’s agreement with the real estate agent to determine its current status, including whether it has expired. She noted that the agent had been engaged based on prior legal guidance and has worked on the District’s behalf for several years with the expectation of



receiving a commission. Manager Clementi emphasized the need to ensure the District is not exposed to any legal liability.

Staff also expressed the need for clear guidance on the proper procedures for the sale of District property. This matter remains a work in progress.

Senior Project Engineer James Kerrigan addressed the Board with the Construction Project Report. Mr. Kerrigan requested approval of Partial Payment No. 20 to Williams Brothers Construction, Inc., in the amount of \$664,187.44 for the North Waste Water Treatment Plant Bar Screen Replacement Project. The project is 70% complete and the pay request was reviewed by Trotter and Associates. Electrical and mechanical work is continuing. Control panels are being prepared for factory testing.

Mr. Kerrigan reported that the Building K Plug Valve Replacement Project with Dahme Mechanical Industries is 79% complete and there is no pay request this month. Work on the first pump is complete. The next pump is now being taken out of service.

Mr. Kerrigan reported that the Battery Install Project with General Energy is 10% complete and there is no pay request this month. 90% drawings have been reviewed and sent back to the contractor.

Mr. Kerrigan requested approval Partial Payment No. 7 to Whittaker Construction and Excavating, in the amount of \$595,717.70 for the North Waste Water Treatment Plant Renewable Natural Gas Utilization Project. The project is 24% complete and the pay request was reviewed by Trotter and Associates. The first exterior structure has been completed, and the contractor is continuing with the installation of the new piping.

Mr. Kerrigan reported that the Sewer Maintenance Contract Project with Visu-Sewer of Illinois LLC is 46% complete and there is no pay request this month. Work is continuing on the sewers in the Prestbury Subdivision near the Bliss Creek Golf Course.

Mr. Kerrigan reported requested approval of final payment to Steve Spiess Construction, in the amount of \$30,203.83 for the Galena Blvd. MH Liner Installation project. The project is 100% complete and the pay request was reviewed by staff. The project is complete. Staff will monitor the performance of the manhole over the next year.

Regarding the RNG project, Trustee Funkey recalled a prior discussion indicating that the District was awaiting approval from the State of Illinois. Manager Clementi reported that certain items with Nicor remain outstanding. She noted that Nicor representatives will be on campus the following day as part of the CMAP group,

and she intends to discuss the matter with them, emphasizing the unique nature of the wastewater project and the need for their cooperation.

Trustee Funkey also inquired about the District's practices and procedures for approving bills, noting that approval of bills is one of the first items on each monthly Board meeting agenda and that many bills appear to have already been paid. He asked how it is determined which bills are presented for approval. Manager Clementi stated that this topic was discussed at a Board meeting approximately one year ago. She explained that the District generally reserves larger checks for Board review, while routine bills are processed promptly to take advantage of available discounts for timely payment. Staff holds larger checks for Board approval, while the Accounting Department processes routine payments through weekly check batches.

Ms. Scherer added that checks presented to the Board typically include those associated with projects that were competitively bid, as well as other significant projects previously discussed at Board meetings. She noted that a large check is not necessarily presented if it is part of the District's normal course of business. Manager Clementi further stated that many routine expenses have already been authorized through the budget approval process.

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It was moved by Trustee Brown, seconded by Trustee Funkey, 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 requested an Executive Session to discuss Pending and Probable or Imminent Litigation.

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It was moved by Trustee Brown, seconded by Trustee Nelson put to vote and by roll call was unanimously carried to temporarily adjourn the regular Board Meeting for an Executive Session to discuss pending and probable or imminent litigation.

The Regular Board Meeting temporarily adjourned for Executive Session at 10:55 A.M.

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

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

No decisions were made in Executive Session.

Trustee Brown advised the Trustees that he received an email from Kane County regarding the Statement of Economic Interest but the website does not open until

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April 1st. Manager Clementi distributed a fact sheet to the Trustees regarding the Statements of Economic Interests for their review and it may answer questions they may have regarding the filing process and it also explains what counts as assets and what does not to avoid confusion.

Emails from Kane County were sent out to all filers and Kendall County will send an email in the next couple of weeks, all Statements of Economic Interests are due on May 1, 2026 for both counties.

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

Board Meeting adjourned at 11:17 A.M.

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