MINUTES OF THE REGULAR MEETING
OF THE BOARD OF TRUSTEES
OF FOX METRO WATER RECLAMATION DISTRICT
682 STATE ROUTE 31, OSWEGO, IL
WEDNESDAY, JUNE 17, 2026

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

President Judith Sotir called the Regular Meeting to order at 9:30 a.m. and led us in the Pledge of Allegiance to the Flag of the United States of America.

Board Members Physically Present: President Judith Sotir; Trustees Michael Funkey, Randall Brown, and Chuck Nelson. Absent: Trustee Gryder.

Staff Physically Present: Karen Clementi, District Manager; Joel Ilseman, Plant Manager; Chris Morphey, Maintenance Supervisor; Linnea Watkins, Controller; Tim Rubis, Regulatory Manager; Dan Rivera, HR & Safety Supervisor; Dan Vargas, IT Supervisor; James Kerrigan, Sr. Project Manager; Dave Silverman, Fox Metro's Attorney, and Norma Rodriguez, Senior Administrative Assistant.

Also in attendance: Members of Quilts of Valor a 501C non-profit organization; Gary Pennington, Rita Pennington, Jim Bohr and Donna Bohr.

2. PUBLIC COMMENTS:

Members of the Quilts of Valor Program attended the Board meeting to recognize Fox Metro military veterans through this program, which is a national nonprofit organization that awards handmade quilts to service members and veterans who have been "touched by war" all over the United States. Rita Pennington from the program noted that these quilts are not presented as casual gifts, but instead must meet specific national foundation standards for construction, awarding, labeling, and recordkeeping. As of May 31, 2026, the Quilts of Valor Foundation reported that 447,658 quilts had been awarded nationwide.

In this meaningful ceremony the following Fox Metro staff members were acknowledged: Maintenance Supervisor Christopher Morphey, Maintenance Foreman Miguel Vazquez, and Safety, Asset Management Technician II Michael Nilges, Maintenance Technician Charles Frierson.

Trustee Nelson thanked Manager Clementi and HR Supervisor Dan Rivera for their efforts in making the event possible. He noted that the idea was first discussed several months earlier during a Public Relations Committee meeting and expressed his appreciation that it had finally come to fruition. Trustee Nelson also thanked Ms. Rita Pennington and the members of Quilts of Valor for organizing the meaningful ceremony and for their continued dedication to honoring veterans.

Manager Clementi, in turn, thanked Trustee Nelson for nominating Fox Metro's veterans for this special recognition.

3. Controller's Update for May 2026 by Linnea Watkins, CPA

Controller Linnea Watkins provided a brief update regarding changes to the District's internal controls for the new fiscal year. She advised the Board that members may have noticed that no construction payments were presented for Board signatures. Following discussions with legal counsel, it was determined that restructuring the authorized signers on the District's accounts to exclude elected public officials is in the best interest of the District. This change is intended to streamline processes, strengthen internal controls, enhance the security of the District's bank accounts through the principle of least privilege, and reduce administrative burdens associated with turnover.

Ms. Watkins noted that all construction payments will continue to undergo the District's standard approval procedures, including budget approval, the bid process, review and approval by the external engineering consultant, management approval, and subsequent Board approval of all checks after payment.

Ms. Watkins also informed the Board that the fiscal year has ended and staff has begun preliminary preparations for the annual audit. She directed the Board's attention to Page 3 of the Board Financial Report and noted that the District's current year actuals reflect total net income of approximately $13 million, compared to the budgeted deficit of $5.7 million. She explained that these figures remain preliminary and are subject to change as staff continues processing payments for products and services received prior to May 31, 2026.

Ms. Watkins stated that the largest impact on the District's net income was capital projects expenditures coming in approximately $11.4 million under budget. She further noted that the reported figures do not include work completed in May that was paid, or will be paid, after preparation of the report, including approximately $2.2 million reflected in the current month's Construction Report.

In addition, Ms. Watkins advised that District revenues exceeded budget projections by approximately $2 million, primarily due to higher-than-anticipated customer penalty income and interest income. She also reminded the Board that the District budgets conservatively in order to account for unforeseen events that could negatively affect revenues or increase expenses.

Trustee Brown commented that since joining the Board, the District has consistently operated with a budget surplus rather than a deficit. Trustee Nelson noted that the District has historically maintained fiscally responsible operations, and Ms. Watkins stated that continuing this practice remains the District's goal.

11698 A motion was made by Trustee Brown and seconded by Trustee Nelson to approve the Controller's report as presented.

The motion was declared carried by a unanimous vote of four (4) aye votes and zero (0) nay votes.

Aye: Judith Sotir Michael Funkey Randall Brown
Chuck Nelson Absent: Scott Gryder Nay: None

4. CONCENT AGENDA:

11699 a. A motion was made by Trustee Brown and seconded by Trustee Funkey to approve the minutes of the May 20, 2026 Board Meeting, subject to the corrections noted by Trustee Brown and Trustee Funkey. All Trustees had received and reviewed copies of the minutes prior to the meeting.

The motion was declared carried by a unanimous of four (4) aye votes and zero (0) nay votes.

Aye: Judith Sotir Michael Funkey Randall Brown
Chuck Nelson Absent: Scott Gryder Nay: None

Trustee Funkey referenced the presentation provided by Mr. Michael Tucker regarding PFAS, as reflected on page 14 of the May 20, 2026 Board Meeting minutes. Trustee Funkey stated that, since the last meeting, he spoke with an official from the City of Aurora who advised him that the City is involved in a multi-jurisdictional lawsuit related to PFAS contamination and that a substantial settlement amount has reportedly been offered. Trustee Funkey noted that he assumed the participating entities were primarily larger municipalities and inquired whether Fox Metro may also qualify to participate. He expressed that, given the District's potential exposure and interest in the matter, staff should gather additional information regarding the District's eligibility, as well as any potential benefits or risks associated with participation.

Trustee Sotir asked for clarification regarding the purpose of the settlement funds. Trustee Funkey responded that the claims were related to damages resulting from PFAS contamination and that, although he could not recall the specific defendants, he understood the litigation involved major PFAS manufacturers.

Attorney Silverman clarified that the matter is not a class action lawsuit, but rather a multi-jurisdictional federal action involving PFAS contamination and public water supplies. Attorney Silverman stated that he has discussed the matter with Manager Clementi and believes the District's position differs from that of public water suppliers involved in the litigation. He further noted that Manager Clementi has been engaged in ongoing discussions concerning PFAS-related matters affecting treatment facilities.

Manager Clementi advised that she has previously provided presentations to the Board regarding PFAS litigation and related industry impacts. She stated her understanding that settlement funds may ultimately be insufficient due to the significant number and size of claims involved, potentially resulting in insolvency for some of the companies involved. Attorney Silverman added that settlement funds are being distributed through the water-related lawsuits and that Manager Clementi is actively working through the Illinois Association of Wastewater Agencies (IAWA) regarding wastewater treatment interests while continuing to monitor developments at both the state and national levels.

11700 b. A Motion was made by Trustee Nelson and seconded by Trustee Brown to approve the Bill List Dated June 17, 2026 in the amount of $4,601,854.14.

The motion was declared carried by a unanimous of four (4) aye votes and zero (0) nay votes.

Aye: Judith Sotir	Michael Funkey	Randall Brown
Chuck Nelson	Absent: Scott Gryder	Nay: None

11701 c. A Motion was made by Trustee Brown and seconded by Trustee Nelson to accept the Financial Report for May 20, 2026 be approved as written.

The motion was declared carried by a unanimous of four (4) aye votes and zero (0) nay votes.

Aye: Judith Sotir	Michael Funkey	Randall Brown
Chuck Nelson	Absent: Scott Gryder	Nay: None

5. RECOGNITIONS AND INFORMATIONAL ITEMS

a. Trustee Sotir, on behalf of the Board, extended congratulations to all employees celebrating birthdays in the month of June.

b. The Board acknowledged Senior Project Engineer James Kerrigan, P.E., for his selection as the Central States Water Environment Association (CSWEA) Illinois State Section Trustee for 2025–2027. Manager Clementi noted that an article recognizing Mr. Kerrigan's achievements. Manager Clementi stated that Mr. Kerrigan approaches each day as a learning opportunity and consistently demonstrates curiosity, humility, and a willingness to learn from others throughout every stage of his career. Manager Clementi further commented that these qualities are among Mr. Kerrigan's strongest characteristics and are reasons he is highly respected by District staff.

c. Manager Clementi advised the Board that the District's new engineering employee, Jonathan Kolweier, was recognized at the Central States Water Environment Association (CSWEA) Annual Conference last month as the 2026 Young Professional of the Year for Illinois. Manager Clementi noted that this recognition is a significant honor, as Mr. Kolweier was selected from among all wastewater professionals under the age of 35 throughout the State of Illinois.

6. REPORTS, OLD BUSINESS, AND ACTION ITEMS

a. The Board revisited the matter of the Appointment of Temporary Chairman of the Committee of Local Improvements and the Call for Election of Officers. Manager Clementi noted that questions had arisen regarding this matter at the previous Board Meeting, at which time a motion was approved to table the discussion until the current meeting.

11702 A Motion was made by Trustee Brown and seconded by Trustee Nelson to appoint Trustee Judith S. Sotir as temporary Chairman for the purposes of organizing the Committee of Local Improvements.

The motion was declared carried by a unanimous of four (4) aye votes and zero (0) nay votes.

Aye: Judith Sotir	Michael Funkey	Randall Brown
Chuck Nelson	Nay: None	Absent: Scott Gryder

11703 A motion was made by Trustee Funkey and seconded by Trustee Brown to nominate Judith S. Sotir to serve as President of the Committee of Local Improvements for fiscal year 2026/2027. There being no further nominations, the nominations were declared closed.

The motion was declared carried by a unanimous of four (4) aye votes and zero (0) nay votes.

Aye: Judith Sotir	Michael Funkey	Randall Brown
Chuck Nelson	Nay: None	Absent: Scott Gryder

11704 Trustee Sotir called for the nominations and elections of the offices of Vice-President, of the Committee of Local Improvements for the Fiscal Year 2026/2027. A motion was made by Trustee Brown and seconded by Trustee Nelson to nominate Trustee Michael C. Funkey as Vice-President, for the Committee of Local Improvements for fiscal year 2026/2027. There being no further nominations, the nominations were declared closed.

The motion was declared carried by a unanimous of four (4) aye votes and zero (0) nay votes.

Aye: Judith Sotir Michael Funkey Randall Brown
Chuck Nelson Nay: None Absent: Scott Gryder

11705 Trustee Sotir called for the nominations and elections of the offices of, Clerk and Assistant Clerk of the Committee of Local Improvements for the Fiscal Year 2026/2027. A Motion was made by Trustee Brown and seconded by Trustee Funkey to nominate Chuck Nelson as Clerk and Secretary and Karen K. Clementi as Assistant Clerk for the Committee of Local Improvements for fiscal year 2026/2027. There being no further nominations, the nominations were declared closed.

The motion was declared carried by a unanimous of four (4) aye votes and zero (0) nay votes.

Aye: Judith Sotir Michael Funkey Randall Brown
Chuck Nelson Nay: None Absent: Scott Gryder

11706 Trustee Sotir called for the nominations and elections of the office of Treasurer of the Committee of Local Improvements for the Fiscal Year 2026/2027. A motion was made by Trustee Funkey and seconded by Trustee Nelson to nominate Trustee Randall Brown as Treasurer, for the Committee of Local Improvements for fiscal year 2026/2027. There being no further nominations, the nominations were declared closed.

The motion was declared carried by a unanimous of four (4) aye votes and zero (0) nay votes.

Aye: Judith Sotir Michael Funkey Randall Brown
Chuck Nelson Nay: None Absent: Scott Gryder

11707 Trustee Sotir called for the nominations and elections of the office of Attorney of the Committee of Local Improvements for the Fiscal Year 2026/2027. A motion was made by Trustee Brown and seconded by Trustee Nelson to nominate the Law Firm of Mahoney, Silverman & Cross as Attorney of the Committee of Local Improvements, for fiscal year 2026/2027. There being no further nominations, the nominations were declared closed.

The motion was declared carried by a unanimous of four (4) aye votes and zero (0) nay votes.

Aye: Judith Sotir Michael Funkey Randall Brown
Chuck Nelson Nay: None Absent: Scott Gryder

Attorney Silverman advised the Board that he and Trustee Sotir discussed prior to the meeting the value of retaining the Committee of Local Improvements on the agenda, despite there currently being no business to transact, in the event future matters may arise. Following discussion, it was the consensus of the Board to keep the Committee of Local Improvements on the agenda.

b. Manager Clementi provided an update regarding the District's June 1, 2026 purchase of the assets for Fox Metro Solar Field #1, located at 800 S. River Street in Montgomery. She reported that the closing was completed successfully and thanked the Law Firm of Mahoney, Silverman & Cross for their assistance throughout the transaction. Manager Clementi also noted that she was required to appear at the bank in person to complete the wire transfer for the closing, as the transaction could not be processed online due to fraud prevention measures. She further stated that the bank asked whether Fox Metro staff was being coerced into the transaction and expressed appreciation for the bank's efforts to ensure security and prevent fraud.

Trustee Funkey stated that Solar Field #1 was installed several years ago under a different process than Solar Field #2 and noted that the District did not originally own Solar Field #1. He requested that staff prepare a report outlining the history of Solar Field #1 and Solar Field #2, including the governmental procedures that were in effect at the time, the reasons GRNE initially owned Solar Field #1, the terms of the District's Purchase Agreement, and the amount of savings realized by the District through the purchase. Trustee Funkey further noted that Solar Field #2 was owned by the District from the beginning because tax regulations had changed.

Manager Clementi agreed that a historical report would be beneficial and stated that staff had provided several reports to the Board over the years regarding the solar fields, although not recently. She noted that, now that Solar Field #2 is online, staff may provide periodic updates to the Board; however, sufficient performance data is not yet available. Trustee Funkey referenced comments made by Mr. Arnie Schramel of Progressive Energy Solutions at the previous meeting indicating that staff anticipates the District will realize approximately $600,000.00 in savings through the purchase of Solar Field #1, which includes a $300,000.00 reduction in the purchase price. Trustee Funkey also stated that the solar field's performance has exceeded initial estimates and reiterated that a report dedicated to the solar field projects would be helpful to the Board.

Trustee Sotir concurred with Trustee Funkey and stated that maintaining historical information is important, as it can be difficult to recall details regarding District matters that occurred many years ago. Manager Clementi added that the District website is configured to provide updates for each individual solar field, as well as combined production updates for all solar fields.

c. IT Supervisor Dan Vargas and Controller Linnea Watkins provided the Board with an update regarding Fox Metro's fraud prevention measures and recent scam attempts targeting public entities.

Mr. Vargas reported that Board members were likely aware of the recent phone scam incident involving the City of Aurora, which reportedly resulted in losses exceeding $1 million. Based on publicly available information, an employee from the City of Aurora received a call from an individual claiming to represent the City's bank. Mr. Vargas explained that this type of fraud is a common form of social engineering in which scammers target individuals rather than computer systems by attempting to establish trust and create a sense of urgency. In many cases, scammers claim to be investigating fraudulent activity and request sensitive information under the guise of verifying an individual's identity.

Mr. Vargas noted that his information was based on media reports and that he was not aware of the specific details surrounding the City of Aurora incident. However, he stated that it appeared the scammers were successful in convincing an employee that they were legitimate representatives of the bank and were able to obtain financial information.

Mr. Vargas further explained that scammers have access to tools that allow them to manipulate caller ID information, making it appear as though calls are originating from legitimate organizations. Because Fox Metro is a public entity, scammers can also obtain publicly available information to make their communications appear credible and familiar to employees. He advised that the appropriate response to such calls is to end the conversation and contact the financial institution directly using known contact information. He reiterated that scammers frequently attempt to pressure individuals into acting immediately.

Ms. Watkins stated that Fox Metro was likely targeted by the same or a similar group that targeted the City of Aurora when the Billing Department received a call from an individual claiming to represent Old Second Bank. The call was forwarded to the District's accountant, who was informed by the caller that an individual in California was attempting to access Fox Metro's online banking accounts. The caller requested that the accountant verify her login credentials.

The accountant requested the caller's name and informed the individual that she would contact the bank directly. The caller remained courteous, provided a fictitious name, and stated that a note would be placed on the account so the bank could reference the conversation, apparently in an effort to gain the accountant's confidence and obtain additional information.

The accountant did not provide any information, ended the call, and contacted Fox Metro's bank representative directly, who confirmed that the call was fraudulent.

Ms. Watkins stated that several existing controls worked in the District's favor. First, the accountant's skepticism and adherence to training procedures prevented the disclosure of sensitive information. In addition, accounting staff have limited access within the online banking system. Staff are unable to originate ACH payments or wire transfers electronically and may only transfer funds between authorized District accounts.

Ms. Watkins further explained that the District utilizes positive pay and related fraud prevention controls that flag transactions that do not match information previously provided to the bank, allowing staff the opportunity to review and reject suspicious items.

Mr. Vargas emphasized that individuals remain the most vulnerable component in any security program. While organizations invest in modern cybersecurity technologies and firewalls, scammers frequently target employees directly through social engineering tactics. He noted that the IT Department regularly works to keep staff informed about current scams and periodically conducts phishing tests to reinforce awareness and preparedness. They also send staff memos and videos regarding phishing topics quarterly.

Mr. Vargas stated that, according to industry vulnerability testing data for government entities with fewer than 250 users, approximately 19% of users fall for phishing tests, while Fox Metro's rate is 12%, indicating that the District is performing better than the industry average.

Mr. Vargas explained that these tests are intentionally designed to be deceptive and described several examples of the phishing tests administered to Fox Metro staff. He also provided examples of scam emails that are sometimes received by the District.

Mr. Vargas stated that, in addition to the training provided by the IT Department, the District follows the principle of granting the fewest possible privileges to the fewest number of users necessary in order to enhance security and reduce the risk of attacks on the District's network and financial information. He also provided a detailed overview of the security measures implemented by the IT Department to protect the District from telephone and online scams.

Manager Clementi stated that, while the District maintains cyber insurance coverage, losses resulting from actions taken by staff that contribute to a fraudulent transaction may not be covered under the policy. She thanked the IT and Accounting Departments for their efforts to strengthen the District's processes, noting that scammers continue to develop increasingly sophisticated fraud methods, particularly with the growing availability of artificial intelligence tools.

11708 d. A Motion was made by Trustee Funkey and seconded by Trustee Nelson to approve Ordinance No. 961 authorizing the old North Aurora pump station conveyance to the Fox Valley Park District with the associated Quit Claim Deed.

The motion was declared carried by a unanimous of four (4) aye votes and zero (0) nay votes.

Aye: Judith Sotir Michael Funkey Randall Brown
Chuck Nelson Nay: None Absent: Scott Gryder

11709 e. A Motion was made by Trustee Brown and seconded by Trustee Nelson to authorize to seek bids for the Fox Metro Omnitrax railroad crossing construction to connect the main campus to the 800 S. River St. property to be opened at 10:00 A.M., at the July 22, 2026 Board of Trustees Meeting.

The motion was declared carried by a unanimous of four (4) aye votes and zero (0) nay votes.

Aye: Judith Sotir Michael Funkey Randall Brown
Chuck Nelson Nay: None Absent: Scott Gryder

Trustee Nelson requested an overview of the project. Project Engineer James Kerrigan explained that the project is located at Building T on the north side of the plant and identified the location of the proposed crossing on a map of the facility. He stated that a fence and electric gate will be installed to provide access to the railroad crossing, which will be a private crossing for Fox Metro staff only.

Mr. Kerrigan explained that the railroad company will contract and complete the work associated with the railroad track portion of the project, after which Fox Metro will assume responsibility for the remaining work. He also noted that some trees near the crossing will need to be removed to improve visibility of approaching trains.

Manager Clementi stated that the work will be completed by a specialty contractor approved to work with Omnitrax. Mr. Kerrigan responded to and answered all questions from the Trustees regarding the project.

CONSTRUCTION PROJECT REPORT AND PAY REQUESTS

Senior Project Engineer James Kerrigan addressed the Board with the Construction Project Report. Mr. Kerrigan requested approval of Partial Payment No. 23 to Williams Brothers Construction, Inc., in the amount of $403,823.13 for the North Waste Water Treatment Plant Bar Screen Replacement Project. The project is 82% complete and the pay request was reviewed by Trotter and Associates. Demolition of the last sections of the building to make way for the last two new bar screens has commenced. Installation of the new screens will begin in the upcoming week.

Mr. Kerrigan requested approval of Partial Payment No. 11 to Dahme Mechanical in the amount of $195,348.96 for the Building K Plug Valve Replacement Project. The project is 96% complete and the pay request was reviewed by Staff. The 7th final pump is nearing completion and startup is scheduled for the week of June 15, 2026. Work to remove the old, obsolete equipment will commence shortly.

Mr. Kerrigan reported that the Battery Install Project with General Energy Corporation is 40% complete and there is no pay request this month. Permit approval is anticipated at any time, and on-site work is expected to commence in late June/early July.

Mr. Kerrigan requested approval of Partial Payment No. 10 to Whittaker Construction and Excavating Inc., in the amount of $1,019,726.26 for the North WWTP Renewable Natural Gas Utilization Project. The project is 43% complete and the pay request was reviewed by Trotter and Associates. The factory acceptance testing for the control equipment has been completed, and the RNG cleaning equipment is scheduled to be delivered to the site in the upcoming weeks.

Mr. Kerrigan requested approval of Final Payment No. 4 to Visu-Sewer in the amount of $240,506.73 for the Sewer Maintenance Contract Project. The project is 100% and the pay request was reviewed by Staff. The project is complete.

Mr. Kerrigan requested approval of partial payment No. 1 to Inliner Solutions LLC in the amount of $410,118.66 for the 2026-02: 69-inch OCSI Interceptor Rehabilitation Project. The project is 13% complete and the pay request was reviewed by Baxter and Woodman, Inc. Preparatory work on site has been completed, and bypass pumping to enable sewer cleaning is scheduled for the week of 6/15/26.

Trustee Funkey stated that the Board receives detailed reports on the progress of various projects; however, those reports often include updates on multiple jobs. He asked whether the Board could receive a report organized by individual project, with each subsequent update for that project added to the original report. This would create a chronological record of all information and actions presented to the Board for each specific project from inception through completion.

Manager Clementi stated that she and staff would develop a reporting format for the Board's consideration. She added that the report would also include initiatives and other ongoing activities that may be the subject of public inquiries.

After discussion and Mr. Kerrigan addressing questions from the Board a motion
11710 was made by Trustee Brown, seconded by Trustee Nelson to approve the Construction Project Report as published and payments be made as requested.

The motion was declared carried by a unanimous vote of four (4) aye votes and zero (0) nay votes.

Aye: Judith Sotir	Michael Funkey	Randall Brown
Chuck Nelson	Absent: Scott Gryder	Nay: None

NEW BUSINESS AND CLOSED SESSION

a. New Business – None

b. No closed session this month

11711 A motion was made by Trustee Brown and seconded by Trustee Funkey that the regular Board Meeting be adjourned.
The motion was declared carried by a unanimous vote of four (4) aye votes and zero (0) nay votes.

Aye: Judith Sotir	Michael Funkey	Randall Brown
Chuck Nelson	Absent: Scott Gryder	

Nay: None

Board Meeting adjourned at 10:54 A.M.

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