

DeKalb Sanitary District
April 20, 2011
Minutes

The April meeting of the DeKalb Sanitary District Board of Trustees was held at noon on April 20, 2011. Trustees Dennis Collins, Timothy Struthers and Carol Zar were present. District Manager Mark Eddington, P.E., Assistant Manager Administration Janice Tripp, Operations Manager Steve Olsen and Secretary Betty Jones attended. Keith Foster, Attorney for the District and Wayne Fesler, Treasurer were present. Andy Zaletel of Baxter & Woodman attended for a portion of the meeting. Dan Knaak, DSD operator, was present. Jaime Smirz of City of DeKalb Community Development Department attended the meeting.

President of the Board Collins called the meeting to order.

Trustee Struthers moved and Trustee Collins seconded approval of the April agenda with an addition requested by Treasurer Fesler that he give the Board some parting recommendations in Executive Session. Motion carried.

Trustee Zar moved approval of the March minutes. Trustee Struthers seconded. Motion carried.

After discussion of each item Trustee Collins moved to approve the transfer of:

\$ 250,000.00	to the O & M Fund for Operations from the Revenue Fund
\$ 13,535.83	to the O & M Fund from the Dedicated Tax -IMRF Account
\$ 7,817.62	to the O & M Fund from the Dedicated Tax -FICA Account
\$ 189,536.00	to the O & M Fund from the EPA Replacement Account
\$ 73,149.24	to the Revenue Account for engineering from the Bio Solids and Country Club Account
\$ 136,585.00	to the EPA Replacement Account from the Revenue Fund for annual funding
\$ 40,520.00	to the Revolving Loan Fairview Account from the Revenue Fund for Fiscal Year 2011-2012 payments

Trustee Struthers seconded. Motion carried.

During the discussion above, the Trustees reviewed the financial impact of paying off the Revolving Loan Main Plant (L17-101000) now rather than waiting. They questioned Janice about financial needs in the coming year, and discussed the ramifications of an early payoff with Attorney Foster. The savings in interest to

the users of the District if the loan is paid off now was calculated to be \$542,000.00. Trustee Collins moved to pay off the loan now. Trustee Struthers seconded. Motion carried. Janice was directed to arrange the loan payoff.

Trustee Struthers moved and Trustee Zar seconded approval to pay the bills received between now and the end of the fiscal year at the end of this month as well as the bills presented today. Motion carried.

During the Public Input portion of the meeting, Mark introduced Dan Knaak who was attending as staff representative and described his work in operations and the collection system. The Trustees welcomed him to the meeting.

Mark announced that Dennis Haile, DSD Operator has attained a Class One Wastewater Operator Certification. Dennis was unable to attend the Board Meeting because he is away at a class on the digester operations. The Board sent him their congratulations.

Andy Zaletel of Baxter & Woodman gave a presentation on the GIS Needs Assessment he completed for the District and gave his recommendations and showed examples of functioning GIS systems in other towns.

Wayne Fesler gave the Treasurer's Report. He noted that deposits at Resource Bank have exceeded the depository limits this month, but this situation will be resolved with the writing of the checks today. Fesler will not be continuing as District Treasurer, so this is his last Board meeting. The Trustees thanked him for his "complete, honest, and responsive" performance as Treasurer.

Janice Tripp, Assistant Manager Administration reviewed with the Board each line item in the tentative budget for Fiscal Year 2011-2012. She, Mark and Steve answered the Trustee's questions. Trustee Collins moved to approve the tentative budget with specified changes required by the decision to pay off the Main Plant Revolving Loan. Trustee Struthers seconded. Motion carried.

No action was taken on wages for Fiscal Year 2011-2012.

Trustee Collins moved and Trustee Zar seconded appointment of Keith Foster of The Foster Buick Group as the District's legal counsel for the Fiscal Year 2011-2012. Motion carried.

Appointment of District Engineer for the Fiscal Year 2011-2012 was deferred until a later meeting.

No Treasurer was appointed for the Fiscal Year 2011-2012.

A motion was made by Trustee Collins, seconded by Trustee Struthers to approve the firm of Sikich LLP to conduct the Fiscal Year 2010-2011 Audit. Motion carried.

Trustee Collins moved to set the monthly District Meetings for Fiscal Year 2011-2012 at the following dates and times:

Wednesday May 11, 2011 at noon
Tuesday June 14, 2011 at 4 p.m.
Wednesday July 20, 2011 at noon
Wednesday August 17, 2011 at noon
Wednesday September 21, 2011 at noon
Wednesday October 19, 2011 at noon
Wednesday November 16, 2011 at noon
Tuesday December 20, 2011 at 4 p.m.
Wednesday January 18, 2012 at noon
Wednesday, February 15, 2012 at noon
Wednesday, March 21, 2012 at noon
Wednesday April 18, 2012 at noon

Trustee Zar seconded. Motion carried.

Treasurer Fesler made his recommendation as to depositories and depository limits. After discussion, Trustee Zar moved and Trustee Collins seconded the following policy as to depositories and depository limits:

1. Set a limit of \$2,150,000.00 for total deposits each at The Northern Trust, Castle Bank, National Bank and Trust Company of Sycamore, Resource Bank and American National Bank. Any amount deposited over the amount which is insured under FDIC is to be collateralized at 100%.
2. Set a limit of \$1,150,000.00 for total deposits at Old Second Bank. Any amount deposited over the amount which is insured under FDIC is to be collateralized at 100%.
3. Set a limit of \$1,000,000.00 for total deposits at PNC Bank. Any amount deposited over the amount which is insured under FDIC is to be collateralized at 100%.
4. Set a limit of \$500,000.00 for total deposits at Fifth Third Bank. Any amount deposited over the amount which is insured under FDIC is to be collateralized at 100%.

5. Set a limit of \$250,000 plus interest for total deposits each at Farmers & Traders State Bank, Citizens National Bank of Genoa and Waterman State Bank. Any amount deposited over the amount which is insured under FDIC is to be collateralized at 100%.

6. Set a limit of \$250,000 plus interest for total deposits each at Illinois Community Credit Union and DeKalb County Credit Union. Any amount deposited over the amount which is insured under NCUA institution rules is to be collateralized at 100%.

7. Authorization to invest in individual certificates of deposit of an amount up to but not exceeding the FDIC-insured limit each, but not to exceed a total of \$2,000,000.00 to be purchased through Northern Trust and to be held in safe keeping at Northern Trust. No more than the FDIC-insured limit is to be invested at any one bank.

8. The BIOSOLIDS-CCLIFT (1000G03) account at Resource is a non-interest bearing account that is fully insured without limit under the Federal Deposit Insurance Corporation's Temporary Liquidity Guarantee Program. In the event the Temporary Liquidity Program ends and the DeKalb Sanitary District needs additional collateral, Resource Bank will provide to the district fully acceptable collateral above the FDIC insured limit.

The above amounts are deposit limits, and on occasion interest will be added to an investment causing it to go over the authorized bank limit. This would be allowed until the investment matured. The limits set are to be adhered to except in special circumstances.

Collateralization of investments at all banks shall be with treasury bills, notes or bonds or agencies of the Federal government. Collateral is to be held by a third party bank.

It was noted by Trustee Collins that he is a director of Resource Bank. It was noted by Trustee Struthers that he is President and a Director of Castle Bank. Treasurer Fesler noted that he owns stock in The National Bank & Trust Company of Sycamore. Trustee Collins noted that he owns stock in The National Bank & Trust Company of Sycamore.

The motion on the above carried.

A motion was made by Trustee Collins and seconded by Trustee Struthers that two signatures be required on all checks. Authorized signers of checks during the Fiscal Year from May 1, 2011 through April 30, 2012 are Trustee Dennis J.

Collins, Trustee Timothy A. Struthers, and Trustee Carol B. Zar, along with Mark Eddington, Janice Tripp and Steve Olsen. Mark Eddington, Janice Tripp and Steve Olsen were directed by the Board not to sign together unless in case of an emergency. Motion carried.

Trustee Struthers moved to approve Ordinance 537 Annexation 227 annexing 1.73 acres at the addresses 1383 and 2616 Barber Greene Road at the request of Herb Buhr. Trustee Zar seconded. Motion carried.

Mark continues to work with the City of DeKalb on a Utility Billing Agreement.

The Trustees expressed their concern about the Town of Cortland's request for IEPA approval to land apply effluent at the DeKalb Airport site. They instructed Attorney Foster to prepare a letter of objection.

McMahon work on User Ordinance/Pretreatment Ordinance is still on hold because the USEPA has not finished its review. Mark contacted them this month, but no information was obtained.

Candidates from Voorhees Associates search for the Assistant to Manager (HR) Position will be reviewed in Executive Session.

Lisa Sharp will bring an initial Administrative Office – Architectural Needs Assessment for the Board's review next month.

Trustee Collins moved to approve the catastrophic loss relief request of Brady Kennedy of 428 Charter for \$140.00 lost because of a water softener malfunction and the tenant of 855 Pappas Unit #5 for \$208.30 for a toilet malfunction. Trustee Struthers seconded. Motion carried.

In plan review, Mark said that he attended the ground breaking of the NIU Residence Hall and that NIU West Campus Extension work will begin next month.

The District has not yet been contacted by CVS Pharmacy representatives, who will have to move a sewer line if they build on the site they are currently pursuing City of DeKalb Planning approval for.

There is no new information on the new NB&T building.

The Board reviewed the situation for Breezy's if they develop at Greenwood Acres Drive & Sycamore Road. This area has not been annexed to the DeKalb Sanitary

District and is not served. Various alternatives were reviewed and will be discussed with interested parties.

Scott Trotter submitted the Engineer's Report in writing, and deferred discussion until later in the agenda.

Mike Holland said Williams Brothers is continuing to work at bringing Digester 1B online. As to the Sludge Storage Barn site, site grading is underway and permits are being sought from the City of DeKalb and the Illinois Environmental Protection Agency.

Mike Holland and Scott Trotter explained the problem with Digester Gas Stainless Steel piping system and the Buy American requirements. The Board signed a letter asking the USEPA to arbitrate on the matter.

Trustee Collins moved and Trustee Zar seconded a motion approve Change Order #12 on the Biosolids Rehabilitation Project as requested by Williams Brothers for the addition of tertiary filter air vent rehab work, adjustments to digester gas controls and electric control specs and a credit for a materials change. Motion carried.

Mike and Scott reviewed proposed work to reface the Digester Control Building constructed in the 1950's to match the new Biosolids buildings. The cost would be \$14,000.00. After discussion, Trustee Collins moved to instruct Williams Brothers to do so. Trustee Zar seconded. Motion carried.

Trustee Collins moved to authorize Williams Brothers Biosolids Project Payment Request #16 in the amount of \$318,547.04 contingent upon receipt of Loan Disbursement #17. Trustee Struthers. Motion carried.

Work at Country Club Lift Station is on hold until weather allows for landscape restoration work. No pay request was submitted this month.

The 322 Greenwood North Project is also on hold because of weather.

The Tertiary Filter building Rehabilitation Project has been put out for bid and the mandatory pre-bid conference held on April 8, 2011. Fifteen potential bidders attended. Bids are due 11:00 a.m. on Thursday, May 5, 2011. Trustee Collins moved to approve Ordinance 536 Authorizing Loan Agreement for Tertiary Building rehabilitation in the amount of \$2,500,000.00. Trustee Zar seconded. Motion carried.

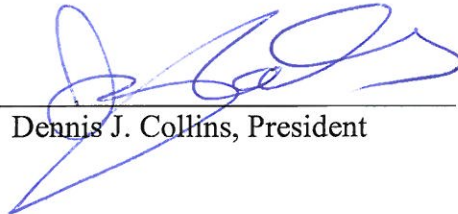
There was no further discussion on the GIS Needs Assessment.

In New Business, Jaime Smirz informed the Board of a proposed project.

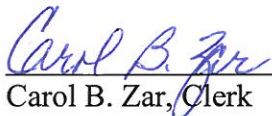
Trustee Collins moved to go into Executive Session to address personnel issues and hear Treasurer Fesler's recommendations. Trustee Struthers seconded, and the motion carried. The Board went into Executive Session.

After the Board returned from Executive Session, Trustee Zar moved to adjourn the meeting. Trustee Collins seconded. Motion carried.

President of the Board Collins adjourned the meeting.



Dennis J. Collins, President



Carol B. Zar, Clerk