

DeKalb Sanitary District
Wednesday, April 17, 2013
Board Meeting Minutes

The April meeting of the DeKalb Sanitary District Board of Trustees was held at the office of the District at noon on Wednesday, April 17, 2013. In attendance were Trustees Dennis J. Collins, Timothy A. Struthers and Carol B. Zar, Treasurer Janice Tripp, Attorney Keith Foster, District Manager Mark Eddington, Operations Manager Steve Olsen, Human Resources Manager Diana Foust, Finance director David Storey, and Assistant Manager, Engineering Mike Holland. Scott Trotter, P.E. of Trotter and Associates and Wastewater Laborer Nicholas Flink also attended. DeKalb residents Norma Nunez and Christine Holloway both attended for portions of the meeting.

President of the Board Collins called the meeting to order.

Trustee Collins moved approval of the April agenda with a correction to line one of the transfers on the April agenda, Trustee Struthers seconded. The motion carried.

Trustee Zar moved approval of the March minutes. Trustee Collins seconded. The motion carried.

Mark explained that he and other staff will be attending a Central States Water Environment meeting on May 15, 2013. Trustee Struthers moved to change the date of the May meeting from May 15th to May 22nd. Trustee Collins seconded. The motion carried.

Trustee Struthers moved approval to transfer funds:

\$285,000.00 to the O & M Fund for Operations from the Revenue Account

\$ 17,573.15 to the O & M Fund from the Dedicated Tax - IMRF Account & Addition for last payroll of the fiscal year.

\$ 9,218.00 to the O & M Fund from the Dedicated Tax - FICA Account & Addition for the last payroll of the fiscal year.

Trustee Zar seconded. The motion carried.

Trustee Struthers moved to approve payment of bills as presented & additional bills received between now and the end of the fiscal year contingent on at least one Trustee reviewing and signing the checks. Trustee Zar seconded. The motion carried.

In Public Input and Communications, Norma Nunez of 745 S 4th Street asked the Board to consider her catastrophic water loss request due to a broken water pipe in the house. Ms. Nunez believes this water did not reach the Sanitary District and stated that she did not notice the broken pipe in a timely manner because she does not currently reside at the at 745 S 4th Street residence. Trustee Collins moved to approve her request in the amount of \$237.60. Trustee Zar seconded. The motion carried.

Christine Holloway of 140 Hollister Avenue read a prepared statement to the Board asking for consideration of the purchase of her home.

Janice Tripp gave the Treasurer's Report and discussed investments.

The Board reviewed the tentative budget for Fiscal Year 2013-2014. Trustee Collins moved approval of the tentative budget with the exception of the \$23,500 allocated towards a passenger vehicle, Trustee Struthers seconded. The motion carried

Approval of the wages for Fiscal Year 2013-2014 was deferred until after an executive session discussion.

Trustee Collins moved and Trustee Struthers seconded retaining Keith Foster of The Foster Buick Group with a \$50.00 monthly increase in retainer as the District's legal counsel for the Fiscal Year 2013-2014. The motion carried.

Trustee Collins motioned to reappoint Janice Tripp as Treasurer for Fiscal Year 2013-2014. Trustee Zar seconded. The motion carried.

Trustee Zar moved to set the monthly District Meetings for Fiscal Year 2013-2014 on the third Wednesday of each month at noon at the District office with the exception of the May meeting which will be held at noon on May 22, 2013 and the September meeting which will be held at noon on September 11, 2013. Trustee Struthers seconded. Motion carried.

After review of the District's Depository Limits, Trustee Zar moved and Trustee Struthers seconded following policy as to depositories and depository limits:

- A. Set a limit of \$5,000,000.00 for total deposits each at The Northern Trust, Castle Bank, National Bank and Trust Company and Resource Bank. Any amount deposited over the amount which is insured under FDIC is to be collateralized at 100%.
- B. Set a limit of \$1,500,000.00 for total deposits each at American Midwest Bank, Heartland and Old Second Bank. Any amount

deposited over the amount which is insured under FDIC is to be collateralized at 100%.

- C. Set a limit of \$500,000.00 for total deposits each at First State Bank, Fifth Third Bank, PNC Bank, Waterman State Bank, Illinois community Credit Union and DeKalb County Credit Union. Any amount deposited over the amount which is insured under FDIC or NCUA institution rules is to be collateralized at 100%.
- D. 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 \$3,000,000.00 in aggregate purchased through Northern Trust and to be held in safe keeping at Northern Trust.
- E. Authorization to maintain non-interest bearing accounts that are fully insured without limit under the Federal Deposit Insurance Corporation's Temporary Liquidity Guarantee Program with any bank identified in "A" above. Proper supporting documentation must be maintained at all times evidencing said insurance coverage is in full force and effect.

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 issued by the U.S. Government 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, a Division of First National Bank of Omaha. 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, 2013 through April 30, 2014 are Trustee Dennis J. Collins, Trustee Timothy A. Struthers, and Trustee Carol B. Zar, Treasurer Janice Tripp, along with District Manager Mark Eddington and Finance Director David Storey. Mark Eddington and David Storey were directed by the Board not to sign together unless in case of an emergency. In the event of an emergency, permission from at

least one trustee shall be granted before Mark Eddington and David Storey sign a check. Motion carried.

Trustee Collins motioned to accept User Rate Adjustment Ordinance #547. Trustee Zar seconded. The motion carried.

Trustee Collins motioned to accept the Public Bidding Requirements Resolution #2013-04-17-01. Trustee Zar seconded. The motion carried.

Diana Foust and David Storey updated the Board regarding the District's unfunded liability and preliminary employer rate for the 2014 calendar year. Diana and David are attending a seminar in April and planning to meet with IMRF's Chief Financial Officer at a later date to discuss the District's options.

There were no requests for Annexations or Pre-annexations this month.

In Plan Review, Mike Holland advised that DaVita Dialysis has paid their connection fee.

The District still awaits connection fees due from the Edgebrook Drive Apartment Conversion project and Dunkin Donuts/Jersey Mike's.

Mike Holland also advised that the Monarca Bakery will not be installing an external grease trap at this time but the District reserves the right to require the installation of one if the internal grease trap is not maintained, insufficient or the menu changes.

The District followed up on a request from the USEPA Region 5's for additional information relating to DSD's revised local limits submitted in November 2012. The District followed up with an explanation of how the revised local limits were devised.

There was one catastrophic water loss relief request which was approved under Public Input and Communications.

Steve Olsen gave the Operator's Report regarding recent excess flow events, ammonia levels, sewer calls, and replacement of the District's smallest primary clarifier.

Mike Holland supplied the Engineer's Report. Data gathering is ongoing for the Flow Monitoring/I&I Evaluation. The Walker Mixing Piloting project is ongoing.

Trustee Collins motioned approval to order equipment/seek installation quotes for Primary Clarifier #2. Trustee Struthers seconded. The motion

carried.

The District received the APWA Project of the Year Award for the Chicago Metropolitan Chapter for the Biosolids improvements in a ceremony on April 4th.

Madison Construction has provided final lien waivers for all subcontractors and payment #11 for \$176,695.81 has been issued. With this payment, \$43,008.65 remains in Madison's construction contract. This amount should be sufficient to address additional engineering fees (\$9,857 to date) as well as District legal and staffing costs should those be pursued.

Trotter and Associates, Inc. submitted a letter of recommendation for the District to accept the lowest responsible bid which was submitted by Kresmery Construction. Trustee Collins made a motion to extend a notice of award to Marc Kresmery Construction and to accept their bid in the amount of \$341,131.00. Trustee Zar Seconded. The motion carried.

Trotter and Associates has been asked to close the Facilities Plan Update and begin a scope determination for the Phase 1B Concept Plan.

HydroAire is currently waiting on replacement parts to complete the Intermediate Lift Station Pump Rehabilitation. The work is anticipated to be completed by the end of the month.

The District's web based GIS system will be rolled out next month.

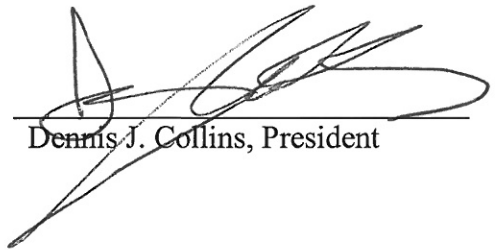
Trotter and Associates has been asked for structural engineer reference to provide an assessment of the Chlorine Building to determine if the District should move forward with the rehab or if a partial reconstruction of the building is recommended.

Trustee Collins moved to go into Executive Session to address property acquisition and personnel. Trustee Struthers seconded. The motion carried. The Board went into Executive Session.

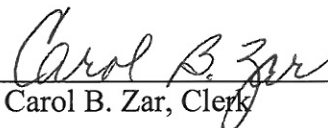
After the Board returned from Executive Session, they considered a motion to increase management salaries. Trustee Collins made a motion that the Management salaries shall be adjusted in accordance with the discussion that took place in closed session. Trustee Zar seconded. Motion carried.

Trustee Zar moved to adjourn the meeting. Trustee Struthers seconded. Motion carried.

President of the Board Collins adjourned the meeting.



Dennis J. Collins, President



Carol B. Zar, Clerk