

DeKalb Sanitary District
November 17, 2010
Board Meeting Minutes

The November meeting of the DeKalb Sanitary District Board of Trustees was held at the office of the District at noon on Wednesday, November 17, 2010. In attendance were Trustees Dennis Collins and Carol Zar. Mark Eddington, District Manager; Janice Tripp, Assistant Manager Administration; Steve Olsen, Operations Manager; and Greg Cherry, Lead Operator, were there from the DeKalb Sanitary District staff. Attorney Keith Foster and Treasurer Wayne Fesler attended, as did Mike Holland, P.E. of Trotter & Associates.

President of the Board Collins called the meeting to order.

Trustee Collins moved to approve the November agenda. Trustee Zar seconded. Motion carried.

Trustee Zar moved to approve the October minutes as amended and presented. Trustee Collins seconded. Motion carried.

After Janice Tripp, Assistant Manager Administration, explained the transfers needed, Trustee Collins moved to approve the transfer of:

\$315,000.00 from the Revenue Fund to the O & M Fund

\$ 7,983.02 from the Dedicated Tax IMRF Fund to the O & M Fund

\$ 5,143.57 from the Dedicated Tax FICA Fund to the O & M Fund

Trustee Zar seconded. Motion carried.

Trustee Collins moved to approve the payment of bills as presented. Trustee Zar seconded. Motion carried.

There was no one present wishing to give Public Input. Mark Eddington introduced Greg Cherry, saying he is the first of the staff participants in the monthly Board meetings. He explained Greg's job functions and praised him for his work with the contractors during the ongoing Biosolids Rehabilitation and Improvements Project. He also reported on a meeting with Dave Williams of Williams Brothers, Inc., the general contractors for the project. The meeting was occasioned by the need to improve communications about District expectations and reduce friction between District personnel and the on-site contractors. Improvement has been noted and it is hoped that it will continue.

Treasurer Fesler presented the Treasurer's Report, and asked the Board to consider their wishes regarding custody accounts held by The Northern Trust in light of that company's upcoming procedural changes. In the future, custodial accounts will be handled by National Financial Services LLC. and safekeeping assets would have to be transferred to the District's existing securities account at Northern Trust Securities Inc. He asked for the Board's direction as to whether to accept these changes or open a custodial account at another banking institution. Trustee Collins moved to direct Treasurer Fesler to transfer

the District Northern Trust Safekeeping account assets to its Northern Trust Securities Inc brokerage account, to remove the link between that account and the Northern Trust custody account the District had been using, to close that account after the securities have been transferred, and to authorize the linking of the existing checking account at Northern Trust and the new Northern Trust Securities Inc. brokerage account. Trustee Zar seconded. Motion carried.

Janice Tripp, Assistant Manager Administration, discussed the District's projected receipts for the coming year, cost-of-operation increases projected, and debt service needs. She recommended a twenty-cent user rate increase effective January 1, 2011 to assure the District can meet these obligations. The Trustees instructed Keith Foster, Attorney for the District, to prepare an Ordinance for consideration at the December meeting.

Janice made recommendations for the District's Tax Levy for 2010, which must also be set in December. After discussion, the Trustees instructed Foster to prepare that Ordinance for consideration at the December 15, 2010 meeting, as well.

The City of DeKalb has notified the District of the expiration of the Central Area TIF District and of the return of surplus funds to the taxing bodies involved based on the agreement dated 5/29/2007. The letter states the District will receive \$31,813.00. The Trustees reviewed the letter and discussed TIF Districts.

Mark Eddington discussed progress on the District's Five Year Plan and the meetings Trustee Zar facilitated with the management team and District personnel. Trustee Collins thanked Trustee Zar for lending her expertise as a local government advisor to the District and praised her work in facilitating this process.

Mark and Janice presented the Trustees with the District's existing Employee Manual and discussed their plans to update and revise the manual's content. Trustee Collins requested they give the Board a written timetable for getting this done, and Trustee Zar said that that time table should also become part of the District's Five Year Plan.

Mark reviewed the process through which a team of District management and personnel put out a request for engineering proposals for a 2011 GIS Needs Assessment, held a pre-proposal meeting, received and evaluated proposals, identified a short list of three companies, and heard presentations from the short-listed firms. He filled them in on the District's evaluations and the engineering firms' cost proposals, and made a recommendation for the District to contract with Baxter & Woodman for this project at a cost not to exceed \$16,438.00. After discussion, Trustee Collins voted to do so. Trustee Zar seconded. Motion carried.

There were no requests for annexation or pre-annexation this month, but Mark discussed the request for information about annexation he received from Curran, Inc.

Since the City of DeKalb has yet to act on the Intergovernmental Agreement concerning Target's tax abatement, the Board tabled that item until next month's meeting.

Mark will be meeting tomorrow with City of DeKalb representatives for further discussions on the City's charges to the District for billing services.

The District continues to await USEPA review of its proposed Pretreatment Ordinance, which was prepared for it by McMahon Associates. McMahon Associates has also prepared a proposed User Ordinance to replace Ordinance #259 and its amendments, but that cannot happen until the Pretreatment Ordinance (which was previously part of the User Ordinance) has been approved and passed as a separate ordinance. The Board clarified McMahon Associates' commitment to help the District complete this process whenever that is possible.

Mark says a two-year cash lease of the District's farmland by Mike and Tammy Rosenwinkle of MTR Farms, who made the highest of three offers at \$250.00 per acre is being finalized.

The Board directed that the District's property at 1109 Sycamore Road be placed up for rental after being professionally cleaned. They gave direction as to the rent and conditions.

Steve Olsen explained the situation with the headworks raw pump drives, which have reached their useful life expectancy. One has failed and been replaced and another is failing now. Attempts to repair it have failed. He asked the Board about replacement of the remaining four drives now instead of waiting for further failures, which would have the advantage of all one kind of pump so that parts would be interchangeable. The Board asked him to bring in quotes on price reductions for multiple purchases to see if they want to plan for that in the 2011-2012 Fiscal Year Budget.

The Catastrophic Loss Relief request of Cindy Kyler of 2131 Autumn Lane meets policy requirements. Trustee Collins moved to approve the claim for \$85.80 credit lost due to a leaking toilet. Trustee Zar seconded. Motion carried.

The request for help from the DeKalb Seventh Day Adventist Church Board, who is requesting a refund of \$175.50 after having leaking toilets in the church building at 300 East Taylor was reviewed. Because the request comes from a non-residence, the policy does not apply. After discussion and consideration, the Board, in a motion made by Trustee Zar and seconded by Trustee Collins, and carried, agreed to the refund. The Board clarified, however, that commercial and club requests will still not be considered.

Janice Tripp reviewed Holiday Luncheon plans with the Board. It will be held on Wednesday, December 1, 2010.

In Plan Review, Mark reviewed Northern Illinois University's plans for 1006 bed First Year Residence Hall. The property has already been annexed. Connection fees due have

been calculated to be \$95,000.00 after deduction for the existing connection. Mark discussed the need for an agreement to assure District access for repairs should the University continue with its plan to build a pedestrian bridge over the District's 24-inch sewer. Mark also reviewed the University's plans for sewer in its West Campus Expansion.

Mike Holland presented the Engineer's Report in writing, and deferred discussion until the individual agenda items.

The District having found Williams Brothers, Inc. initial proposal for restoring Deductive Proposal #1 for the Sludge Thickening System to the project too high, the proposal has been given back to Williams Brothers for revision. If agreement can be reached, the District's IEPA Loan amount would be increased to include the previously deducted items back into the contract.

Janice affirmed Mark Eddington's work in contractor negotiations, which has resulted in a great cost savings to the District.

Trotter & Associates is preparing an Engineering Proposal for Tertiary Filter Building Rehabilitation, which would also be eligible for a low-interest loan and loan forgiveness.

Work on the Sludge Handling Building and the Digester Operations Building is continuing, and the goal is to allow work on the Biosolids Rehabilitation Project to continue over the winter.

The conditions of the IEPA's 45-day Provisional Variance to allow the tertiary filters to be taken off-line for work to be done on them were met and the four cells which have been placed back on line can maintain the District's status as the remaining work is completed.

Trotter and Associates has completed the site design for the Sludge Storage Building and submitted the plans to the City of DeKalb and Williams Brothers for review and proposal. The Trustees told Mike Holland that if a reasonable proposal is not received, they want the project pulled from the current contract and rebid as a separate project.

At the Country Club Lift Station Project, paving has been completed. Trustee Collins moved and Trustee Zar seconded approval of Change Order #3 in the amount of \$17,543.03 for resurfacing a portion of the Park District's roadway and parking area which was under heavy use during construction. Motion carried.

Trustee Collins moved and Trustee Zar seconded approval of Payment Request #8 in the amount of \$139,900.73 pending receipt of Loan Disbursement #12. Motion carried.

DuPage Topsoil has completed landscape restoration work on the Moraine Terrace Sanitary Sewer Improvements Project, and the only work remaining is the correction of a deficient paving area.

Mark says the 332 Greenwood North Project is ready to go as soon as the weather is optimal.

Steve Olsen and Mark Eddington explained the problems with the Intermediate Pumps, which due to age and current condition need to be rehabilitated or replaced. Since replacement is as cost-effective as rehabilitation, that would probably be the better choice, but it is quite expensive. Since the Facilities Plan calls for this equipment to be taken out of use when plant expansion projects are undertaken (at some time in the future dependent on need), the expense is a worry. But the equipment is needed as the plant stands now, and there would have to at least be an emergency response plan in place in case of catastrophic failure. The Board charged the Engineers with coming up with recommendations on what to do about this.

There was no new business.

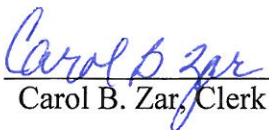
Trustee Collins moved to go into Executive Session to address personnel issues. Trustee Zar seconded, and the motion carried. The Board went into Executive Session.

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

President of the Board Collins adjourned the meeting.



Dennis J. Collins, President



Carol B. Zar, Clerk