

DeKalb Sanitary District  
October 19, 2011  
Board Meeting Minutes

The October meeting of the DeKalb Sanitary District Board of Trustees was held at the office of the District at noon on Wednesday, October 19, 2011. In attendance were Trustees Dennis J. Collins, Timothy A. Struthers and Carol B. Zar. Mark Eddington, P.E., District Manager; Janice Tripp, Treasurer/Assistant Manager Administration; Steve Olsen, Operations Manager; Diana Foust, Assistant to Manager/Human Resources; Betty Jones, Secretary and Jason Robbins, Operator were present from DeKalb Sanitary District. Attorney Keith Foster of the Foster and Buick Law Group LLC attended the meeting, as did Scott Marschinke, E.I.T. of Trotter & Associates, Inc. and Jamie Smirz of the City of DeKalb. Dennis Haile, DSD Operator, attended for a portion of the meeting.

President of the Board Collins called the meeting to order.

Trustee Collins moved and Trustee Zar seconded approval of the October agenda. Motion carried.

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

Janice Tripp, Treasurer/Assistant Manager Administration, explained the transfers. After discussion of each item, Trustee Collins moved to approve the transfer of:

\$225,000.00 from the Revenue Fund to the O & M Fund  
\$ 9,648.55 from the Dedicated Tax IMRF Fund to the O & M Fund  
\$ 5,578.20 from the Dedicated Tax FICA Fund to the O & M Fund  
\$ 38,123.35 from the Revolving Loan Bio Solids to the Revenue Fund for engineering

Trustee Zar seconded. Motion carried.

Trustee Collins moved and Trustee Struthers seconded approval to pay the bills as presented. This included allowing Mark and Janice to sign together after checks are cut for invoices received today as itemized by Treasurer Tripp. Motion carried.

After review of the 2010-2011 Fiscal Year Audit the Trustees approved it except for the Management Discussion and Analysis, which they will review and consider next month.

Trustee Collins made the motion. Trustee Struthers seconded it and the motion carried.

During the Public Input portion of the meeting, Mark Eddington, P.E., District Manager introduced Jason Robbins, who was attending as operations staff representative. The Board welcomed him and affirmed his work on certification.

Treasurer, Janice Tripp gave the Treasurer's Report and reviewed the investments that matured and the ones made this month.

After consideration of High Rate Corporate Bonds as investment tool, the Board decided not to pursue that change of policy.

After review of the District's Depository Limits Trustee Collins moved and Trustee Zar seconded approval of new bank resolutions for the remainder of the current fiscal year, and the adoption of that policy to the following depositories with the stated depository limits.

1. Set a limit of \$5,000,000.00 for total deposits each at The Northern Trust, Castle Bank, National Bank and Trust Company of Sycamore and Resource Bank. Any amount deposited over the amount which is insured under FDIC is to be collateralized at 100%.
2. Set a limit of \$2,150,000.00 for total deposits each at American National Bank. Any amount deposited over the amount which is insured under FDIC is to be collateralized at 100%.
3. 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%.
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 PNC, 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 Trustees authorized Janice Tripp, Treasurer to open two more accounts under the same conditions to be used as needed when moving money between investments.

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. Trustee Collins noted that he owns stock in The National Bank & Trust Company of Sycamore.

The motion on the above depository limits carried. Resolutions to be given to banking institutions will be prepared.

The Board asked Janice to investigate The Northern Trust's method of choosing what CDs to offer in its program and inform them of the criteria used.

There were no requests for annexation or pre-annexation this month.

In Plan Review, Mark said CVS is working with Keith Foster and him on easements and the development agreement. Mark has been meeting with the apartment complex owners and their plumbers to develop a plan for the relocation of their service. Since this will be beneficial to the District, it will proceed separately from any plans CVS makes. He will contact National Bank & Trust about their easement and development agreements.

DSD Operator Dennis Haile entered the meeting at that time and received the Board's and Administration's congratulations on receiving IEPA Collection System certification. The monetary award for this was presented to him along with congratulations on his completion of the Operator and Collection System Certification process by obtaining all available certifications.

Mark has not had a response from Cortland about the District's desire to have the terms of the existing intergovernmental agreement honored by them.

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.

Diana Foust, has arranged First Aid training through Kishwaukee Hospital for all employees has been scheduled for Monday and Tuesday November 21st and 22nd . The cost is \$30 per person and includes a book for each employee.

The Catastrophic Water Loss Relief Requests of Brandy Johnson of 1428 Lewis, Apt A for \$279.30 and of Frank Rongey of 409 South 5th Street for \$191.52 were both for running toilets and both met City/District Catastrophic Loss Policy Requirements. Trustee Collins made a motion to approve the requests. Trustee Zar seconded. Motion carried.

Mark explained that the EPA is preparing a new Draft NPDES Permit for the District after agreeing to his request that they use the District's more site specific river samplings instead of those they had previously used, which were from five miles away from the plant. After receipt of the new draft, the District will have another comment period.

Trotter and Associates, supplied the Engineer's Report, including a IEPA Loan Summary, in writing, and Chris Marschinke, who was present representing them, deferred discussion until each agenda item under Projects.

The Facility Plan Update remains on hold.

Williams Brothers is continuing startup in the Digester Operations and Sludge Handling Buildings and the District is dewatering biosolids and taking them to the landfill for disposal until the storage barn is available. Williams Brothers has begun erecting that building.

Change Order #18 for the Biosolids Rehabilitation and Improvements Project for the addition of \$27,155.00 for modifications to placement of the GBT Polymer Mixing Valve, installation of a Boiler Water Supply PRV and Bypass, stair access to Gas Meter to replace remote reading, replacement of tertiary filter backwash pump pads in the amount of \$27,155.00 was recommended for approval by Trotter & Associates. this Change Order also included correction of concrete defects in the lower level of the sludge handling building by installation of epoxy flooring which is to be provided by Williams Brothers at no cost to offset liquidated damages from the Country Club Lift Station Project and time extension of 45 days due to construction delays. After discussion, Trustee Collins moved to approve the change order. Trustee Struthers seconded. Motion carried.

Trotter & Associates also recommended payment of Williams Brothers Payment Request #22 in the amount of \$864,046.76. Trustee Struthers moved to approve payment contingent on receipt of Loan Disbursement #23. Trustee Collins seconded. Motion carried.

Landscaping and final completion work on Country Club Lift Station remain outstanding. The application of the liquidated damages from that project to the epoxy flooring for the sludge handling building was explained above. The District has also asked Williams Brothers to reimburse them the money paid to Trotter and Associates for additional Engineering due to the delay of final completion.

Trustee Collins moved to authorize Janice Tripp to use funds from Loan Disbursement #1 when it is received to repay the Revenue Fund for Engineering expenses already paid by the District in the amount of \$185,037.67. Trustee Zar seconded. Motion carried.

Madison Construction has begun construction on the Tertiary Filter Building Rehabilitation with the installation of temporary sheeting, piping and electrical work to allow for demolition of the building walls and roof. Screw Pump #1 has been removed, rehabilitated and reinstalled. Screw Pump #2 work is scheduled for this week. Masonry work is scheduled to begin within three weeks and shop drawings are being submitted. Trotter & Associates recommended approval of Change Order #1 for the additional amount of \$1,589.00 for door header and jamb modifications. Trustee Collins moved to approve the change order. Trustee Struthers seconded. Motion carried.

Trustee Zar moved to approve Madison Construction Pay Request #1 in the amount of \$181,688.40 contingent on the receipt of Loan Disbursement #2 as recommended by Trotter and Associates. Trustee Struthers seconded. Motion carried.

The Board discussed their regret that they are not legally able to do more than just require payment of prevailing wages to ensure the use of local union labor in District projects, and at Trustee Zar's suggestion requested of the engineers that all future advertisements for bids clarify that the District is in the Rockford Union Local's jurisdiction. Potential bidders will be given contact information for that organization during pre-bid meetings.

Trotter & Associates, Mark and Steve have had preliminary design meetings to discuss what is needed in the Intermediate L. S. Pump Rehabilitation Project.

The GIS Project is ongoing, and Mark will be meeting with the City of DeKalb at their request to discuss resource sharing. He will also contact DeKalb County about that.

The December Board Meeting currently scheduled for Tuesday December 20, 2011 at 4 p.m. was rescheduled to December 14, 2011 at noon in a motion made by Trustee Collins and seconded by Trustee Struthers and carried.


The Board's Holiday Luncheon will be held Wednesday, December 7, 2011 at 12:30 pm.

In New Business, Mark informed the Board of a subpoena received today, which Attorney Foster will take under review, and said he is pursuing indemnification of the District for the environmental impact of snow storage by the City of DeKalb on its south slope property.

Trustee Collins moved to go into Executive Session to address personnel issues. 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 Struthers seconded. Motion carried.

President of the Board Collins adjourned the meeting.



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Dennis J. Collins, President



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Carol B. Zar, Clerk