

GLENBARD WASTEWATER AUTHORITY

Executive Oversight Committee

Minutes

Monday, February 7, 2011

8:00 A.M.

**Meeting will be held at the Glenbard Wastewater Plant
21 W 551 Bemis Rd, Glen Ellyn, IL**

Members Present:

William Mueller	President, Village of Lombard
Michelle Thorsell	Trustee, Village of Glen Ellyn
Greg Gron	Trustee, Village of Lombard
Phil Hartweg	Trustee, Village of Glen Ellyn
David Hulseberg	Manager, Village of Lombard
Terry Burghard	Interim Manager, Village of Glen Ellyn
Carl Goldsmith	Public Works Director, Village of Lombard
Bob Minix	Village Engineer, Village of Glen Ellyn

Others Present:

Erik Lanphier	Wastewater Manager, GWA
Gary Scott	Sr. Maintenance Mechanic
David Goodalis	Sr. Plant Operator, GWA
Rick Freeman	St. Plant Electrician/Electronics Technician, GWA
Gayle Lendabarker	Administrative Secretary, GWA
Tim Sexton	Finance Director, Village of Lombard
Larry Noller	Acting Finance Director, Village of Glen Ellyn

1. Call to Order at 8:00 a.m.
2. Roll Call: Ms. Thorsell, Mr. Mueller, Mr. Hartweg, Mr. Gron, Mr. Burghard, Mr. Hulseberg, Mr. Goldsmith and Mr. Minix answered "Present".
3. Public Comment
4. Consent Agenda

Mr. Hulseberg motioned and Mr. Goldsmith seconded the MOTION that the following items on the Consent Agenda be approved. Ms. Thorsell, Mr. Mueller, Mr. Hartweg, Mr. Gron, Mr. Hulseberg, Mr. Burghard, Mr. Goldsmith and Mr. Minix individually responded "Aye" during a roll vote. The motion carried.

- 4.1 Minutes from the December 9, 2010 EOC Meeting.
- 4.2 Vouchers previously reviewed by Trustee Hartweg.
- 4.3 Com-Ed CLR Program

For the past four years, GWA has participated in one of Commonwealth Edison's Capacity Based Load Response Program. To date, we have not been required by Com-Ed to go off power for the purpose of this program. However, in 2010 we did have to load shed as a result of a testing requirement by Com-Ed. For participation during the 2010 calendar year, GWA received a check in the amount of \$101,724. Participation is pending signature of the attached contract for calendar year 2011 for the amount of \$58,673.

Motion EOC approve the Customer Election with Com-Ed for participation within the Capacity Based Load Response Program.

4.4 Surplus Equipment

GWA is requesting approval of the EOC to surplus the following equipment that has been removed from service due to the recent Substantial Completion of the St. Charles Road Lift Station project.

- Four sewage pumps each rated at 2400 gallons per minute, including miscellaneous electrical starter components for pumps.
- One back-up diesel electric generator, fiberglass enclosure, electrical transfer switchgear having an average fuel consumption of 13.9 gallons per hour at full load, including miscellaneous components.
- One 500 gallon concrete reinforced double-wall fuel storage tank.

Motion the EOC classify this equipment as Surplus Equipment, at which time GWA will investigate the resale of these items, or proper disposal as surplus scrap to the financial benefit of the Authority as is necessary or possible.

4.5 St. Charles Road Lift Station Change Order #2 – Update

Change Order number two (2) includes eight modifications to the construction contract with the most expensive addition being additional excavation of the wet well in the amount of \$11,134. With offsetting costs resulting due to Substantial completion of the project being awarded on January 17, 2011 the total Change Order value is an additional \$2,035. Previously Change Order number one (1) adjusted the project cost by \$599. As it stands today the total Change Order values on the \$2,477,000 construction project are \$2,634, thus modifying the current contract price to \$2,479,634. There are still a few items to be addressed by a final Change Order.

No Motion Necessary

5. Biosolids Operations and Maintenance Manual (O&M) Project

As part of the next step in updating the GWA we have budgeted for operation and maintenance manual updates over the next few years. Beginning in FY11 we are planning on creating documents that will update the original 1980 manuals that describe how GWA is operated and maintained. These manuals currently are outdated due to the large amount of capital improvements that have been done since inception. The specific manual we are requesting your approval to proceed with is the “Biosolids” O&M manual. This particular part of our process has been part of an identified IEPA project since the mid 1990’s with reference to the recently “operational” Anaerobic Digester Project. The upgrades that have been implemented over the past 10 years have dramatically changed the processes. With the approval of the EOC the Biosolids O&M manuals will bring this

process description manual current enabling future GWA team member's proper referencing materials. Strand Associates Inc. has proposed to do this work for GWA as outlined in the attached memo along with supporting documentation from Strand.

Motion the EOC approve the Task Order 11-01 for the preparation of an O&M manual for Biosolids processes in the amount of \$94,200 to Strand Associates Inc. of Madison Wisconsin, invoiced to Capital Account 40-580475.

Mr. Lanphier explained that this item will update the current plant operations manuals which were completed when the plant was originally built thirty (30) years ago. Mr. Lanphier went on to say that Strand Associates was approached for this projects that they have been involved in a large majority of the projects, either as the design engineer or provided RPR services, that have brought new equipment online thus making them very knowledgeable not only with the equipment, but with the overall operational processes of the plant. Mr. Lanphier advised that the cost outlined would provide GWA with a paper copy of the manuals as well as an electronic PDF version.

Mr. Goldsmith asked if other engineering firms were approached for proposals. Mr. Lanphier indicated that he had not as Strand's extensive knowledge base and access to all of the documentation set forward to produce the information in a timely and thorough fashion made approaching them most logical as well as GWA being very satisfied with all of the work Strand has done to date. Mr. Lanphier stated that when he approached Strand about this project, they provided him with a sample of a similar manual they had completed for another facility. Mr. Lanphier advised that he had been impressed with the professional appearance of the sample as well as the quality of the contents. Mr. Hulseberg asked what the cost on the sample manual was. Mr. Lanphier stated that he did not know the cost. Mr. Lanphier added that he compared the cost of the manuals to the engineering costs on various projects Stand has completed and the rates are comparable.

Trustee Thorsell asked if on any of the projects completed at GWA if any manuals were provided as part of the contract indicating that when she had been involved in the designing of wastewater plants in the past the manuals were always done as part of the engineering in the process of the project. Mr. Lanphier indicated that the manuals provided on most of the projects, for example the anaerobic digester project, are equipment O & M manuals and not process manuals meaning they detail the operation and maintenance on a specific piece of equipment but not how the equipment functions as a part of the overall treatment process.

Mr. Goldsmith asked if in future projects that GWA will incorporate an operating manual into the engineering. Mr. Lanphier indicated that it is possible to have a holistic approach, but as most of the large scale replacement of old equipment has been complete, approximately seven (7) O&M manuals need to be put together as entire facility process description from the beginning, pre-treatment or bar screen all the way through to the effluent and disinfection. Trustee Thorsell asked if Strand would be preparing more comprehensive drawings of the process. Mr. Lanphier confirmed they would as well as updating the associated equipment as the current manuals include equipment that were removed from the plant fifteen to sixteen (15 to 16) years ago. Mr.

Lanphier added that in the past, in an effort, to reduce engineering costs on various projects, the completion of a process O & M manual was excluded from the projects, particularly with the anaerobic digester project.

Mr. Minix asked if Strand Associates had been the engineer involved in a majority of the projects for which the manuals are being prepared. Mr. Lanphier advised that they were. Mr. Lanphier went on to add that in 2006 a cost comparison between Strand and other engineering firms was done and that the decision to go with Strand was not solely based on cost; but the professionalism with which Strand engineers worked with GWA in completing these projects. Mr. Lanphier pointed out that every time an engineering contract for award has come up, that Strand has been diligent in providing the EOC with cost comparatives every time they submit a price that make every effort to make that available. Mr. Minix stated that he sees a real value in having manuals completed by the engineer that has provided the design and oversight on many of the projects they will be able to provide a product that is not only appropriate but most usable in the future.

Mr. Hulseberg asked if a contract will be provided to the EOC for approval as one of the things that he wants to be very clear is that what we are asking for is, is absolutely spelled out and that six months from now the EOC is disappointed with the final product. Mr. Lanphier indicated that he has thoroughly reviewed with Mr. Brent Schuster has been handling the digester cover project, worked in tandem with Mr. Jay Dahlberg on the St. Charles Road Lift Station project as we all as served as RPR on other projects, what the scope of the project will entail. Mr. Hulseberg asked if the contract was available and indicated that he would like for Trustee Thorsell to review the contract. Mr. Lanphier indicated that a copy of the contract was included in the EOC packet.

Mr. Mueller asked if there was a timeline that GWA is looking at to get this project completed. Mr. Lanphier indicated that this is a labor intensive task and that it is something that GWA needs to move forward with, however, this no emergency or outside urgency to get the project started and completed. Mr. Mueller asked if it was unrealistic to think that this project could not be done in-house. Mr. Lanphier indicated that it is unrealistic for this project to be completed in-house.

Mr. Mueller stated that regardless of how good Strand is, he feels that it is important for a contract for this amount of money, be let out for bid as a way of double checking Strand. Mr. Burghard added that upon review of the schedule of fees that the hourly rate Strand indicated is not out of line with industry standards, but that he is in agreement with Mr. Mueller that contracts of this size should have RFP's completed; however he advised that he did not have any concerns with this project as the hourly rate is comparable.

Mr. Hulseberg added that he would like to see the contract include a clause indicating that it is a "not to exceed" contract.

Trustee Thorsell stated that as there seems to be some hesitation for approval, if it would be possible for the sample to be reviewed. Mr. Mueller indicated he was in agreement with Trustee Thorsell's suggestion to have EOC members review the sample manual before approving the contract.

Amended motion to defer approval of this item until such time as Mr. Goldsmith and Trustee Thorsell could review example materials presented by Strand Associates.

Mr. Hartweg moved and Ms. Thorsell seconded the motion: Ms. Thorsell, Mr. Mueller, Mr. Hartweg, Mr. Gron, Mr. Burghard, Mr. Hulseberg, Mr. Goldsmith responded "Aye" and Mr. Minix responded "Nay" during a roll vote. The motion carried.

Mr. Lanphier will schedule a meeting with Strand, Mr. Goldsmith, Trustee Thorsell and himself to review the sample manual.

6. Raw Flow Magnetic Flow Meter Replacement

Glenbard currently employs magnetic flow meters to monitor and control various wastewater process flows throughout its facilities. The majority of these flow meters were installed during the regionalization in the late seventies. As such, these meters are beyond their serviceable life, failing, and are no-longer supported by the Original Equipment Manufacturer (OEM).

Over the past several years we have replaced (as they have failed abruptly) the magnetic flow meters utilized for CRAS WAS, Thickener Clarifier Freshening, Final Clarifier WAS, and Lombard CSO Raw, due to the fact that we can no longer acquire repair parts or have factory repairs made.

Motion the EOC approve the purchase of an ABB: Process Master FEP321 Electromagnetic Flow Meter from RKA Applied Solutions of Wheaton, IL in the amount of \$19,000 (including estimated shipping expenses) invoiced to Capital Account 40-580140 Infrastructure Improvement.

Mr. Lanphier indicated that this was a budgeted expenditure to replace a thirty (30) year old meter which is mandated by the IEPA on influent flow and is currently maintained in-house by GWA staff. Mr. Lanphier advised that the meter sought is an in kind upgrade from ABB and that the plant is standardized with this brand of meters to assist in insuring accuracy at the various metering points throughout the plant.

Mr. Minix asked if GWA staff intended to install the new meter. Mr. Lanphier indicated that it will require evaluation as the new meters tend to have a longer or shorter lay on them which could require modifications to existing pipe work which staff may not be qualified to perform and the budget line item allows for outside mechanical work if necessary. Mr. Mueller asked if the meter would be connected to SCADA and if additional costs are associated with connecting to SCADA. Mr. Lanphier advised that it will communicate with SCADA and that there will be no additional costs associated with connections and that a savings of \$1000 will be realized by having GWA's Electrical Department handle the set-up. Mr. Mueller asked if the budget would be exceeded if a mechanical contractor was necessary. Mr. Lanphier advised it would not.

Mr. Burghard asked if this item was something that needed to be bid out. Mr. Lanphier advised that as it was replacement equipment in kind and the specifications were dictated by GWA that it was not let out to bid. Mr. Burghard expressed his understanding of not bidding the item out, but would feel more comfortable if the motion was amended to waive competitive bidding in favor of a sole-source supplier. Mr. Hulseberg indicated he was in agreement with Mr. Burghard.

Trustee Gron asked if the meter was providing faulty data. Mr. Lanphier indicated that at this point in time, the meter was working properly; however, there are no warning indicators if the meter were to malfunction. Mr. Gron asked what the lead time receiving and installing the meter. Mr. Lanphier asked Mr. Freeman as to the lead time GWA is facing for delivery of the meter. Mr. Freeman advised a minimum of eight to twelve (8 to 12) weeks out. Trustee Gron asked if Mr. Lanphier foresees any problems. Mr. Lanphier stated that there had been no indications of problems, however it is a thirty (30) year old meter and has been on the replacement schedule for a while and this seems the best opportunity to order and get replaced. Trustee Gron asked what would happen if the meter were to fail prior to the installation of the new meter. Mr. Lanphier indicated that there are redundant systems in place in the event of a failure.

Amended motion to indicate the waiving of bids in favor of sole-source provider due to the specific equipment requirements outlined by GWA's needs.

Mr. Goldsmith moved and Mr. Hartweg seconded the motion: The members individually responded "Aye" during a roll vote. The motion carried.

7. St. Charles Road Lift Station IFT (Update)

The Capital budget for FY11 indicated funding for the St. Charles Road Lift Station project was allocated from Capital fund 40 to fund 44 in the amount of \$2,000,000. An actual cost of \$441,000 was previously spent on the St. Charles Road Lift Station project in FY10 the total project cost at the time of the transfer was \$2,441,000. This leaves an approximate \$500,000 short for allocation to the St. Charles Lift Station project.

Discussions may lead to a motion, but as of the writing of this memo this was to be an update.

Mr. Lanphier explained that when the funds were distributed to the new funds under the FY2011 budget the transfer did not take into account funds previously spent on the St. Charles Road Lift Station project and thus leaves a short fall for completing the project.

Mr. Noller explained that the cash split used in the budget planning did not include actual dollars and thus created a shortage to cover the project. Mr. Noller indicated that there are enough funds in Capital Division 40 to transfer for to Capital Division 44 to cover the projected shortage on the project.

Mr. Burghard asked if the contractors estimate was \$2,600,000 and the bid was \$2,400,000 why was only \$2,000,000 budgeted. Mr. Lanphier advised that the entire project was budgeted at

\$2,900,000 including engineering costs and when the funds allocation took place the amount transferred was not accurate.

Mr. Mueller asked if how the project could be under the costs and still need to transfer additional funds. Mr. Lanphier explained that the item on the consent agenda was referring to the project in general and that Strand's allocation for this project has been fully utilized and no amendment for engineering services has been submitted.

Mr. Burghard surmised that the change order approved on the consent agenda seemed to be less than one percent (1%). Mr. Lanphier confirmed Mr. Burghard's commented and added that there are still some outstanding issues relating to the project that are yet to be resolved and additional change orders are anticipated to finish up. Mr. Lanphier added that the budget did include a five percent (5%) contingency and preliminary indicators are that only one (1) or two (2) percent will be utilized.

Mr. Mueller asked for Mr. Lanphier if the project will come in under the \$2,900,000. Mr. Lanphier indicated it will.

Mr. Mueller questioned whether or not a motion to approve the IFT was necessary. Mr. Noller indicated that as amended budgets are not done a motion is not necessary as it will be included in the final audit, however if the EOC wanted to have a motion on the record it would not be out of the question to create a motion for approval.

Mr. Hulseberg added that the funds would be allocated from the Village of Glen Ellyn's share of the Capital 40 fund.

Motion to approve an Inter Fund Transfer in the \$400,000 from Capital Account 40 to Capital Account 44.

Mr. Gron moved and Mr. Minix seconded the motion to approve an IFT transfer in the amount of from Division 40 capital to Division 44 capital. The members individually responded "Aye" during a roll vote.

8. Executive Session – Executive Session to discuss information regarding the appointment, employment, compensation, discipline, performance or dismissal of a specific employee or employees of GWA (To be provided under separate cover)

Mr. Hulseberg moved and Mr. Burghard seconded the motion: The members individually responded "Aye" during a roll vote. The motion carried.

Mr. Burghard made the request that Mr. Lanphier remain and participate in the Executive session as he requires Mr. Lanphier's history and expertise to answer questions about any of the issue that might be brought up. Mr. Mueller indicated that it would be appropriate to answer questioned posed and then leave when further discussion takes place. Mr. Burghard indicated that Mr. Lanphier, as Wastewater Manager, needs to be involved in any and all discussions and decisions about GWA.

Trustee Thorsell, stated she was in agreement with Mr. Burghard's request as this is an arrangement between three entities and to not have one of entities presented is not right.

Mr. Hulseberg indicated he had no issues as long as Mr. Lanphier understand that he is bound by the rules and regulations in that he cannot discuss the topics of the Executive Session with any parties.

EOC Committee adjourned to Executive Session at 8:30 a.m.

9. Adjourn Executive Session adjourned at 9:35 a.m.

Roll Call: Ms. Thorsell, Mr. Mueller, Mr. Hartweg, Mr. Gron, Mr. Burghard, Mr. Hulseberg, Mr. Goldsmith and Mr. Minix answered "Present".

Mr. Mueller asked if the remaining agenda items needed to be discussed or if all of the items were to be deferred to a later date.

Mr. Hulseberg indicated he would like to continue with the agenda as it and see what responses there are on each of the items.

10. Motion to reconsider Lombard being considered as the Operating Agency to the Full Board and alternatively allow both communities to bid for the ability to be the Operating Agency.

Mr. Hulseberg stated after the December meeting when the motion to discuss Lombard becoming lead agency for GWA at the GWA Full Board meeting was approved; Lombard staff reached a decision that what be more appropriate would be to give both Villages an opportunity to bid on providing "Operating Agency" responsibilities, especially if the goal is looking for the most responsible costs for both communities. Mr. Hulseberg continued by adding that when Lombard staff looked into the issues of what it would mean to the employees of GWA whether they were Village of Glen Ellyn employees or Village of Lombard employees, salary wise, there was no difference which could certainly be accounted for in a salary ordinance; however, the issue of benefits really became the only issue as the plan Glen Ellyn offers provides for things that Lombard does not, other than the benefits issue, there was no difference in costs between the Villages. Mr. Hulseberg stated that Lombard sees this as an opportunity for both Villages to submit a bid to be the oversight agency, thus making both agency be as fiscally responsible as they could and at the end of the day, afford GWA the best price as well as the residents of the respective communities. Mr. Hulseberg added that the length of term for whomever began oversight agency, whether it be five (5) years or fifteen (15) years or whatever might be acceptable to the Board was open for discussion.

Trustee Thorsell, expressed that asking two (2) communities who were supposed to be working together as a team to bid against each other made her very uncomfortable to even entertain.

Trustee Thorsell asked Mr. Lanphier to share with the EOC what shortfalls he has experienced, whether it be service not received or things that had not gotten done, when requested from the Village of Glen Ellyn in that past month since the departure of key Village staff members. Mr. Lanphier indicated that currently, there were no shortfalls to be listed. Mr. Lanphier went on to say that everything continues to keep moving forward

as it has; GWA management continues to receive notifications of performance evaluations that need to be completed; Mr. Minix has been very forthcoming in approving any expenditures that Mr. Lanphier has presented to him as part of the oversight; any communications with Mr. Burghard have been interactive both verbally and through email, so as far as GWA is concerned there have not been any deficiencies from Glen Ellyn.

Trustee Thorsell indicated that there are concerns with the top political arena at Glen Ellyn, but the work that is really done gets done by those on the ground and that Glen Ellyn has staff whom, she feels, are very intelligent and very dedicated and who are not at that top level who are getting the work done. Trustee Thorsell stated she is uncomfortable with any kind of competition and that whatever is done has to be done in agreement with everyone to work together.

Mr. Mueller indicated that when he brought this matter up in December it was to try and prevent anything from falling by the wayside. Mr. Mueller stated to Mr. Lanphier that he has done a good job and understands that he is very concerned about this but he should not get too defensive. Mr. Lanphier indicated that he was simply trying to provide facts and data to the EOC and there is a lot of interpretation with the 1998 version of the IGA agreement and a lot of detail involved in that has some depth to it and there is a lot of discussion that needs to take place. Mr. Lanphier added that the dividing of the capital into to eight (8) separate funds happened relatively quickly when the St. Charles Road Lift Station project came up and became the focal point of the budget and overhead fees. Mr. Lanphier went on to say that he feels there is a lot of detail that is not being openly expressed at the EOC meetings which should potentially be done before going down the road to revising the IGA as planned. Mr. Lanphier asked what is the logic in taking an unified organization that has worked well for thirty (30) years wherein communication about overhead fees changes were done between the village managers via telephone conversations and followed up with written correspondence as confirmation to the verbal agreements showing when planning the budgets, all levels were involved; Village Boards, GWA Full Board, Village Presidents, Managers and Finance Directors were all communicating, reviewing and approving the way things were being done. Mr. Lanphier indicated that although it appears things were not done correctly in the past the approach to correct the problem is more like jumping off a cliff to try and fix it. Mr. Lanphier provide examples of where the Village Managers and Finance Directors discussed ways of reducing costs associated with the overhead fees, which resulted in close to \$125,000 reduction in the annual fee for FY2011. Mr. Lanphier indicated that he feels that the inner workings of the two (2) villages could resolve this instead of resorting to a bidding process for the job of "lead agency" which would impact a variety of intangibles that directly affect GWA employees. Mr. Lanphier added that the overhead fees are paid for by both villages through a line item on the O & M side of the budget thus making it a shared cost.

Mr. Gron indicated that in his eyes the IGA agreement indicates that the villages share same amount of responsibility and that in history, the IGA decided that one village was going to be responsible but there has to be checks and balances or equal – equal because things that have been would not have happened if both villages looking at the same set of documents. Mr. Minix indicated he did not understanding Mr. Gron's comment as both

villages have access to all of the same documents from budgets to audits. Mr. Gron indicated that he is hearing all the time that Trustee Hartweg signs off on all of the vouchers and wondered why Lombard does not see them and be allowed to ask what the purchases are for. Mr. Gron expressed his thought that two people should be doing the review asking the same kind of questions and getting the same answers as his interpretation of an IGA.

Mr. Mueller asked if at one time everyone received copies of the vouchers. Ms. Lendabarker responded by stating that each EOC member receives a summary report of the monthly vouchers and Mr. Mueller, Mr. Hulseberg and Mr. Sexton each receive a full vouchers report in their packets. Mr. Mueller advised that in all the years he has been a part of the EOC, the vouchers are always given a “rubber stamp” of approval. Mr. Gron asked then why is this being done then.

Mr. Gron asked what GWA relies on Glen Ellyn for. Trustee Thorsell indicated that the Glen Ellyn provides bidding assistance and private management. Mr. Lanphier advised that the GWA handles all of the bidding process except for the bid opening in the presence of the Village Clerk who has the official stamp, but Public Works does not attend. Trustee Thorsell asked what the Public Works Department does provide for GWA. Mr. Lanphier advised that they provide financial oversight on invoicing that exceed Mr. Lanphier’s approval limit.

Mr. Mueller asked if Mr. Caracci had a more active role at GWA than what Mr. Lanphier is alluding to based on conversations Mr. Caracci and Mr. Mueller would have. Mr. Mueller asked Mr. Minix, if during his time as a temporary manager at GWA, if there was more involvement of the Public Works Director than what is being stated. Mr. Minix stated that generally speaking all of the Wastewater Managers or persons with that title, was a cooperative type situation where he did not impose himself onto the organization or the day-to-day decisions of this group and obviously, their record speaks for themselves, this is a well operating facility and during his time at Glen Ellyn, it always has been as the staff work safely and effectively which is why a lot effort from the Public Works Director was not required. Mr. Minix, continued by stating that there are certain procedural items such as reviewing vouchers, personnel matters and things of this nature that do go through the Public Works Director as per the structure of the Village of Glen Ellyn; however there is constant communication between himself and Mr. Lanphier on a various plant issues.

Trustee Thorsell asked if the communications were seeking second opinions or to address problems. Mr. Minix indicated that communications were along the lines of examples Trustee Thorsell outlined. Mr. Minix added this group is very good in terms of being able to make decisions and will ask questions if something does not make sense and the staff is very effective in their replies. Mr. Minix continued by stating that GWA does have a need to interact with someone higher up, however there is no hand-holding that is required.

Mr. Mueller indicated that he had been under the impression that it was more a “thumbs on” relationship by the Public Works Director and that if something that was going on that the EOC may not be aware of, Mr. Minix would have knowledge. Mr. Minix

indicated that is there was some sort of personnel issue, the steps to address the problem would start with him.

Mr. Hulseberg wanted to point out that what the Village of Lombard was suggesting is that Lombard feels that either community can go ahead and provide the oversight, but why not create a level platform where both communities giving the same opportunity to go ahead and provide the oversight. Mr. Hulseberg continued by stating that as Lombard staff looked the banking policies for of the Village of Glen Ellyn and the Village invested the reserve funds that currently exist, quite candidly very disappointed Village of Lombard management after comparing them to Lombard's policies and how we would have invested those same funds, our investment strategies would have produced a return of \$120,000 in interest into that account. Mr. Hulseberg stated that as Lombard is not lead agency it they do not have the ability to request a change because they think the method of investment is wrong and we want our dollars to yield the high return and this presentation was really trying to afford both communities a level playing field in saying what we are about is trying to get the best cost for what would be like services out there and if Glen Ellyn has a better bid that comes in, so be it but it would be creating a level playing field; and as far as the intangibles, we have two communities that have been partners for thirty (30) plus years where would it be so devastating to let the other partner decide what the percentage of wage increases there are going to be for GWA staff as Lombard has sat back for thirty (30) years in allowing Glen Ellyn take that lead; or to go ahead a say what the benefits are going to be, those are the things that come with the lead agency. Mr. Hulseberg continued by stating the he and Mr. Goldsmith spend as much time as Glen Ellyn's Village Manager spends looking at issues at GWA and that Lombard is doing a number of the same things as they review documents on Lombard's side to benefit Lombard's view of GWA and the same with the Finance Director and in total what Lombard is simply saying is why not create a level playing field where either village can be lead agency and that Lombard is not trying to criticize Glen Ellyn for any reason right now; right now what Lombard is trying to say is let's create an open process where either village could do it and why would it be such a bad thing.

Mr. Burghard stated that brought up some very good points and a number of the things he is speaking about is not unreasonable, however the conversations that have transpired in the last twenty (20) minutes is very healthy and good and what he would like to offer a motion to table this item and have further discussions in an educated fashion at perhaps the next EOC meeting. Mr. Burghard indicated that he understands there are a number of very good arguments with the proper kind of resources around the table could probably be solved. Mr. Burghard indicated he is uncomfortable voting on a couple of the issues today and recommending them to Full Board for the February 21st meeting. Mr. Burghard indicated he would make a motion to table the remaining agenda items until the next EOC Committee meeting.

Trustee Thorsell indicated that some of the remaining items pertain to the IGA that is going to be presented at the Full Board meeting on February 21st and need to be addressed so they can be discussed at the meeting. Trustee Thorsell explained the approval process to Mr. Burghard as he was unclear of procedure for the IGA approval.

Mr. Mueller stated that he was not going to call for a motion on this item as he did not think that the Committee was ready for a motion as he feels that a vote would result in a tie and does not feel that the EOC Committee is ready to move forward this item in all fairness to the communities and feels that if the EOC moved on the motion it would cause more problems.

Trustee Thorsell asked if she could make a suggestion before the item moved that the Village Managers and Public Works Directors to sit down and see if there is a way, as Mr. Gron suggested, to have a future of working together between the two (2) communities as opposed to the way the IGA has had it set up from the early days, trying to a better way instead of saying "either or"! Trustee Thorsell added she would really prefer to see some other option than the either or approach as she is very uncomfortable with the villages competing against one another.

11. Proposed change to the recommended EOC IGA, Section IV – Legal Counsel Section

Mr. Mueller indicated that if financial allocations allow, having an independent counsel is truly in the best interest of GWA.

Mr. Burghard indicated he would have no reservations in recommending this amendment revision to the Village of Glen Ellyn Board.

Mr. Minix expressed his thoughts that in some cases it might be an advantage for the Lead Agency to have the same legal counsel as they would be working with a familiar party instead of an outside third (3rd) party and feels that it should be the decision of the lead agency to select the legal counsel.

Mr. Mueller stated that evaluating the costs associated with legal counsel needs to take place.

Mr. Hulseberg indicated that the annual budget for legal counsel is currently \$10,000. Mr. Hulseberg made the motion to approve the change.

Motion to approve a change to Section IV – Legal Counsel Section of the IGA to provide for an independent attorney that is not representing either of the two (2) communities as their lead counsel.

Trustee Thorsell added that as a business owner, she does have multiple legal representatives depending on the area of need required and she does not have a problem with independent counsel under this circumstance and asked what the next step would be in acquiring new counsel.

Mr. Hulseberg indicated that same procedure for hiring legal counsel would be followed as is done with contracting auditors.

Mr. Lanphier reminded the EOC that there is currently pending mediation with the current legal counsel on the anaerobic digester project where a substantial dollar amount is in dispute.

Mr. Hulseberg stated he would have no hesitation to keep current counsel working on this matter and simply begin using new legal counsel once the IGA has been amended.

Mr. Hartweg expressed hesitation in that the possibility increased costs occurring with a GWA counsel deciding everything pertaining to GWA had to be discussed with the counsels for both villages, thus possibly causing all parties to incur unnecessary legal expenses.

Mr. Mueller stated that one advantage could be finding legal counsel that specializes in the industry as opposed to municipal law.

Mr. Gron asked for confirmation that this is simply a recommendation to the Full Board for the change and that each individual village would have to approve the change before the Full Board to approve.

Mr. Hulseberg moved and Mr. Gron seconded the motion: Ms. Thorsell, Mr. Mueller, Mr. Hartweg, Mr. Gron, Mr. Burghard, Mr. Hulseberg, Mr. Goldsmith responded “Aye” and Mr. Minix responded “Nay” during a roll vote. The motion carried.

12. Proposed change to the recommended EOC IGA, C (10) EOC Bonding Authority.

Mr. Hulseberg explained that in the process of reviewing the IGA over the last year, the EOC looked to have bonding authority in an effort to streamline the process for securing IEPA funding for projects and Attorney Diamond pointed out correctly was that what this could do, as it is currently written, give the EOC the authority to bond out funds without the consent of both municipalities and then both municipalities would be responsible for the debt and only have the ability to remove the right of bonding from the EOC in the future. Mr. Hulseberg advised he had consulted with Mr. Lanphier by asking if he felt it was a true necessity for the EOC to have this kind of authority and Mr. Lanphier had expressed that he did not think it was necessary. Mr. Hulseberg indicated that it was then determined it would be best to remove this ability from the EOC by removing it from the IGA and avoid any possibility of future issues between the two (2) villages in regards to this.

Mr. Burghard asked if item was no longer an issue as it was being removed.

Trustee Thorsell indicated that at the December 9th meeting, the EOC Committee approved the IGA for Full Board approval with the section providing the EOC with the authority to bond and therefore, the EOC needed to approval deletion of this from the IGA previously approved.

Motion to strike Section 10 of the previously recommended IGA agreement.

Mr. Hulseberg moved and Mr. Burghard seconded the motion: Ms. Thorsell, Mr. Mueller, Mr. Hartweg, Mr. Gron, Mr. Burghard, Mr. Hulseberg, Mr. Goldsmith and Mr. Minix responded “Aye” during a roll vote. The motion carried.

13. Proposed change to the recommended EOC IGA SRI Lift Station.

Motion to defer this item to a future meeting pending further discussions between Mr. Goldsmith and Mr. Lanphier.

Mr. Hulseberg moved and Mr. Burghard seconded the motion: Ms. Thorsell, Mr. Mueller, Mr. Hartweg, Mr. Gron, Mr. Burghard, Mr. Hulseberg, Mr. Goldsmith and Mr. Minix responded “Aye” during a roll vote. The motion carried.

14. Discussion on fully funding the capital replacement fund.

Mr. Hulseberg indicated that he felt this item was going to be a rather lengthy discussion as well and that what probably needs to happen is for the two (2) communities to sit down with the Village Managers, Finance Directors and Public Works Directors and work through the issues if it was acceptable to Mr. Burghard to take this approach.

Mr. Burghard indicated he found the suggestion acceptable as long as GWA staff was also involved in the discussion as he is becoming dependent on them as a resource of knowledge and experience.

Mr. Minix asked Mr. Hulseberg what the goal of the meeting would be to achieve. Mr. Hulseberg responded that he hoped the goal would be how the values for the equipment was going to be set and set how to fund that depreciation schedule and what amount of time the Villages want to give themselves to set the fund in place.

Mr. Minix asked if the group was going to try and establish the monetary values on the plant and equipment. Mr. Hulseberg responded that setting the values is an option that could be done rather than using a consultant and in the past some values were determined based off of insurance values as to what the different assets are worth, and say for example that the Villages determine GWA is worth \$30,000,000 and want to have a \$15,000,000 reserve fund and then determine how much time the Villages are going to give themselves to have that amount built up and waiting as a protection.

Mr. Minix indicated he fully supported determine values and creating reserves but stated that are a variety of ways to go about and wants to see what option provides the best outcome for all and is very leery of the Villages trying to assign values and terms of use on their own without getting expert help.

Mr. Hulseberg stated that he believes the EOC had already made an authorization for a study to be completed. Mr. Lanphier advised that the allocation was removed from the FY2011 budget by the EOC.

Mr. Mueller asked if an independent study was necessary and that the Finance Directors should be able to come up with the information. Mr. Sexton stated that the while a policy could be developed, but assigning values to the various assets is not something they could do. Mr. Sexton indicated that an interim agreement was reached for the FY2011 budget based on a fixed asset schedule from Glen Ellyn to come up with a temporary plan.

Mr. Mueller stated that it is very important now more than ever to question the need and expense of studies in this economic environment.

No Action.

Seeking Clarification of what was decided on Agenda Item #10, Mrs. Lendabarker the final status of this item.

Mr. Hulseberg indicated it was a no action item and reminded the EOC that there is a motion from the December 9th meeting for the item to be discussed at the Full Board meeting on February 21st.

15. Other Business

15.1 Bulk Hauling Notice to Bemis Road Neighbors. **No Action**

15.2 Schedule Managers meeting to review FY12 draft budget.

Mr. Lanphier requested the Village Managers, Finance Directors and Public Works Directors to supply dates for a meeting to begin reviewing the FY2012 meeting.

16. Next EOC Meeting – The next regularly scheduled EOC Meeting will be on **Thursday, March 10, 2011 at 8:00 a.m. at the Glenbard Plant. Reminder:** Special GWA Full Board meeting scheduled for Monday, February 21, 2011 at 6:30 p.m. in the Community Room at the Lombard Village Hall, 255 E. Wilson Ave., Lombard, IL 60148.

Mr. Burghard moved to adjourn the February 7, 2010 EOC Meeting and Mr. Hartweg seconded the motion. The members responded unanimously to a verbal call of “Aye”. The motion carried. The meeting adjourned at 10:18 a.m.

Submitted by:

Gayle A. Lendabarker
GWA Administrative Secretary