

GLENBARD WASTEWATER AUTHORITY

Executive Oversight Committee

MINUTES

Monday, October 22, 2012

8:00 A.M.

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

Members Present:

Mark Pfefferman	President, Village of Glen Ellyn
Peter Breen	President, Village of Lombard
Phil Hartweg	Trustee, Village of Glen Ellyn
Bill Ware	Trustee, Village of Lombard
David Hulseberg	Village Manager, Village of Lombard
Julius Hansen	Public Works Director, Village of Glen Ellyn
Carl Goldsmith	Public Works Director, Village of Lombard

Others Present:

Erik Lanphier	Wastewater Manager, GWA
Richard Freeman	Sr. Plant Electrician, GWA
Gary Scott	Sr. Plant Maintenance Mechanic, GWA
Gayle Lendabarker	Administrative Secretary, GWA
Kevin Wachtel	Finance Director, Village of Glen Ellyn
Tim Sexton	Finance Director, Village of Lombard

1. Call to Order at 8:00 a.m.
2. Roll Call: Mr. Pfefferman, Mr. Hartweg, Mr. Ware, Mr. Hulseberg, Mr. Hansen and Mr. Goldsmith answered "Present". Mr. Franz was excused.
3. Pledge of Allegiance
4. Public Comment
5. Consent Agenda

Mr. Hulseberg motioned and Mr. Ware seconded the *MOTION that the following items on the Consent Agenda be approved. Mr. Pfefferman, Mr. Breen, Mr. Hartweg, Mr. Ware, Hulseberg, Mr. Hansen and Mr. Goldsmith responded "Aye" during a roll vote. The motion carried.*

5.1 Minutes from the September 13, 2012 EOC Meeting

*Mr. Lanphier distributed copies of a review page 5 of the Minutes to the EOC Committee members advising that there was an item numbering error. In addition, Mr. Pfefferman noted changes to page 2, paragraph 2 wherein it should have stated that "Mr. Pfefferman, clarified that he is **not** taking issue..." and in paragraph 3, it should read "Mr. Pfefferman indicated **he** was not..."*

5.2 Vouchers previously reviewed by Trustee Hartweg

5.3 Interior Building Lighting Upgrade Project

We are proposing utilizing Baxter & Woodman, Inc. (B&W) to perform this Energy Efficiency Lighting Improvement Assessment and Design in the amount of \$14,760. Staff has reviewed a similar study completed by B&W in March 2011 for the Downers Grove Sanitary District, and found it to be quite comprehensive and are confident B&W will do the same quality work for GWA. Funds for this expenditure are included in FY2013 Capital Improvement Infrastructure Improvement Account 40-580140.

Mr. Lanphier indicated that this item had previously been on the agenda, but was removed to allow for further investigation and cost vetting after Mr. Goldsmith brought forward contact information for another consultant. Mr. Lanphier advised that staff evaluated the proposals from both Englewood Electric (EESCO) and All Tech Energy and felt that both proposals were excessive and therefore would like to have Baxter & Woodman assess both the main plant and the CSO facilities needs and prepare project specifications for bidding.

5.4 Enernoc Demand Response Program

The program is very similar to the CLR program we were a part of with Com-Ed. The PJM Emergency Load Response Program enables the program participants to receive payments for being available to reduce or eliminate electricity consumption when the reliability of the electric grid is in jeopardy and voltage reductions and rolling brownouts are imminent. EnerNoc is publicly traded and is the largest shareholder of this type of program within Com-Ed's region. Being a part of this program makes us a part of the solution. It makes us a steward of electrical consumption since we are able to help reduce possible short comings to the electrical grid and we get paid for it. As indicated in the attachments in the 8 years the emergency program has been in place, there has never been an event called in the Com-Ed region. There are more than 700 sites including many industrial sites such as Rock River Water Reclamation District.

Based on the information provided and attached the Authority would like the EOC to approve the 60 month commitment to EnerNoc for the Emergency Load Response Program.

Mr. Lanphier explained that the agreement with EnerNoc is a way to generate revenue without much effort on the part of GWA. Mr. Lanphier indicated that the program being offered is similar to one that is no longer offered by Com-Ed under the CLR program which is now done on a

volunteer basis. Mr. Lanphier did advise that due to the nuclear energy being used in this region of Com-Ed's service, there has been no historic demand for load request curtailment, so the \$31,185 rebate would most likely not be eligible to GWA so the amount total amount of rebate that GWA is likely to realize is \$136,512.

5.5 Anaerobic Digester Project Change Order #8

As work progresses through the final components of the Anaerobic Digester Settlement Agreement the Authority is presenting to the EOC the latest change order for a net deduction of \$15,542 for removal of the Fire Alarm System Completion from the project punch list. The change order is supported by a warranty letter from Morse Electric that explains the warranty of the work completed by Morse on the Fire Alarm System will be covered for one year from substantial completion with said date being August 29, 2012.

Mr. Pfefferman suggested to Mr. Lanphier to share the news of energy savings with the communities. Mr. Lanphier indicated he would prepare some sort of press release!

6. Valley View Lift Station Design Engineering Services

The Authority has budgeted \$100,000 in FY13 for the design engineering services of the Valley View Lift Station with the anticipation that we will be able to fund the project in FY14 with a positive change in the philosophical direction of our members relating to the Capital Equipment Replacement Fund. I have requested Strand Engineering Associates of Madison, Wisconsin to submit to the Authority a proposal for design services up to and including the bidding process.

Strand has supplied the proposal with a scope of services and additional support documents illustrating the fee structure and how they compare with IEPA requirements. Strand's original proposal for the previously noted work totaled \$134,000. Based on the budget numbers for the Capital Fund 45 the Authority only had enough funds to pay \$124,000 for the design work of the Valley View Lift Station. The Authority negotiated with Strand who then agreed to compromise and do the work for the \$124,000.

Motion the EOC to award the design and bidding services to Strand Engineering Inc. of Madison, WI in the amount of \$124,000 to be invoiced to the Capital Account 45-580140.

Mr. Lanphier indicated that this project has been repeatedly postponed since 2007 due to the need to fund other projects which became a priority the past few years. Mr. Lanphier indicated that the amount of funds available was short compared to Strand's quote for providing services and after further discussions with Mr. Stinson explaining that some of the work included in the scope, was not necessary as the size of the station is smaller than the St. Charles Road Lift Station and some the issues encountered such as construction

easements with other government entities and electrical service upgrades, on that project will not be factors in the Valley View project, therefore, Mr. Stinson revised the proposal for engineering services to be in accordance to the funding in the capital account for Valley View. Mr. Lanphier referenced a scope and schedule for completion of the engineering services that was included in the packet and highlighted that the project would most likely not be ready for construction to start until September or October of 2013 with the work taking approximately one (1) year to eighteen (18) months for project completion or close to two (2) before the new lift station would be complete. Mr. Lanphier stated that in a 2003 conveyance study that was completed, the Valley View lift station was highlighted as being deficient at that time and was placed on the capital plan for improvement in 2007.

Mr. Hulseberg asked if the capital fund for the location was funded 100% by the Village of Glen Ellyn. Mr. Lanphier confirmed that it was. Mr. Hulseberg asked if the additional \$24,000 that was needed to be shifted into the fund would be coming from the Village of Glen Ellyn as well. Mr. Lanphier indicated that the fund had \$24,000 from the previous budget year in the account and the allocation for the FY2013 was \$100,000 so the appropriate funds are available for this item to be used paid for without any additional transfers.

Mr. Hulseberg indicated that he has an issue with the fact that the EOC Committee is being asked to approve engineering expenses when a final resolution on the IGA and future funding has not yet been determined even though the Village of Lombard has been diligent in suggesting the IGA that was proposed two (2) years ago and added that the Village of Lombard has not heard anything back even after the encouragement by President Pfefferman, that both sides together to resolve the issues and come to an agreement. Mr. Hulseberg went on to say that he would be happy to make a motion to approve the award but asks what will happen for the second part when it comes time to approve the actual construction if there is no agreement.

Mr. Pfefferman indicated he was aware that Mr. Hulseberg, Mr. Franz and Mr. Lanphier had met to and made some progress and saw some notes, but did not get a formal report as he was advised that the work of the group was not done, but was advised that there would be something by the November meeting.

Mr. Hulseberg indicated that there is a bit of a disagreement in that he had sent over a copy of the IGA based on where he thought things were going wherein the Village of Lombard was going to go ahead and fund part of the Valley View Lift Station and in exchange, the IGA that was developed two (2) years ago was the document that was going to be used going forward and when it was forwarded Mr. Franz replied that it was not what he had intended at all which left him very perplexed. Mr. Hulseberg added that Mr. Franz then suggested that the IGA be written by the Executive Director of GWA, which he took great exception with as he should be working on this plant and not an IGA between two (2) municipalities. Mr. Pfefferman expressed his gratitude to Mr. Hulseberg for explaining some of the difficulties and stated that he thinks an agreement with others that an agreement can be reached and the alternate plan to revert back to the 1998

agreement but has great expectations that an agreement can be reached by having Mr. Hulseberg, Mr. Franz and Mr. Lanphier can come up with an agreement that will satisfy everyone and if not, then it will have to come before the EOC Committee and resolved at this level.

Mr. Breen added that he was under the impression that the work had gone as far as it could go at the Village Manager level and now needed to go to the policy maker level. Mr. Pfefferman asked Mr. Hulseberg if he feels that is the level it has reached and there is an impasse. Mr. Hulseberg indicated he thinks where things stand is there is an IGA, that in substance, though was there, and asks that each of the communities take a look at it and say whether the Village Boards agree with it or not. Mr. Hulseberg continued by saying that the Village of Lombard has yet to get anything from the Village of Glen Ellyn on that IGA as far as what they find acceptable and what they do not find acceptable and that is where the impasse is at. Mr. Breen indicated that it sounds as if the Village of Lombard is waiting for a response from the Village of Glen Ellyn.

Mr. Pfefferman indicated his understanding that the trio was going to work on the sticking points with the share being the big thing and how to do the budget and come up with an agreement on that and then delve into the nitty-gritty of the IGA. Mr. Hulseberg stated that the Village of Lombard has stated they would be willing to pay a portion of the Valley View Lift Station costs but the determination of the exact amount is dependent upon what the agreement looks like as the Village of Lombard did not want to say that they would pay 52% or 80% for the lift station without knowing what Lombard is going to get on the other side. Mr. Hulseberg continued by saying the Lombard has indicated that they will pay something towards the Valley View Lift Station but they also need to know where the document is going to on the other side, it is not putting the cart before the horse as it is all a package.

Mr. Breen asked Mr. Hulseberg to clarify if the rest of the document that has been put forward is what he feels is a good and sound agreement and therefore is waiting to hear back from the Village of Glen Ellyn as to whether they are in agreement or have changes they would like to discuss, thus leaving the ball in Glen Ellyn's court in some capacity.

Mr. Pfefferman asked Mr. Hulseberg if he what he is requesting, which is different than was stated at the EOC October meeting, which is fine, but is not to simply negotiate the sticking points but that Mr. Hulseberg provided an entire IGA and wants a response to the entire document. Mr. Hulseberg indicated that one; he did not know that the sticking points are. Mr. Pfefferman indicated that Mr. Hulseberg knows better than anyone, what the sticking points are. Mr. Hulseberg responded that he is hearing of new things that are sticking points.

Mr. Pfefferman asked Mr. Hulseberg if the negotiations between himself, Mr. Lanphier and Mr. Franz are closed due to having reached an impasse. Mr. Hulseberg responded no, but that the last correspondence he received after he sent back the IGA with modifications that were discussed at during the meeting stated that this agreement is not at all what Mr. Franz was talking about and let's have Mr. Lanphier draw up the

document and that was something totally unexpected. Mr. Pfefferman asked Mr. Hulseberg if he received Mr. Franz's last voice mail message about meeting before the next EOC Committee meeting. Mr. Hulseberg advised that he did but it was on Friday afternoon before he received it.

Mr. Pfefferman summarized that the Village of Lombard is looking for a complete IGA document from the Village of Glen Ellyn so discussions can move forward. Mr. Pfefferman asked Mr. Lanphier if he had any input into the matter. Mr. Lanphier advised that the discussions were mainly between Mr. Franz and Mr. Hulseberg therefore, he is not able to provide any clarification in Mr. Franz's absence. Mr. Lanphier added that during the meeting between Mr. Franz, Mr. Hulseberg and himself, there were numerous items discussed including budget items but nothing was finalized as a result of the meeting.

Mr. Hansen added that he had been advised that Mr. Franz wanted to meet with Mr. Hulseberg and Mr. Lanphier again before the November EOC Committee meeting. Mr. Pfefferman confirmed that was the communication he had received as well as being shown a list of six (6) points that were the two (2) communities were working back and forth on.

Mr. Pfefferman requested that Mr. Franz and Mr. Hulseberg conduct whatever meetings are necessary prior to the November EOC Committee meeting so that the budget planning can begin moving forward. Mr. Pfefferman asked if there was any information needed from the EOC Committee that would assist them in moving forward to simply ask and it will be delivered to them.

Mr. Breen suggested that Mr. Pfefferman and himself join the meeting between the two Village Managers in an effort to help push a reset button on the matter so to speak; allow Mr. Hulseberg and Mr. Franz to work through the various points or issues and provide suggestions or ideas that might assist in reaching resolutions.

Mr. Pfefferman asked Mr. Lanphier how long engineering studies last in the event an impasse continues. Mr. Lanphier explained that as this contract is for the actual design of the lift station and not a study, it would not become outdated, what may increase with a delay is the engineer's estimated costs for construction which is a bidding curve for the contractors so they have an idea of the costs being planned for the project. Mr. Lanphier indicated that the money would not be wasted.

A discussion regarding the use of a QBS process occurred after Mr. Goldsmith expressed his concern over the arbitrary awarding on contracts to Strand Associates.

Mr. Hartweg motioned and Mr. Hansen seconded the motion to award Strand Associates of Madison, WI the design and bidding services project in the amount of \$124,000 to be invoiced to account 45-58140. Mr. Pfefferman, Mr. Breen, Mr. Hartweg, Mr. Ware, Mr. Hulseberg, Mr. Hansen and Mr. Goldsmith responded "Aye" during a roll vote. The motion carried.

7. Fire & Security System Upgrades

Dating back to 2003 the Fire Alarm and Security System upgrades have been included in two past projects. The first project the system was originally design in was the CDM Digester Improvement Project, which defaulted and was then settled in mediation without completion. This project was the predecessor to the 2007 Strand Associates Inc. Anaerobic Digester Improvement Project which the fire alarm and security system migrated into as part of the appendix "A" drawings and scope. The Fire Alarm and Security System design was never quite what the Authority wanted from the project. We tried numerous times to create revisions to the design, but were unsuccessful due to poor general contractor performance. The last revision, which is the revision that is being presented before you, is a system design that will allow GWA to add other buildings to the existing system. Currently we are only protected from Fire and Security in the Administration building. The new system will allow us more functionality with all of our out buildings at the Glenbard Plant.

Motion the EOC to award the unbudgeted Fire and Security Upgrade Project to Siemens Industry Inc. of Mt. Prospect, IL in the amount of \$49,994.00 to be invoiced to Capital Account 40-580239.

Mr. Hulseberg motioned and Mr. Hartweg seconded the motion to award Siemens Industry Inc. of Mt. Prospect, IL the Fire and Security Upgrade Project in the amount of \$49,994. Mr. Pfefferman, Mr. Breen, Mr. Hartweg, Mr. Ware, Mr. Hulseberg, Mr. Hansen and Mr. Goldsmith responded "Aye" during a roll vote. The motion carried.

Mr. Lanphier explained that this was part of several previous projects that were never fully completed and as time went on, the design of the system was changed in an effort to meet the changing needs of GWA, and that as a result of the ongoing evaluation, it was determined that the portion of the Anaerobic Digester project that was part of the mediation, should be removed from the project; handled as an independent project and re-designed to function the way GWA needs.

Mr. Goldsmith asked why GWA approved the design if it did not meet the needs over the years. Mr. Lanphier explained that he was not part of the team that provided input into the system design. Mr. Freeman, Senior Plant Electrician/Electronics Technician, explained GWA had requested clarification numerous times how the panel will be set up to handle both the fire alarm and security operations and Siemens had been hesitant to provide the information; it wasn't until they installed panels that they provided the clarification in that they advised they could not provide an unified system to provide both fire alarm and security functionality.

8.0 Baxter & Woodman Invoice

As indicated by Mr. Franz at the September 13, 2012 EOC meeting, I have submitted in memo format information pertaining to the use of Baxter & Woodman to review the CBBEL Peer Review of the Asset Analysis & Alternative Funding Study that was conducted by Baxter & Woodman at the direction of the EOC.

Motion the EOC to recognize the authorization of professional services approved by the Wastewater Manager for Baxter & Woodman to review the CBBEL Peer Review, and approve the Glenbard Wastewater Authority payment to Baxter & Woodman in the amount of \$3,770 invoiced to Capital Account 40-580610.

Mr. Breen motioned and Mr. Ware seconded the motion to table this agenda item until the November EOC Committee meeting. Mr. Pfefferman, Mr. Breen, Mr. Hartweg, Mr. Ware, Mr. Hulseberg, Mr. Hansen and Mr. Goldsmith responded "Aye" during a roll vote. The motion carried.

Mr. Lanphier advised that this item needs to be tabled until the November meeting when Mr. Franz is present.

Mr. Hulseberg asked why something that was not approved at the previous meeting was being brought back again. Mr. Pfefferman, indicated that Mr. Franz had indicated at the September meeting that this item would be placed on the agenda and there was no indication by the EOC Committee at the September meeting that this item could not be brought back. Mr. Hulseberg indicated that he is trying to understand why the item is being brought back.

9.0 Oxygen System Upgrade Project

After a long review period and many hours of sorting through what M2T proposed and what M2T's competitor has proposed we have made our selection and recommendation for your approval. The professional services that M2T and Ranch Cryogenics were requested to provide scope and specifications for are based on a two phase approach. After M2T's proposal was approved in November 2011 a further review with M2T required GWA to reevaluate the needs of the Phase 1 work. The upfront pricing M2T provided for Phase 1 was modified from the original amount of \$157,500 to the current \$248,600, and the Phase 2 pricing was modified from \$295,000 to \$205,000. This modified the total price of both Phases to \$453,500 from \$453,000. The difference between the two professional service providers is \$7,792.00. It was noted that Ranch Cryogenics did not include receiving or installation of the instrument panel in their proposal which likely would have changed the almost \$8,000 difference.

Motion the EOC award the budgeted Oxygen System Upgrade Project to M2T of Peekskill, New York in the amount of \$453,600 to be invoiced from Capital Account 40-580150.

Mr. Goldsmith motioned and Mr. Hartweg seconded the motion to award M2T of Peekskill, New York the Oxygen System Upgrade Project in the amount of \$453,600. Mr. Pfefferman, Mr. Breen, Mr. Hartweg, Mr. Ware, Mr. Hulseberg, Mr. Hansen and Mr. Goldsmith responded “Aye” during a roll vote. The motion carried.

Mr. Lanphier explained that after further due diligence by GWA staff the recommendation to approve the contract with M2T will provide the best benefit to GWA even though the cost is slightly higher, M2T brings their familiarity with the equipment GWA has since their technicians are from the original manufacturer, Union Carbide. Mr. Lanphier distributed some photos of the panels showing what is proposed compared to what is currently in place, and how the upgrade will improve efficiencies and allow for enhanced SCADA communications.

10.0 Other Business

10.1 Tri-Town YMCA Donation Thank You letter

10.2 Correspondence to neighbors regarding projects taking place at plant

Mr. Pfefferman asked if there were any issues that the EOC Committee should be aware of. Mr. Lanphier advised that due to a problem with the process and the low amount of rain, there were some odors issues that resulted which are evident on the Manager’s Report. Mr. Lanphier indicated that the problem has been addressed and the process is returning to normal otherwise there have been no complaints of any nature including none about the leachate trucks.

Mr. Hulseberg asked if there was a status on the alternative access road. Mr. Lanphier indicated that he had stated in his Manager’s report that the evaluation was still ongoing and that he had hoped to have a report by the November meeting.

10.3 ezIQC Newsletter

11.0 Next EOC Meeting – The next regularly scheduled EOC Meeting will be on Thursday, November 8, 2012 at 8:00 a.m. at the Glenbard Plant.

Mr. Hulseberg moved to adjourn the October 22, 2012 EOC meeting and Mr. Breen seconded the motion. The members responded unanimously to a verbal call of “Aye”. The motion carried. The meeting adjourned at 8:47 a.m.

Submitted by:

Gayle A. Lendabarker
GWA Administrative Secretary