

GLENBARD WASTEWATER AUTHORITY
Executive Oversight Committee
Agenda

June 9, 2016

7:30 a.m.

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

1. Call to Order
2. Roll Call
3. Pledge of Allegiance
4. Public Comment
5. Consent Agenda – The following items are considered to be routine by the Executive Oversight Committee and will be approved with a single vote in the form listed below:

Motion the EOC to approve the following items including Payroll and Vouchers for the Months of April and May 2016 totaling \$2,050,415.35 (Trustee Clark)

- 5.1 Executive Oversight Committee Meeting Minutes:
 - April 10, 2016 EOC Meeting

- 5.2 Vouchers Previously Reviewed by Trustee Clark:
 - April 2016
 - May 2016

- 5.3 Resolution No. 05-16
The Authority requests approval of the Resolution No. 05-16 regarding the review and disposition of the Executive Oversight Committee executive session minutes for the minutes and recordings dated February 12, 2014.

- 5.4 Cryogenic Oxygen Maintenance Contract One Year Extension Request. This request is merely an extension of time. There is no dollar value increase to services provided during the additional one-year term with Mohawk Cryo LLC.

The Authority requests the EOC approve within the consent motion the not to exceed amount of \$35,000 to Mohawk Cryo LLC of Niagara Falls, NY

- 5.5 IEPA Authorized Representative Form

The Authority has been requested by the IEPA to have the EOC execute the Authorized Representative Form with the current Chairperson as the designated

authorized representative. This form needs to be updated annually as the EOC Chairperson alternates as the representative of the lead Village.

5.6 Signature Required for IEPA SRF Loan Closings on Two Authority SRF Loans.
Loan Numbers: L172874 and L171463

- L172874 Anaerobic Digester Project Loan and is currently the Authority's only active debt.
- L171463 Biosolids Improvement Loan was paid off in FY2015.

The IEPA has formally finalized the loans and requires signatures from the Authorized Representative of the Authority. The Biosolids Improvement Project loan was paid in full in FY2015, and as indicated in the IEPA document the Anaerobic Digester Project loan will be paid for in FY2025. The Anaerobic Digester Project loan indicates a reduction in the loan amount by \$156,923.95. This reduction is based on the original loan amount of \$7,700,000 compared to the final qualified loan disbursements in the amount of \$7,543,076.05.

5.7 Job Order Contract HVAC
(Prepared by Matt Streicher, Assistant Director/Civil Engineer)

As part of the CY2016 Capital Fund 40 Infrastructure approve budget, the Electrical Group has purchased and will be installing new roof-top mounted air handling units (AHU) at the Digester and Dewatering Buildings, replacing the existing units. The existing units have proven troublesome and are in need of replacement. Additionally, the units specified will more appropriately address the needs of these structures.

The Superintendents initially discussed the demolition and removal of the existing units by Authority staff. Given the operational and safety liabilities associated with this task, the Authority is once again looking for Cooperative Job Order Contract utilization through the ezIQC procurement service managed by The Gordian Group, Inc. This service has previously been utilized by the Authority and provides Public Owners with Cooperative Job Order Contract usage for managing small to medium cost construction projects through the implementation of "on-call" contracted services with experienced contractors.

After initiating the JOC project request, John Kelbe our Gordian Group representative, immediately confirmed a meeting to discuss the Scope of Work with the JOC General Contractor F. H. Paschen. At this meeting all parties discussed the details of the project, looked at the specific work site, and asked questions to clarify understanding. The Authority agreed to provide electrical and natural gas disconnection prior to Contractor demolition. The Authority will also be performing the work to reconnect electrical and natural gas services to the newly installed units.

Subsequent to this discussion F. H. Paschen staff developed a detailed Scope of Work and price proposal (attached) utilizing the tasks, quantities, and pricing developed in the Naperville JOC. This material was presented to Authority staff on May 17th, and after discussion, the Authority accepted the proposal as written in the amount of **\$23,097.27** for consideration pending EOC approval.

As we previously discussed, this proposal is quite thorough, and appears to meet the needs of the Authority for this matter. The Contractor estimates a total duration of five to ten (5-10) days to complete this work, with approximately five (5) total working days on site. There will be a gap in the working time due to duct fabrication time.

5.8 Request Authorization to transfer from the Operating & Maintenance Fund to the Capital Equipment Fund.

(Prepared by Christina Coyle, Finance Director Village of Glen Ellyn)

The Authority is requesting the EOC approval to transfer, if needed, from the Operating & Maintenance Fund to the Capital Equipment Fund to meet temporary cash flow needs in the Capital Equipment Fund. Then, as the Capital Equipment Fund is replenished by its own revenues, those transfers will be repaid to the Operating & Maintenance Fund.

As of April 30, 2016, the Operating & Maintenance Fund had a cash balance of \$1,223,990 and would be able to loan money to the Equipment Sub-Fund to bridge cash flow timing issues.

The cash balance in the Capital Equipment Fund as of April 30, 2016, was \$1,110,759. The timing of the payments remaining on the Combined Heat and Power project may not align with the monthly flow of revenues into the Fund, and may create cash flow shortages in the Equipment Fund. While the projection does anticipate a positive ending balance each month, there is the possibility due to the timing of invoices or revenues, that the Fund may run short to pay a large invoice for the Combined Heat and Power project.

Request the EOC approve an inter-fund loan to be made, as necessary, from the Operating & Maintenance Fund to the Capital Equipment Fund to facilitate cash flow needs in the Capital Equipment Fund.

6. Glenbard Wastewater Authority ***Draft*** FY2015 Annual Financial Report
(Presented by Christina Coyle, Finance Director Village of Glen Ellyn)

Financial highlights for the Authority's fiscal year 2015 (FY2015) are presented on pages MD&A2 and MD&A3 of the draft report. A complete narrative summary of the Authority's operations and financial position is found in Management's Discussion and Analysis on pages MD&A1 through 10. It is important to review financial highlight

number 7 on page MD&A3 regarding the implementation of GASB Statement No. 68, *Accounting and Reporting for Pensions*.

Before the adjustment noted in highlight number 7 on page MD&A3 for the implementation of GASB No. 68, the Operating Fund revenues exceeded expenses for FY2015 by \$142,157. We annually adjust the partners' contributions to match expenses. Using this measure, the Village of Lombard is owed \$83,050 and Glen Ellyn is owed \$59,107 for the fiscal year ended December 31, 2015.

As of December 31, 2015, the Authority's working cash was 29.1% of operating expenses, or \$165,606 above minimum 25% as set in the current intergovernmental agreement. A complete schedule detailing the working cash calculation may be found in the notes to the financial statements. As the amount of working cash over the minimum requirement is greater than the operating surplus for the year, we are able to distribute the entire FY2015 surplus amount.

The EOC needs to determine how to distribute this surplus. In prior fiscal years, any surplus has either been held in the operating fund to maintain cash reserves, transferred into the capital fund for capital purposes, or rebated back to each Village.

We recommend distributing the \$142,157 surplus from FY2015 (\$83,050 for Village of Lombard and \$59,107 for the Village of Glen Ellyn) which will leave working cash of \$1,025,976 or 25.6% of operating expenses.

Motion to accept the draft Annual Financial Report of the Glenbard Wastewater Authority for the fiscal year ended December 31, 2015 and to forward the audit report to the full Authority Board for final approval at the next annual meeting.

Motion the EOC to distribute the operating surplus for FY2015 in the amount of \$142,157 in a manner determined by the EOC.

7. Discussion
 - 7.1 Illinois Sustainable Technology Center
 - 7.2 May 31, 2016 CSO O&M and Pollution Prevention Plan Public Hearing
 - 7.3 Neighbor Notifications
 - April 14th Bio-Solids Hauling
 - May 9th Plant Odor
 - June 1st Bio-Solids Hauling
 - 7.4 Pending Agenda Items
8. Other Business
9. ***Next EOC Meeting*** – The next regularly scheduled EOC Meeting is set for ***Thursday, July 14, 2016 at 7:30 a.m. at the Glenbard Facility.***

