

**GLENBARD WASTEWATER AUTHORITY
Executive Oversight Committee
Agenda**

June 8, 2017

8:00 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 2017 totaling \$1,763,053.50 (Trustee Enright).

- 5.1 Executive Oversight Committee Meeting Minutes:
April 20, 2017 EOC Meeting
- 5.2 Vouchers Previously Reviewed by:
April and May 2017 – Trustee Enright
- 5.3 February 15, 2017 Distribution System Emergency Repair Invoice

The invoices attached are recommended for payment in the rears for emergency work that was completed relative to the EOC discussion topic item 6.2 February 15, 2017 Power Fault – Update (Minutes from March 9 2017 EOC Meeting)

- * Mr. Freeman explained the events of February 15, 2017 which resulted in electrical fault which caused the plant to lose power to key equipment located throughout the plant. Mr. Freeman provided details regarding the actions taken to get all of the plant processes up and operating until the part could be ordered and installed. Mr. Freeman highlighted that the entire power grid system is close to forty years old and was originally designed and installed by ComEd and is a high voltage system which requires special training to work with. Discussions centering on the prospect of moving the planned electrical service, backup & redundancy project from the 2019 and 2020 capital budgets to calendar years to 2018 and 2019 occurred resulting in a general consensus that the system upgrade needs to take place sooner rather later.

The Authority Staff request the EOC to approve the invoice provided by Meade Electric for the emergency testing and repair work in the amount of \$24,374.

6. CY2016 Draft Financial Report

Highlights of Financial Reporting Presented by:

Village of Glen Ellyn Finance Director, Christina Coyle

Auditor's Opinion Presented by:

Lauterbach & Amen Auditor, Jamie Wilkey

Financial highlights for the Authority's fiscal year 2016 (FY2016) 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 9.

The Authority again received an unmodified audit opinion from the auditing firm, Lauterbach & Amen LLP, which is the highest and best opinion.

Before the long-term pension adjustment, the Operating Fund revenues exceeded expenses for FY2016 by \$48,692. We annually adjust the partners' contributions to match expenses. Using this measure, the Village of Lombard is owed \$31,218 and Glen Ellyn is owed \$17,411 for the fiscal year ended December 31, 2016.

As of December 31, 2016, the Authority's working cash was 26.3% of operating expenses, or \$54,746 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 (page 18-19). 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 FY2016 surplus amount.

The operating surplus may be either rebated back to each community or may be distributed to the Capital Fund. In the past, the operating surplus has been distributed to the Capital Fund and has been used for either specific projects or to offset future Capital Fund rate increases to both Villages. The Executive Oversight Committee directed staff to distribute the 2015 operating surplus to the Capital Fund and to restrict the funds to accelerate the repayment of the loan for the Facility Improvement Project. Accelerating the repayment of this loan would reduce the amount of interest that would need to be paid on the loan.

Motion to accept the Audited Financial Statements of the Glenbard Wastewater Authority for the fiscal year ended December 31, 2016 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 FY2016 in the amount of \$48,692 in a manner determined by the EOC.

7. Request Consent of the Lamar Advertising Billboard Proposed Lease Concept per the Intergovernmental Agreement Section X, USE OF AUTHORITY PROPERTY.
Presented by – Executive Director, Erik Lanphier

The Technical Advisory Committee (TAC) reviewed the documents at the May 26, 2017 meeting and recommends approval of the proposed lease concept being presented to the EOC.

Per Lombard Village Board authorization, Lombard staff has been working with Lamar Companies since 2014 to explore opportunities to construct and operate automatic changeable copy billboard signs on selected Village owned properties. Through this effort, staff has negotiated a draft lease agreement for three locations along Interstate 355, with two of the sites being located on the Glenbard Wastewater Authority (Authority) Combined Sewer Overflow (CSO) Facility site located on Hill Avenue. Over the next few months, Lombard staff will be bringing the draft leases for Village Board consideration after requisite zoning public hearings are held. Additionally, Lombard staff is bringing this matter before the Authority so that the approvals by the Executive Oversight Committee (EOC) of the Authority can be in place prior to Board consideration.

The lease provisions that are the main drivers include:

- * The proposed lease will be for a 20-year term, with a renewable option for a second 20-year period. The financial terms of any additional leases would be undertaken at the end of the expiration of the original lease term.
- * The sign proposed to be located at the northeast corner of the site would have a digital LED panel on the south face for northbound traffic and will have a static panel on the north face for southbound traffic. The sign at the southeast corner would have an LED panel on the north face for southbound traffic and a static panel on the south face for northbound traffic. These LED panel locations were selected primarily due to the best sight lines given the physical limitations of the sites. There is a "re-opener" in the draft lease if Lamar seeks to change all signs to digital signs. (Location of the signs do not inhibit operations or affect daily routine of the CSO Facility)
- * Through negotiations, Lamar and Lombard have completed the financial terms of the lease. The annual lease payments would be \$75,000.00 or 20% of the revenue generated on each sign structure, whichever is greater. Lamar would pay the base land rental of \$75,000.00/sign structure in advance each year.
- * Per the Intergovernmental Agreement Between the Village of Glen Ellyn and Lombard, Page 13, Section "X", Use of Authority Property the revenue collected from the lease would be transmitted to the Authority's Capital Equipment Replacement Fund.

Motion the EOC to Approve (per the Intergovernmental Agreement Section X. Use of Authority Property) the proposed lease concept for the Lamar billboard placement and companion easements located at the Authority's CSO Facility site on Hill Avenue.

8. Discussion
 - 8.1 Facilities Improvement Project – General and Earth Retention System Updates
 - 8.2 Power Fault – Update on the Co-Gen Bus Duct Failure Experienced on 5-24-2017
Presented by – Electrical Superintendent, Rick Freeman
9. Other Business
 - 9.1 Technical Advisory Committee Updates
 - 9.2 Water Online Article – Spinning Biogas into Gold
 - 9.3 Pending Agenda Items
10. ***Next EOC Meeting*** – The next regularly scheduled EOC Meeting is set for ***Thursday, July 12, 2017 at 8:00 a.m. at the Glenbard Facility.***