

GLENBARD WASTEWATER AUTHORITY
Executive Oversight Committee
Minutes
October 2, 2019
Meeting held at the Glenbard Wastewater Plant
945 Bemis Road, Glen Ellyn, IL

Members Present:

Keith Giagnorio	President, Village of Lombard
Kelli Christiansen	Trustee, Village of Glen Ellyn
William Ware	Trustee, Village of Lombard
Mark Franz	Village Manager, Village of Glen Ellyn
Scott Niehaus	Village Manager, Village of Lombard
Julius Hansen	Public Works Director, Village of Glen Ellyn
Carl Goldsmith	Public Works Director, Village of Lombard

Others Present:

Matthew Streicher	Executive Director, GWA
Tom Romza	Assistant Director/Engineer, GWA
Richard Freeman	Electrical Superintendent, GWA
David Goodalis	Operations Superintendent, GWA
Ashley Staat	Environmental Resources Coordinator, GWA
Christina Coyle	Finance Director, Village of Glen Ellyn
Gayle Lendabarker	Administrative Secretary, GWA

1. Call to Order at 8:01 a.m.
2. Roll Call: President Giagnorio, Trustee Christiansen, Trustee Ware, Mr. Franz, Mr. Niehaus, Mr. Goldsmith, and Mr. Hansen answered “Present”. President McGinley was used.
3. Pledge of Allegiance – Trustee Ware
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 part of the month of August 2019 totaling \$1,144,670.10 (Trustee Christiansen).

Mr. Niehaus motioned and Mr. Franz seconded the MOTION that Consent Agenda item 5.3 be tabled and to approve the remaining items on the Consent Agenda be approved. President Giagnorio, Trustee Christiansen, Trustee Ware, Mr. Franz, Mr. Niehaus, Mr. Hansen and Mr. Goldsmith responded “Aye” during a roll vote. The motion carried.

- 5.1 Executive Oversight Committee Meeting Minutes:
 - August 8, 2019 EOC Meeting
- 5.2 Vouchers previously reviewed by Trustee Christiansen
 - August 2019
- 5.3 Approval to purchase CHP Gas Scrubbing Media

Prior to digester gas being used in the CHP's, the gas needs to be "scrubbed" in order to remove siloxanes and hydrogen sulfide, in order to help preserve the life of the engines. Although the life of the media is tracked, due to varying usage and gas conditions, it is difficult to exactly predict when the media will be reaching its useful life. Since there is little expiration notice, and the media has a long shelf life, we prefer to have the media onsite and available to keep the down time of the engines to a minimum.

In the 2019 GWA budget, staff allocated \$50,000 for the purchase of this media in budget category Plant Equipment Rehabilitation account 40-580150. Therefore, *we motion the EOC to authorize approval to purchase CHP media from Unison Solutions in the amount of \$26,801.75*

Mr. Streicher made the request to have this item tabled prior to the Consent Agenda's approval. Mr. Niehaus amended the Consent Agenda motion to reflect the removal of the item.

- 5.4 Retroactive Approval of Sandblasting and Coating of Thickener Bridge

The existing gravity thickener at the Glenbard Wastewater Authority has not been repainted since being put in service many years ago, therefore, it was budgeted to sandblast and repaint elements of the catwalk structure that are above the water level. This project was originally budgeted in CY2016 but deferred for several years due to budgetary needs for other projects, and therefore is now overdue. All elements of the thickener were inspected by the maintenance department the summer of 2016 and determined to be structurally sound, and all elements under the water level were determined to not need painting. The scope for this project is to set up scaffolding, cover the drive unit, perform sandblasting of the existing catwalk structure and handrail, remove the sand from the covered tank and apply paint to existing catwalk structure and handrail. The sand will be allowed to be disposed on site in order to save costs.

Based on qualifications and price, staff motions the EOC to authorize awarding the project to **G.P. Maintenance Services Inc.** for the amount of **\$49,700.00**. In this year's budget number 40-580150, \$40,000 is allocated towards "Clarifier Mechanism and Bridge Painting." Although \$9,700 over budget, sufficient funds

remain in this line item. During the past month two capital projects have been completed in-house by the maintenance staff resulting in significant savings. *This item was approved by Village Manager Franz and Public Works Director Hansen on September 16, 2019, but is seeking retroactive approval from the EOC.*

6. Amendment #1 to Black & Veatch's Construction Contract

In March 2016, just prior to the Facility Improvement Project being bid out, the EOC approved a construction oversight contract with the design engineer for the project, Black & Veatch (B&V), for the amount of \$706,943. The Authority recommended that B&V oversee the construction management on a part-time basis due to the critical details involved with the design. The Authority had worked closely with B&V on reducing the amount of oversight required due to the hiring of an Assistant Director/Engineer.

Due to the progress of the project, and many other conditions explained in the attached memo, Black & Veatch is now requesting an amendment to their existing contract so that they are able to continue construction management until the completion of the project. Black & Veatch met with the TAC and explained several terms highlighted in the memo.

It's motioned that the EOC authorize GWA to amend the construction contract with Black & Veatch for an amount of \$300,000 with the ability to amend the contract at \$324,000 should Black and Veatch not agree to the discounted price. This is anticipated to carry the contract through the remainder of the FIP project, barring any unforeseen delays. These funds would come out of the 40-580180 budget, and have been appropriately placed in the CY2020 budget.

Mr. Streicher stated that the proposed contract amendment is to catch Black & Veatch up on payment for services for work they have continued to perform on the FIP project after their contract expired in November of 2018; additionally, the amendment will cover costs for construction oversight services through the anticipated completion date. Mr. Streicher indicated that Mr. Romza is still providing in-house oversight, Black & Veatch's is still needed due to the scope of the project.

Mr. Streicher indicated that the TAC and Mr. Niehaus met with Black & Veatch to get a better understanding of what they were looking for and discuss what GWA was willing to do. Mr. Streicher advised that Mr. Niehaus recommended a counter-proposal of \$300,000 to the \$324,000 that Black & Veatch had requested and is awaiting a response.

Mr. Niehaus explained that when the TAC zeroed in on the percentage based on the overall construction price, it was identified that the initial contract for oversight services was on the low end of the spectrum; and given the extra effort we have seen with all of the complications on this project, the additional \$300,000 would put them in line with the industry standard of the percentage basis of construction engineering that VOL typically sees in its projects. Mr. Niehaus added this it is a justifiable price and that every effort needs to be made for them to complete the project for the proposed \$300,000 amount;

authorization for the higher amount is being requested in the event they come back at a higher price, Black & Veatch will have to justify the higher amount.

Mr. Streicher added that the liquidated damages GWA would be seeking from Boller for going beyond the November contracted completion date, will assist in covering some of the additional engineering costs. Mr. Niehaus asked if the additional funds were allocated in the budget that the EOC will be recommending for approval at the GWA Full Board meeting in November. Mr. Streicher advised the total was included in the FY2020 budget totals that will be approved by the EOC Committee under Agenda Item 7.0.

Trustee Ware motioned and Mr. Niehaus seconded the Motion to award RPS Engineering the contract in the amount of \$38,300 for the Polyester Formed RFP Covers for the Screw Pump Station. The funds will be allocated from the CY019 Approved Budget, Fund 40-580150 Plant Rehabilitation Fund. President Giagnorio, Trustee Christiansen, Mr. Franz, Mr. Niehaus, Mr. Goldsmith, and Mr. Hansen responded "Aye" during a roll vote. The motion carried.

7. CY2020 Budget Approval

Enclosed is a memo summarizing the highlights of the draft CY2020 budget, along with the draft budget itself.

Motion the EOC to authorize approval of the CY2020 Budget to the Full Boards of Glen Ellyn and Lombard.

Mr. Streicher referred the EOC Committee members to the cover memo included in the packet highlighting increases in the O&M budget, with the largest increase in the Maintenance Fund due to the potential of the CHP engines hitting a service hour milestone that will require a significant overhaul per the manufacturer's recommended service plan and the Capital plan which results in an overall budget increase of 3.3% for CY2020. Mr. Streicher highlighted the agreed to 3% increase in the contributions from the Villages to the Capital fund to sustain funding for future capital projects.

Mr. Franz highlighted that over the course of time that GWA has lowered personnel costs over the last twenty years (20) with the switch to the SCADA system and the facility has been able to run efficiently while keeping staffing need lean as well as the reduction in utility costs from \$1.2 million a year to around \$600,000 so the staff has done a lot of work to reduce overall utility costs. Mr. Streicher indicated that Trustee Christiansen has pointed out that in CY2019 utilities is projecting to go over budget and that some of the key contributors are the use of dewatering pumps for the FIP project, 2019 being a wet year, meaning high flows and more pumping, and issues with the new disc filters causing the backwash pumps to run virtually non-stop.

Nr. Niehaus indicated that he would like to schedule a tour with the three new Village of Lombard trustees with the purpose of them touring the facility and then explaining the

budget to them more in-depth so they have a better understanding of how the funds are being spent since the Village of Lombard is seeing a 5.5% increase in their share of the budget even though the overall budget is only the 3.3% as the calculations are based on flow percentages.

Mr. Goldsmith motioned and Trustee Ware seconded the motion to approve the Glenbard Wastewater Authority's CY2020 Budget and submit to the GWA Full Board for approval. President Giagnorio, Trustee Christiansen, Trustee Ware, Mr. Franz, Mr. Niehaus and Mr. Hansen responded "Aye" during a roll vote.

8. 1S641 Sunnybrook Road Parcel Purchase

In late 2018 the property owner at 1S641 Sunnybrook, directly adjacent to GWA to the North (as seen outlined in blue on the enclosed aerial photo), approached the Authority in regards to the purchase of his parcel. Although there is no immediate need for this property, it will most likely eventually have a potential use in the future, therefore consideration was given to purchasing it since it is contiguous with the Authority's existing property line. Per the EOC's direction and authorization in closed sessions, an appraisal was obtained, and negotiations ensued. A deal was agreed upon, with the agreed purchase price of \$450,000, with the additional term that the seller would be allowed to stay at the property for the period of 1-year after the sale without paying a rent. The Authority will not be liable for anything while the seller is still living on the premises, and will not act as a landlord. The Authority's attorney has drafted the enclosed purchase agreement, which the Authority can enter into after the EOC has approved the use of the funds.

Motion the EOC to authorize the use of capital funds to purchase 1S641 Sunnybrook Road, Glen Ellyn, Illinois for the price of \$450,000. This purchase is included in the 40-580180 capital budget.

Mr. Streicher indicated that an agreement has been reached to purchase this property and while there have been several Executive Sessions to discuss the purchase, approval and authorization needs to be given by the EOC Committee in an open session. Mr. Streicher indicated that the EOC Committee needs to approve the funds for the purchase as well as grant either himself or Mr. Franz authorization to sign the purchase agreement; which will trigger the setting of a closing date for October 30, 2019.

Mr. Streicher highlighted that the current property seller will be granted a post occupancy rent free lease for the period of twelve months. Mr. Streicher indicated that during his last meeting with the seller, they asked if the lease period could be extended till February 1, 2021; Mr. Streicher advised the seller that he would bring the request to the EOC Committee for approval. Mr. Streicher indicated that the seller made the request as he would be moving just prior to the holidays and would like to move after the holidays. Mr. Niehaus recommended that the agreement should stand as outlined in the

purchase agreement and if the need arises an extension can be discussed at that point in time.

Trustee Ware inquired as to the size of the property. Mr. Streicher advised that the property is one and half acres and is adjacent most of the plant's northern property line.

Mr. Franz asked if GWA is responsible for any maintenance of the house or property. Mr. Streicher indicated that GWA will be responsible for the lawn care excluding the fenced in area for their pet; otherwise, we are not landlords and the sellers are responsible for any mechanical repairs that may be needed during their lease. Mr. Streicher explained that the thought about the lawn care is that if they sellers were to vacate the property upon closing, GWA would be responsible either way. Mr. Streicher added that GWA will not be responsible for snow removal since this is work performed by GWA staff and did not want to be calling in personnel on a weekend or be responsible for determining what is an adequate level of removal.

Mr. Franz added that the Village of Glen Ellyn will have this purchase on their Village Board Agenda at an October 14, 2019 meeting to help facilitate meeting the October 30 2019 closing date.

Mr. Franz motioned and Mr. Niehaus seconded the motion to authorize the use of capital funds to purchase 1S641 Sunnybrook Road, Glen Ellyn, Illinois for the price of \$450,000. The expense will be charged against Capital Fund 40-580180. President Giagnorio, Trustee Christiansen, Trustee Ware, Mr. Franz, Mr. Niehaus and Mr. Hansen responded "Aye" during a roll vote.

9. Discussion

9.1 Facility Improvement Project Update

Mr. Romza advised that there has been some progress with the pouring of the concrete walls of the wet well, after the delays regarding the box outs in the walls but there is still a lot more to do. Mr. Romza added that dewatering is still taking place and discussions concerning the costs will need to take place as the current calculations reflect costs GWA is reportedly liable for approximately \$500,000; while he and Mr. Streicher feel the number should be more in the range of \$200,000. Mr. Romza advised that they are pumping 2,000/gpm which is a key number is calculating the costs.

Mr. Romza stated that an RFP had been submitted to Boller for upgrading the hypo pumps and anticipates a change order as a result of the upgrade.

Mr. Romza indicated an updated schedule for completion was received with the substantial completion date projected as July 29, 2020.

Mr. Franz indicated that based on conversations he had during an inspection of the site and the extension of the contract with Black & Veatch, he asked if the project was to go beyond the July 29, 2020 date, how does GWA protect itself from additional costs for engineering. Mr. Streicher indicated that Black & Veatch has posed this question during contract extension discussions and their approach is that it will be easier to pursue the contractor for the additional costs on top of the liquidated damages if the project goes beyond the July 29th date. Mr. Streicher added that once the contractor missed the contract completion date. Mr. Franz stated that once November comes around and Boller misses the November completion date a letter outlining what costs they are expected to cover will should be drafted and waiting to send.

Mr. Franz also inquired as to whether or not Boller would be liable for the \$300,000 change order for Black & Veatch. Mr. Streicher advised that as Boller has not missed the November 2019 contracted completion date, they would not; however, liquidated damages offset some of the costs. Mr. Streicher further explained that when Boller does go beyond the July 2020 date then another amendment could be required and Boller could be liable for the additional engineering costs, in addition to the liquidated damages.

Mr. Goldsmith asked if the project went beyond July 2020, would Black & Veatch request a contract extension. Mr. Streicher advised they could, unless the new contract extension had not been exhausted. Mr. Streicher indicated that he intends to reach out to GWA's attorney, Greg Dose, to make sure everything is lined up and ready to go after Boller when they miss the November 17th or 19th, 2019 deadline, GWA can immediately take the necessary steps to claim liquidated damages.

Mr. Goldsmith asked what the per day liquidated damages amount. Mr. Streicher advised the amount is \$2,500 per day regardless of whether or not GWA experiences any damages.

Mr. Franz asked how a contractor handles liquidated damages. Mr. Goldsmith advised that typically the amount is deducted from any final payoff due the contractor. Mr. Goldsmith asked for confirmation that the EOC Committee had not approved any change order that would extend the time for the project to be completed. Mr. Streicher advised that there have been no changes that include a date change since Change Order #3 and Boller has not requested one either.

Mr. Franz asked if Boller had gotten beyond the hard part of the project wherein another contractor could be brought in. Mr. Goldsmith indicated that the company that issued the bond would be make the decision on a replacement contractor and there would be no guarantees that they would

be better than Boller. Mr. Romza indicated that the most recent concrete pour took place ahead of Boller's schedule by two weeks and hopes that it is a sign that they are going to momentum and meet the July 2020 deadling.

10. Other Business
 - 10.1 Technical Advisory Committee Updates
 - 10.2 Pending Agenda Items
 - 10.3 Full Board Meeting – November 12, 2019

Mr. Streicher advised that with the Full Board meeting just days before the regularly schedule EOC Committee, GWA will not have any items for EOC Committee approval in November; however, there will be items requiring approval requiring a December meeting: purchase approval for the CHP media, possibly the Electrical Distribution contract and engineering design contract for the Biosolids Dewatering design contract. Mr. Streicher indicated that while the dewatering project, design phase, is budgeted for C2020; the engineer stated they would hold all billing until after January 1, 2020. Mr. Streicher stated that the need to begin the design work sooner rather than later is that the GWA intends to pursue funding for the project through the IEPA's SRF and a completed and approved design is required as part of the application package. Mr. Niehaus recommended working through Gayle Lendabarker to determine an early December that works best for everyone.

Mr. Franz inquired as to the status of the Electrical Distribution project since it seems that the start of the project is being deferred until 2020. Mr. Streicher deferred to Mr. Freeman who indicated that the design work is progressing slowly and anticipates final design work to be completed with in a two to four weeks, with the bidding process completed and contract ready for award at the next EOC Committee meeting. Mr. Streicher indicated that there will also be a \$17,000 design amendment on the next agenda as a result of adding UNOX design work to the project.

Ms. Lendabarker asked what time will the Full Board meeting start on November 12, 2019. Mr. Franz indicated that the meeting will be held in the Clayton North meeting room at the Civic Center. Trustee Ware suggested a six o'clock start time. Mr. Franz confirmed the six o'clock start time.

11. **Next EOC Meeting** – The next regularly scheduled EOC Meeting is set for Thursday, November 14, 2019 at 8:00 a.m. The September EOC meeting will still be held **in the Conference Room at the Glenbard Wastewater Authority, 945 Bemis Road, Glen Ellyn, IL 60137.**

Trustee Ware moved to adjourn the October 2, 2019 EOC Meeting and Mr. Niehaus seconded the MOTION. President Giagnorio, Trustee Christiansen, Trustee Ware,

EOC Meeting/October 2019
Minutes

Mr. Franz, Mr. Niehaus, Mr. Hansen and Mr. Goldsmith, responded “Aye” during a roll vote. The motion carried. The meeting adjourned at 8:28 a.m.

Submitted by:

Gayle A. Lendabarker
GWA Administrative Secretary