

GLENBARD WASTEWATER AUTHORITY
Executive Oversight Committee
Minutes
September 10, 2020

8:00 a.m.

Zoom Link: <https://us02web.zoom.us/j/84301244778>

Glenbard Wastewater Authority Meeting Procedures Statement

On March 16, 2020, Governor Pritzker issued Executive Order No. 5 in response to COVID-19, which temporarily suspended certain requirements of the Open Meetings Act ILCS 120 allowing Executive Oversight Committee members to participate electronically in Executive Oversight Committee meetings. The Public is welcome to observe and participate in all meetings of the Executive Oversight Committee. Meetings are able to be viewed using the link <https://us02web.zoom.us/j/84301244778> or by calling (312) 626-6799 and using the Meeting ID: 843 0124 4778. All public comments received during the meeting will be read into the record during the appropriate portion of the agenda.

Members Present:

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

Others Present:

Matthew Streicher	Executive Director, GWA
Tom Romza	Assistant Director, GWA
Jon Braga	Maintenance 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 8:00 a.m.
2. Roll Call: President Giagnorio, President McGinley, Trustee Ware, Trustee Christiansen, Mr. Niehaus, Mr. Franz, Mr. Goldsmith, and Mr. Hansen answered "Present".
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 part of the month of August 2020 \$473,679.52 (Trustee Christiansen).

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

- 5.1 Executive Oversight Committee Meeting Minutes:
 - o August 13, 2020 EOC Meeting
- 5.2 Vouchers previously reviewed by Trustee Christiansen
 - o August 2020
- 5.3 Bid Award for Landscape Contract Services for CY2021-2023

The CY2021-CY2023 Landscape Maintenance Services Contract is a Lump-Sum contract billed on a monthly basis during the eight (8) month contract season each year. Below is the bid tabulation sheet for the August 28, 2020 Landscape Maintenance Services bid opening. Seven (7) agencies were sent the RFP. Of these, six (6) responded with proposals ranging from a high of \$342,900 to a low of \$66,000 for annual services. Our previous Landscape Maintenance Service provider chose not to submit a bid.

Company	Bid Amount - Total 3 Year
<i>*Vega Building Maintenance</i>	\$66,000.00
Sebert Landscaping	\$79,176.00
Beary Landscaping	\$103,624.00
Acres Group	\$117,195.00
Serenity Landscape Group	\$195,140.00
Evergreen Lawn Care	\$342,900.00

Having reviewed the submissions, the following request is being made to the Executive Oversight Committee:

- 1) Award a Three-Year (3) contract to Sebert Landscaping in the total amount of \$79,176.00 to supply Landscape Maintenance Services as proposed for the Glenbard Plant, Stormwater Plant, the acquired parcel across from the Glenbard Plant (940 Bemis) and acquired parcel directly north of the main plant (1S 641 Sunnybrook Rd) during this three-year contract term.
- 2) Each year shall equate to a Lump-Sum contract valued at \$26,392.00 with payments of \$3,299.00 billed on a monthly basis during the eight (8) month contract season each year.
- 3) Upon approval of the CY2021 Budget, issue Purchase Requisition for the first year of the Glenbard Facility contract period with \$20,624.00 allocated to O&M Account 270-520971 and \$5,768.00 allocated to O&M Account 270-1-520970.

*Upon review of lowest bidder, Vega Building Maintenance, the references provided indicated inadequate comparisons, as it appears they had not performed landscape services on facilities of our similar size and scope. This was reviewed with the TAC and all were in agreement.

The second lowest bidder, Sebert Landscaping, yields a savings of \$4,919.00 over the 3-year period of the contract over the previous landscaping services contract.

References were corresponded with in regards to the second lowest bidder, Sebert Landscaping, all which came back very positive.

6. Electricity and Natural Gas Procurement

The Authority's Natural Gas contract expires March 31, 2021, at which time the existing contract would automatically renew for successive one-month periods unless formal notice is given. With the successive one-month periods, the contract states the price per dekatherm will be the "index" price (price per dekatherm listed in Natural Gas Intelligence's Bidweek Survey) *plus* \$0.30 per dekatherm. This could result in significant price increases for the Authority unless a new contract is secured prior to the existing contract's expiration. Due to the rapid market changes and the inability to secure prices for not much more than a day, it would be in the best interest of the Authority and the EOC if the Executive Director were able to secure prices when they appear to be at their lowest point. Therefore, following the success of the EOC approved Natural Gas and Electricity procurement practice utilized in October/November 2014 and again in July 2017, the Authority is requesting that the Executive Director be provided the ability to secure prices for Natural Gas when they appear to be at their lowest point. The selection process as requested is outlined below:

1. Receive quotes from all qualified Natural Gas suppliers.

2. Identify and confirm the lowest three-year contract prices.
3. Have legal do a review of the contract.
4. The Executive Director will sign the contract documents.
5. Contract Documents and Information about the Natural Gas supplier presented to the EOC in the consent agenda at the next scheduled EOC meeting.

This process seems to provide the Authority with the best means to acquire the lowest pricing in the most efficient manner. This method will be requested again from the EOC next fall prior to the Electric contract expiring in April 2022. It is requested that the EOC motion to authorize the Executive Director to secure Natural Gas prices when gas prices are below \$3.25/MMBtu.

Mr. Streicher explained that the current Natural Gas contract is due to expire early in 2021, this is typically the time that GWA begins looking to renew our current contract or find provider that offers better pricing. Mr. Streicher indicated that pricing fluctuates on a daily basis and in order to be able to secure the best price, he is asking for approval to lock in the lowest possible gas rate, have GWA's legal counsel review the contract and then share the final contract with the EOC. Mr. Streicher advised that this approval authorization is needed since the pricing can change within 24 hours and GWA would potentially lose out on securing the best lowest price if authorization is not granted. Mr. Streicher stated that the lowest price that the Authority's existing price is \$2.78/MMBtu.

Mr. Niehaus asked Mr. Streicher if the Motion needed to include any specific pricing. Mr. Streicher indicated that he requested authorization for any price below \$3.25 and does not recommend modifying the motion to anything lower, as he is still receiving price quotes almost daily, and the \$2.83 previously mentioned could up or down by a couple of cents.

Mr. Niehaus indicated that this request is in line with how the Village of Lombard handles their process, with the Village Manager having the authorization to secure lowest possible pricing.

Mr. Franz made the motion and Mr. Goldsmith seconded to authorize the Executive Director to secure Natural Gas prices when gas prices are below \$3.25/MMBtu. President Giagnorio, President McGinley, Trustee Ware, Trustee Christiansen, Mr. Niehaus, Mr. Franz, Mr. Goldsmith and Mr. Hansen responded "Aye" during a roll vote. The motion carried.

7. CY2021 Draft Budget

Enclosed is a memo summarizing the highlights of the draft CY2021 budget, along with the draft budget itself. At this point in time, the budget has an overall increase of 1.3% or \$106,357 over the CY2020 budget. All items that affect the O&M budget and member contribution amounts have been received to date. An additional item or two may still be included in the Capital budget, however, it will not increase the contribution amounts.

After those are obtained, the budget will be presented to the EOC again in its final format, and a motion to approve it will be requested.

Mr. Streicher highlighted key pages from the budget as indicated by a written explanation for some of the changes, noting that some changes relate to several line items that costs had not yet been finalized at the time of the August EOC Committee meeting. Mr. Streicher explained that while there is an overall budget increase of 1.3% or approximately \$34,000, compared to the .9% increase that he had presented in August; and is largely due to costs for several line items, such as health insurance and utility costs, that are out of GWA's control.

Trustee Ware made the motion to approve.

Mr. Niehaus asked if this item was a discussion item. Mr. Streicher indicated that it was, however, if a motion could be made to approve and forward on to the Full Board for approval, it would have this task completed ahead of schedule. Mr. Goldsmith noted that in the memo included in the packet, it does ask for a motion to approve.

Mr. Ware motioned and Mr. Goldsmith seconded the motion to approve the Glenbard Wastewater Authority's CY2021 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.

Mr. Niehaus stated that it was the Village of Lombard's turn to host the GWA Annual Full Board meeting and asked Mr. Franz and President McGinley if they had any objections to try and schedule the Annual meeting in conjunction with one of their Board meetings on either November 5th or November 19th. Mr. Franz indicated he did not think there would be any issues. President McGinley asked if the meeting would be Zoom or in person. Mr. Niehaus indicated that the meeting would be held in their Community Room which has plenty of space for social distancing. President McGinley noted there is a Trustee who is not attending any Board meetings in person, but otherwise, she is on board with an in-person meeting. President Giagnorio indicated that they could phone in or some other alternative could be arranged.

Mr. Niehaus advised Gayle Lendabarker that he will include her in the efforts to coordinate the date and time.

Mr. Franz stated that GWA is ahead of the Village of Glen Ellyn in their budget process which could result in some minor adjustments with regards to personnel in the coming weeks. Mr. Niehaus suggested aiming for November 19th to allow some extra time for these details to be finalized.

8. Discussion

8.1 Capital Improvement Projects Update

Facility Improvement Project:

Mr. Romza provided the following updates on the project:

-The indoor punch list for the Filter Building is approximately 98% complete and the outdoor punch list will be generated once the UV drain line repair is completed.

-All of the new pumps in the Raw Pump Building are now in operation, with the new high flow pumps just coming online the previous day. Bypass pumping to be disassembled now that all of the pumps are operational.

-UV Drain Line repair has begun; however, Boller is having problems locating the break.

-Drying bed drain line repair is complete

-Updated Schedule: Final completion still scheduled for end of October

-Work Change Directives that were approved and will be incorporated into a change order: Chemical feed System \$6,413.38, Low Flow bracing \$16,351.70 and Header Support - \$12,522.08 (T and M quote, final amount pending completion and should be less than this amount as it took approximately one-third the time estimated.)

-GWA is in discussions with legal counsel and the design engineers about the potential of withholding payments as we approach \$1.4 million remaining on the contract; the reason for this amount being equal to the amount of liquidated damages, as per the contract, if they finish at the end of October. Mr. Romza explained that this amount reflects approximately \$950,000 in retainage and approximately \$500,000 in actual work. Mr. Romza explained that GWA is comfortable with a decision to withhold as the project has reached a point where, if Boller decided to walk away from the project, a replacement contractor or GWA staff will be able to pick up and complete the project. Mr. Romza advised that before withholding of payment, attempts are ongoing to arrange a meeting with the higher-level Company Executives to discuss liquidated damages.

Mr. Streicher stated that based on conversations with GWA's legal counsel, he is recommending that we start withholding and advised that, in reality and despite what the contract states, the amount estimated for liquidated damages is not what GWA will actually receive. Mr. Streicher explained that GWA's Legal Counsel advised that we can only receive damages for items that we can demonstrate damages were incurred on which, include engineering fees and some legal fees; therefore, a more realistic number is approximately \$300,000. Mr. Streicher stated that

basically, by asking for the \$1.4 million dollars there is plenty of room to negotiate to an amount that is satisfactory to everyone and results in a deductive change order to the contract. Mr. Streicher stated that he has reached out to the Vice President of Boller on several occasions in an effort to open discussions and Boller has not responded on any level to even acknowledge receipt of three or four letters that legal counsel as sent to them regarding liquidated damages. Mr. Streicher advised that withholding payment is an attempt to get their attention and/or a response on some level from them.

Mr. Niehaus stated that he a conversation with Mr. Franz the previous day and fully support the direction Mr. Streicher is headed in and would like to make a recommendation to the EOC Committee, that they operate as they had previously earlier on in the project, meaning the EOC Committee has to be the “heavy” and provide Mr. Streicher with very concise negotiating guidelines, similar to collective bargaining or when GWA is negotiating the purchase price of property, allowing him the room to maneuver. Mr. Niehaus stated that he volunteered to Mr. Franz to take the lead in terms of communication with the EOC Committee and schedule a call the following week with the attorneys to discuss matters with this leading to an Executive Session at the October meeting just to provide Mr. Streicher with final direction. Mr. Niehaus added that while having conversations with Boller is good, Mr. Streicher needs to advise Boller that he does not have firm authorization from the EOC and continue to let the EOC be the heavy in the situation. Mr. Streicher indicated that he is in agreement and that he has been advising Boller that the EOC Committee will pursue the \$1.4 million dollars and not solely GWA pushing the matter.

Mr. Franz expressed his gratitude to Mr. Niehaus for taking the lead and hopes the new attorneys are up to speed. Mr. Streicher indicated that he appears to be up to speed and ready to go.

HVAC Project Update:

Mr. Romza provided the following status:

-Substantial completion has been reached.

-VFD needs attention

-Will not be pursuing liquidated damages as Amber did make a good faith effort to complete the project and any amount of monies we might try to pursue, would be nominal.

Mr. Romza indicated that withholding the retainage amount is being considered to ensure that the remaining items, which are related to manufacturer issues, are completed.

Medium Voltage Electric Grid Update:

Mr. Romza provided the following status:

-Broadway Electric was the chosen bidder agreed to hold pricing until September 1st as GWA applied for DCOE grants

-State Grants

-While GWA applied for several grants the DCOE made the decision to withhold awarding any of the grants until the end of the year; as a result, GWA will proceed with the project with the grants at this time and hope that the criteria, that the notice to proceed has not been issued, will be evaluated allowing for award to GWA, as a number of entities are in the same boat and cannot put-off their projects.

-GWA will inquire with the IEPA to see if any grant funds can be allocated even though the notice to proceed has been issued.

-Notice to Proceed has been forwarded to Broadway Electric and a pre-construction meeting has been scheduled.

Biosolids Dewatering Improvement Project:

Mr. Romza provided the following status:

-Project bid advertising will be at the end of the week, with the bid opening on October 27th.

-All applications for SRF proceeds have been submitted and will need to be finalized once the bid has been awarded.

Mr. Franz asked what the time frame for completion of the project was. Mr. Streicher advised that the time frame for the project was after the bid opening on October 27th, seek EOC Committee approval for project award at either the November or December EOC meeting and the wait for 90 days for official IEPA loan approval before construction can start with overall construction taking approximately seven to eight months with the goal to be completed by the end of 2021.

Roof Replacement – Filter Building:

Mr. Romza provided the following status:

-Tear off complete

-Raising of wood blocking and curbs finished earlier in the week.

- installation materials delivered this morning

8.2 DuPage River Salt Creek Workgroup Assessment Extension/Phosphorus Implementation Extension in NPDES Permit

Mr. Streicher stated that this topic is merely discussion to garner feedback on which direction the EOC Commit might want to proceed, however, a decision on which direction to proceed and approval will be needed in the near future.

Mr. Streicher explained what the workgroup was, the goal of the group and how it is beneficial to GWA and the Villages to remain in the work group by contributing to the various projects the group has and is undertaking to improve the watershed. Mr. Streicher added that as a member of this group, GWA has benefitted as a member by currently having no phosphorus limit in its NPDES permit, while many wastewater treatment facilities throughout the state have had limits imposed in their permits. Mr. Streicher highlighted the costs that GWA has paid per the 2015 agreement and outlined proposed costs through 2025, with the goal of putting off the addition of a phosphorus limit being added to GWA's NPDES permit until 2028 instead of 2025, as the stated in the current permit.

Mr. Streicher did highlight that GWA's Capital Improvement Budget has an allocation in 2023 to begin the design phase of chemical phosphorus removal project to be followed by construction and implementation as well as noting that this project would result in an annual increase to the O&M chemical budget of approximately \$1.2-\$1.5 million dollars, based on 2017 estimates.

Mr. Streicher did state the alternative way to remove phosphorus is a biological process; however, due to the fact that GWA is a high purity oxygen facility, the capital costs are approximately \$22.6-\$24 million dollars to build the system, with GWA realizing an O&M cost savings due to no longer needing liquid oxygen; however electrical costs would increase due to the need for blowers. Mr. Streicher explained that this process would also remove nitrogen and other nutrients, which the IEPA is currently trying to determine which nutrients and how much will need to be removed in the future.

Mr. Streicher indicated that he is seeking a general consensus as to the willingness of the EOC Committee to allow GWA to continue to participate in the Work Group.

Mr. Franz thanked Mr. Streicher for the summary of the Work Group and the plan and costs going forward and added he was in agreement that anything that can be done to help extend having to expend funds on a major capital project that may or may not meet future permit limits is logical at this point in time. Mr. Franz recommended that the item be placed on the next agenda for approval.

Mr. Streicher advised that he had received a draft of the Work Group Amendment over the weekend and would be happy to forward the draft to the EOC members just so everyone can review and provide any feedback or asks questions before placing the item on the next agenda for approval.

Trustee Christiansen stated she was in agreement with continuing our membership and would like to review the amendment document.

9. Other Business

9.1 Technical Advisory Committee Updates

Mr. Streicher highlighted that both of the Villages' Finance Directors, Christina Coyle and Tim Sexton, were at the last meeting to assist with CY2021 Budget planning and appreciated their time and input into the budget planning process.

9.2 Pending Agenda Items

10. ***Next EOC Meeting*** – The next regularly scheduled EOC Meeting is set for ***Thursday, October 8, 2020 at 8:00 a.m. via Zoom.***

Mr. Ware moved to adjourn the September 10, 2020 EOC Meeting and Mr. Franz seconded the MOTION. The members responded unanimously to a verbal call of “Aye”. The motion carried. The meeting adjourned at 8:49 a.m.

Submitted by:

Gayle A. Lendabarker
GWA Administrative Secretary