

GLENBARD WASTEWATER AUTHORITY
Executive Oversight Committee

Agenda

June 8, 2023

8:00 a.m.

945 Bemis Road

Glen Ellyn, IL

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
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 March, April, and May of 2023 in the amount of \$1,260,690.94 (Trustee Christiansen).

5.1 Executive Oversight Committee Meeting Minutes:

March 9, 2023 EOC Meeting

5.2 Vouchers Previously Reviewed:

March, April, and May 2023 – Trustee Christiansen

5.3 Declaration of Surplus

Per Glenbard’s NPDES Permit, Special Condition 18 Paragraph C, the Authority shall participate in a watershed Chloride Reduction Program, either directly or through the DuPage River Salt Creek Workgroup (DRSCW). One of the primary efforts in the Chloride Reduction Program is to minimize or cease the use of rock salt for road deicing. For many municipalities, completely discontinuing rock salt use is not feasible due to safety concerns on higher speed/higher traffic roadways. Since the Authority only has low speed local traffic at the primary treatment facility and CSO, the choice to discontinue rock salt use does not create any vehicle safety concerns.

In the early 2010’s, in accordance with the efforts of the Chloride Reduction Program and the Authority’s environmental stewardship goals, the Authority agreed to discontinue use of rock salt on primary vehicle traffic areas (some small amounts of rock salt are still in use for staff walkways). As an alternative, a liquid brine solution is used and has worked well for the Authority since that time. Liquid brine deicing utilizes different equipment to spread the solution and as

such, the salt spreading equipment previously used by the Authority is no longer in use. A Saltdogg SHPE2000 Electric Poly Hopper Spreader was purchased by the Authority in 2007 for application of rock salt on paved areas. The Saltdogg is comprised of a large portable hopper that is mounted to the back of one of the Authority's trucks and an electric control unit and wiring harness. Since the hopper, spreader, and control unit have not been used since the early 2010's, some revenue can be generated by auctioning off the no longer used equipment.

Therefore, enclosed with this memo, is the formal resolution to auction off the Saltdogg SHPE2000 Electric Poly Hopper Spreader for approval. The Authority respectfully requests that the EOC motion to approve Resolution No. 002-2023, a resolution authorizing the sale of equipment – Saltdogg SHPE2000 Electric Poly Hopper Spreader.

5.4 CHP Media Purchase

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. Therefore, staff obtained pricing ahead of schedule so that the purchase can be made, and available for use when needed.

In the 2023 GWA budget, staff allocated \$100,000 for the purchase of this media in budget category Plant Equipment Rehabilitation account 40-580150. The budget amount was taking into account at least two purchases of the hydrogen sulfide media (similar to current request), and one purchase of the siloxane media.

Therefore, we motion the EOC to authorize approval to purchase CHP media from Unison Solutions in the amount of \$28,950 to be charged to Plant Equipment Rehabilitation account 40-580150. This has been discussed with the TAC, and all are in agreement with the recommendation.

6. Approval of CY2022 Financial Audit

2022 Audited Financial Statements

Attached is the Annual Audited Financial Statements for the Glenbard Wastewater Authority for the fiscal year that ended December 31, 2022.

Financial highlights for the Authority's fiscal year 2022 (FY2022) are presented on pages 6-8 of the report. A complete narrative summary of the Authority's operations and financial position is found in Management's Discussion and Analysis on pages 5-14. I will present highlights of the financial report during the EOC meeting and our audit partner, Jamie Wilkey, will present the auditor's opinion.

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

Operating Fund Surplus

The Operating Fund Surplus, before the long-term pension adjustment and adjustment for MICA reserves, was \$375,953. We annually adjust the partners' contributions to match expenses. Using this measure, the Village of Lombard is owed \$218,168 and Glen Ellyn is owed \$157,785 for the fiscal year ended December 31, 2022.

As of December 31, 2022, the Authority's working cash was 34.8% of operating expenses, or \$417,157 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 33-34). As the year end amount is below the working cash minimum, we can distribute the entire 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.

Other Communications

There are two other communications that are included as attachments to this memo.

SAS114 Letter: This letter is a required communication between the auditors and those charged with governance. It highlights certain areas that auditors are required to disclose each year to those charged with governance.

Management Letter: This letter only highlights forthcoming accounting standards for the coming year. There are no internal control matters reported in the letter.

Proposed Action Items:

Motion to accept the Audited Financial Statements of the Glenbard Wastewater Authority for the fiscal year ended December 31, 2022 and to forward the audit report to the full Authority Board for final approval at the next annual meeting.

Motion to allocate the 2022 operating surplus of \$375,953 to the Capital Fund.

7. Retroactive Approval of Emergency Purchases related to Intermediate Screw Pump Failure

In late February 2023, the Authority experienced a couple of critical failures in one of its essential processes, all related to the failure of two of the Authority's three intermediate screw pumps. Due to the urgency of the situation, as explained in greater detail in the enclosed memo, the Authority moved forward on an emergency basis and purchases were made as such. Due to all of these costs being related to the failure of the intermediate screw pumps, it could be viewed as all related to one single project/repair, and the total amount of \$98,377.66 would require EOC approval.

Therefore, Authority requests the EOC retroactively approve the emergency purchases of new bearings for the East Screw Pump in the amount of \$4,442.03, a new gearbox shaft for the East Screw Pump in the amount of \$6,980, a new motor shaft for the West Screw Pump in the amount of \$3,984.20, and the rental of emergency pumps in the amount of \$87,413.46, totaling \$98,377.66 altogether. These costs were taken out of various budget categories deemed most appropriate, and were all unbudgeted for. It is expected that this unforeseeable failure will have negative impacts on the overall CY2023 operating budget, which will be further determined later in the year during the CY2024 budgeting processed.

8. Authorization to Award Plant Resurfacing

In the previously approved 2020 budget, Authority staff added a “Bemis Road, Administrative Parking Lot Improvements, and Plant Resurfacing” Capital Improvement Project which was originally scheduled for the year 2024. This capital project was moved up to 2023 and had an approved budget amount of \$1.1 million dollars.

As the name suggests, this project is intended to reconstruct/resurface the asphalt areas of Bemis Road, redesign and resurface the Administrative Parking Lot, and resurface the on-premise roads at the primary plant and Lombard CSO facilities. To capitalize on economies of scale, GWA intended to partner with the Village of Glen Ellyn’s paving project to reconstruct/resurface all of these areas. Bemis Road is being included as part of the scope of this project as it is likely that the truck traffic to and from the main treatment plant has contributed to accelerated deterioration of the road and, as such, GWA will pay for a portion of the resurfacing. The intended paving project of Bemis Road was pushed back to 2024 by the Village of Glen Ellyn, but because of the rapidly deteriorating on-premise roads at the main treatment plant and at the Lombard CSO, it is recommended that the resurfacing of those areas still be done this year.

With the continued interest in capitalizing on economies of scale, GWA partnered instead with the joint program between the Villages of Lombard and Woodridge which will allow this portion of the project to move forward in 2023 and save on costs compared to bidding it ourselves. As the bid amount came in at about 30% of the total budgeted amount for repaving and within 2% of the engineers estimate for the project, enough funds remain to complete the remainder of the paving project for Bemis Road and the administrative parking lot with the Glen Ellyn paving program next year.

Therefore, it is recommended the EOC authorize the Authority to award Brothers Asphalt Paving with a notice to proceed for the 2023 Asphalt Resurfacing Program in the amount **\$344,590.63**. This amount will be taken out of the CY2023 Approved Budget, Capital Plan, Fund 40-580180-23001.

9. 2023 NRI Rehabilitation Project Construction Contract Award

In September 2022 the Executive Oversight Committee awarded Final Design Engineering Services pertaining to the 2022-2024 Collection System Rehabilitation Program to RJN Group. The Glenbard Wastewater Authority owns, operates, and

maintains approximately 6 miles of interceptor sewer, ranging from 18” diameter to 66” diameter, a small length (2000’) of 8” collector sewer, and over 90 manholes. The majority of the collection system was constructed in the late 1970’s after the formation of the Authority through an Intergovernmental Agreement between the Villages of Glen Ellyn and Lombard, and is mostly prestressed concrete cylinder pipe (PCCP). The Authority’s collection system has had little in ways of rehabilitation performed on it since being put into service; however, it has been routinely inspected.

The first phase of project was publicly advertised on January 23, 2023, with a bid opening date of February 23, 2023, and with an engineer’s estimate of \$359,450 (including alternates). Alternates for this project, including the rehabilitation of manholes in addition to the pipe segments itself, and would only be utilized if the total project cost came in below or around the engineer’s estimate. The original bid opening date was postponed to March 15, 2023, at which time, the Authority only received one bid in the amount of \$767,438.05 (including alternates). Due to only having one bid, and that bid being significantly over the estimate and what was budgeted, the Authority chose not to recommend award.

Based on conversations with potential bidders, there were some concerns about the original scope of the project, and the completion dates given in the bid package. Therefore, the scope and completion time were modified, and the bid package was re-advertised. After a May 10, 2023 bid opening, the Authority received two bids as summarized in the table below:

	Engineers Estimate	Hoerr Construction	Benchmark Construction
Base Bid	\$306,575	\$683,295	\$488,000
Alternate	\$52,875	\$47,250	\$260,375
Total	\$359,450	\$730,545	\$748,375

After analyzing the breakdown of the bids, it revealed that most costs contained in the bids are aligned closely with the engineers estimate, with the exception of the bypass pumping. Therefore, the Authority’s consultant engaged in discussion with the bidders, and determined that since means and methods were left up to the bidder, poor designs were proposed, as well as “worst case scenarios” being considered. These discussions quickly lead to the determination that more than likely the bypass pumping costs could be reduced significantly during construction.

The Authority discussed several different options with the RJN Group, the Authority’s legal representation, and with the Technical Advisory Committee. Of the several alternatives discussed, it was decided the option most likely to provide competitive and appropriate pricing, is to reject all previously submitted bids and negotiate directly with the combined three bidders from the past two bid openings for the contract. This will allow RJN group to attempt to rectify the portions of each bid that came in uncharacteristically high and allow each bidder to put forth a bid price that matches the true intent of the scope for each line item per the engineers’ specifications, while remaining a competitive process. The Authority and RJN group agree that delaying the

project could potentially lead to failures of infrastructure that are in need of rehabilitation and/or lead to greater costs for repair in the future, and rebidding the project seems likely to yield similar results. As such the Authority believes moving forward with a different approach will provide the best outcome. A final contract for the NRI Rehabilitation Project will be presented to the EOC at a future meeting for consideration.

The Authority staff requests two motions from the EOC; to reject all previously submitted bids for the 2023 NRI Rehabilitation project, and approve waiving of the competitive bids to award a contract based upon negotiations with the three past bidders for the NRI Rehabilitation Project in accordance with Section C, 1: Exceptions to Competitive Bidding of the Glen Ellyn Village Purchasing Policies and Procedures (per the IGA, the Authority follows the lead agencies purchasing policy), which states, “A purchase or contract over \$20,000 that is by its nature not adapted to award by competitive bidding may be approved by a 2/3rd vote of the Village Board.”

10. Discussion

10.1 Digester Upset

In late April the Operations department performed a practice scenario of isolating Digester #1 in order to help prepare for the pending Digester #1 cleaning. In this practice scenario, all valves that normally alternates feeds of sludge and high strength waste into each digester were isolated to Digester #2, as that would be the digester in service during the cleaning of #1. After the practice was complete, all operations were set back to normal in the Authority’s SCADA system, the computer system that monitors and controls most equipment.

Two days later, the on-call operator was called in overnight to respond to a high level in Digester #2. Upon arriving, the digester was foaming, and had an odor of sour sludge. Andy Pakosta, the Authority’s Operations Superintendent, immediately responded and performed laboratory tests to determine the digester was in-fact upset. After further investigation, it was found that even though a valve stated it had returned to normal operations in SCADA, the valve was found to be stuck to only feeding Digester #2 with high strength waste instead of alternating between digesters. This caused the amount of high strength waste that would have normally been split between two digesters (Digester #1 is also larger) to be fed solely into Digester #2.

The Authority immediately took all the actions listed in its standard operating policy that was created after the last digester upset. Although a considerable amount of overtime was spent, due to the Operations departments diligence and dedication, the digester upset only lasted under two weeks, as opposed to the months it could have been. In addition, no odor complaints were received, again, due to the hard work of the Operations department to mitigate odors as much as feasible.

10.2 Digester Cleaning Update

At the March 9, 2023 EOC meeting, a contract was awarded to Synagro for the Digester Cleaning and Disposal of Municipal Sludge Project at a rate of \$0.325 per gallon removed and hauled. Prior to beginning the project, the Authority had a goal to pump as much sludge from Digester 1 as possible, in order to reduce the overall price of the contract. The total amount that could be removed was unknown, as it is largely dependent on the characteristics of the sludge contained in the digester at this time, as well as the ability of the Authority's pumping system to draw down the solids.

The Authority's Operations staff diligently worked to remove more than anticipated, leaving approximately 311,000 gallons left for Synagro to remove and haul away, as opposed to the estimated 400,000 gallons stated in the bid advertisement. Therefore, the total project cost should come out to \$101,075 instead of the estimated \$140,000.

10.3 Natural Gas Procurement Update

After being approved to seek procurement of a new natural gas supply contract at the March 9, 2023 EOC meeting, on May 17, 2023, the Authority locked in a new fixed rate of \$0.46711/therm for three years beginning in April 2024 with Constellation. The new rate is a significant increase over the previous historic low rate of \$0.281/therm rate that has been in place since April 2021.

10.4 Intergovernmental Agreement Revision per the findings in the United States Environmental Protection Agency (USEPA) Administrative Order of Consent (AOC)

As discussed at the March 2023 EOC meeting, the Authority was issued a draft AOC from the USEPA, with one of the violations being that the existing IGA that formed the Authority lacked sufficient language describing the Authority's ability to enforce its USEPA mandated Pretreatment Program. Therefore, they are requiring some additional language be inserted into the IGA.

The revisions to the IGA between Lombard and Glen Ellyn that the USEPA is requiring would have no additional impacts operationally and financially to the Villages or the Authority than what is already in place. The language is essentially solidifying what is currently stated in various language between the existing IGA and the sewer use ordinances, or other unwritten relationships that are already in practice. Below are summaries of the specific paragraphs that are being added:

- The Villages agree to adopt the pre-treatment sewer use ordinance per USEPA requirements (already adopted by each Village)
- The Villages agree to adopt local limits (which are contained within the sewer use ordinances and currently adopted)

- The Authority is responsible for using “control mechanisms” to industrial users within the Villages, which essentially means the Authority monitors the industrial users, and issues any notice of violations or any other mechanisms to keep industrial users compliant with the pretreatment ordinance. This also includes that the Authority is responsible for issuing fines, however, they are assessed through the Villages’ building code enforcement (currently how it’s set up)
- The Villages agree to share any records with the Authority that may affect the pretreatment program
- The Villages authorize Authority staff right of entry, inspection, and sampling of industrial users
- The Authority, as an agent of the Villages, may take emergency action to stop or prevent any discharge which presents, or may present, an imminent danger to human health or environment
- Specifically list out the other IGA’s each Village has with other entities that are tributary to the Authority (VOGE = Illinois American and DuPage County, VOL = Flowerfield).

The enclosed revised IGA incorporates all the language the USEPA desired, and has already been adopted by both Village Boards. Therefore, the last remaining step will be to formally adopt the revised IGA at the Authority’s next Full Board Meeting, which is anticipated in November, 2023.

10.5 PFAS Position Statement

Recently many media headlines have been focused on Per- and Polyfluorinated Substances, also known as PFAS. PFAS substances are a group of chemicals used to make fluoropolymer coatings and products that resist heat, oil, stains, grease, and water. These products were man-made, and have been found to have potential detrimental effects on human health.

Most headlines have focused on the contamination of clean drinking water, or other methods that can lead to human consumption, however, many headlines have also made mention of how to handle PFAS that arrives to wastewater treatment plants, where it can be sent out in plant effluent, or contained in biosolids that are used for fertilizer on farm fields. State legislation has evaluated a number of different PFAS bills that could have significant impacts on operational costs at public owned treatment plants such as the Authority.

The Authority is a member of the Illinois Association of Wastewater Agencies (IAWA), an organization that represents close to 100 years of transition and growth of publicly owned wastewater treatment plants in the state of Illinois. IAWA retains lobbyists that advocate for the greater good of these organizations at the state capital.

Due to the visible presence of PFAS issues in media, and likelihood of concerned leaders and citizens, IAWA has decided to release a position statement that can be

utilized by its members. This draft position statement is enclosed in the agenda packet. Once finalized, it would be the intent of the Authority to post this position statement on its website, and provide it for reference for any inquires if asked what the Authority is doing in regard to PFAS.

11. Other Business
 - 11.1 Technical Advisory Committee Updates
12. ***Next EOC Meeting*** – The next regularly scheduled EOC Meeting is set for ***Thursday, July 13, 2023 at 8:00 a.m.***