

GLENBARD WASTEWATER AUTHORITY
Executive Oversight Committee
Agenda
March 9, 2023
8:00 a.m.

Members Present:

Keith Giagnorio	President, Village of Lombard
Mark Senak	President, Village of Glen Ellyn
Robert Bachner	Trustee, Village of Lombard
Scott Niehaus	Village Manager, Village of Lombard
Mark Franz	Village Manager, Village of Glen Ellyn
Carl Goldsmith	Public Works Director, Village of Lombard
Dave Buckley	Public Works Director, Village of Glen Ellyn

Others Present:

Matthew Streicher	Executive Director, GWA
Jeremy Henning	Assistant Director, GWA
Rick Freeman	Electric Superintendent, GWA
Jon Braga	Maintenance Superintendent, GWA
Andrew Pakosta	Operations Superintendent, GWA
Larry Noller	Finance Director, Village of Glen Ellyn
Gayle Lendabarker	Executive Assistant, GWA

1. Call to Order at 8:00 am
2. Pledge of Allegiance
3. Roll Call: President Giagnorio, President Senak, Trustee Bachner, Mr. Niehaus, Mr. Franz, Mr. Goldsmith, and Mr. Buckley answered “Present”. Trustee Christiansen was excused.
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 December 2022, January 2023 and February 2023 totaling \$1,869,595.32 (Trustee Christiansen).

Mr. Streicher noted that Consent Agenda Item 5.4 needs to be removed from consideration, as between the time the packet was distributed and this morning, GWA’s Attorney had some minor red line revisions to the agreement that was in the packet,

mainly just legal language that attorneys like to add. Mr. Streicher advised that this item is a no cost assessment and was going to seek approval pending language approval from GWA's attorney.

Mr. Niehaus asked Mr. Streicher if he is seeking a Motion to remove Consent Agenda Item 5.4 and approve the remaining Consent Agenda items. Mr. Streicher confirmed that is what he would like to have done.

Mr. Niehaus motioned and President Senak seconded the MOTION to approve the Consent Agenda with the removal of Item 5.4, which will be discussed immediately following the roll vote. President Giagnorio, President Senak, Trustee Bachner, Mr. Niehaus, Mr. Franz, Mr. Goldsmith and Mr. Buckley, responded "Aye" during a roll vote. The motion carried.

- 5.1 Executive Oversight Committee Meeting Minutes:
December 8, 2022 EOC Meeting
- 5.2 Vouchers Previously Reviewed:
December 2022, January 2023 and February 2023 – Trustee Christiansen
- 5.3 Ratification of January 11, 2023 Email Poll Items
 - 5.3.1 Sodium Thiosulfate Contract Award

The Glenbard Wastewater Authority posted the bid notification publicly through an advertisement to bid that was published in the Daily Herald on December 5, 2022. The deadline for receipt of the sealed bids was December 21 at 11:00 a.m.

After opening the bid documents, reviewing the unit prices, and confirming that all required documentation was present, Alexander Chemical was the lowest responsive, responsible bidder. Alexander Chemical had been the Authority's long-term Sodium Hypochlorite provider previously, therefore, due to previous experience the Authority does not have any reason to deny them award of the new contract. The Authority has been aware that both chemical costs, as well as hauling costs, have increased significantly since the last time this item was bid; and therefore, had included an increased budget amount in the CY2023 budget to anticipate for the higher costs. The low bid of \$3.487/gallon is a 35% increase over the previous price of \$2.59/gallon.

The Operations Staff requests the EOC to allow awarding of a three-year contract to Alexander Chemical for the purchase and delivery of Liquid Sodium Thiosulfate \$3.478 per gallon delivered with the amount expensed to CY2023 O&M Budget 270-1-530440.

5.3.2 Sodium Hypochlorite Contract Award

The Glenbard Wastewater Authority posted the bid notification publicly through an advertisement to bid that was published in the Daily Herald on December 5, 2022. The deadline for receipt of the sealed bids was December 21, 2022 at 10:00 a.m.

After opening the bid documents, reviewing the unit prices, and confirming that all required documentation was present, Rowell Chemical Corporation was the lowest responsive, responsible bidder. Alexander Chemical had been the Authority's Sodium Hypochlorite provider in the past, however, after reference checks Rowell Chemical Corporation appears to be a reliable provider as well. The previous price the Authority was paying competitively per gallon of Sodium Hypochlorite was \$2.426 per gallon to Alexander Chemical Corporation, which had seen several increases since when it was previously bid in 2020. The Authority has been aware that both chemical costs as well as hauling costs have increased significantly since the last time this item was bid, and therefore had included an increased budget amount in the CY2023 budget to anticipate for the higher costs. The low bid of \$2.12 per gallon is a 14.4% decrease over the previous price of \$2.426 per gallon.

The Operations Staff requests the EOC to allow awarding Rowell Chemical the 6-Month, with automatic renewal for an additional 6-Month term if there are no price changes for the Sodium Hypochlorite supply contract for a unit price of \$2.12 per gallon delivered. The cost of the Sodium Hypochlorite will be expensed to the Glenbard's Stormwater Plant CY2023 O&M budget line item 270-1-530440.

5.3.3 Polymer Supply Award

The Authority uses a polymer to help coagulate digested sludge during the dewatering process, as is typical in wastewater treatment. The purpose of the polymer is to help yield greater percent solids in the biosolids materials, and therefore relieves significant hauling costs. Since the amount of polymer used is dependent on how much sludge is produced, the quality of the sludge, as well as the amount of sludge dewatered – pricing for polymer is obtained on a dollar per pound basis. Approximately \$20,000-\$40,000 of polymer is used per year, and is budgeted for appropriately in the “270-530440 Chemicals” budget line.

The Operations Staff requested quotes for the supply of polymer, and after receiving only two quotes, as seen in the enclosed memo, the Authority respectfully requests approval to purchase polymer from Polydyne, our current

supplier, at a cost of \$1.68 per pound. The Authority has used Polydyne for years without any major issues with their product or delivery services. This cost is a 14.3% increase over the previous price of \$1.47.

5.3.4 Request for Authorization to Enter into Year 2 of 5 of the Lease of Atmospheric Vaporizers and Airgas Liquid Oxygen Hauling Agreement

In February 2022, after detailed evaluation and analysis, as well as based on qualifications and price, the EOC approved to enter into a 5-year agreement with Airgas for the hauling of liquid oxygen and leasing of atmospheric vaporizers. GWA requests waiver of bids and authorization to continue into year two of the five-year contract for the leasing of atmospheric vaporizers and liquid oxygen hauling with Airgas in CY2023. Starting in April 2023 Liquid Oxygen hauling will be priced at \$0.3938/per 100 cubic feet, and invoiced to Fund 270-530443 in the CY2023 Budget. Atmospheric Vaporizers Leasing will be priced at \$1,500/month, and invoiced to Fund 40 Capital Plan in the CY2023 Budget.

This contract is set to expire in April 2027, and therefore both the supply of liquid oxygen and the atmospheric vaporizer leasing will be rebid at that time to obtain competitive pricing.

5.4 Solar Feasibility Study Agreement

The Authority is looking to enter into an agreement that would provide consulting services to conduct an investigation/study into the feasibility of a solar power “power purchase agreement” (PPA) for the Authority, wherein the Authority would host solar panels onsite, and use the solar power instead of power off the grid. The Authority would not own/maintain the proposed equipment, but instead would pay a rate to the PPA provider (not the consultant) in lieu of our electric supply rate. It would most likely be a 20-year term, if the Authority chose to enter into it. The services are free of charge, GWA can back out of the agreement at any time, without any penalties. If the consultant finds it is feasible, they would perform a very transparent competitive RFP to qualified solar providers for such services, at which time the Authority would receive formal prices from different providers for the PPA. The Authority would select the lowest price, providing it is at/lower than the existing electric supply rate, and enter into the agreement (per Executive Oversight Committee approval). If no providers come back with a rate worth pursuing, once again, the Authority is not committed to entering into a PPA, and can back out without any penalties.

Mr. Niehaus motioned and President Senak seconded the *MOTION that Item 5.4 be approved, after final review and approval by GWA’s legal counsel and noted for the record that this study is a “no cost” item. President Giagnorio,*

President Senak, Trustee Bachner, Mr. Niehaus, Mr. Franz, Mr. Goldsmith and Mr. Buckley, responded “Aye” during a roll vote. The motion carried.

5.5 UV Disinfection System Toroidal Transformer Replacement

Since the UV System rehabilitation completed in 2017, the Authority has replaced failed toroidal transformers in four of the eight UV Power Distribution Cabinets (PDC’s). The PDC’s were originally fitted with 7.5kVA transformers, the replacements now recommended by the manufacturer and installed by GWA thus far have been 10.0kVA. To ensure continued disinfection staff determined the best path forward would be to budget for replacement of the remaining 7.5kVA transformers in CY-23. The Authority is seeking purchase authorization to replace the toroidal transformers in the remaining four PDC’s. Enclosed in the agenda packet is a quote from IronBrook Partners, the sole source OEM for this equipment, in the amount of \$30,000 plus \$900.00 shipping. Lead time at this point in time is approximately 4-6 weeks. Due to the specialized nature/design of this equipment, it is not available through any other suppliers.

As this purchase is for an existing OEM system, it is being requested to waive competitive bidding for this purchase based on Section C.1.f of the purchasing policy, which waives competitive bidding for “Standardization purchases, defined as technical nature of certain items or services may result in the standardization of a particular supplier’s specifications being necessary or desirable to Village operations. Competitive bidding may be waived if the Village requires compatibility with existing software, machinery, or other existing equipment.” Funds for this planned expenditure “UV System Toroidal Transformers” were included in the CY-23 Budget, Fund 40, Small Capital account 580120, in the amount of \$40,000.

5.6 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. This has been discussed with the TAC, and all are in agreement with the recommendation.

6. Digester Cleaning Contract

During the month of February, the Authority placed an advertisement for bid Digester Cleaning and Disposal of Municipal Biosolids at the main Glenbard plant. This contract will consist of removing remaining contents of digester number one and cleaning the digester. Per standards, it is recommended to clean anaerobic digesters every 7-10 years. This digester was last cleaned in 2016. Although it only has been 7 years, due to the receiving of high strength waste for the entirety of the time since it has last been cleaned, it is recommended to clean it on the 7-year interval and determine any possible impacts. If no negative consequences are observed, the next cleaning of digester number one would be tentatively scheduled for 2033.

After a competitive public bid opening, it is recommended the Executive Oversight Committee authorize the Authority to award the Digester Cleaning and Disposal of Municipal Sludge to Synagro at a rate of **\$0.325 per gallon removed and hauled**. This contract was budgeted for in the CY2023 Approved Budget, Fund 40-580150 Plant Equipment Rehabilitation.

Mr. Streicher advised that Mr. Henning would be handling the next several agenda items.

Mr. Henning explained that digester #1 is scheduled for cleaning, as it was last cleaned in 2016. Mr. Henning stated that the typical cleaning schedule for digesters is every seven (7) to ten (10) years; however, as this digester has been receiving high strength waste on a continual basis, staff felt it was advisable to have the digester cleaned sooner, and evaluate if moving to a ten (10) year plan would be feasible. Mr. Henning explained that there were three (3) bidders; and after discussions with the original lowest bidder, who withdrew their bid as they were too aggressive with their pricing once they realized the project was more involved than they thought. Mr. Henning stated that as a result, Synagro had submitted the next lowest bid and, as GWA has experience with Synagro, staff is confident they can perform the work.

Mr. Streicher clarified that the documentation states a price per gallon removed, since the quantity is not yet known, and GWA staff intends to pump down the digester as far as possible to minimize the overall costs. Mr. Streicher noted that overall cost stated in the memo was \$140,000 and only \$70,000 had been allocated in the CY2023 budget. Mr. Streicher added that he entered the budget cost based on the previous cleaning of a digester in 2018 that was smaller in volume than Digester #1; and admitted this was his first mistake; then he had only calculated for 20% inflation, and it is apparent that the inflation rate for this type of work is significantly more over the past seven (7) years. Mr. Streicher advised that while the estimated project is over budget, the number budgeted

was under estimated and staff will make every effort to remove as much material as possible to help reduce the project's total cost.

Mr. Streicher advised that mid-year, staff will evaluate the Capital Budget and see where the budget stands, and review which projects came in over budget, which projects GWA may not be moving forward with this year, and which can be deferred or cancelled altogether; serving as a checks and balance to make sure GWA is not taking too much out of the fund for future years.

Mr. Senak asked if that was the method by which GWA will find the money to pay for the additional expense. Mr. Streicher confirmed that it was.

Mr. Goldsmith motioned and Mr. Buckley seconded the motion to award the Digester Cleaning and Disposal of Municipal Sludge to Synagro, at a rate of \$.0325 per gallon as recommended by GWA Staff, with funds allocated in the CY2023 Approved Budget, Fund 40-580140. President Giagnorio, President Senak, Trustee Bachner, Mr. Niehaus, Mr. Franz, Mr. Goldsmith, and Mr. Buckley, responded "Aye" during a roll vote. The motion carried.

7. Illinois Environmental Protection Agency State Revolving Loan Requirements
Contract Laboratory Services Open Purchase Order Request

The Authority will soon be applying for a low interest loan through the Illinois Environmental Protection Agency (IEPA) State Revolving Fund (SRF) program for the Primary Clarifier Improvements Project that is expected to be bid in the Spring of 2023. When applying for the previous Biosolids Improvements Project SRF loan in 2020, Authority and Village approvals of documents proceeded in the same fashion as was done for previous loans in 2007 and 2016. Because GWA is not a stand-alone entity that sets rates, bills customers and collects revenue on its own, the IEPA requires ordinances from each Village verifying they approve of the loan, and that they commit to make payments to the Authority to enable repayment of the loan.

The Authority respectfully requests the EOC's approval of the enclosed Resolution authorizing and approving the \$6,500,000 loan through the IEPA SRF Loan Program.

The Authority also requests the Executive Oversight Committee formally adopt the enclosed resolution authorizing the Executive Director to sign loan application documents, so that the loan application may be submitted to the IEPA.

Mr. Henning explained that GWA is seeking an IEPA Loan for the Primary Clarifier Rehabilitation project, and while GWA was originally on the intended funding list, GWA was bumped to the by-pass list. Mr. Henning stated that staff is in the process of completing the loan application steps, much as we have done with previous IEPA loans in 2020 and 2016. Mr. Henning indicated that this is a big project and costs have ballooned, as we have seen with many other projects, and is now estimated to be \$6.5

million dollars. Mr. Henning continued, stating there are several items that need to be signed today as part of the application process; a resolution authorizing GWA to accept the loan and authorizing the Villages to pass loan ordinances, as well as an authorization allowing the Executive Director to sign the loan documents.

Mr. Niehaus asked Mr. Goldsmith if the Village of Lombard has an authorizing Ordinance on the Village Board's agenda. Mr. Goldsmith stated that it is on their Village Board meeting agenda for the following Thursday, and will be committing to 59% of the \$6.5 million dollars based upon flow splits. Mr. Streicher asked if there was an additional step the Village of Lombard needed to take as well. Mr. Goldsmith noted that as the Village of Lombard is not home rule, they have a petition that must be made available to anyone who wants to oppose the loan. Mr. Streicher asked if it was a 30-day posting. Mr. Goldsmith advised that he thought it was 15-days, but will double check the information. Mr. Goldsmith stated that they will provide a certified copy of the ordinance and all supporting documentation once everything has been completed.

Mr. Franz stated that the Village of Glen Ellyn is looking to complete theirs on April 10, 2023.

Mr. Goldsmith asked if the interest rate was 1.84%. Mr. Streicher advised that there is a potential for that to be the rate, but currently the rate is at 1.24%.

Mr. Niehaus motioned and Mr. Franz seconded the motion to adopt Resolution 01-23 authorizing and approving the \$6,500,000 loan through the IEPA SRF Loan Program and authorize the Executive Director to sign the loan application documents, so that the loan application may be submitted to the IEPA. President Giagnorio, President Senak, Trustee Bachner, Mr. Niehaus, Mr. Franz, Mr. Goldsmith, and Mr. Buckley, responded "Aye" during a roll vote. The motion carried.

8. Natural Gas Supply Procurement

The Authority's Natural Gas contract expires March 31, 2024, 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 transportation, fuel and any other charges associated with the delivery of gas to the Delivery Point.* 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 Executive Oversight Committee (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 and November of 2014, July 2017, September 2020, and again most recently with Electric Supply in 2021, the Authority is requesting that the Executive Director be

provided the ability to secure prices for Natural Gas Supply 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- or four-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 Electric supplier presented to the EOC in the consent agenda at the next scheduled EOC meeting.

This process provides the Authority with the best means to acquire the lowest pricing in the most efficient manner. The Technical Advisory Committee (TAC) is agreement with this approach, as it allows the Authority to capitalize on market opportunities. It is requested that the EOC motion to authorize the Executive Director to secure Natural Gas Supply when rates are at or below \$7.50/MMBtu. The Authority's existing rate is \$2.81000/MMBtu.

Mr. Streicher advised that GWA's current natural gas supply contract is due to expire in 2024, and, as in the past, GWA is currently seeking the next contract that would be effective in 2024. Mr. Streicher noted that due to the amount that GWA spends on utilities, this would typically be subject to a bid opening on a particular date; however, in the past what GWA has done on these contracts is seek authorization to waive competitive bidding, and instead, seek quotes on a daily basis, and take action to lock in a rate that meets GWA criteria versus having a bid opening and being locked into whatever the rate is on that date. Mr. Streicher stated that this is the process that GWA has always used, based on the history he has been able to find, for electric and natural gas. Mr. Streicher indicated that GWA's current electric supply rate is extremely cheap, as it was locked in four (4) years ago; which is why he is seeking approval for pricing up to or below the listed rate that was quoted during the winter. Mr. Streicher noted that the rate has been as high as \$10 and as low as \$4 in recent months, and he is working with several brokers, as well as direct suppliers, in an effort to garner the best rate.

Mr. Franz asked what is the time table, weeks, months or open ended. Mr. Streicher advised it is open-ended, in an effort to try and get the lowest rate. Mr. Streicher noted that the last time he had sought approval in February and did not lock in a rate until May; however, he anticipates signing an agreement sooner, as rates are most likely going to start going up at the start of summer, since natural gas is being more widely used for the generation of electric, the demand will increase for air conditioning use.

Mr. Franz motioned and Mr. Niehaus seconded the motion to authorize the Executive Director to secure Natural Gas Supply when rates are at or below \$7.50/MMBtu. President Giagnorio, President Senak, Trustee Bachner, Mr. Niehaus, Mr. Franz, Mr. Goldsmith, and Mr. Buckley, responded "Aye" during a roll vote. The motion carried.

9. Discussion

9.1 Pending 2023 Collection System Rehabilitation Construction Contract Approval

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 \$360,350 (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.

A week before the anticipated bid opening, RJN requested the bid date be postponed so that more contractors would have the opportunity to bid on the project, which would increase the competitiveness of the bids. Therefore, the bid opening has been postponed to March 15, 2023.

Unless additional items arise that would require an April EOC meeting, staff would intend to send an email poll with the results of the bid opening, and request approval that would be retroactively approved at a future EOC meeting.

Mr. Streicher referred this item to Mr. Henning as this item was intended to be on the agenda for approval, but the bid date had to be pushed back.

Mr. Henning advised that back in 2018 and 2019 sewer and manhole inspections were performed on much of the system and based on those inspections there were certain areas of the system that warranted cleaning and/or pipe lining over the course of the next two (2) years that involve two (2) main sections. Mr. Henning stated that Phase 1 of the project was initially advertised on January 23, 2023, unfortunately it did not receive as much bid interest as expected, so the bid opening was pushed back until March 15th. Mr. Henning indicated that the Engineer did state they had received more interest in the project as a result of the postponement. Mr. Henning advised that the intent would be do an email poll for approval once the bid opening has occurred and then retroactively have the EOC

Committee approve at a future EOC Committee meeting. Mr. Henning noted that the first phase of the work will be the St. Charles Road area where the contractor will be cleaning and pipelining; and the second phase, with engineering, will take place in 2024 that goes down along 355 and a larger main section that goes under the tollway

Mr. Franz asked what the value of the work to be done is. Mr. Streicher stated that the engineer's estimate for this section is \$360,000 with alternate options; and based on estimates last year, \$310,000 was budgeted, which did not include any of the alternates. Mr. Streicher added that depending on the bid results, the project may proceed with the alternate options included. Mr. Streicher advised that, here again, there will be a mid-year reconciliation of the Capital Budget fund to determine if any projects need to be deferred or removed.

Mr. Niehaus noted that the Village of Lombard held two (2) bid openings in recent days, while not for pipe work like GWA, the proposals came in at or near the engineering estimates. Mr. Streicher inquired as to who the engineering company on the projects were. Mr. Goldsmith noted that one project was CivilTech and involved utility improvement work where the engineer's estimate was \$3.1 million and came in at \$2.9 million; and the other was their downtown sidewalk project was estimated at \$2.7 million and came in \$2.81 million. Mr. Buckley noted that the Village of Glen Ellyn, just had bid openings on Phase 2 of the streetscape project which CivilTech estimated at \$17.1 million, the Village's staff estimate was \$16 million and the bid came in at \$16.3 million.

Mr. Goldsmith asked what the method of pipe rehabilitation was going to be, cure in place or spray lining. Mr. Streicher responded that the final decision will be up to the contractor, but the two (2) methods outlined are UV cured, as it can be done much quicker, while traditionally more expensive, when working with the larger diameter piping it becomes comparable to the traditional cure in place, which is the second option. Mr. Streicher added that the manhole alternate is spray-in lining. Mr. Streicher noted that the manholes were due to be addressed as part of Phase 2 work, which has an estimated cost of \$650,000, but if the work can be completed in Phase 1, Phase 2 costs will be reduced. Mr. Goldsmith noted that if the manholes are removed, the Village of Lombard does have an annual manhole rehabilitation program and offered the opportunity for GWA to be included in the upcoming bidding process. Mr. Streicher explained that the thought process was that while the by-pass pumping was taking place it might be the opportune time to get the work completed.

Mr. Niehaus asked for confirmation this item was for discussion only. Mr. Streicher confirmed that as the bid opening had been pushed back, the intent was to discuss everything here and have everyone on board, then be able to do an email poll for approval once the bid is received and not schedule an EOC

Committee meeting just for the contract approval, if there are no other agenda items.

9.2 United States Environmental Protection Agency (USEPA) Administrative Order of Consent (AOC)

Mr. Streicher stated that in January 2022, GWA was visited by the US Environmental Protection Agency for a performance compliance inspection, which are performed every ten (10) to fifteen (15) years. Mr. Streicher explained that they spent several days reviewing GWA's pretreatment process with GWA's Environmental Resources Coordinator, Ashley Staat, and found what they called "deficiencies", none of which were major. Mr. Streicher continued by stating that the issues mainly involved language within the pretreatment permits that GWA issues to industrial users, as well as an issue with new sewer use ordinance that was passed by the Village of Lombard, where the Hexavalent Chromium limit was supposed to be omitted, but was still included. Mr. Streicher advised that the biggest issue the USEPA had with the pretreatment program related to their lack of understanding of the uniqueness of GWA being an Authority operated by the Villages, compared to the traditional sanitary districts who have more leverage of their satellite communities; and therefore, they did not understand the enforcement aspect of it. Mr. Streicher explained that even though GWA has had these performance compliance inspections before, and the IGA regarding the pretreatment program largely has not changed, one of the main comments was seeking more language re-enforcing that GWA is the agency implementing the pretreatment program. Mr. Streicher advised that as of right now, GWA has been in discussions with the USEPA and has retained legal counsel, who specializes in environmental issues, for which their services do not come cheap, as GWA has received their first invoice, and the amount wiped out the annual budget for legal services.

Mr. Franz asked if the firm was separate from GWA's general counsel. Mr. Streicher advised that it is a firm that has extensive experience in handling AOC's, and has handled approximately a half dozen in the last year, and are efficient in working with the USEPA on matters such as this. Mr. Streicher added that at this point, GWA has only received a draft AOC, which gave GWA the opportunity to comment on the draft, meet with USEPA, give our justification for the comments and hopefully have everything resolved and GWA can avoid the issuance of any formal AOC with their assistance. Mr. Streicher indicated that Ashley Staat has already taken steps to address approximately 75% of the USEPA's comments, which mainly related to nomenclature discrepancies, for example, on the industrial permits GWA issues, they are valid for five (5) years, March 1st to March 1st, which the USEPA responded is equal to five (5) years and one (1) day and told us to fix the date range to be March 1st to February 28th. Mr. Streicher continued by stating that at a conference with the USEPA, it was shown

that most of these items have been addressed, and Mr. Goldsmith was helpful in getting the Hexavalent Chromium removed from the Village of Lombard's sewer use ordinance. Mr. Streicher advised that the only major remaining item is revisions to the IGA; however, GWA has asked the USEPA if this can be worked on separately and avoid the issuance of an AOC altogether. Mr. Streicher indicated that there has not been any indication how the USEPA will respond to this request, as they pretty much see things as "black and white" and their mechanism to get agencies into compliance is by issuing AOC's; therefore, it is a possibility that a formal AOC will be issued, but the document is not a violation notice, but is more of an agreement to follow their orders. Mr. Streicher indicated that if GWA does not agree to it, then GWA will get violations and fines.

Mr. Streicher noted this is a discussion only item at this time and is intended to bring everyone up to speed on the matter.

Mr. Franz commented that it was a good idea to hire the attorney. Mr. Streicher advised that it was the same attorney that GWA hired when the EPA issued the odor violation during the digester upset in 2018 and believes they were hired for another issue prior to his time with GWA. Mr. Streicher stated they are the "go to" attorneys for issues with the EPA and USEPA.

Mr. Buckley asked if there was a timeframe within which the Villages need to have their ordinances updated by. Mr. Streicher responded that according to the draft AOC, GWA has a 365-day period and does not anticipate that number being changed if they leave that item in the final document.

Mr. Goldsmith noted that GWA had sent over a draft to the attorney for the Village of Lombard to review, which their attorney had approved, and asked if GWA was waiting for the USEPA to approve it. Mr. Streicher confirmed GWA is waiting for a response on whether the USEPA will accept the revisions; however, he had not received any response from the Village of Glen Ellyn. Mr. Buckley indicated he had held off on it until the matter was closer to that point. Mr. Streicher noted that suggested language from the Village of Lombard's attorney was added in the document. Mr. Buckley asked if the AOC would be issued after the 365 days. Mr. Streicher explained that USEPA would issue the AOC and then GWA would have 365 days from the date of issuance to resolve the matter. Mr. Buckley asked if there was a timeframe of when the AOC would be issued. Mr. Streicher indicated there was not; however, since it took them a year to issue the draft AOC, it may be some time before they issue the final AOC and GWA will get to see a second draft before the final AOC is sent. Mr. Streicher continued by stating that he expects there is plenty of time before any formal action needs to be taken, and is actually hoping that they will not issue a final AOC, and say as long as GWA addresses the terms in the IGA, and then use some other mechanism to make sure we comply with their regulations, especially since staff has already demonstrated work is being done to address the issue.

9.3 Emergency Purchase Authorizations related to Screw Pump Failures

In mid-February 2023 the gearbox on one of the Authority's three intermediate screw pumps suffered a critical failure. The intermediate screw pumps convey the process flow from the "1st stage" of biological treatment to the "2nd Stage." The bearings inside the gearbox seized, causing one of the reducing shafts to shear apart. The gearboxes are routinely inspected and maintained, although this failure was unpredictable. Per IEPA requirements, the Authority is required to maintain redundancy within the intermediate pumps, as this is an essential part of the treatment process. There is enough capacity with one pump out of service, however, the required redundancy with the third pump out of service no longer was present. This prompted staff to move forward quickly in purchasing the new parts needed to remedy the situation, as lead times on one of the parts was up to 12 weeks. The purchases related to this failure are the bearings in the amount of \$4,442.03, and the new shaft itself in the amount of \$6,980. The Authority is paying for the item to be expedited so it would arrive in at least 9 weeks instead of 12 weeks due to the lack in redundancy.

Although the likelihood of an additional screw pump failing was slim, while the East pump was out of service, emergency options were discussed amongst staff if we were to have another failure. Amazingly, on Friday, February 17th, the West Screw pump failed due to another shaft shearing; however, this time it was only the shaft coming out of the electric motor. The cost of the replacement part was \$3,984.20. These parts have a much quicker lead time and are expected to be arrive the first week of March, and the 2nd of the three screw pumps will be back in service shortly afterwards.

During investigations looking into every option available to get the quickest repair time, alternative pricing on some of the parts needed was able to be obtained, and it was shown that the Authority saved a significant amount of money over the other options – as well as a much quicker lead time. However, all purchases moved forward on an emergency basis without getting formal competitive pricing due to the criticalness of the process that has been out of service.

Furthermore, when the second screw pump is back in service, the process will still lack the required redundancy. Because of this, staff has moved forward with an emergency purchase to rent temporary pumps to leave in place until all three pumps are back in service. This pump rental is expected to be quite costly, with monthly rental costs averaging around \$40,000 (including one-time fees). Due to the lead time on the shaft, it's expected the pumps will need to be rented for approximately 8 weeks. The cost to purchase the temporary pumps instead of renting is approximately \$300,000, therefore, renting appeared to be the most

viable option. Once the final costs come in, staff will seek retroactive EOC approval for the emergency purchases.

Mr. Streicher advised that this item is for discussion at this time, however, GWA will be seeking retroactive approval for costs associated with the emergency repairs to the screw pump failures. Mr. Streicher explained that about a month ago, a bearing seized in the gearbox of the center screw pump but the gears were still trying to turn and the torque resulted in the solid main shaft shearing. Mr. Streicher stated that our system has three (3) screws pumps of which one (1) is supposed to serve as a redundant in the event one of the other two (2) fail, and at that point in time, the plant was still able to function normally, just lacking the redundancy. Mr. Streicher continued by stating these pumps have been in operation for forty (40) plus years, with one of the pumps having been replaced ten (10) years ago due to a different issue, staff felt operations would not be impacted. Mr. Streicher explained that approximately two (2) weeks later another, smaller shaft sheared on the west screw, which was the one that was replaced ten (10) years ago. Mr. Streicher stated that fortunately, this part is smaller and the lead time for replacement is approximately a week at a cost of approximately \$4,000; while the larger shaft had an 12-16-week lead time at a cost of \$18,000 from the original manufacturer. Mr. Streicher noted that while Mr. Braga was waiting for a response from the original manufacturer, he was able to locate a vendor who could supply the part in 9 weeks at a cost of \$6,500.

Mr. Streicher explained that as a result of the two (2) screw pumps going down, staff found themselves in experimental territory by trying things that had never been tried and only did so as a result of being forced to make some process changes, which, produced some interesting results. Mr. Streicher continued by stating that staff also began immediately looking for emergency pumping options so the plant would be prepared for any high-flow events.

Mr. Niehaus asked if it would be beneficial to purchase a pump like the ones being used and have it on a shelf for future use. Mr. Streicher advised that there are plans to replace these pumps next year. Mr. Niehaus stated that his was asking about having the parts on hand in storage versus replacement. Mr. Streicher indicated that it is very rare that two (2) pumps fail.

Mr. Franz asked what was the cause of the failure ten (10) years ago. Mr. Streicher stated that it is his understanding that the lower bearing failed and caused the screw pump to walk into the building. Mr. Braga clarified that the lower bearing was lifted off its pedestal. Mr. Niehaus requested that the TAC Committee discuss and evaluate the feasibility and viability of purchasing the spare parts that are currently being replaced and having it in storage. Mr. Streicher added that the status of entire intermediate pump station, is somewhat up in the air as to whether or not to rehab the entire system, as the process may no longer be needed as we convert to a biological phosphorus nutrient removal

process; and is something that needs to be taken into consideration as well. Mr. Streicher stated that in the meantime, with only having one (1) screw pump in operation, the Operations, Maintenance and Electrical teams immediately began looking at a rental by-pass pumping operation and determined that Xylem was the only source that could provide the proper equipment to fit GWA's needs. Mr. Streicher explained that staff moved forward on an emergency basis to get everything setup and operational. Mr. Streicher advised that GWA is renting the equipment and anticipates the cost being around \$80,000 for the period of time it will be needed. Mr. Streicher did state that two (2) screw pumps are currently in operation, but GWA is still left without redundancy if one (1) of these should happen to fail, and the temporary set-up will serve as the back-up if another failure occurs before the third screw pump is back in operation.

Mr. Streicher expressed his appreciation to the GWA staff who stepped up and pulled everything together; adding that staff had been given the impression that Xylem would be assembling everything upon delivery, only to have the work fall on GWA staff.

Mr. Streicher explained that GWA had investigated purchasing a 10-inch pump like the ones being rented, but the cost was \$100,000 and had a 12-16-week lead time, which left renting as the best option to move forward with. Mr. Streicher added that GWA staff was more than willing to jump in and help install everything in three (3) days' time.

President Senak asked if there was any indication as to what caused both failures, issues with the system, lack of maintenance, etc. Mr. Streicher explained that the first failure was due to a bearing seizing up and there is documented history of routine maintenance being performed regularly, meaning the oil in the gearbox is being changed out properly. Mr. Braga indicated that the second failure was most likely the result of a crack in the shaft, which GWA staff had no of way detecting, since they are not able to perform non-destructive testing and were not able to see the crack through any other means. Mr. Braga added that staff had replaced a seal and bearing during a routine PM, and the bearing ran for a month-and-a-half before the shaft sheared off.

President Senak asked if there was any recourse against the manufacturer as a result of a fault in the manufacturing process. Mr. Streicher stated that there is not, as one part that failed is nine to ten (9 to 10) years old and the other is 40. Mr. Buckley asked if there is any NDT processing as far as inspecting items on a regular basis. Mr. Braga advised there is not, as GWA does not have the means or equipment to perform the testing. Mr. Braga added that staff did learn that the gearbox for the west screw pump, the second one that broke, was more of a custom set-up designed by the manufacturer, who made the screw pump deciding to go with a longer input shaft that would house a mechanical fan that would blow air across the gears and cool the box itself. Mr. Braga stated that in

speaking with the manufacturer directly, who helped him find out that the part was an optioned part and not a standard shaft, he was advised that the standard-length shaft could be installed as the temperature in the building is cool enough that the gear box will work without the fan. Mr. Braga added that this allowed his staff to piece and part everything back together more quickly, making it stronger. Mr. Streicher added that there is now less stress on the shaft with the shorter length. Mr. Streicher noted that the Maintenance Department did purchase an NDT kit that will help find any future cracks before parts suffer a catastrophic failure by using a contrasting paint that will reveal any cracks.

Mr. Franz expressed his appreciation for staff's ability to adjust and keep things operational; however, evaluating this and coming up with different options since this has happened twice in ten (10) years gives everyone pause and would like to hear what a long-term solution might be. Mr. Streicher stated that the failure ten (10) years ago was due to a lack of maintenance and resulted in disciplinary repercussions; whereas this time, the events were truly freak events that no one could have predicted both failures would occur at the same time. Mr. Streicher noted that he had spoken with the Operations Superintendent, Andrew Pakosta, about making operational adjustments, appreciated Maintenance for stepping-up and performing as much work in house as possible, and Electrical for accommodating the electrical needs of the temporary pumps.

President Giagnorio department the meeting at 8:35 a.m.

9.4 Investment Allocation

Village of Glen Ellyn Finance Director Larry Noller will inform the Executive Oversight Committee of investment strategies that will enable the Authority to gain more interest income on certain investments.

Mr. Streicher noted that he would be passing this item over to Larry Noller, the Finance Director for the Village of Glen Ellyn.

Mr. Noller explained that with the interest rates being what they are right now, the policy for GWA is to maintain up to 40% into each of our public investment pools and the other 20% has been traditionally in the checking account which does not earn any interest. Mr. Noller stated that he made the decision to move more of the cash into Illinois Funds, so the investment amount is now up to 60%. Mr. Noller added that investment policy allows such transactions when it is advantageous to the Authority, but the EOC Committee must be notified.

President Senak asked where the other 40% was invested. Mr. Noller stated the funds are in IMET. President Senak asked what fund is being increased to 60%. Mr. Noller explained that the increase is to the Illinois Funds portion of the investments. Mr. Noller added that for a perspective, the Village of Glen Ellyn's

policy is up to 75%. Mr. Noller noted that he is looking into a potential third option to help spread the investments over three (3) pools instead of two (2).

10. Other Business

10.1 Technical Advisory Committee Updates

11. ***Next EOC Meeting*** – The next regularly scheduled EOC Meeting is set for ***Thursday, April 13, 2023 at 8:00 a.m.***

Mr. Streicher noted that if the email poll can address the contract for the Interceptor work, then there is the potential to forego the April meeting and keep the one scheduled for May 11th.

Mr. Niehaus made the motion to adjourn the March 9, 2023 EOC Committee meeting and Mr. Buckley seconded the MOTION. President Senak, Trustee Bachner, Mr. Niehaus, Mr. Franz, Mr. Goldsmith and Mr. Buckley, responded “Aye” during a roll call. The motion carried. The meeting adjourned at 8:38 a.m.