

MINUTES

The monthly meeting of the Downers Grove Sanitary District Board of Trustees was held on Tuesday, May 10, 2011, convening at 7:00 p.m. The meeting was held at the District's Administration Center, 2710 Curtiss Street, Downers Grove. Present were President Donald E. Eckmann, Trustee Wallace D. Van Buren, Trustee Edward C. Richard, General Manager Nicholas J. Menninga, Administrative Services Director W. Clay Campbell, Sewer Construction Supervisor Theodore T. Cherwak, Board of Local Improvements Members W. Robert Ivarson, Jr., Kenneth J. Rathje and Robert T. Jungwirth, and Attorney Michael C. Wiedel.

Minutes of Regular Meeting – April 12, 2011

A motion by Trustee Richard seconded by Trustee Eckmann was made approving the minutes of the regular meeting held on April 12, 2011, as presented. The motion carried.

Minutes of Executive Session – April 12, 2011

A motion by Trustee Richard seconded by Trustee Eckmann was made approving the minutes of the executive session held on April 12, 2011, as presented. The motion carried.

Claim Ordinance No. 1781

A motion by Trustee Richard seconded by Trustee Eckmann was made adopting Claim Ordinance No. 1781 in the total amount of \$834,551.72 as presented and authorizing the President and Clerk to sign same. The motion carried. (Votes recorded: Ayes–Eckmann, Van Buren and Richard.)

Public Comment - None

Elections and Appointments

The following elections and appointments were made: A motion by Trustee Van Buren seconded by Trustee Richard was made nominating Donald E. Eckmann as President, closing the nominations for President and electing by unanimous consent Donald E. Eckmann as President. The motion carried. A motion by Trustee Richard seconded by Trustee Eckmann was made nominating Wallace D. Van Buren as Vice President, closing the nominations for Vice President and electing by unanimous consent Wallace D. Van Buren as Vice President. The motion carried. A motion by Trustee Van Buren seconded by Trustee Eckmann was made nominating Edward C. Richard as Clerk, closing the nominations for Clerk and electing by unanimous consent Edward C. Richard as Clerk. The motion carried. A motion by Trustee Richard seconded by Trustee Van Buren was made appointing William Clay Campbell as Assistant Clerk. The motion carried. A motion by Trustee Van Buren seconded by Trustee Richard was made appointing Nicholas J. Menninga as General Manager. The motion carried. A motion by Trustee Richard seconded by Trustee Van Buren was made appointing William Clay Campbell as Treasurer. The motion carried. A motion by Trustee Van Buren seconded by Trustee Richard was made appointing Baxter and Woodman, Inc. as engineers for the District sewer system and Wastewater Treatment Center. The motion carried. A motion by Trustee Richard seconded by Trustee Van Buren was made

appointing Wiedel, Hudzik, Russ and Philipp as attorneys for the District. The motion carried. A motion by Trustee Van Buren seconded by Trustee Richard was made appointing W. Robert Ivarson, Jr., Kenneth J. Rathje, and Robert T. Jungwirth as members of the Board of Local Improvements. The motion carried.

Sanitary Service Repairs Agreement – 2011 Amendment

General Manager Menninga presented Amendment No. 4 to the Sanitary Service Repairs Agreement with Uno Construction Company, Inc. This contract was awarded in 2007 and allows for an annual extension of the contract for up to a total of five years upon the mutual written consent of the District and the contractor. The contract also provides for annual adjustments to the unit prices based upon the greater of 3% or 100% of the change in the CPI-U from the prior year. The calculated CPI-U value, per the Agreement is an increase of 1.2%, which would then result in Uno Construction being offered a default increase of 3%. Staff negotiated with Uno Construction to extend this contract from 2011 to 2012 with a 2.5% increase in unit prices. Therefore, Amendment No. 4 will extend the contract for one year and increase the unit prices by 2.5 percent for all work performed from July 1, 2011 through June 30, 2012. A motion by Trustee Van Buren seconded by Trustee Richard was made approving Amendment No. 4 to the Sanitary Service Repairs Agreement with Uno Construction Company, Inc. and authorizing the General Manager and Assistant Clerk to sign same. The motion carried. (Votes recorded: Ayes–Eckmann, Van Buren and Richard.)

Sanitary Sewer and Service Grouting Program Agreement – 2011 Amendment

General Manager Menninga presented Amendment No. 3 to the Sanitary Sewer and Service Grouting Program Agreement with National Power Rodding. This contract was awarded in 2008 and allows for an annual extension of the contract for up to a total of five years upon the mutual written consent of the District and the contractor. The contract also provides for annual adjustments to the unit prices based upon the greater of 3% or 100% of the annual change in the CPI-U from the prior year. Staff negotiated with National Power Rodding to extend this contract from 2011 to 2012 with a 1.2% increase in unit prices. Therefore, Amendment No. 3 would extend the contract for one year and increase the unit prices by 1.2% for all work performed from July 1, 2011 through June 30, 2012. A motion by Trustee Van Buren seconded by Trustee Richard was made approving Amendment No. 3 to the Sanitary Sewer and Service Grouting Program Agreement with National Power Rodding and authorizing the General Manager and Assistant Clerk to sign same. The motion carried. (Votes recorded: Ayes–Eckmann, Van Buren and Richard.)

Drendel, Cross and Ogden Sewer Final Change Order

General Manager Menninga presented Change Order No. 2 to the Drendel, Cross and Ogden Sewer Extension contract with Archon Construction Co., Inc. for an increase in the contract price of \$20,118.38 and extension of the final completion date to June 1, 2011. This project, funded by the American Reinvestment and Recovery Act, is substantially complete and in full operation. A portion of the project was constructed as a special assessment, while a portion is being funded directly by the District as an improvement to the system to accommodate this and future sewer extensions. The net increase of the project cost is \$20,118.38, or 3.4% of the original contract cost. The District-funded portion of the project had an increase of \$24,179.77, while the special assessment portion had a reduction of \$4,061.39. A motion by Trustee Van Buren seconded by Trustee Richard was made approving Change Order No. 2 to the Drendel, Cross and Ogden Sewer Extension contract with Archon Construction Co., Inc. for an increase in the contract price

of \$20,118.38 and extension of the final completion date to June 1, 2011, and authorizing the General Manager to sign same. The motion carried. (Votes recorded: Ayes–Eckmann, Van Buren and Richard.)

Employee Group Insurance

Administrative Services Director Campbell reviewed the information regarding the June 1, 2011 renewal of the District's employee group insurance benefits plan including medical, dental and vision coverage. He recommended that the District renew its medical insurance coverage with Humana with changes in plan design, renew the dental coverage with Humana Specialty Benefits and continue with the second year of vision coverage with Humana Specialty Benefits. These renewals will result in an annual premium increase of 6 percent, and a six-year annual average percentage premium increase of 2.97 percent. He also recommended that the District offer two optional choices for the employees for their medical coverage, as outlined in his memo, with the employee to pay the additional premium cost. A motion by Trustee Van Buren seconded by Trustee Richard was made approving staff's recommendation for the District to renew employee group medical insurance coverage with Humana with changes in plan design, renew the dental coverage with Humana Specialty Benefits and continue with the second year of vision coverage with Humana Specialty Benefits. The motion carried. (Votes recorded: Ayes–Eckmann, Van Buren and Richard.) A motion by Trustee Van Buren seconded by Trustee Richard was made approving staff's recommendation for the District to offer two optional choices for the employees for their medical coverage with the employee to pay the additional premium cost. The motion carried. (Votes recorded: Ayes–Eckmann, Van Buren and Richard.)

Investment in Certificate of Deposit – Community Bank of Downers Grove

Administrative Services Director Campbell presented a certificate of deposit with a term of six months in the amount of \$250,000 that staff had invested with Community Bank of Downers Grove on May 2, 2011. This certificate of deposit is secured by the Federal Deposit Insurance Corporation. A motion by Trustee Richard seconded by Trustee Van Buren was made ratifying the actions of staff on behalf of the District to open a certificate of deposit in the amount of \$250,000 with Community Bank of Downers Grove at an interest rate of 0.30 percent and a term of six months. The motion carried. (Votes recorded: Ayes–Eckmann, Van Buren and Richard.)

Investment in Money Market

Administrative Services Director Campbell reviewed his memo dated May 6, 2011 regarding a proposed alternative investment with Bridgeview Bank, a local financial institution that previously held District certificates of deposit. The proposed investment is a money market account that will allow staff the flexibility to acquire the best possible return on District funds, while maintaining Federal Deposit Insurance Corporation protection. A motion by Trustee Van Buren seconded by Trustee Richard was made authorizing staff to open a BusinessFirst Money Market Account during May 2011, with a balance not to exceed \$250,000 at any time, with Bridgeview Bank at an interest rate of 20 basis points above the Bank's Money Market account daily rate for up to six months. The motion carried. (Votes recorded: Ayes–Eckmann, Van Buren and Richard.)

Annexation Ordinance No. AO 2011-01 – 5101 Thatcher, Downers Grove

President Eckmann recused himself from discussion and voting on this item. Sewer Construction Supervisor Cherwak presented Annexation Ordinance No. AO 2011-01 for the annexation of one commercial lot located at 5101 Thatcher, Downers Grove. A motion by Trustee Richard seconded by Trustee Van Buren was made adopting Annexation Ordinance No. AO 2011-01 as presented and authorizing the President and Clerk to sign same. The motion carried. (Votes recorded: Ayes–Van Buren and Richard, Trustee Eckmann-recused.)

Annexation Ordinance No. AO 2011-02 – 1134 Palmer, Downers Grove

Sewer Construction Supervisor Cherwak presented Annexation Ordinance No. AO 2011-02 for the annexation of one single family lot located at 1134 Palmer, Downers Grove. A motion by Trustee Van Buren seconded by Trustee Richard was made adopting Annexation Ordinance No. AO 2011-02 as presented and authorizing the President and Clerk to sign same. The motion carried. (Votes recorded: Ayes-Eckmann, Van Buren and Richard.)

Upon a motion by Trustee Van Buren seconded by Trustee Richard the regular meeting adjourned at 8:42 p.m. The motion carried.

Approved: June 14, 2011

/s/ Donald S. Eckmann /s/
President

Attest: /s/ Edward C. Richard /s/
Clerk