

**MINUTES OF REGULAR MEETING
BOARD OF TRUSTEES
ROCK RIVER WATER RECLAMATION DISTRICT
MONDAY, NOVEMBER 27, 2017**

President Massier called the Regular Meeting of the Board of Trustees of the Rock River Water Reclamation District to order at 5:15 p.m. in the Board Room at the Graceffa Administration Building, 3501 Kishwaukee Street, Rockford, Illinois. The following Trustees were present, representing the full membership of the Board:

| | |
|-----------------|-----------------|
| Donald Massier | President |
| Elmer Jones | Vice President |
| Rick Pollack | Clerk/Treasurer |
| John F. Sweeney | Trustee |
| Ben Bernsten | Trustee |

Staff present: Timothy S. Hanson, District Director; Joseph W. Hanley III, Esq., General Counsel; Christopher Baer, Engineering Manager; Larry McFall, Plant Operations Manager; Jim Reader, Supporting Services Manager; Chris Black, Business Manager; Michael Robertson, ITS Supervisor; Susan Skinner, Legal Secretary, and Deborah Lyons, Executive Services Coordinator.

President Massier stated the meeting was being recorded.

Trustee Pollack moved to approve the minutes for the Regular Meeting of October 23, 2017; seconded by Trustee Sweeney; motion passed upon roll call as follows:

| | |
|----------------|-----|
| Ben Bernsten | Aye |
| Elmer Jones | Aye |
| Donald Massier | Aye |
| Rick Pollack | Aye |
| John Sweeney | Aye |

There was no WinGIS report.

Trustee Pollack stated the Investment Report showed the District had \$22,830,432.50 Total Funds invested for the month of October and earned interest in the amount of \$22,693.41. Report placed on file.

Trustee Pollack moved to approve Total General Fund Expenditures to Be Approved for the month of October 2017 in the amount of \$4,745,406.04; seconded by Trustee Jones; motion passed upon roll call as follows:

014012

| | |
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| Ben Bernsten | Aye |
| Elmer Jones | Aye |
| Donald Massier | Aye |
| Rick Pollack | Aye |
| John Sweeney | Aye |

Engineering Manager Baer reported no change in the status of the agreements for McDonald Creek Trunk South Branch or McCurry Road Trunk Sewer Phase 4. There has been some movement on the W. State Street Reconstruction, Phase 2 project, but it is slow moving. Internally, staff is discussing any possible changes to the existing intergovernmental agreement with the City.

District Director Hanson stated the December meeting will be on the 22nd, at 10:00 a.m. and the annual party will be immediately after that.

Counsel Hanley requested discussion on the property purchase be moved to Closed Session as allowed by 5 ILCS 120/2(5) and (6).

Trustee Jones moved to approve the Plumber Bond Report for September 2017 as presented; seconded by Trustee Sweeney; motion passed upon roll call as follows:

| | |
|----------------|-----|
| Ben Bernsten | Aye |
| Elmer Jones | Aye |
| Donald Massier | Aye |
| Rick Pollack | Aye |
| John Sweeney | Aye |

| Company | Type | Bond | Expires |
|------------------------------|--------------|-------------|----------------|
| ASAP Remodeling, Inc. | Private Bond | 615990304 | 5/31/2018 |
| Ridge Plumbing Company, Inc. | Private Bond | 2367787 | 5/31/2018 |

Trustee Sweeney moved to approve the easement as presented; seconded by Trustee Bernsten; motion passed upon roll call as follows:

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|----------------|-----|
| Ben Bernsten | Aye |
| Elmer Jones | Aye |
| Donald Massier | Aye |
| Rick Pollack | Aye |
| John Sweeney | Aye |

| Project | Grantor(s) |
|---------------------------------|------------------------------------|
| Greenlee Estates PS Elimination | Roger L. Mathias & Cindi J. Wicker |

Trustee Jones moved to approve Brookview Road Sewer Rehab, CIP 1801, Change Order No. 1, extending the Contract completion date to May 1, 2018, to provide conditions for minimal disturbance to existing landscape and allow for a better quality final product on remaining work items; seconded by Trustee Bernsten; motion passed upon roll call as follows:

| | |
|----------------|-----|
| Ben Bernstein | Aye |
| Elmer Jones | Aye |
| Donald Massier | Aye |
| Rick Pollack | Aye |
| John Sweeney | Aye |

Trustee Pollack moved to authorize the Director to approve the purchase of Modeling Software and Training, CIP 1842, for an amount not to exceed \$18,000 as budgeted under the Capital Improvement Plan, Number 1842; seconded by Trustee Sweeney; motion passed upon roll call as follows:

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|----------------|-----|
| Ben Bernstein | Aye |
| Elmer Jones | Aye |
| Donald Massier | Aye |
| Rick Pollack | Aye |
| John Sweeney | Aye |

Trustee Pollack moved to approve an Ordinance Authorizing Loan Agreement, Ordinance No. 17/18-M-09, authorizing the District to borrow funds for Fuller Creek Trunk, Phase D and Phase F, from the Water Pollution Control Loan Program for an aggregate principal amount not to exceed \$2,605,000.00, for the purpose of abandonment of Willingham Pump Station including construction of gravity sewer to connect to Fuller Creek Trunk and construction of 4,000 lineal feet of 12” diameter forcemain replacement/upgrade to Winnebago Wastewater Treatment Plant Pump Station and abandonment of Winnebago Wastewater Treatment Plant; and to approve the authorization to Borrow Funds from Water Pollution Control Revolving Loan Fund, Resolution 17/18-02; seconded by Trustee Bernstein; motion passed upon roll call as follows:

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|----------------|-----|
| Ben Bernstein | Aye |
| Elmer Jones | Aye |
| Donald Massier | Aye |
| Rick Pollack | Aye |
| John Sweeney | Aye |

Trustee Jones moved, based on the observations and evidence presented by staff, to find Jessica’s Restaurant discharged FOG in such amounts as to necessitate “increased maintenance in the collection system” and further to affirm and approve staff’s requirement that Jessica’s Restaurant install a 1,000 gallon grease interceptor with a compliance schedule of six (6) months; seconded by Trustee Pollack. After discussion and additional background being provided by staff, the motion on the floor passed upon roll call as follows:

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|----------------|-----|
| Ben Bernstein | Aye |
| Elmer Jones | Aye |
| Donald Massier | Aye |
| Rick Pollack | Aye |
| John Sweeney | Aye |

014014

Supporting Services Manager Reader stated for the month of October, North Facility crews completed 49 services; responded to 13 emergencies and one main call; and performed 4 main line point repairs, 58 restoration tickets and 38 manhole tickets. Staff is evaluating manholes differently, resulting in a report of an increase of 18 tickets. A manhole was replaced at Swedish American. TV crews televised 55,900'. Cleaning crews have completed the annual scheduled cleaning year plus 58,000' hot spots.

Business Manager Black stated for the month ending October 31, 2017, the Income Statement shows total revenue is 3% under budget year to date. O&M expenses are 3% under budget year to date. The Income Statement shows \$4,549,519 net operating income through October 31, 2017. The Statement of Cash Flows shows \$1,325,706 decrease in cash for the 2017-2018 fiscal year. General Fund cash ended the month at \$20,934,404. District had 115 full time employee positions and 113 employees on staff.

Business Manager Black stated market conditions are favorable for refunding of the 2009 Series Bonds. We have \$4.1 million in remaining principal; about \$3.5 million is refundable. The rate averages about 4.3%. Based on October's market rates, District's financial advisor estimated a total savings of \$388,000 over a 10-year period and present value savings of \$334,100, which equals 9.4% of the refunded principal. The proposed ordinance refunds the 2009 series, authorizes the issuance and sale of bonds, sets parameters for the maximum amount of bonds sold and delegates to the officers and the Director the authority to approve the bond sale. The time table has been modified due to the pending federal income tax reform bill. Staff will keep the Board apprised of the status.

Trustee Pollack moved to approve Ordinance No. 17/18-M-11 authorizing the issuance and providing for the sale by the District of not to exceed \$3,650,000 General Obligation Refunding Alternate Bonds (Sewerage System Alternate Revenue Source), Series 2018, for the purpose of refunding a portion of the District's Series 2009 Bonds; delegating to authorized officers of the District the authority to determine certain terms of the Series 2018 Bonds within limits established by the Ordinance; providing for the execution and delivery of certain documents; and concerning related matters.; seconded by Trustee Jones; motion passed upon roll call as follows:

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|----------------|-----|
| Ben Bernstein | Aye |
| Elmer Jones | Aye |
| Donald Massier | Aye |
| Rick Pollack | Aye |
| John Sweeney | Aye |

Trustee Sweeney moved to recess the Regular Meeting of the Board of Trustees to hold the Regular Meeting of the Committee of Local Improvements and to move into Closed Session in accordance with the Open Meetings Act at 5 ILCS 120/2(c), Exception Numbers 5 and 6 to discuss a property purchase, and Exception Number 11 to discuss probable or imminent litigation; seconded by Trustee Bernstein; motion passed upon roll call as follows:

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| Ben Bernstein | Aye |
| Elmer Jones | Aye |

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|----------------|-----|
| Donald Massier | Aye |
| Rick Pollack | Aye |
| John Sweeney | Aye |

The Regular Meeting recessed at 5:40 p.m.

The Regular Meeting of the Board of Trustees reconvened at 5:57 p.m. President Massier stated no decisions were made or actions taken in Closed Session.

Trustee Sweeney moved to purchase the property at 194 North Pier Drive, Machesney Park, at the price discussed; seconded by Trustee Bernsten; motion passed upon roll call as follows:

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|----------------|-----|
| Ben Bernsten | Aye |
| Elmer Jones | Aye |
| Donald Massier | Aye |
| Rick Pollack | Aye |
| John Sweeney | Aye |

There being no other business to come before the meeting, Trustee Sweeney moved to adjourn; seconded by Trustee Jones; meeting adjourned at 5:58 p.m.

Clerk