

**MINUTES OF REGULAR MEETING
BOARD OF TRUSTEES
ROCK RIVER WATER RECLAMATION DISTRICT
MONDAY, OCTOBER 22, 2018**

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:

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; Chris Black, Business Manager; Christopher Baer, Engineering Manager; Larry McFall, Plant Operations Manager; Jim Reader, Supporting Services Manager; Joseph Hanley, General Counsel; Michael Robertson, ITS Supervisor; and Susan Skinner, Executive Services Coordinator.

President Massier stated that the meeting was being recorded.

At 5:15 p.m., President Massier asked for a motion to recess the Regular Meeting to enter into Closed Session to discuss pending litigation, 5 ILCS 120/2(c)(11) and Possible Lease of District Property, 5 ILCS 120/2(c)(5). Trustee Pollack presented said motion; seconded by Trustee Jones; motion passed upon roll call as follows:

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

Trustee Jones motioned to enter into closed session; seconded by Trustee Bernsten; motion passed upon roll call as follows:

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

The Regular Meeting of the Board of Trustees reconvened from closed session at 6:31 p.m.

President Massier stated that no votes had been taken nor decisions made during the closed session.

Trustee Sweeney moved to approve the minutes of the Regular Meeting and Closed Session of September 24, 2018; seconded by Trustee Pollack; motion passed upon roll call as follows:

Ben Bernsten	Aye
Elmer Jones	Aye
Donald Massier	Aye
Rick Pollack	Aye
John F. Sweeney	Aye

Trustee Pollack stated the Investment Report reflected \$29,703,127.19 total funds invested for the month of September, 2018, and earned interest in the amount of \$41,349.34. Report placed on file.

Trustee Pollack moved to approve Total General Fund Expenditures for the month of September, 2018 in the amount of \$3,158,373.12; seconded by Trustee Sweeney; motion passed upon roll call as follows:

Ben Bernsten	Aye
Elmer Jones	Aye
Donald Massier	Aye
Rick Pollack	Aye
John F. Sweeney	Aye

Trustee Pollack moved to approve a Special Assessment fund payment of \$94.06 to Brent D. Ward, Special Assessment 127-0031; seconded by Trustee Sweeney; motion passed upon roll call as follows:

Ben Bernsten	Aye
Elmer Jones	Aye
Donald Massier	Aye
Rick Pollack	Aye
John F. Sweeney	Aye

No Disconnect Hearings.

Regarding Old Business, Engineering Manager Baer reported no changes to McDonald Creek Trunk South Branch (Machesney Park) or W. State St. Reconstruction, Phase 2.

Trustee Pollack moved to award a three-year contract for Collection Service to United Collection Service at a fee of 18% for accounts greater than or equal to \$50, and 50% for accounts less than \$50; 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

Trustee Jones moved to reject all bids presented for Cherry Valley Pump Station Wet Well Cleaning, CIP Project 1911, given the unexpected large disparity between the project estimate and the received bid amounts; 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

Trustee Jones moved to award a contract for Emergency Power Distribution Upgrades, Graceffa Administration Building, to the low, responsive, responsible bidder, Special Power, Inc., for the sum of \$39,650.00; seconded by Trustee Pollack; motion passed upon roll call as follows:

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

Trustee Pollack moved to reschedule the November 26, 2018, meeting to November 19, 2018, and beginning the meeting at 4:15 p.m.; 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

General Counsel Hanley presented an Intergovernmental Agreement coordinating, creating, staffing, funding and maintaining a comprehensive geographic information system (WinGIS). This agreement names R1PC as the lead agency. Under this agreement, the District's fees will either stay the same or be reduced. Trustee Sweeney motioned to approve; seconded by Trustee Pollack; motion passed upon roll call as follows:



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

President Massier requested a motion to add a discussion to the floor regarding a potential solar farm lease; motion made by Trustee Sweeney; seconded by Trustee Pollack; no vote required.

Trustee Pollack advised that, while a strong case has been made for the rental amount on the solar farm option, he requests that a negotiator/consultant be secured to determine whether additional percentage of profit may be negotiated for the District at the conclusion of the option and before entering into the lease. Bernsten expressed concerns regarding the terms of the agreement and whether the District is now in the best position to agree on something that it will be held to in the long-term. He stated that additional due-diligence is needed before making a decision to move ahead. Hanson suggested that the Board direct General Counsel to discuss additional profit for the District with Samsung. Massier suggested the Board vote on the option. Sweeney inquired if it would be better to have additional discussion with Samsung without voting on the option at this meeting. Bernsten expressed his desire to bring in a consultant with expertise in the industry to be sure that money is not left on the table with this deal. Trustee Jones stated that he did not want to pay a consultant.

Trustee Pollack moved to authorize the General Counsel to secure a consultant to advise whether the deal for the solar farm is appropriate based on the business terms, with consultant fee not to exceed \$30k; seconded by Trustee Bernsten; motion passed upon roll call as follows:

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

Trustee Jones moved to approve updated bonds and completed registration for the following Plumbing Contractors for September 1-30, 2018:

COMPANY		<u>BOND</u>	EXPIRATION
ASAP Remodeling, Inc.	Private	615990497	5/31/2019
Master Mart Plumbing	Private	63811610	5/31/2019
Rykowski & Sons, Inc.	Private	93JOR9682	5/31/2019

seconded by Trustee Pollack; motion passed upon roll call as follows:

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

Trustee Pollack moved to approve Fuller Creek Trunk Sewer, Phase C, CIP No. 1153, IEPA Project L17-5214, Change Order No. 6 - FINAL; approval result is final contract value of \$17,307,994.68; a net contract deduction of \$95,326.37; 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

Trustee Pollack moved to approve Change Order No. 2, Fuller Creek Phase F – Soper Street Forcemain, Capital Project 1153, IEPA L17-5306, Village of Winnebago Water Main Improvements & Westfield Culvert Replacement, resulting in new, interim deadline of October 30, 2018, for the installation of final pavement; no change to current contract price; seconded by Trustee Jones; motion passed upon roll call as follows:

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

Trustee Jones moved to approve Change Order No. 1, Fuller Creek Phase F – Pump Station Installation, Capital Project 1566, IEPA L17-5306, resulting in \$6,997.90 increase to current contract price for supply and installation of a new 400A main disconnect required by the National Electric Code after award of original contract; seconded by Trustee Pollack; motion passed upon roll call as follows:

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

Trustee Pollack moved to approve Change Order No. 2, Final Quantities, Milford Ave./IL 251 Sanitary Sewer Reroute, Capital Project No. 1935, resulting in \$2,889.40 increase to current contract price due to additions and subtractions to original bid based on actual quantities installed; seconded by Trustee Jones; motion passed upon roll call as follows:

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

Trustee Pollack moved to approve a professional services contract with SDS Engineering for the completion of an HVAC upgrade study in the amount of \$20,180.00; seconded by Trustee Jones; motion passed upon roll call as follows:

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

Trustee Pollack moved to approve a purchase order not to exceed \$18,500.00 to Terracon for collection, testing and reporting on 24 soil borings along the Cherry Valley Parallel Force Main; seconded by Trustee Jones; motion passed upon roll call as follows:

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

Plant Operations Manager Larry McFall provided a positive status for September, despite it being a very wet month. While daily average flow is approximately 32 mgd, this September, the daily average was 51.4 mgd, with one day at 92.9 mgd. The low for the month was 40 mgd. In spite of these levels, the monthly result was very good effluent quality.

Supporting Services Manager Reader provided status of activity regarding sewer main line cleaning, televising crews, pipe replacement, manhole ticket backlog breakdown and manhole restoration. Reader also reported that there were no mainline back-ups in September.

Business Manager Black reported user revenue fee was almost equal to budget MTD and 3% under budget YTD. Total revenue is 1% under budget MTD and 1% under budget YTD. Operating expenses were 2% over budget YTD, and income statement reflects \$3,312,284 in net operating income for September, 2018. Cash increased \$8,246,738 for the 2018-19 fiscal year. General fund cash total at the end of the month was \$30,912,022. Total number of authorized full-time positions is 116; 114 filled as of September 30.

Black advised that, per an IGA with the City of Loves Park, the District will add a quarterly fee of \$6.38 to sewer bills of Loves Park users to recoup funds reimbursed to the City for the cost of ERT units. Accordingly, Trustee Pollack moved to approve Amended Combined Rate Ordinance 17/18-R-03.; 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

Trustee Pollack moved to approve Ordinance No. 18/19-B-01, Rock River Water Reclamation District Public Benefit Chlorination and Corporate Tax Levy, increasing the levy to capture the property tax revenue generated by the Village of Winnebago annexation; seconded by Trustee Sweeney; motion passed upon roll call as follows:

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

Trustee Pollack moved to approve the renewal of 2019 Health, Dental and Life Insurance Rates; 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

Trustee Sweeney moved to adjourn the Regular Meeting; seconded by Trustee Pollack; motion passed upon roll call as follows:

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

The Regular Meeting of the Board of Trustees adjourned at 7:18 p.m.


Clerk