

**MINUTES OF REGULAR MEETING
BOARD OF TRUSTEES
ROCK RIVER WATER RECLAMATION DISTRICT
MONDAY, FEBRUARY 26, 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
Rick Pollack	Clerk/Treasurer
John F. Sweeney	Trustee
Ben Bernsten	Trustee
Elmer Jones	Absent

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 Assistant; and Deborah Lyons, Executive Services Coordinator.

President Massier stated that the meeting was being recorded.

Trustee Pollack moved to approve the minutes for the Regular Meeting of January 22, 2018; seconded by Trustee Bernsten; motion passed upon roll call as follows:

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

There were no requests for Public Participation & Correspondence/Possible Board Action and no Appearances Before the Board.

Trustee Pollack stated the Investment Report showed the District had \$21,254,559.10 Total Funds invested for the month of January and earned interest in the amount of \$22,861.79. Report placed on file.

Trustee Pollack moved to approve Total General Fund Expenditures for the month of January 2018 in the amount of \$2,428,853.87; seconded by Trustee Bernsten; motion passed upon roll call as follows:

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

Trustee Pollack advised that two Disconnect Hearings were heard February 20, 2018, but neither of the two required entities attended the hearings. As such, General Counsel has prepared an Order to be mailed to them advising that services may be shut off if they do not comply. General Counsel Hanley advised that, as the Hearing Officer, Trustee Pollack is required to provide his opinion to the full board, and the action of moving forward with shut-off may take place prior to the next Board Meeting.

Engineering Manager Baer reported no change in the status of the McDonald Creek Trunk South Branch or W. State Street Reconstruction, Phase 2. However, the District reached out to the Village of Roscoe to ascertain whether there is continued interest in pursuing the McCurry Road Trunk Sewer, Phase 4 agreements. To date, the District has not received a response. Baer will follow-up at next Board Meeting.

Trustee Sweeney moved to award the contract for Manhole Frames, Lids and Rings, Bid No. 18-203, to the low responsive and responsible respondent, Neenah Foundry, for a contract cost of \$97,100.00 for a one-year term; seconded by Trustee Bernsten; motion passed upon roll call as follows:

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

Staff advised that one of the two bids received for Uniform Rental and Cleaning Service was not deemed responsive (Cintas). Trustee Pollack inquired as to the reason and also asked the name of the previous year's supplier (Aramark). Staff explained that Cintas purchased G&K and made subsequent changes to the bid language, including insurance requirements and other terms making it difficult to ascertain whether the changes were compliant with the District's best interest. In an effort to ensure at least two bidders for future contracts, District plans to reach out to Cintas to determine whether Cintas can develop some comfort with District's standards so that they may be considered in the future. In response to Trustee Bernsten's inquiry as to the annual cost of uniforms and mats, staff replied that uniform cost is approximately \$25-27k plus approximately \$11k for mats.

Trustee Pollack moved to award the contract for Uniform Rental and Cleaning Service, Bid No. 18-210, to the low responsive and responsible respondent, Aramark Uniform Services, in accordance with bid amounts for a 36-month period. Award recommendation is based on a 3.7 percent increase from 2015 rates and is based on five changes per week prices per clothing item and one change per week price for floor mats. Seconded by Trustee Bernsten; motion passed upon roll call as follows:

Ben Bernsten	Aye
Donald Massier	Aye

Rick Pollack	Aye
John Sweeney	Aye

Trustee Sweeney moved to award the contract for Landfill Service, Bid No. 18-208, to the low responsive and responsible respondent, Advance Disposal Services, for the cost of \$18.00 per ton for grit screenings and \$26.00 per ton for general refuse for a 24-month term; seconded by Trustee Bernsten; motion passed upon roll call as follows:

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

In consideration of the bid for Security Service, Trustee Pollack inquired as to the level of training completed by the respondents, whether they are armed and the number of security events which have taken place at the District. Staff replied that the State of Illinois requires a minimum level of guard-service training; however, the District requires significant post-orders from contracted security providers. Also, it is likely that the new company will employ the guards currently providing service at the District, as this has been common practice in the past. There have been no significant security events at the District in at least 20 years.

Trustee Pollack moved to award the contract for Security Service, Bid No. 18-209, to the low responsive and responsible respondent, H.L.S.A., Inc., for the cost of \$495,378.00 for a 36-month term; seconded by Trustee Bernsten; motion passed upon roll call as follows:

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

After a provider for Sodium Hypochlorite Solution Supply had been approved at the January 22, 2018 Board Meeting, the selected provider subsequently discovered it had bid on the incorrect material. As such, a complete re-bid was conducted. An alternate provider (which is also the current provider) is being recommended.

President Massier noted that the recommended provider's new price is an approximate 20 percent increase from the current contract price. Plant Operations Manager McFall explained that pricing is related very closely to energy costs.

Noting the geographic location of one bidder, Trustee Bernsten inquired whether there are a limited number of relevant suppliers, thereby reducing the number of bidders. McFall replied that there was a third bidder that was disqualified, and that the District is picking up the majority of suppliers which produce the product.

Trustee Pollack moved to award the contract for Sodium Hypochlorite Solution Supply, Bid No. 18-213, to the low responsive and responsible respondent, Vertex Chemical Corporation, for the cost of \$.81 per gallon for a one-year term; seconded by Trustee Bernsten; motion passed upon roll call as follows:

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

Director Hanson announced that Debbie Lyons, Executive Services Coordinator, will retire March 23, 2018. Hanson thanked Lyons for her diligent and faithful service for 28 years and recognized that she has supported the RRWRD Board of Trustees for many years. On behalf of the Board, President Massier thanked Lyons, noting her skill at keeping the Board activity in order and providing great support to the Board members. Massier presented Lyons with a plaque, offered his congratulations on behalf of the Board, and said that she will be missed. Hanson invited everyone to attend a reception in Lyons' honor on March 23, 2 p.m., in the RRWRD Board Room.

General Counsel Hanley advised that he had two agreement extensions for Board consideration.

The first extension is the Baxter Road Cooperative Sanitary Sewer Extension Agreement. The developer is Rock 39 LLC, a subsidiary of VentureOne. The development includes six homes which are not served by District sewer. The District had included a requirement that VentureOne provide the homes with service within a defined timeframe. The initial time requirement expired and was extended. Currently, the Board is requested to approve an additional extension of five years. VentureOne is actively working to purchase the properties, thereby eliminated the need to provide service. If the purchases are not complete prior to the expiration of the five-year extension, VentureOne must provide service to the homes as the Agreement requires. Trustee Pollack moved to approve the extension; seconded by Trustee Bernsten; motion passed upon roll call as follows:

Ben Bernsten	Aye
Don Massier	Aye
Rick Pollack	Aye
John F. Sweeney	Aye

The second request is the Loves Park Corporate Center Sewer Extension & Service Connection Agreement, Amendment No. 2. The developer is LP Silverfox, LLC. Initially, the developer requested not to extend the sewer to the northernmost portion of the development (pursuant to Titles 4 and 5). In exchange, the District required that, if the northernmost portion were to be developed at any time, the developer would have to serve it from the neighboring basin. To date, there is no plan for additional northern development; however, the developer is requesting a five-year extension to the Agreement. Trustee Pollack moved to approve the extension; seconded by Trustee Bernsten; motion passed upon roll call as follows:

Ben Bernsten	Aye
Don Massier	Aye
Rick Pollack	Aye
John F. Sweeney	Aye

Engineering Manager Baer reported that there are no Plumbers Bond Reports, Easements or Annexations to consider this month.

Engineering Manager Baer presented a revision to the District Encroachment Policy. Previous revision was not clear as to which items are to be brought to the Board. Revised version provides clarity as to which decisions may be made at staff level with more significant situations presented for Board consideration. This new revision also changes from an Administrative Policy to a Board Policy.

Trustee Sweeney inquired whether, for example, if District staff declines a resident's request to build a fence which encroaches on a District easement, is there an appeal process the resident may follow? Baer replied that, unless a plat specifically allows for building on a District easement, no building of any kind is allowed on a District easement. If a resident wants to build, they would request (and pay the fee for) a variance, the District would consider and work with the request as much as possible. In more significant cases, the situation would be brought to the Board. If staff were to decline the request, the requestor may present their case to the Board. General Counsel Hanley added that, if the Board were to deny the request, the requestor could bring the concern to court.

Trustee Pollack moved to approve the revised District Encroachment Policy; seconded by Trustee Bernsten; motion passed upon roll call as follows:

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

Plant Operations Manager McFall updated the Board on a situation which occurred the previous week where ice formed on a manhole physically removed the cover, creating a breach allowing significant water to flow into the plant. Due to the extreme water flow, the weekly average limit of aeration solids flowing into the river was exceeded. The total number of pounds allowed may also have been exceeded. McFall advised State. Supporting Services worked tirelessly to find the source of the breach, which they located late Tuesday evening. McFall and Supporting Services Manager Reader highly praised the recovery effort put forth by District staff, in particular Greg Cassaro, Brian Markgraf and their teams working in dangerous, difficult areas and for long hours. Reader also credited Soppa's Tree Service for their exemplary service. Director Hanson added that it's time like these emergencies when the skills and expertise of the operators are most clearly evident. He highly commended the team effort of all involved. He expressed his pride for all involved. President Massier asked that the Board's appreciation be communicated to all involved.

Supporting Services Manager Reader reported that January was a good month, with only four main line back-ups after a record low. In the past 18 years, there have only been four times there have been less than this level. Historically, after the holidays, cooking residue is higher in the lines, creating back-ups. Trustee Bernsten asked what communications are made to residents with regard to minimizing the level of waste going into the system at these times. Staff reported that brochures and website reminders are in place. President Massier requested that staff come up with ideas to educate/remind residents on this and also drug disposal.

Reader also reported that significant progress has been made with tickets and inspecting manholes.

Business Manager Black presented the Business Report for the month ending January 31, 2018. Black reported that user fee revenue is two percent under budget YTD, and total revenue is two percent over budget YTD. Operating expenses are four percent under budget YTD. There is \$4,693,000.00 in net operating income through the end of the past month and a \$664,700.00 decrease in cash for FY 2017-18. General fund cash is at almost \$21.6 M. Total number of full-time positions as of the end of January was 116. The total number of full-time positions filled was 115. (The vacant position was the IWS Supervisor which was filled in early February.) As of tonight's meeting, the District is at full staff level.

Black advised that Board packets this month included a supplement to the Budget Book (distributed to the Board last month) containing copies of Capital Request Forms with descriptions of various capital projects undertaken. The information is now sorted in the same order as the CIP. Also included is a Summary of Personnel Wages and Benefits. This information will be incorporated into next year's budget book when it is initially distributed to the Board.

Trustee Bernsten asked about the vetting process when CRFs are submitted. In response, Black advised he and Director Hanson met with the managers to go over each request in detail along with how it would fit into the manager's operating budget. He commended the staff for being quite succinct when describing a project and its benefit. Approximately two weeks later, the full management staff met, projected the full capital budget by section, reviewing the various items. Some of the projects are standard necessary repeats for each year. Additional larger projects are then evaluated and prioritized. The decision is then made as to which projects may be included in the targeted budget.

Trustee Pollack moved to approve revised Rate Ordinance 17/18-R-01; seconded by Trustee Bernsten; motion passed upon roll call as follows:

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

Black advised that, upon preliminary Board approval, the Preliminary Combined Annual Budget and Appropriations Ordinance 17/18-B-02 will be published in the Rockford Register Star in

March, along with notice of a budget hearing in April, allowing public opportunity to review the ordinance for at least 30 days. Staff recommends approval of the FY2018/19 Preliminary Budget and Appropriations Ordinance at \$56,960,248.00.

Trustee Pollack moved to approve revised Preliminary Combined Annual Budget and Appropriations Ordinance 17/18-B-02; seconded by Trustee Sweeney; motion passed upon roll call as follows:

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

Trustee Sweeney excused himself from the meeting and departed at 6:08 p.m.

Business Manager Black reported that the new payroll system has been implemented.

Trustee Pollack motioned to recess Regular Meeting; seconded by Trustee Bernsten; motion passed upon roll call as follows:

Ben Bernsten	Aye
Donald Massier	Aye
Rick Pollack	Aye

Regular Meeting recessed at 6:12 p.m.

Regular Meeting reconvened at 6:22 p.m.

Trustee Pollack moved to approved the General Release and Separation Agreement; seconded by Trustee Bernsten; motion passed upon roll call as follows:

Ben Bernsten	Aye
Donald Massier	Aye
Rick Pollack	Aye

General Counsel Hanley listed the exceptions for the Closed Session:

- 1) Pending Litigation, 5 ILCS 120/2(c)(11)
- 2) Dismissal of a Specific Employee, 5 ILCS 120/2(c)(1)


There being no other business to come before the meeting, Trustee Pollack moved to adjourn; seconded by Trustee Bernsten; motion passed upon roll call as follows:

Ben Bernsten	Aye
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Donald Massier
Rick Pollack

Aye
Aye

The Regular Meeting of the Board of Trustees adjourned at 6:25 p.m.


Clerk

