

**MINUTES OF REGULAR MEETING
BOARD OF TRUSTEES
ROCK RIVER WATER RECLAMATION DISTRICT
MONDAY, APRIL 23, 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; 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; Susan Skinner, Executive Services Coordinator.

President Massier stated that the meeting was being recorded.

Trustee Pollack moved to approve the minutes of the Regular Meeting and Closed Session of March 26, 2018; 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

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 \$24,831,685.12 total funds invested for the month of March and earned interest in the amount of \$26,357.22. Report placed on file.

Trustee Pollack moved to approve Total General Fund Expenditures for the month of March 2018 in the amount of \$4,119,767.60; seconded by Trustee Jones; 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 to report.

Engineering Manager Baer provided status of outstanding agreements. Regarding McDonald Creek Trunk South Branch, Village of Machesney Park has renewed interest; however, much of the development would likely be served from the adjacent basin. District staff will review basin files. Village requested District to reconsider multi-party sharing agreement. No formal commitment has been made. District will continue conversations with the Village. No status change for W. State St. (Bus. US 20) Reconstruction, Phase 2 (IDOT/Rockford).

Baer then discussed three bid results in relation to service to the Village of Winnebago. All are EPA-funded; therefore, approval was requested to extend “notice of intent to award” per the following:

1. Fuller Creek Trunk Phase D, Willingham Pump Station Elimination: Subdivision on east side of Winnebago. Bid would eliminate pump station and tie in gravity directly to the new sewer. Five bids received (one non-responsive). Staff recommended extending “notice of intent to award” to N-Trak Group, LLC, for \$193,893.60. Trustee Pollack motioned to approve; seconded by Trustee Jones; motion passed upon roll call as follows:

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

2. Fuller Creek Phase F, Soper St. Forcemain: Installed on Soper Street. Seven bids received (one non-responsive). Staff recommended extending “notice of intent to award” to Fischer Excavating, Inc., for \$754,341.42. Trustee Jones 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 F. Sweeney	Aye

3. Fuller Creek Phase F, pump station upgrades and installation at the plant in Winnebago. Two bids received. Staff recommended extending “notice of intent to award” to Kelsey Excavating, Inc., for \$894,072.00. Trustee Pollack motioned to approve; seconded by Trustee Bernsten; motion passed upon roll call as follows:

Ben Bernsten	Aye
Elmer Jones	Aye
Donald Massier	Aye

Rick Pollack	Aye
John F. Sweeney	Aye

Plant Operations Manager McFall presented the bid for a three-year contract for electricity supply. Two bids received. (One bid was pulled before the bid opening.) Staff recommended awarding the contract to Constellation, the sole responsive/responsible respondent, at a service price of .00057/kWhr. Trustee Pollack motioned to approve; seconded by Trustee Bernsten; motion passed upon roll call as follows:

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

Director Hanson updated the Board that, after extensive District conversations with the City of Rockford, the Household Hazardous Waste Site relocation will be tabled until at least next year. The move would mean relocating from one address to another, which requires EPA permitting. Timing on receipt of the permit is likely October or later. Winter weather will then mandate delaying the move until Spring.

Hanson also advised the Board of two retirements from the District. Karen Dinse will retire June 16. The position will be filled by a contract employee through ATS. The second retirement will be Tom McTernan on June 29. Hanson plans to post this position early.

General Counsel Hanley presented a draft policy regarding District employment of relatives. Hanley added that a limited “grandfather clause” will be added to allow currently-employed family members to maintain their positions/departments. No Board action is required at this time. Hanley invited Board comments and plans to put the policy into practice on May 29. Trustee Bernsten commented that such policies are “best practice” and feels it is a positive action.

Engineering Manager Baer advised there are no Plumbers Bonds to report this month.

Baer presented the ComEd/Willingham Pump Station Elimination easement needed to cross the Pecatonica prairie path owned by ComEd. As negotiations have been ongoing with ComEd and the District for approximately 1-1/2 years, Staff is requesting that the Board authorize the District Director to sign the easement as soon as the final, signed document has been returned by ComEd. Trustee Sweeney motioned to approve; seconded by Trustee Jones; motion passed upon roll call as follows:

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

Baer then presented Brookview Road Sewer Rehabilitation, Change Order No. 2. Manhole installed south of Brookview Road is in close proximity to drainage ditch and could present future maintenance issues as ditch erodes over time. Correction is to extend 12” culvert pipe, which would convey storm water runoff downstream. Total price of Change No. 2 is \$,1925.00. Due to weather and lead time to receive culvert materials, anticipated completion is now May 25, 2018. Trustee Jones 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 F. Sweeney	Aye

Baer presented 2017-18 Sanitary Sewer Lining, Contract A, Change Order No. 1, requesting additional time and cost related to two line segments requiring lining. Additional time is to allow for cleaning sewer lines, measuring for and ordering materials and installation of liners. Change order will extend Insituform Technologies contract 31 days and increase contract price by \$31,213.50. Trustee Pollack motioned to approve; seconded by Trustee Bernsten; motion passed upon roll call as follows:

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

Baer presented Agreement with RPS 205: Dedication, Abandonment and Replacement of Sanitary Sewers within Kishwaukee School Development. Trustee Pollack motioned to approve as amended; seconded by Trustee Jones; motion passed upon roll call as follows:

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

Plant Operations Manager McFall updated the Board re Co-Gen Air Emissions. Engines utilized in the co-generation plant are older-style Waukesha engines. Although reliable, they don’t offer air emissions up to current standards, affecting the District’s ability to participate in demand response events during summer. Department of Energy now requires that engines used in demand-response must meet all current air quality standards. District has been contacted by NRG offering to install necessary air emissions equipment on District’s three engines at no cost to the District. NRG would then take most of the District’s demand response credits for a period of years until equipment cost is met. NRG would pay the District approximately \$15k/year until equipment is paid, then amount would revert to a more equitable contract value. No official

Board activity is required but, if Board is in agreement, staff will proceed with arrangement with NRG. Board had no objections to moving forward with NRG.

McFall then reiterated Director Hanson's earlier comments that a position to be vacated by an upcoming retirement will be filled with a maintenance mechanic. A job description was provided to the Board.

McFall advised the Board that the District's gravity thickener is no longer functioning. (The project was originally designed to replace the gravity thickener.) Subsequently, staff reverted to operating primary clarifiers, which is quite labor-intensive. With the onset of summer months, operators need to be dedicated to maintenance of tanks. As a solution, staff recommends renting centrifuge equipment from Centrysis to manage thickening process on an interim basis (likely, though end of summer) until a new GBT is fully online. Cost is \$16k/month. Staff requested Board authorize Director to approve. Trustee Jones 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 F. Sweeney	Aye

Supporting Services Manager Reader provided a data summary of activity for the month of March pertaining to sewer main line cleaning, televising crews, pipe replacement, manhole ticket backlog breakdown, manhole restoration and main line back-ups.

Business Manager Black reported that, for the Business Report ending March, 2018, total revenue is five percent under budget month-to-date and is one percent over budget year-to-date. Operating and maintenance expenses remain four percent under budget year-to-date. The Total Income Statement shows \$4.6M in net income through the end of March. Cash flow shows \$423,600 increase for the fiscal year, and the General Fund cash for the month is approximately \$22.7M. The total number of full-time authorized positions is 114, and all are filled. This number will increase to 115 in the upcoming month.

As required by law, the Public Hearing regarding the Budget and Appropriations Ordinance was held prior to this meeting. The Ordinance puts the District budget in format for legal adoption under state statute. Advertising for the Public Hearing and preliminary budget approval were published in the March 8, 2018, edition of the Rockford Register Star. After securing final Board approval at tonight's meeting, the final Ordinance will be published in the Rockford Register Star, then filed (along with the estimate of revenues) with the Office of the Winnebago County Clerk. Total Ordinance amount is \$56,960,248.00. Trustee Pollack motioned to approve the final FY2018/19 Budget and Appropriations Ordinance; seconded by Trustee Jones; motion passed upon roll call as follows:

Ben Bernsten	Aye
Elmer Jones	Aye

Donald Massier	Aye
Rick Pollack	Aye
John F. Sweeney	Aye

Black then provided an update to the property tax levy finalized in April by the Winnebago County Clerk. Bills will be sent out soon for June and September payments. Per Board direction, the total levy did not increase from the prior year. Based on rounding of the rate, there is a \$1,200 decrease from the prior year. Combined levy for corporate and coronation purposes increases \$111,800. Public benefit portion of the levy decreases \$113,100. The District's Special Assessment Fund has a relatively healthy balance of approximately \$3.4M. The District's rate declined from 20.82 cents in 2016 to 20.4 cents for the current year. District received IMRF rate for 2019 calendar year, reflecting a decrease from 10.75 percent to 8.56 percent. No Board action is required.

General Counsel Hanley advised the Board that there is currently a bill in Committee to combine additional pensions with the IMRF. Hanley will advise the Board should there be any mobilization but believes it will not pass through Committee.

Trustee Pollack motioned to recess Regular Meeting to open Meeting of Committee of Local Improvements; 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

Regular Meeting recessed at 5:58 p.m. Regular Meeting reconvened at 6:00 p.m.

Trustee Sweeney motioned 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 F. Sweeney	Aye

The Regular Meeting of the Board of Trustees adjourned at 6:00 p.m.


 Clerk