

**MINUTES OF REGULAR MEETING
BOARD OF TRUSTEES
FOUR RIVERS SANITATION AUTHORITY
OCTOBER 24, 2022
5:15 P.M.**

The Four Rivers Sanitation Authority (FRSA) Board of Trustees and staff met in-person at Four Rivers Sanitation Authority, 3501 Kishwaukee Street.

Members of the public were invited to participate in-person or listen via GoToMeeting by dialing (872) 240-3212 or toll-free (877) 309-2073; access code: 454 218 221, and to address the Board during the Public Participation section. No members of the public joined the meeting.

Pollack called the Regular Meeting of the Board of Trustees to order at 5:25 p.m. and advised that the meeting was being recorded.

The following Trustees were present:

Rick Pollack	President
Ben Bernsten	Vice President
Ginger Haas	Clerk/Treasurer
Don Massier	Trustee
Elmer Jones	Trustee

Staff present: Timothy S. Hanson, Executive Director; Christopher Baer, Director of Engineering; Julia Scott-Valdez, Director of Management Services; Ed Fitzgerald, General Counsel/Director, Internal Services; Greg Cassaro, Director, Plant Operations; Jim Reader, Director of Collection Systems; Ashley Bernard, Assistant Director, Plant Operations/Customer Service, Kwame Calvin, Assistant Director, Internal Services; Lisa Mittel, Assistant Director of Management Services; and Susan Skinner, Executive Services Coordinator.

Jones moved to approve the minutes of the Regular Meeting of September 26, 2022, and the minutes of the Special Meeting of October 7, 2022; seconded by Bernsten; motion passed upon roll call as follows:

Ben Bernsten	Aye
Elmer Jones	Aye
Rick Pollack	Aye
Ginger Haas	Aye
Don Massier	Aye

Scott-Valdez introduced Tammie Beckwith Schallmo, Senior Vice President/Managing Director, PMA Securities, LLC, who, via GoTo (phone), gave a presentation regarding possible refunding of bonds. Scott-Valdez explained that the reason for the timing of the presentation is that FRSA bonds are callable in December and, if the Board is interested in the refunding options, it would require a Board vote at the January meeting. The presentation was meant to give the Board time to consider the options.

Under President’s Report, Pollack declared, “Due to the fact that FRSA is a healthy organization, there are a lot of people hurting out there and, with the Federal Government raising interest rates, I will probably not support accepting the tax levy increase this year.” While the topic was not up for consideration/vote at this meeting, Pollack wished to convey his thoughts on the subject in advance.

Haas stated the Investment Report reflects \$57,674,976.57 total funds invested for the month of September, 2022 and earned interest in the amount of \$80,689.89. Total Cash and Investments are \$68,527,517.80. Report placed on file.

Haas moved to approve Total General Fund Expenditures for the month of September 2022, in the amount of \$3,523,801.16; with Total Special Assessments at \$0; seconded by Bernsten; motion passed upon roll call as follows:

Ben Bernsten	Aye
Elmer Jones	Aye
Rick Pollack	Aye
Ginger Haas	Aye
Don Massier	Aye

Regarding Old Business, Baer reported no change to McDonald Creek Trunk South Branch (Machesney Park); McCurry Road Trunk (Roscoe).

Bernsten moved to approve sole source purchase of one Multi-Function Titrator to replace three ageing titrators which are incompatible with FRSA’s Laboratory Information System (LIMS) to Metrohm, USA Inc., at a cost of \$57,733.55; seconded by Jones; motion passed upon roll call as follows:

Ben Bernsten	Aye
Elmer Jones	Aye
Rick Pollack	Aye
Ginger Haas	Aye
Don Massier	Aye

Jones moved to approve award of three-year contract for debt collection service to IC System, Inc., at a fee of 14.9%; seconded by Bernsten; motion passed upon roll call as follows:

Ben Bernsten	Aye
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Elmer Jones	Aye
Rick Pollack	Aye
Ginger Haas	Aye
Don Massier	Aye

Hanson reminded that the November and December Board and Committee Meetings will be held earlier in the months due to the Thanksgiving and Christmas holidays. The November 14 meeting will likely have limited financial reporting; subsequently, the December 12 meeting will likely be more robust and will also include a vote on the tax levy.

Hanson commented that, as FRSA now begins its budget cycle activity, he agrees that “people are hurting out there” and as FRSA is facing a multi-million dollar Government mandate, the budget will “contain almost zero fat”, with any there solely to cover any operational emergencies which may arise through the next year.

Fitzgerald advised there is no new business to report from Legal Services this month.

Calvin presented the Information Technology Monthly Report as of October 2022, highlighting the dedicated work of all involved in the Tyler Munis project (with special mention of John Farmer and Mike Daily), the telephone system replacement, and completion of the fiber enclosure project for the Lab.

Scott-Valdez provided an update regarding Human Resources Department initiatives and achievements for the previous month and future, including the ERP System, COVID-19 planning, training, revision of the Employee Handbook, United Way campaign (an increase of \$1000 over last year’s total, totaling \$14,381), bond refinancing, benefits renewal for 2023 and the budget process for 2023-24.

Bernsten moved to approve 2023 Health and Voluntary Benefit Renewal Rates; seconded by Jones; motion passed upon roll call as follows:

Ben Bernsten	Aye
Elmer Jones	Aye
Rick Pollack	Aye
Ginger Haas	Aye
Don Massier	Aye

Scott-Valdez announced the addition of two new Utility Technicians: Andres Martinez, and Damion Vecchione.

Mittel provided data and introduced a discussion regarding the 2022 property tax levy increase, which must be approved annually by the Board of Trustees and submitted to the Winnebago County Clerk by the last Tuesday in December. Pollack requested estimate numbers with scenarios of accepting/not accepting the levy. No vote taken at this meeting. The vote will be taken at the December 12 meeting.

Mittel presented the Finance Management Report, advising that, for the period ending September 30, 2022, Total Revenue is 4.1% over budget YTD; User Fee Revenue is 3.2% below budget YTD; Operations & Maintenance Departmental Expenses are 4.0% under budget YTD for the five-month period; Capital Project Expenditures for September totaled \$1,428,095; Operating Income reflects a gain of \$5,482,141; the Statement of Cash Flow reflects an increase of \$9,532,040 for the fiscal year; and the General Fund Cash ended the month of September at \$60.8M.

Jones moved to approve the following updated plumbing contractor bonds and completed registrations for the period of September 1-30, 2022:

Company	Bond Type	Bond No.	Date of Expiration
Prospective Plumbing Corp.	PV	66395303	5/31/2023
Montemayor Construction	CO	66406175	5/31/2023;

seconded by Bernsten; motion passed upon roll call as follows:

Ben Bernsten	Aye
Elmer Jones	Aye
Rick Pollack	Aye
Ginger Haas	Aye
Don Massier	Aye

Jones moved to approve an Easement for Ashford Holdings LLC, PIN 12-02-127-006, Kellee Lane, Loves Park, IL; seconded by Bernsten; motion passed upon roll call as follows:

Ben Bernsten	Aye
Elmer Jones	Aye
Rick Pollack	Aye
Ginger Haas	Aye
Don Massier	Aye

Bernsten moved to approve Primary Filtration Project, Phase 1, IEPA No. L17-5882, Capital Project No. 2022, Change Order No. 1; Williams Brothers Construction, Inc.; seconded by Jones; motion passed upon roll call as follows:

Ben Bernsten	Aye
Elmer Jones	Aye
Rick Pollack	Aye
Ginger Haas	Aye
Don Massier	Aye

Baer advised that Engineering Report data for the month is included in the Board packet.

Cassaro presented the Plant Operations Monthly Management Report, Monthly Snapshot and Trend Report for the previous month.

Bernard provided status reports on activity for Customer Service, Industrial Waste Surveillance and the Lab for the previous month.

Reader provided a status of Collection Systems activity regarding sewer main line cleaning, televising crews, pipe replacement, manhole ticket backlog breakdown and manhole restoration for the previous month. Reader also presented the Collection Systems Monthly Management Report.

Reader expressed particular appreciation to Dave Daughenbaugh, FRSA Fleet Manager, Randy McRae, Senior Building Repair Technician, and Lee Smith, Container Operator, for exceptional work "above and beyond".

Massier requested to offer comments regarding the upcoming vote on the tax levy. He addressed the negative impact to FRSA and consumers should it not pass due to the FRSA Board not understanding the reasons FRSA needs to accept the levy in order to operate. Massier explained that, as an example, the City of Rockford receives revenue from gambling facilities and an added tax on utility bills, along with several other funding sources and taxes. Therefore, it is able to decline the levy. Not only does FRSA not receive comparable additional revenue, but it is now faced with a multi-million dollar mandate from the U.S. Government. Attempts to fight this mandate would result in significant cost for court/legal fees and time spent on the effort and additional reporting requirements going forward. If FRSA were to decline to raise its rate or decline the tax levy, it affects the organization forever.

As no Closed Session was necessary, Bernsten moved to adjourn the Regular Meeting; seconded by Jones; motion passed upon roll call vote as follows:

Ben Bernsten	Aye
Elmer Jones	Aye
Rick Pollack	Aye
Ginger Haas	Aye
Don Massier	Aye

The Regular Meeting of the Board of Trustees adjourned at 6:45 p.m.



Clerk