

**MINUTES – SPECIAL MEETING
BOARD OF TRUSTEES
FOUR RIVERS SANITATION AUTHORITY
FEBRUARY 12, 2024
4:00 P.M.**

The Four Rivers Sanitation Authority Board of Trustees met in-person in the Board Room of Four Rivers Sanitation Authority, Graceffa Administration Building, 3501 Kishwaukee Street, Rockford, Illinois. Members of the public were invited to attend.

The following Trustees were present:

Rick Pollack	President
Ben Bernsten	Vice President
Ginger Haas	Clerk/Treasurer
Elmer Jones	Trustee
Richard Mowris	Trustee

The following staff members were present:

Tim Hanson	Executive Director
Ed Fitzgerald	General Counsel/Director, Internal Services
Chris Baer	Director, Engineering
Julia Scott-Valdez	Director, Management Services
Greg Cassaro	Director, Plant Operations
Jim Reader	Director, Collection Systems
Ashley Bernard	Asst. Director, Plant Operations, IWS/Lab/Customer Service
Lisa Mittel	Asst. Director, Management Services, Finance
Kwame Calvin	Asst. Director, Internal Services, IT
Susan Skinner	Executive Services Coordinator

No members of the public attended.

Pollack called the meeting to order at 4:00 p.m. and advised that it was being recorded.

Pollack offered introductory remarks, including noting that the primary purpose of this meeting was to hold a Trustee Retreat, but that Old Business items would also be addressed after the retreat topics are discussed.

Pollack then referred to his personal work background and experience with EPA regulations.

Discussion then turned to the discussion topics on the Agenda.

OPERATIONAL EFFICIENCY

A discussion took place regarding various programs to enhance operational efficiency. Hanson presented FRSA's current practice of Quality Improvement Process (QIP), which led FRSA to greater efficiency.

Pollack stated he would like to have a specific commitment for a budget savings percentage as an objective to meet this year.

Pollack directed that, when the budget is presented, a line is to be added that expresses a specific savings goal as a percent. Scott-Valdez added that this number can be better determined after hearing the Board's comments on budgeted items. Scott-Valdez expressed that this retreat is helpful and she would like to see it occur annually, but perhaps in August, ahead of the budget process. This way, the Board goals are incorporated from the beginning.

Pollack suggested that each department report on an identified departmental goal and its progress on a monthly basis.

Mowris added that he would like FRSA to keep an eye on the CoGen program. He would like to visit the plant for a tour when the weather improves.

SUSTAINABLE/COMPETITIVE SALARY STRUCTURE AND BENEFITS

Pollack commented that FRSA has gone outside the organization for independent Compensation Studies in the past. Pollack suggested Mowris and Scott-Valdez collaborate on preparing an RFP for an outside Compensation Study and holding a budget allocation for the Study. Scott-Valdez advised that the best time to complete a compensation study would be 2025.

GROWTH/REVENUE STRATEGY FOR NEW BUSINESS

A discussion took place regarding how FRSA addresses the reduction of water treatment volume given it is a public utility. Staff advised that potential opportunities are considered whenever new businesses arrive. Bernsten noted that the new facility plan provides expansion. Baer advised that flow has been down over the past years, which has allowed FRSA to address areas with problems. Baer advised that FRSA is not typically in the business of extending sewer but, rather, that is the task of the developer. However, FRSA is in the business of trunk extension, which is set up in specific agreements with FRSA, the developer and the municipality.

Baer then provided a status and in-depth visual overview of FRSA's system. Baer concluded his presentation advising that all the expansions and mains covered in his report total approximately \$80M, not including Irene Road or the "western" expansion. This shows that FRSA is very well-positioned for growth.

REGULATORY REQUIREMENTS IN 3-5 YEARS

Due to time constraint, the Trustees agreed to move this topic to the next Board Retreat.

ON-SITE VS. OFF-SITE FUELING

Fitzgerald summarized FRSA's plan for providing unleaded fuel, off-road diesel and on-road diesel for its vehicles. A discussion ensued regarding environmental concerns and solutions, industry standards for underground fuel tanks, fuel and insurance cost and logistics. Staff will re-vet the topic and will research additional information from the EPA regarding underground fuel tanks.

NORTH FACILITY FUTURE PLANS

Haas inquired about the "North Facility" property and the option of selling. Hanson confirmed that FRSA does not pay property tax on the location. Pollack asked for a value assessment on the property. Hanson also proposed consideration of keeping a small portion of the property for staging, etc., and selling the balance.

TRUSTEE INITIATIVES 2024

- Hold an annual Board Retreat in August so that Board objectives for the upcoming year are communicated and incorporated into the budget preparation process from the beginning.
- Using the QIP method, set a specific savings goal (as a percentage) when establishing the budget and report back to the Board on successes/challenges to that end.
- Look into better ways of reporting progress of the savings percentage objective on a monthly basis. Each department to report on an identified departmental goal and its progress.
- Trustees to visit the plant for more intensive tours of processes and achievements.
- Mowris and Scott-Valdez to hold separate discussion regarding possible compensation study and timing.
- Staff to research additional information from the EPA regarding underground fuel tanks and re-vet the topic.
- Staff to obtain assessment value of North Facility property and advise Board.

The Retreat portion of the meeting concluded, and discussion moved to Old Business (carried over from the January 22, 2024, Board Meeting at the direction of the Trustees).

Mowris moved to approve Vehicle and Equipment Order Request; seconded by Bernsten; Discussion followed identifying vehicles to remove from the original request. Jones expressed his disagreement with removing items for purchase. Decision was made to move forward to consider list as modified; Mowris then moved to approve MODIFIED Vehicle and Equipment Order Request; seconded by Bernsten; motion passed upon roll call vote as follows:

Ben Bernsten	Aye
Elmer Jones	Aye
Rick Pollack	Aye
Ginger Haas	Aye
Richard Mowris	Aye

Bernsten moved to approve REVISED (modified from 10% to 9.25% nominal user fee revenue increase from projected FY24 revenue) Ordinance 23 24 R 06 – Establishing All Rates, Fees, Charges, Penalties, Bond Requirements, Permits and Additional Charges; seconded by Jones; motion passed upon roll call vote as follows:

Ben Bernsten	Aye
Elmer Jones	Aye
Rick Pollack	Aye
Ginger Haas	Aye
Richard Mowris	Aye

Bernsten moved to approve Ordinance 23 24 B 07 – Tentative Combined Annual Budget and Appropriations for FY Beginning May 1, 2024, and Ending April 30, 2025; seconded by Jones; motion passed upon roll call vote as follows:

Ben Bernsten	Aye
Elmer Jones	Aye
Rick Pollack	Aye
Ginger Haas	Aye
Richard Mowris	Aye

Bernsten moved to adjourn the meeting; seconded by Jones; motion passed upon roll call vote as follows:

Ben Bernsten	Aye
Elmer Jones	Aye
Rick Pollack	Aye
Ginger Haas	Aye
Richard Mowris	Aye

The meeting adjourned at 8:33 p.m.



Clerk