

**MINUTES OF REGULAR MEETING
BOARD OF TRUSTEES
ROCK RIVER WATER RECLAMATION DISTRICT
MONDAY, MARCH 24, 2014**

The Regular Meeting of the Board of Trustees of the Rock River Water Reclamation District was called to order at 5:15 p.m. in the Board Room at the District's Administration Building, 3501 Kishwaukee Street, Rockford, Illinois. The following Trustees were present, representing the full membership of the Board:

Donald Massier	President
Lloyd Hawks	Vice President
Donald Kerestes	Clerk/Treasurer
Elmer Jones	Trustee
Rick Pollack	Trustee

Staff members present: Dana Carroll, Engineering Manager; Larry McFall, Plant Operations Manager; David Cook, Supporting Services Manager, Frank Papke, Business Manager; Michael Robertson, Information & Technology Services Supervisor; and Deborah Lyons, Executive Services Coordinator.

Others present: William Howard, Attorney for the District; Les Peach, BF&S Insurance; Peter Hollak, AECOM; Larry Carlson, Hamilton Sundstrand Corp.; Russell Rogge and Carol Galloway, C & R Metal Finishing; and Tim Mudowney, First Rockford Group.

President Massier stated the meeting was being recorded.

Trustee Hawks moved to approve the Minutes of the Regular Meeting and Closed Session of February 24, 2014; seconded by Trustee Pollack; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Lloyd Hawks	Aye
Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

Trustee Pollack moved to approve the Minutes of the Special Meeting of March 19, 2014; seconded by Trustee Hawks; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Lloyd Hawks	Aye
Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

Les Peach presented BF&S Insurance's proposal for Property & Casualty, Workers Compensation, and Storage Tank Insurance Renewal.

Trustee Hawks moved to approve the insurance package for Property & Casualty, Workers Compensation, and Storage Tank Insurance Renewal as presented; seconded by Trustee Pollack; motion passed upon roll call as follows:

Elmer Jones	Aye
Lloyd Hawks	Aye
Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

C & R Metal Finishing was brought in for an appearance before the Board as a result of habitual failure to submit required reports in a timely manner and failure to attend meetings called by staff. Russell Rogge, President, read a letter of apology which also outlined changes he has instituted to prevent recurrence of the problem. Carol Galloway confirmed her plans to assist with these issues. The Board took no action on this matter.

President Massier stated there was no WinGIS report.

Trustee Kerestes stated the Investment Report showed Total Funds invested for the month of February in the amount of \$14,548,278.04; interest earned was \$4,650.48. Report placed on file.

Trustee Kerestes moved to approve the General Fund expenditures for the month of February 2014 in the amount of \$3,590,258.37; seconded by Trustee Jones; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Lloyd Hawks	Aye
Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

Trustee Kerestes stated there were no Special Assessment expenditures for the month of February.

Status of Outstanding Agreements: (1) Staff is waiting for comments from the Village on the McDonald Creek Trunk South Branch Agreement. (2) Harrison Avenue Reconstruction Agreement (9th Street to 20th Street) is being reviewed by the City. (3) The 22nd Avenue Sanitary Sewer Extension, 6th Street to 7th Street, is waiting for City's funding of the road construction.

Trustee Pollack moved to award the contract for Manhole Frames, Lids, and Rings to the low responsive and responsible respondent, HD Supply Waterworks, LTD, for a contract cost of \$96,220.00; seconded by Trustee Kerestes; **motion passed** upon roll call as follows:

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Elmer Jones	Aye
Lloyd Hawks	Aye
Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

Trustee Kerestes moved to award the contract for Pavement Repairs – Small Patches to the low responsive and responsible respondent, Stenstrom Excavation & Blacktop Group, for a contract cost of \$169,825.00; seconded by Trustee Jones; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Lloyd Hawks	Aye
Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

Trustee Pollack moved to award the contract for Pavement Repairs – Large Patches to the low responsive and responsible respondent, Norwest Construction, Inc., for a contract cost of \$168,288.75; seconded by Trustee Jones; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Lloyd Hawks	Aye
Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

Trustee Jones moved to award the contract for Doors, Frames and Installation to the low responsive and responsible respondent, Larson & Larson Builders, for a contract cost of \$39,495.00; seconded by Trustee Hawks; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Lloyd Hawks	Aye
Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

Trustee Kerestes moved to award the contract Victaulic Glass Lines Pipe and Fittings to the low responsive and responsible respondent, HD Supply Waterworks, LTD, for a contract cost of \$13,625.79; seconded by Trustee Hawks; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Lloyd Hawks	Aye
Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

Trustee Hawks moved to award the contract for Aeration Efficiency Improvement to the sole responsive and responsible bidder, Energenecs, Inc., for a contract cost of \$375,022.00; seconded by Trustee Pollack; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Lloyd Hawks	Aye
Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

Trustee Pollack moved to award the contract for the Queen Oaks Drive Sanitary Sewer Extension, Special Assessment No. 115, to the low responsive and responsible bidder, GO Excavating, for a contract cost of \$847,823.00; seconded by Trustee Jones; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Lloyd Hawks	Aye
Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

Trustee Pollack moved to send a letter for the Village of Machesney Park supporting the extension of the life of its Illinois Routes 251/173 TIF in the Village for a period of an additional 12 years and to seek legislation in the General Assembly approving this extension; seconded by Trustee Hawks; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Lloyd Hawks	Aye
Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

Plant Operation Manager stated an employee will be retiring from the Laboratory on Monday and read the following award plaque into the record:

*Sue Heinke
 Congratulations on Your Retirement
 Thank You for 39 Years
 Diligent and Faithful Service
 Board of Trustees
 March 24, 2014*

Trustee Hawks moved to set the Regular May Meeting for Wednesday, May 28, 2014, at 5:15 p.m.; seconded by Trustee Kerestes; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Lloyd Hawks	Aye

Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

Business Manager Papke stated meetings on the Collective Bargaining Agreement have been set for April 7th and April 9th to discuss benefits and wages.

The items on the Synopsis were moved to Closed Session.

Trustee Hawks moved to approve the Easement for the month as presented; seconded by Trustee Pollack; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Lloyd Hawks	Aye
Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

Fuller Creek Phase C
Bits and Pieces, L.L.C.

Trustee Hawks moved to approve Annexation Ordinance 13/14-A-02 annexing an area described as Lot 5 Sunrise Acres, Rockford; seconded by Trustee Pollack; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Lloyd Hawks	Aye
Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

Trustee Hawks moved to approve Annexation Ordinance 13/14-A-03 annexing an area described as The French Quarters, Loves Park; seconded by Trustee Pollack; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Lloyd Hawks	Aye
Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

Trustee Hawks moved to allow staff to proceed with obtaining appraisals and title searches for the parcels in the Proposed Terrang Trail Cost-sharing project; seconded by Trustee Jones; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Lloyd Hawks	Aye

Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

Trustee Kerestes moved to approve the withdrawal of the vacant parcel located at 19xx Queen Oaks Drive, PIN 08-19-152-039, from Queen Oaks Drive Special Assessment No. 115; seconded by Trustee Pollack; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Lloyd Hawks	Aye
Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

Trustee Kerestes moved to authorize staff to continue with the New Milford Commons Proposed Special Assessment project and begin the statutory process necessary for the project; seconded by Trustee Hawks; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Lloyd Hawks	Aye
Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

Trustee Pollack moved to approve CoDigestion Receiving Station Change Order No. 1, providing for a 31 day time extension to the contract completion date with no change to the Contract cost; seconded by Trustee Jones; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Lloyd Hawks	Aye
Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

Trustee Kerestes moved to approve the Policy on Lateral Sewer Extension Funding, 5sewc21, as presented by staff; seconded by Trustee Hawks; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Lloyd Hawks	Aye
Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

Trustee Pollack moved to approve the financing of the lateral sanitary sewer extension to serve the new Fed Ex facility in the Rock 39, Winnebago County Sewer Cooperative Extension, to

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be reimbursed by the County from the funds generated by the economic development zone (IJRL) within five (5) years; seconded by Trustee Hawks; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Lloyd Hawks	Aye
Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

Trustee Kerestes moved to approve the Railroad Avenue Manhole Replacement Agreement providing for the City's watermain contractor to replace District's Manhole 023-016 within the bridge replacement work area and the District will reimburse the City's actual costs, the Agreement being subject to the City's approval; seconded by Trustee Hawks; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Lloyd Hawks	Aye
Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

Trustee Hawks moved to authorize staff to post the Project Engineer position that will be vacated in April and to advertise as necessary and to fill the position; seconded by Trustee Pollack; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Lloyd Hawks	Aye
Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

Trustee Hawks moved to approve the five year Variance Petition Extension Request submitted by Hamilton Sundstrand for Plants 6, 7 and 8 allowing discharge of up to 60 GPM (gallons per minute) resulting in a drop in the average daily discharge; seconded by Trustee Kerestes; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Lloyd Hawks	Aye
Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

In the month of February, District crews completed 27 services, 3 main line repairs, 14 emergencies, and 14 manholes tickets. The back-log of manhole tickets decreased slightly. The weather made work difficult again this month. There were several frozen services and we had a

number of days that crews were unable to go out. We are in the process of televising and review upcoming CIP projects.

Business Manager Papke stated for the month ending February 28, 2014, the Income Statement shows user fee revenue 28% under budget month to date and 1% under budget year to date. Total revenue is 29% under budget month to date and 4% over budget year to date. The large percentage variations are due to the timing of the District receiving information from the water departments. O&M expenses are 3% under budget year to date. The Income Statement shows \$3,867,959 net operating income through February 28, 2014. The Statement of Cash Flows shows \$4,382,617 decrease in cash for the 2013-2014 fiscal year. General Fund cash ended the month at \$7,739,799. The total number of full time positions as of February 28 was 111; the total number of full time employees was 110; the vacant position was a Surveyor Technician.

Trustee Pollack moved to approve Resolution 13/14-01 *Setting Forth and Expressing an Official Intent Regarding Certain Expenditures to Be Reimbursed with the Proceeds of Indebtedness of the District to be Issued in the Future*; seconded by Trustee Hawks; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Lloyd Hawks	Aye
Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

Trustee Pollack moved to approve Ordinance *Authorizing the Issuance and Providing for the Sale of Not to Exceed \$10,000,000 General Obligation Alternate Bonds (Sewerage System Alternate Revenue Source), Series 2014, of the Rock River Water Reclamation District, Winnebago County, Illinois, for the Purpose of Paying the Costs of Improving and Extending the Sewerage System of the District; Providing for the Collection, Segregation and Application of the Revenues of the Sewerage System and the Levy of a Direct Annual Tax for the Payment of Principal and Interest on the Series 2014 Bonds; Providing Procedures for the Abatement of Such Tax Based on the Availability of Such Revenues; Delegating to Authorized Officers the Authority to Determine Certain Terms of the Series 2014 Bonds Within Parameters Established in This Ordinance; Providing for the Execution and Delivery of a Continuing Disclosure Undertaking in Connection With the Series 2014 Bonds; and Concerning Related Matters*, Ordinance No. 13/14-M-12; seconded by Trustee Jones; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Lloyd Hawks	Aye
Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

Trustee Jones moved to Engage QuantumResolve to assist with the upgrade of Infor Public Sector from V8.2 to V8.3, including but not limited to conversion, validation, and training; seconded by Trustee Hawks; **motion passed** upon roll call as follows:

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Elmer Jones	Aye
Lloyd Hawks	Aye
Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

Trustee Hawks moved to recess the Regular Meeting of the Board of Trustees to hold the Regular Meeting of the Committee of Local Improvements and to move into Closed Session in accordance with the Open Meetings Act at 5 ILCS 120/2(c), Exemption Number 11; seconded by Trustee Kerestes; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Lloyd Hawks	Aye
Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

The Regular Meeting recessed at 6:15 p.m.

The Regular Meeting of the Board of Trustees reconvened at 6:40 p.m. President Massier stated no votes or actions were taken or decisions made in Closed Session.

There being no further business to come before the meeting, Trustee Hawks moved to adjourn; seconded by Trustee Kerestes; the meeting adjourned at 6:40 p.m.

Clerk