

**MINUTES OF REGULAR MEETING  
BOARD OF TRUSTEES  
ROCK RIVER WATER RECLAMATION DISTRICT  
MONDAY, OCTOBER 27, 2014**

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 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: Steve Graceffa, District Director; 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; Jim Holloway, Sjostrom & Sons, Inc.; and Jamie Rott, City of Rockford.

President Massier stated the meeting was being recorded.

Trustee Hawks moved to approve the Minutes of the Regular Meeting and Closed Session of September 22, 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

Jamie Rott stated the City has started planning for the 2015 CIP projects and anticipates a large arterial street resurfacing program. The preliminary list has been shared with District staff and the City will continue to coordinate projects with the District.

President Massier stated WinGIS approved their budget for the year. He appreciates Mike Robertson's help. Mike evaluates the WinGIS staff and tends to all of the technical work.

Trustee Kerestes stated the Investment Report showed Total Funds invested for the month of September in the amount of \$26,984,969.97; interest earned was \$7,109.63. Report placed on file.

Trustee Kerestes moved to approve the General Fund expenditures for the month of September 2014 in the amount of \$3,906,675.73; 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 Special Assessment expenditures for the month of September 2014 in the amount of \$66,297.40; 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

Status of Outstanding Agreements: (1) The language for the McDonald Creek Trunk South Branch Agreement is still being worked on and there is an item on tonight's agenda later on for this project. (2) Staff is waiting with the City to get the design work far enough along that we know the final cost estimate before we finalize the Agreement and bring it forward on the Harrison Avenue Reconstruction Agreement (9<sup>th</sup> Street to 20<sup>th</sup> Street). (3) The 22<sup>nd</sup> Avenue Sanitary Sewer Extension, 6<sup>th</sup> Street to 7<sup>th</sup> Street, has been shifted to another budget year. President Massier stated this item can be removed from the report until it is active again. (4) Staff is waiting for IDOT to send the District the agreement for North Main Street Sewer Rehabilitation (Young to Riverside), CIP 1214. IDOT is waiting until the design is far enough along that they are comfortable with the cost estimate. (5) City contacted staff regarding W. State Street (Business 20) Reconstruction, Phase 2; they want to get this project moving and want to do a joint water and sewer project in front of the road project. There is an agenda item for this later this evening.

Trustee Jones moved to award the contract for Laboratory Building Fiber Optic Cable Project to the low responsive and responsible respondent, Kelso-Burnett, for a cost of \$26,375.00; 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 Hawks moved to award the contract for Lateral Lining 2014-2015 to the low responsive, responsible bidder, Performance Pipelining, Inc., for the sum of \$418,050.00; 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 Jones moved to award the contract for 2014-2015 Plant Concrete Repairs to the low responsive, responsible bidder, Sjostrom & Sons, for the sum of \$336,455.00 for the base bid plus \$8,000.00 to cover bid Alternatives 1 & 2 for concrete stair removal and replacement, for a total contract sum of \$344,455.00; seconded by Trustee Pollack; **motion passed** upon roll call as follows:

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

The Board directed that the Regular December Board Meeting be held on December 23, 2014.

Attorney Howard stated he had one litigation matter for Closed Session, pursuant to 5 ILCS 120/2(c)(11).

Trustee Pollack moved to approve the Plumber Bond Report for September – October 2014 as presented; seconded by Trustee Kerestes; **motion passed** upon roll call as follows:

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

<b>Company</b>	<b>Bond No.</b>	<b>Expiration</b>
Evergreen Mechanical, Inc.	32S449687	5/31/2015
Evergreen Mechanical, Inc.	32S448876	5/31/2015

Trustee Jones moved to approve the Easements for the month as presented; 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

Rock 39 Unit 3 (Sanitary Sewer Easement)  
Rock 39 LLC

Rock 39 Unit 3 (Temporary Access Easement)  
Rock 39 LLC

Trustee Jones moved to approve Annexation Ordinance No. 14/15-A-11 annexing an area described as 19.23 acres more or less known as Steven's Ridge, Rockford, Lots 1 - 35; 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 Annexation Ordinance No. 14/15-A-12 annexing an area described as 3.49 acres more or less known as Renfro Road, Cherry Valley, located in Ralston's Solid Rock Subdivision, identified as PINS 16-02-402-001, 16-02-403-013, 16-02,403-002, and 16-02-403-014; 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 Rock 39 and Baxter Road Cooperative Sanitary Sewer Extension Agreement, Amendment No. 1, allowing the Developer, Rock 39, LLC, three (3) years to acquire the properties at 5271, 5323, 5375, 5401, 5425, and 5455 Baxter Road, making service stub extension unnecessary; 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

Trustee Hawks moved to approve Sanitary Sewer Lining – Liberty/Pierpont Avenue (CIP No. 1104), Change Order No. 2 – Final, approving the final “as-built” quantities and payment for the project, for a net addition of \$87.70 to the current contract amount, for a final contract amount of \$504,153.50; 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

# 0150

Trustee Kerestes moved to approve CoDigestion (High Strength Waste) Receiving Station (CIP No. 1155), Change Order No. 3 – Final, including liquidated damages for 63 days resulting in a credit of \$18,900.00 to the District and \$205.66 for electrical energy consumption, for a total credit of \$19,105.66 and a revised contract amount of \$3,959,347.26; 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 an Ordinance Authorizing Loan Agreement for Fuller Creek Trunk, Phase C (CIP No. 1153), SRF Loan Application, Ordinance No. 14/15-M-11; 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 authorize the President to execute the Fuller Creek Trunk, Phase C (CIP No. 1153), SRF Loan Application, Authorization to Borrow Funds from Water Pollution Control Revolving Loan Fund, Resolution 14/15-02; 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

Trustee Hawks moved to approve the purchase of 3.9 acres of wetland bank credit from Northern Illinois Wetland Bank in the amount of \$163,800.00 for wetland mitigation for Fuller Creek Trunk Sewer, Phase C; 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 grant Greater Rockford Airport Authority's request to temporarily connect the RVC facility to existing sewer until lateral sewer extension Project D is completed; 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 Jones moved to approve Houghton Street Sanitary Sewer Replacement (CIP 1535), Change Order No. 1 – Final, for the final “as-built” quantities, additional rock excavation, additional riprap needed to ensure the stability of the adjacent roadway, and payment for the project, resulting in a net add of \$5,438.80 to the original contract for a final contract value of \$85,428.80; 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 authorize staff to proceed with Condemnation Proceedings of Property owned by Petry Trust No. 1989, commonly denoted by PIN 08-14-100-001, Ordinance No. 14/15-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 approve Sanitary Sewer Lining 2013-1014 (CIP No. 1455), Change Order No. 2 – Final for the final “as-built” quantities and payment for the project, two (2) additional line segments just upstream of segments that were part of the original contract and the lining of one (1) segment that had been scheduled for removal, resulting in a net addition of \$33,904.50 to the current contract amount, for a revised contract value of \$1,138,294.04; 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

Trustee Kerestes moved to approve Cherry Valley Pump Station Wet Well Expansion (CIP No. 1318), Change Order No. 7 – Final resolving the final “as-built” quantities and payment for the project, resulting in a net deduct of \$11,300.00 from the contract amount due to liquidated damages for a final approved contract amount of \$3,096,371.79; seconded by Trustee Pollack; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Lloyd Hawks	Aye

# 0152

Donald Massier	Aye
Donald Kerestes	Aye
Rick Pollack	Aye

Trustee Kerestes moved to approve Queen Oaks Sewer Extension, Special Assessment No. 115, Final Change Order No. 2 approving the final “as-built” quantities and payment for the project, and a net deduct of \$15,492.40 from the contract for provisional work that was not needed (for example, well abandonment/public water service connection) for a final approved contract amount of \$832,330.60; 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 Bobolink-Heron-Nelson Sanitary Sewer Extension (Special Assessment No. 125) Change Order No. 1, approving the final “as-built” quantities and payment for the project, resulting in a net deduct of \$14,815.74 from the contract for provisional work that was not needed, for a final contract amount of \$484,218.26; 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 Hawks moved to approve West State Street Phase 2 Sewer Rehabilitation Project Independence to Day, (CIP No. 0814), Consultant Agreement with Bollinger, Lach & Associates, Inc. for drafting and coordination of utility conflicts for the cost of \$20,250.00; 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 Kerestes moved to authorize staff to obtain appraisals and title searches for the parcels in the Proposed Guilford Woods Cost Sharing Project area and conduct an informational meeting with the residents; 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

In the month of September, District staff completed 19 services, 10 mainline repairs, 9 emergencies and 34 manholes tickets. The back-log of manhole tickets increased slightly for the month. There were 2 mainline backups; and staff completed 27 restoration tickets.

Supporting Services Manager Cook requested "Property Purchase" be moved to Closed Session pursuant to 5 ILCS 120/2(c)(5).

Business Manager Papke stated for the month ending September 30, 2014, the Income Statement shows user fee revenue 5% under budget month to date and 5% under budget year to date. Total revenue is 5% under budget month to date and 1% under budget year to date. O&M expenses are 4% under budget year to date. The Income Statement shows \$2,963,014 net operating income through September 30, 2014. The Statement of Cash Flows shows \$3,845,184 increase in cash for the 2014-2015 fiscal year. General Fund cash ended the month at \$21,794,286. The total number of full time positions as of September 30 was 111; total number of full time employees was 107. Vacant positions were: Administrative Clerk, Lab Tech II, Treatment Plant Operator, and Diesel Mechanic.

Trustee Pollack moved to approve Ordinance No. 14/15-M-05, An Ordinance Abating the *Ad Valorem* Tax Previously Levied for the Year 2014 to Pay Debt Service on the \$5,000,000 General Obligation Alternate Bonds (Sewerage System Alternate Revenue Source), Series 2007, of the Rock River Water Reclamation District, Winnebago County, Illinois; 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

Trustee Pollack moved to approve Ordinance No. 14/15-M-06, An Ordinance Abating the *Ad Valorem* Tax Previously Levied for the Year 2014 to Pay Debt Service on the \$10,000,000 General Obligation Alternate Bonds (Sewerage System Alternate Revenue Source), Series 2008, of the Rock River Water Reclamation District, Winnebago County, Illinois; 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

Trustee Pollack moved to approve Ordinance No. 14/15-M-07, An Ordinance Abating the *Ad Valorem* Tax Previously Levied for the Year 2014 to Pay Debt Service on the \$6,000,000 General Obligation Alternate Bonds (Sewerage System Alternate Revenue Source), Series 2009, of the Rock River Water Reclamation District, Winnebago County, Illinois; 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

Trustee Pollack moved to approve Ordinance No. 14/15-M-08, An Ordinance Abating the *Ad Valorem* Tax Previously Levied for the Year 2014 to Pay Debt Service on the \$9,000,000 General Obligation Alternate Bonds (Sewerage System Alternate Revenue Source), Series 2010, Consisting of \$755,000 General Obligation Alternate Bonds (Sewerage System Alternate Revenue Source) Series 2010A, and the \$8,245,000 Taxable General Obligation Bonds (Sewerage System Alternate Revenue Sources), Series 2010B (Build America Bonds – Direct Payment) of the Rock River Water Reclamation District, Winnebago County, Illinois; 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

Trustee Pollack moved to approve Ordinance No. 14/15-M-09, An Ordinance Abating the *Ad Valorem* Tax Previously Levied for the Year 2014 to Pay Debt Service on the \$17,545,000 General Obligation Alternate Bonds (Sewerage System Alternate Revenue Source), Series 2013, Consisting of \$9,700,000 General Obligation Alternate Bonds (Sewerage System Alternate Revenue Source) Series 2013A, and the \$7,845,000 Taxable General Obligation Bonds (Sewerage System Alternate Revenue Sources), Series 2013B, of the Rock River Water Reclamation District, Winnebago County, Illinois; 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

Trustee Pollack moved to approve Ordinance No. 14/15-M-10, An Ordinance Abating the *Ad Valorem* Tax Previously Levied for the Year 2014 to Pay Debt Service on the \$9,350,000 General Obligation Alternate Bonds (Sewerage System Alternate Revenue Source), Series 2014, of the Rock River Water Reclamation District, Winnebago County, Illinois; 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

Trustee Pollack 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 Numbers 11 and 5; seconded by Trustee Kerestes; **motion passed**. The Regular Meeting recessed at 5:48 p.m.

The Regular Meeting of the Board of Trustees reconvened at 6:02 p.m.

Trustee Jones moved to authorize the District to negotiate with the owners of the property at 132 Snow Avenue for possible acquisition of the property and for Howard and Hardyman, LLP to handle the matter; 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

There being no further business to come before the meeting, Trustee Kerestes moved to adjourn; seconded by Trustee Pollack; the meeting adjourned at 6:13 p.m.

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Assistant Clerk