

**MINUTES OF REGULAR MEETING
BOARD OF TRUSTEES
ROCK RIVER WATER RECLAMATION DISTRICT
MONDAY, JANUARY 25, 2016**

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 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; Tim Hanson, Incoming District Director; Dana Carroll, Engineering Manager; Larry McFall, Plant Operations Manager; David Cook, Supporting Services Manager; Frank Papke, Business Manager; Michael Robertson, Information and Technology Services Supervisor; and Deborah Lyons, Executive Services Coordinator.

Others present: William Howard, Attorney for the District; Bill Meyer, EnviroNet; Jimsi Kuborn and Mike Nicholas, RAEDC; Jeff Butt and Rick Pigatti, William Charles Construction Company LLC.

President Massier stated the meeting was being recorded.

Trustee Kerestes moved to approve the Minutes of the Regular Meeting of December 23, 2015; 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

Approval of the Closed Minutes of December 23, 2015, was laid over until after the Closed Session later this evening, to allow discussion in Closed Session in accordance with 5 ILCS 120/2(c)(21).

Incoming Director Hanson stated discussions regarding the City's CIP program are ongoing; the City will send the plans to the District as soon as possible.

Mike Nicholas stated the Rockford Area Economic Development Council has a new investor campaign entitled Rockforward20/20. Mr. Nicholas recited some points of success of the past and general plans for the future. RAEDC is requesting investors increase their support.

013840

District Director Graceffa stated the District has invested in RAEDC's strategic plans at the \$10,000.00 level historically. Staff recognizes the benefits the District receives from RAEDC and supports the information presented.

President Massier stated the Board is always hesitant to spend taxpayers' money; he would support continuing the District's support at the current level.

Trustee Jones moved to approve support of Rockforward20/20 in the amount of \$10,000.00; 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

President Massier stated WinGIS did not meet this month; there is no report.

Trustee Kerestes stated the Investment Report showed Total Funds invested for the month of December was \$18,077,613.95, and earned interest of \$8,488.35. Report placed on file.

Trustee Kerestes moved to approve General Fund expenditures for the month of December 2015 in the amount of \$7,882,143.03; 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 Special Assessment expenditures for the month of December 2015 in the amount of \$96,436.33; 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

In the Status of Outstanding Agreements, the McDonald Creek Trunk South Branch (Machesney Park) draft agreement is at the Village; a couple outstanding issues are being discussed with the City regarding Harrison Avenue Reconstruction, 9th Street to 20th Street as well as the West State Street (Business US 20) Reconstruction, Phase 2 project. Staff stated the City is working on funding issues for Fisher Street – Haskell Street Special Assessment No. 127; staff is waiting for the

Village and Developer for the McCurry Road Trunk Sewer, Phase 4 (Rinaldi, Roscoe) and for Village of Rockton Sanitary Sewer System Adoption (Rockton). Dorthea Avenue-Prairie Lane Sanitary Sewer Extension (Machesney Park) has been added; a draft intergovernmental agreement has been prepared.

District's attorneys filed a Motion for Accelerated Disposition in the Fuller Creek Trunk, Phase C, which was granted by the Appellate Court. That means all lawyer briefing will be done by January 28. It will then be assigned immediately to a panel of judges.

Trustee Kerestes moved to award the contract for Rotork Secondary Scum Actuator (Bid No. 16-208) to the low responsive and responsible bidder, LAI, Ltd., at a cost of \$96,000.00; seconded by Trustee Hawks. After discussion concerning the wide range in the bid prices, **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 Large Diameter Sewer Trunk Cleaning, 2015-2016, CIP No.1649, to the lowest responsive responsible bidder, National Power Rodding Corp, for the sum of \$316,020.00; seconded by Trustee Hawks. After discussion concerning the possibility of District performing this work in-house, **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 staff to re-bid the contract for Cherry Valley Pump Station Emergency Pipe Repairs, Account 90-8000, and if the low bid is in line with the Engineering estimate, authorize the Director to award the contract; 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 Permanent Flow Metering Installation, Snow Avenue Meter Vault Rehabilitation, (Pump Station Modifications), CIP No.1510, to the low responsive/responsible bidder, Stenstrom Excavation and Blacktop Group, for the sum of \$154,814.00; 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 Jones moved to authorize staff to re-bid the contract for Equipment Procurement for Dewatering Centrifuge Replacement, CIP No. 1659; 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 Notice of Intent to Award the contract for Fuller Creek Phase C, CIP No. 1153, to the lowest responsive/responsible bidder, William Charles Construction Company, LLC, for the sum of \$17,498,597.49; 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 Disk Storage System, RFP No. 15-224, to LRS for two (2) IBM V7000 Storwize Disk Storage Systems including professional services for setup, associated appurtenances, one (1) year warranty and maintenance for two (2) years at a cost of \$385,000.00 over a three (3) year period; 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 extension of the Industrial Scientific iNet Usage Agreement with Industrial Scientific through July 14, 2020, for the cost of \$609.94 per month; 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

District Director Graceffa introduced Incoming District Director Tim Hanson and welcomed him to the District.

District Director Graceffa requested the two items under his name be moved to Closed Session under 5 ILCS 120/2(C)(1), the appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the public body; and 5 ILCS 120/2(C)(2) collective negotiating matters between the public body and its employees or their representatives.

Attorney Howard presented the Review of Closed Session Minutes. Trustee Jones moved to release the Closed Session Minutes dealing with the AT&T – Furman Avenue matter as recommended by the Attorneys; 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 Plumber Bond Report for December 2015 – January 2016 as presented; 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

Company	Bond No.	Expiration
Duraline, Inc.	NLA 0511064	5/31/2016
Generation X Plumbing	2160149	5/31/2016

Engineering Manager Carroll stated there were no Easements or Annexations for the month of December.

Trustee Kerestes moved to approve E. State/Taco Bell Sewer Rehabilitation Project, CIP No.1607, Change Order No.2 – Final reflecting added pavement striping not in the original plans for \$425.00 and as-built quantity reconciliation for a net deduction of \$10,800.90 and a final contract amount of \$201,805.10; 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

013844

Trustee Jones moved to approve E. State/Taco Bell Sewer Rehabilitation Project, CIP No.1607, Vacation of Sanitary Sewer Easement – that part of the sanitary sewer easement granted by Kathie Watkins Osborne and William J. Osborne, her husband, on May 12, 1949, which is recorded in Book 658 on Page 105 at the Winnebago County Recorder’s Office, PIN 12-29-102-001; 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 Incinerator Building Renovation, CIP No.1508, Professional Service Agreement, including performing an asbestos investigation, preparation of asbestos abatement bid documents, performing analysis and preparation of a mitigation plan to remove cadmium and chromium from the building, and deconstruction of the incinerator equipment with EnvironNET, Inc. of Davenport, Iowa, for the proposed fee of \$296,145.00; 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 approve Ordinance No. 15/16-M-08, An Ordinance Amending Ordinance No. 14/15-M-11, correcting financial figures in the original ordinance for Fuller Creek Trunk, Phase C, CIP No. 1153; 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 Excess Flow Basin, CIP No. 1106, Pump Purchase Contract, Change Order No. 1, proving the imposition of liquidated damages in the amount of \$15,000.00 in exchange for late delivery of the equipment per IEPA loan fund rules; 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 proceed with design of a proposal to provide for District participation in the cost of the installation of Compliance Devices for small businesses; 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 Operations Manager McFall stated copies of two Administrative Policies, Procedures for Industrial Spill Notification (9ptenf3), and Policy on Confidentiality Issues During Inspections (9ptenf17), were provided to the Board for their files.

Supporting Services Manager Cook stated in calendar year 2015 crews completed the annual cleaning schedule on time and had only 30 mainline backups for the year – a new record low. In the month of December, staff responded to 13 emergencies, completed 3 mainline point repairs, 15 services and 26 manhole tickets. The back-log for manhole tickets decreased slightly for the month. A total of 370 manhole tickets were completed for the year; we started the year at 330 and ended the year at 278. We anticipate another busy year of construction projects for the surrounding communities.

Business Manager Papke stated for the month ending December 31, 2015, the Income Statement shows user fee revenue 11% over budget month to date and 5% under budget year to date. Total revenue is 11% over budget month to date and almost equal to budget year to date. O&M expenses are 5% under budget year to date. The Income Statement shows \$3,193,602 net operating income through December 31, 2015. The Statement of Cash Flows shows \$1,499,402 decrease in cash for the 2015-2016 fiscal year. General Fund cash ended the month at \$18,049,501. The District had 111 full time positions as of December 31 and 108 employees on staff. Vacant positions were Billing and Collection Clerk, Land Survey/Right of Way Coordinator, and Engineering Construction Tech I.

Business Manager Papke presented the Proposed Budget and fielded questions posed by the Trustees. Staff proposes a rate increase of less than 5%.

Trustee Pollack moved to approve the Policy for Collection, 6billc3, bringing policy into line with practice; 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 Policy for Additional Charges for Delinquent User (6billc15), removing the citation of a specific charge for water shut off; seconded by Trustee Hawks; **motion passed** upon roll call as follows:

013846

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

Business Manager Papke stated two Administrative Policy Updates, Billing Policies and Practices (6billc12) and Purchasing Card Policy and Practices (8bus9), were provided to the Board in their packets for their files.

Trustee Pollack moved to approve Combined Rate Ordinance, Ordinance No.15/16-R-01, providing for all rates, charges, and fees of the District; 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)(1), the appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the public body; 5 ILCS 120/2(C)(2) collective negotiating matters between the public body and its employees or their representatives; and 5 ILCS 120/2(C)(11), litigation; 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

The Regular Meeting recessed at 6:42 p.m.

The Regular Meeting of the Board of Trustees reconvened at 6:59 p.m. No actions were taken or decisions made in Closed Session.

Trustee Jones moved to approve the creation of two Vehicle Mechanic positions; 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 Closed Minutes for December 23, 2015, as amended; 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

There being no further business to come before the meeting, Trustee Hawks moved to adjourn; 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

Meeting adjourned at 7:02 p.m.

Clerk