

**MINUTES OF REGULAR MEETING
BOARD OF TRUSTEES
ROCK RIVER WATER RECLAMATION DISTRICT
MONDAY, JANUARY 23, 2017**

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:

Donald Massier	President
Rick Pollack	Clerk/Treasurer
Elmer Jones	Trustee
John F. Sweeney	Trustee
Lloyd Hawks	Absent

Staff present: Timothy S. Hanson, District Director; Christopher Baer, Engineering Manager; Larry McFall, Plant Operations Manager; David Cook, Supporting Services Manager; Frank Papke and Chris Black, Business Managers; Michael Robertson, ITS Supervisor/Chief Information Officer; and Deborah Lyons, Executive Services Coordinator.

Others present: William Howard, Attorney for the District.

President Massier stated the meeting was being recorded.

Trustee Pollack moved to approve the Minutes of the Regular Meeting of December 22, 2016; seconded by Trustee Jones; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Donald Massier	Aye
Rick Pollack	Aye
John Sweeney	Aye

President Massier stated WinGIS will meet Thursday to discuss moving the WinGIS facility to the RMAP headquarters.

President Massier stated the Personnel Matter is in regard to the Director's salary and will be taken up in Closed Session under Open Meetings Act at 5 ILCS 120/2(c)(1), compensation for specific employees.

Trustee Pollack stated the Investment Report for the month of December showed Total Funds invested for the month were \$21,924,467.41 and earned interest in the amount of \$13,292.10. Report placed on file.

013932

Trustee Pollack moved to approve General Fund expenditures for the month of December 2016 in the amount of \$7,818,770.44; seconded by Trustee Jones; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Donald Massier	Aye
Rick Pollack	Aye
John Sweeney	Aye

Trustee Pollack moved to approve Special Assessment Fund expenditures for the month of December 2016 in the amount of \$40,502.52; seconded by Trustee Jones; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Donald Massier	Aye
Rick Pollack	Aye
John Sweeney	Aye

Staff reported no change in the status of these Outstanding Agreements: McDonald Creek Trunk South Branch; W. State Street Reconstruction, Phase 2; McCurry Road Trunk Sewer Phase 4; City of Loves Park, N. Alpine Phase 3 Roadway Improvements – Sewer Rehabilitation; and the Harlem-Roscoe Fire District, Lateral Sanitary Sewer Extension – Special Assessment No. 130.

Engineering Manager stated the Main Pump Station Pumps 1 & 3 Replacement has been delayed due to slow delivery and failure of the pumps to meet the District's criteria. We are waiting for a fitting which is scheduled for delivery the week of February 24. The contractor's completion date for the contract was January 18, 2017, and they are ready to proceed. The contractor does not anticipate these delays will increase costs; however, they may need additional time to complete the project after delivery of the parts. There may be liquidated damages assessed to the project.

Trustee Pollack moved to award the contract for Laboratory Disposable Plastics to the low responsive and responsible bidder, Environmental Express, for a one year term for a cost of \$23,272.50 for the supplies specified under four shipping dates; seconded by Trustee Jones. Trustee Jones inquired as to why only one bid was received. Staff stated the plastics were bid previously and the other bid was so high that the respondent opted not to submit a bid this time. **Motion passed** upon roll call as follows:

Elmer Jones	Aye
Donald Massier	Aye
Rick Pollack	Aye
John Sweeney	Aye

District Director Hanson stated John Moscato is retiring February 10. We will congratulate him on his retirement and thank him for 30 years of diligent and faithful service.

Discussion on the Staffing Request Job Descriptions was moved to Closed Session under Open Meetings Act 5 ILCS 120/2(c)(1) and (2) as this agenda item has to do with specific jobs and with salaries of certain classes of employees.

Attorney Howard stated he had one matter for Executive Session under the Open Meetings Act at 5 ILCS 120/2(c)(21) for the review of minutes of meetings lawfully closed under the Act.

Trustee Jones moved to approve the Plumber Bond Report for December 1 – December 31, 2016, as presented; seconded by Trustee Pollack; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Donald Massier	Aye
Rick Pollack	Aye
John Sweeney	Aye

Company	Bond No.	Expiration
Foster Plumbing	71853657	5/31/2017

Trustee Jones moved to approve 2017-2018 Collection System Repairs and Sewer System Lining, Water Pollution Control Loan Program Ordinance Authorizing Loan Agreement, Ordinance No. 16/17-M-08; seconded by Trustee Pollack; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Donald Massier	Aye
Rick Pollack	Aye
John Sweeney	Aye

Trustee Jones moved to approve 2017-2018 Collection System Repairs and Sewer System Lining, Authorization to Borrow Funds from Water Pollution Control Revolving Loan Fund, Resolution 16/17-01; seconded by Trustee Pollack; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Donald Massier	Aye
Rick Pollack	Aye
John Sweeney	Aye

Trustee Pollack moved to approve Queen Oaks Drive Special Assessment No. 115 – Fee Waiver Request providing waiver of the assessment for 9822 Queen Oaks upon the signing of a Letter of Understanding to the Village stating a Notice of Fees Due will be filed at the Recorder’s Office and any future connection made to the sanitary sewer will result in connection fees equal to the actual cost plus the then-current Plant Buy-in fee; seconded by Trustee Jones; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Donald Massier	Aye
Rick Pollack	Aye
John Sweeney	Aye

013934

In 2016, crews completed the annual cleaning schedule on time. We had only 26 mainline backups for the year, a new record low. A total of 303 manhole tickets were completed; we started the year at 278 tickets and ended the year at 269 tickets. Staff also televised 359,310 feet of sewers.

In the month of December, crews had 16 emergencies, completed 1 mainline point repair, 37 services, and 20 manhole tickets. The back-log for manhole tickets was unchanged for the month. We anticipate another busy year for construction projects for the surrounding communities.

For the month ending December 31, 2016, the Income Statement shows user fee revenue 8% over budget month to date, 3% under budget year to date. Total revenue is 7% over budget month to date, 3% under budget year to date. O&M expenses are 5% under budget year to date. The Income Statement shows \$4,527,006 net operating income through December 31, 2016. The Statement of Cash Flows shows \$1,188,919 increase in cash for the 2016-2017 fiscal year. General Fund cash ended the month at \$21,199,607. District had 113 full time positions; 111 employees on staff, and 4 vacant positions.

Trustee Pollack moved to approve the proposed Employee Sick Leave Policy change that brings the policy into compliance with Public Act 099-0841, adding eligible relatives for which the employee may use sick time; seconded by Trustee Jones; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Donald Massier	Aye
Rick Pollack	Aye
John Sweeney	Aye

Staff presented the 2017-2018 Proposed Budget. Staff stated an unknown dollar amount was in the current year's budget for negotiations. After negotiations, those dollars were moved to meet the obligations of the contract. Those changes are reflected in this year's budget binder.

Staffing requests are detailed, including two new positions and changes to align certain salary ranges with other District salaries. In addition, the Financial Services/Plant Ops Office Technician will replace an existing IT position. Cash projections have been made, including the addition of new utility tech positions this year and in upcoming years which will reduce overtime hours and the risk of workers compensation incidents, reducing overall costs.

A residential rate increase of 7.99% plus an increase in the customer charge to \$5.93 per bill will generate sufficient revenue to cover O&M expenses, capital projects, and debt service. Cash reserves and capital improvements using State Revolving Loan Fund borrowing are in the plan.

Pumpage has been declining, resulting in declining revenue from user fees. The budget projects no growth and no decline in the number of new accounts.

The Capital Improvement Projects section shows \$74,035,000 in projects for Fiscal Years 2018-2020. Debt service is projected at \$6,513,933 for Fiscal Year 2018. Raising rates early provides

more flexibility in later years. Staff presented projected rates, bill calculations, and a comparison of District's average bill with the average bills in other cities.

Trustee Sweeney moved to approve the 2017-2018 Proposed Budget as presented by staff; seconded by Trustee Jones; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Donald Massier	Aye
Rick Pollack	Aye
John Sweeney	Aye

Trustee Sweeney moved to approve Combined Rate Ordinance, Ordinance No. 16/17-R-03, An Ordinance Establishing All Rates, Fees, Charges, Penalties, Bond Requirements, Permits and Additional Charges for the District; seconded by Trustee Jones; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Donald Massier	Aye
Rick Pollack	Aye
John Sweeney	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) to discuss the employment and/or compensation of specific employees or legal counsel for the public body; 5 ILCS 120/2(c)(2) to discuss salary schedules; and 5 ILCS 120/2(c)(11) to discuss probable or imminent litigation; seconded by Trustee Sweeney; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Donald Massier	Aye
Rick Pollack	Aye
John Sweeney	Aye

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

The Regular Meeting of the Board of Trustees reconvened at 6:35 p.m. President Massier stated no decisions were made or actions taken in Closed Session.

Trustee Pollack moved to adjust the Director's salary as agreed to in the Letter of Offer dated December 31, 2015, effective February 1, 2017; seconded by Trustee Sweeney; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Donald Massier	Aye
Rick Pollack	Aye
John Sweeney	Aye

013936

Trustee Jones moved to release the minutes of the Closed Session of August 22, 2016, regarding Frontier Communications – Merchandise Drive as recommended by Attorney Howard’s office; seconded by Trustee Pollack; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Donald Massier	Aye
Rick Pollack	Aye
John Sweeney	Aye

Trustee Jones moved to approve the Staffing Request Job Descriptions as presented by staff, adding the positions of General Counsel, Legal Secretary, and Financial Services/Plant Ops Office Technician, and incorporating position range alignments from the 2016 job audit; seconded by Trustee Pollack; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Donald Massier	Aye
Rick Pollack	Aye
John Sweeney	Aye

There being no further business to come before the meeting, Trustee Jones moved to adjourn; seconded by Trustee Pollack; **motion passed** upon roll call as follows:

Elmer Jones	Aye
Donald Massier	Aye
Rick Pollack	Aye
John Sweeney	Aye

Meeting adjourned at 6:38 p.m.

Clerk