

**MINUTES OF REGULAR MEETING
BOARD OF TRUSTEES
ROCK RIVER WATER RECLAMATION DISTRICT
MONDAY, AUGUST 27, 2018**

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 Graceffa Administration Building, 3501 Kishwaukee Street, Rockford, Illinois. The following Trustees were present:

Donald Massier	President
Elmer Jones	Vice President
Rick Pollack	Clerk/Treasurer
John F. Sweeney	Trustee
Ben Bernsten	Trustee

Staff present: Timothy S. Hanson, District Director; Chris Black, Business Manager; Christopher Baer, Engineering Manager; Larry McFall, Plant Operations Manager; Jim Reader, Supporting Services Manager; Joseph Hanley, General Counsel; Michael Robertson, ITS Supervisor; and Susan Skinner, Executive Services Coordinator.

President Massier stated that the meeting was being recorded.

President Massier opened a Public Hearing regarding the Mulford Road Sanitary Sewer Extension, Special Assessment No. 131. District staff Tyler Nelson and Kathy Burfield were in attendance to answer any questions from the public. As there were no attendants from the public, no further action was taken.

Trustee Pollack moved to approve the minutes of the Regular Meeting of July 23, 2018; seconded by Trustee Jones; motion passed upon roll call as follows:

Ben Bernsten	Aye
Elmer Jones	Aye
Donald Massier	Aye
Rick Pollack	Aye
John F. Sweeney	Aye

Trustee Pollack advised that an "Appearance Before the Board" was held August 21, 2018, with Manner Plating and Muller Pinehurst and further advised that the matter would be discussed under the General Counsel's report later in this meeting.

President Massier complimented District staff on organization of the Employee Picnic.

Trustee Pollack stated the Investment Report reflected \$26,921,934.45 total funds invested for the month of July, 2018, and earned interest in the amount of \$40,787.99. Report placed on file.

Trustee Pollack moved to approve Total General Fund Expenditures for the month of July, 2018 in the amount of \$3,487,843.57; seconded by Trustee Sweeney; motion passed upon roll call as follows:

Ben Bernsten	Aye
Elmer Jones	Aye
Donald Massier	Aye
Rick Pollack	Aye
John F. Sweeney	Aye

No Disconnect Hearings.

Regarding Old Business, Engineering Manager Baer reported no changes to McDonald Creek Trunk South Branch (Machesney Park) or W. State St. Reconstruction, Phase 2.

Trustee Jones moved to award contract for Clarifier Railings (Primary Tanks 5-10), CIP No. 1706, to the low, responsive, responsible bidder, Sjostrom and Sons, Inc., for the sum of \$364,555.13; seconded by Trustee Bernsten; motion passed upon roll call as follows:

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

Trustee Jones moved to award contract for 2018-19 Service Lateral Lining, CIP No. 1933, to the low, responsive, responsible bidder, Performance Pipelining, Inc., at a cost of \$612,200.00; seconded by Trustee Sweeney; motion passed upon roll call as follows:

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

Trustee Jones moved to authorize staff to negotiate a contract for the sole source purchase of inventory, fuel and vehicle maintenance software to AssetWORKS and, with District Director

approval, enter into an agreement for the product; seconded by Trustee Bernsten; motion passed upon roll call as follows:

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

(Note: ITS Supervisor Robertson advised that, because the product is software/electronics and related professional services, it is exempt from competitive bidding under the Sanitary District Act.)

Director Hanson advised that staffing changes to the Plant Maintenance Division (mentioned on the agenda) will be addressed under the Plant Operations Manager's report later in this meeting.

Hanson then advised his plan to restructure assignment of some responsibilities within the IWS Division, resulting in the creation of a Pre-Treatment Program Group Leader. The division will have a vacant position at the end of this month; therefore, total headcount will not be affected. No Board action required.

General Counsel Hanley provided a summary of two appearances before the Board which took place August 21, 2018. Hanley advised that District Administrative and Investigative Orders, which are issued as part of enforcement for industrial wastewater users, previously mandated appearances before the Board for any violations. The language of such orders has now been changed to state that violations may require appearances. In the case of both companies in question at these hearings, both had met with District staff prior to the appearances and had agreed on resolution plans. District continues to monitor both situations. No Board action required at this time.

Trustee Pollack moved to approve two Agreements for Variance, one at 5839-61 Forest Hills Road, and the other at 3402 S. Alpine Road. Both properties are owned by Louis Capra & Associates. The variances will allow the owner to delay installation of sampling devices at the designated properties until August 1, 2022. Until that date, the owner will pay for the District to televise the service line on or about October 1, 2018 and October 1, 2020; seconded by Trustee Jones; motion passed upon roll call as follows:

Ben Bernsten	Aye
Elmer Jones	Aye
Donald Massier	Aye
Rick Pollack	Aye
John Sweeney	Abstained*

*Trustee Sweeney recused himself from the above vote, as he believed a conflict existed. He also wished to disclose that he became aware of this impending vote prior to the meeting but had not discussed with any Board member or District staff.

General Counsel Hanley provided an update regarding the solar farm, advising that the company in question has now been identified as Samsung. District broker is now on round four of negotiations with Samsung. Final option and lease agreement for Board consideration is expected to be presented at the September, 2018, Board Meeting.

Engineering Manager Baer advised there are no Plumbers Bond Reports for the month of August, 2018.

Trustee Pollack moved to approve the following ten (10) Easements:

EASEMENTS:

Rock 39, LLC PIN: 16-28-400-020& PIN: 16-28-400-021	Project Quick Start Developer Project
Rock 39, LLC PIN: 16-28-400-020	Project Quick Start Developer Project
SCL Business Park, LLC PIN: 12-02-226-005	Costco Developer Project
Speedway, LLC PIN: 04-21-200-007	Roscoe Speedway Developer Project
Milestone, Inc. PIN: 12-21-278-010	Mulford Road Special Assessment Proposed Special Assessment
Steven S. Murphy and Celeste M. Murphy PIN: 12-21-280-001 & PIN: 12-21-280-002	Mulford Road Special Assessment Proposed Special Assessment
Caddishack Enterprises, LLC PIN: 12-21-278-013	Mulford Road Special Assessment Proposed Special Assessment
Bret Haynes & Jenny Gravelle PIN: 12-21-278-014	Mulford Road Special Assessment Proposed Special Assessment
Charles Holsinger & Gwendolyn R. Holsinger PIN: 12-21-278-015	Mulford Road Special Assessment Proposed Special Assessment
Wilhelm Limited Family Partnership PIN: 12-21-278-016	Mulford Road Special Assessment Proposed Special Assessment;

seconded by Trustee Jones; motion passed upon roll call as follows:

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

Trustee Sweeney moved to approve Annexation Ordinance No. 18/19-A-01, annexing certain territories to the Rock River Water Reclamation District (Village of Winnebago, 1,545 acres, contiguous and served or wholly bound); seconded by Trustee Jones; motion passed upon roll call as follows:

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

Trustee Pollack moved to approve Fuller Creek Trunk Sewer, Phase D (Willingham Pump Station Elimination), CIP No. 1153, IEPA Project L17-5306, Change Order No. 1; no change to contract value; seconded by Trustee Bernsten; motion passed upon roll call as follows:

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

Trustee Jones moved to approve 2017-18 Sanitary Sewer Lining, Contract B, CIP No. 1855, IEPA No. L17-5477, Terra Engineering and Construction Corporation, Change Order No. 4 - FINAL; approval will result in net deduction of \$45,818.83 from current contract price for a final contract price of \$1,449,902.57; seconded by Trustee Sweeney; motion passed upon roll call as follows:

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

Trustee Pollack moved to approve 2018-19 Sanitary Sewer Service Repairs, CIP No. 1901, N-Trak Group, LLC, Change Order No. 1; approval will result in net addition of \$2,723.13 for new contract price of \$659,800.12; seconded by Trustee Bernsten; motion passed upon roll call as follows:

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

Trustee Jones moved to approve early hiring of replacement for Maintenance Technician retiring October 19; seconded by Trustee Pollack; motion passed upon roll call as follows:

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

Supporting Services Manager Reader provided status of activity regarding sewer main line cleaning, televising crews, pipe replacement, manhole ticket backlog breakdown and manhole restoration. Reader gave particular commendation to the televising crews and their supervision. Reader also reported that there were no mainline back-ups in July.

Business Manager Black reported user revenue fee was 5% under budget YTD in overall revenues. Total revenue is 1 % under budget YTD. Operating expenses were almost equal to budget YTD, and income statement reflects \$2,280,746 in net operating income for July, 2018. Cash increased \$3,379,116 for the 2018-19 fiscal year. General fund cash total at the end of the month was \$26,044,400. Total number of authorized full-time positions is 116; 113 filled as of July 31. Vacant positions on July 31 were an Operations Supervisor and two Treatment Plant Operators. (Operations Supervisor began employment on August 27.)

Black distributed an updated Moody's bond rating published August 24, 2018. The District maintained its existing rating of Aa2, which is Moody's third-highest rating category.

President Massier announced that the regular session would now recess to enter into Meeting of the Committee of Local Improvements, then Closed Session to discuss pending litigation, 5 ILCS 120/2(c)(11).

Trustee Pollack moved to enter into Meeting of Committee of Local Improvements; seconded by Trustee Sweeney; motion passed upon roll call as follows:

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

The Regular Meeting of the Board of Trustees reconvened from closed session at 6:43 p.m. President Massier stated that no votes had been taken nor decisions made during the closed session.

The Regular Meeting of the Board of Trustees adjourned at 6:43 p.m.




Clerk