

**MINUTES OF REGULAR MEETING
BOARD OF TRUSTEES
ROCK RIVER WATER RECLAMATION DISTRICT
MONDAY, NOVEMBER 28, 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 present: Timothy S. Hanson, District Director; Dana Carroll and Christopher Baer, Engineering Managers; 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, Kevin Heasley and Terry Reid, Aqua-Aerobic Systems.

President Massier stated the meeting was being recorded.

Trustee Pollack moved to approve the Minutes of the Regular Meeting and Revised Closed Minutes of October 24, 2016; 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

Terry Reid described the Nereda Process of making aerobic granular sludge. Aqua Aerobic Systems would like to build a research and technology demonstration facility on District property and for the District to accept a seat on the steering committee. The effect this process will have on the drying of the sludge is one of the things that needs to be addressed. Staff believes this project provides an opportunity to reduce the footprint at any facility that utilizes this technology and maximizes the amount of the land available to the District to build on in the future. It is wonderful to have a company like Aqua Aerobic in our economic development region. Staff believes Aqua Aerobic also is requesting some in-kind work which would be handled mostly through laboratory work. The affect of the process on nutrient removal, liability, and odor were discussed. Aqua Aerobics would provide the needed insurance. The facility would be operational 24 hours a day.

013920

Trustee Hawks moved to allow Aqua Aerobic Systems to build and maintain a research and technology demonstration facility on District's property at 3333 Kishwaukee Street; seconded by Trustee Pollack. After discussion, **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 is in the process of selecting a new interim director.

Trustee Kerestes stated the Investment Report for the month of October showed Total Funds invested for the month were \$25,301,966.01 and earned interest in the amount of \$12,277.31. Report placed on file.

Trustee Kerestes moved to approve General Fund expenditures for the month of October 2016 in the amount of \$3,770,709.79; 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 approve Special Assessment Fund expenditures for the month of October 2016 in the amount of \$271,705.07; 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 reported staff met with the owners of Urban Equities twice and fines were incurred, but they are now in compliance with District requirements.

Outstanding Agreements: Staff reported no change in the status of McDonald Creek Trunk South Branch or W. State Street Reconstruction. Staff contacted the Village of Roscoe about McCurry Road Trunk Sewer Phase 4; the Village is working through some financing issues. Staff contacted the Village of Rockton regarding the Rockton Sanitary Sewer System Adoption; the Village is looking into other options; this matter will be dropped from the report next month. There is no change in N. Alpine Phase 3 Roadway Improvements – Sewer Rehabilitation project.

Trustee Jones moved to award the contract for Co-Generation Top End Rebuild Parts and/or Labor for the three Waukesha engines to the low responsive and responsible bidder, Rush Power Systems, for the cost of \$113,108.12 for parts and \$120,713.17 for labor; for a total cost of \$233,821.29; 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 recognize William Dyer for 35 years of service to the District on December 13, 2016; 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 authorize the Director to request Christopher Baer’s name be submitted to replace Dana Carroll’s on the Authority Delegation Agreement with the IEPA for 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

Attorney Howard stated he had no status report of court action at this time.

Trustee Pollack moved to approve the Plumber Bond Report for October 1, 2016, to October 31, 2016, as presented; 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

Company	Bond No.	Expiration
JB Contracting	9220848	5/31/2017

Trustee Pollack moved to approve the revisions to Sewer Easement Acquisition Policy, 5sewc23, as presented by staff to add clarity and to formalize the process; seconded by Trustee Jones; **motion passed** upon roll call as follows:

013922

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

Trustee Kerestes moved to approve Oak Crest Sanitary Sewer Extension, CIP 1602, Special Assessment No. 118, Change Order No. 1 – Final, approving final “as-built” quantities as recorded in the field and release the final retainage for the project, resulting in a deduct of \$9,260.14 from the original contract amount, for a final contract value of \$3,980,652.86; 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 Spring Creek Sewer Replacement, CIP No. 1402, Change Order No. 1, Contractor’s request to perform work out of sequence, establishing an interim completion date of April 21, 2017, for all construction, sewer abandonment, and restoration work in Anderson Japanese Gardens; 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 Jonquil Place Sanitary Sewer Reroute, CIP No.1735, Change Order No. 1, approving final “as-built” quantities and payment for this project for a net deduct of \$4,446.82 from the original contract amount, for a final contract amount of \$129,552.53; 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 Fisher-Haskell Sanitary Sewer Extension, Special Assessment No. 127, Change Order No. 1, (due to the Contractor encountering more rock at the site) allowing a time extension to substantially complete the sanitary, watermain, and roadway work, with re-start of work in April 2017 and completion of the project by June 1, 2017; 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 Fuller Creek Trunk Sewer, Phase C, CIP No. 1153, Change Order No. 1, revising the project completion date from 540 calendar days (ending April 19, 2018) to 610 calendar days (June 28, 2018) due to court-incurred delays in the District providing documentation to the Contractor; 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 authorize the Director to approve the purchase of Mapping/GPS Equipment, CIP No. 1741, for an amount not to exceed \$20,000.00 after Engineering staff has obtained two (2) quotes from local distributors; 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 to fill the Project Engineer II – Management Associate position; 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

Plant Operations Managers McFall reported on a new initiative for nutrient removal put forward by non-governmental environmental groups associated with Illinois Association of Wastewater Agencies (IAWA). Using the proposed program, districts would voluntarily agree to adhere to an annual average of 0.5 milligrams per liter phosphorus and commit to having their process in place by 2030. Staff has voiced the District's support of continued discussions regarding moving in that direction. The IEPA is in favor of the initiative.

013924

In the month of October, District staff responded to 7 emergencies, completed 35 services, 10 main line repairs, and 29 manholes tickets. The back-log of manhole tickets increased slightly for the month. Crews also responded to 1 mainline backup and completed 37 restoration tickets.

Trustee Kerestes moved to approve purchase of the chassis for two TV trucks using the monies remaining in the 2016/2017 budget for approximately \$75,000 purchased through the NJPA contract, and to pre-order of TV equipment between February and April 2017 for delivery after May 1, 2017; 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

For the month ending October 31, 2016, the Income Statement shows user fee revenue 10% over budget month to date, 5% under budget year to date. Total revenue is 8% over budget month to date, 5% under budget year to date. O&M expenses are 5% under budget year to date. The Income Statement shows \$4,209,330 net operating income through October 31, 2016. The Statement of Cash Flows shows \$3,565,087 increase in cash for the 2016-2017 fiscal year. General Fund cash ended the month at \$23,575,775. District had 113 full time positions; 112 employees were on staff, and 3 positions were vacant.

President Massier thanked Donald Kerestes for his years of service on the Board and all of his help. Mr. Kerestes has done a great job for the District.

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

Meeting adjourned at 6:06 p.m.

Clerk