

Minutes of the Board of Trustees of the Fox River Water Reclamation District held on Monday, January 29, 2018 at the Administration Building at 1957 North LaFox, South Elgin, Illinois. Present were President Bruce Corn, Vice President Bernal, Clerk/Treasurer Gary Hyman, Trustee Arthur Malm, and Trustee Steve Rauschenberger.

Staff present included Executive Director Bob Trueblood, Technical Services Director Beth Vogt, Finance Manager Nazer Uddin, Assistant Clerk Kim Narvaiz and Attorney Doug Scheflow.

President Corn called the meeting to order at 9:32 A.M.

APPROVAL OF DECEMBER 11, 2017 MINUTES

Trustee Rauschenberger made a motion, seconded by Trustee Malm, to approve the December 11, 2017 minutes as written. Ayes, Trustees Corn, Bernal, Hyman, Rauschenberger, Malm. Nays, none.

APPROVAL OF JANUARY 8, 2018 MINUTES

Trustee Hyman made a motion, seconded by Trustee Malm, to approve the January 8, 2018 minutes as written. Trustee Malm wished to clarify in the Staff Report of Ongoing Study if the District was paying for material in offsite storage for work on Pump Station 40. TSD Vogt indicated no material in offsite storage has been paid for. Ayes, Trustees Corn, Bernal, Hyman, Rauschenberger, Malm. Nays, none.

APPROVAL OF JANUARY 8, 2018 EXECUTIVE SESSION MINUTES

Trustee Hyman made a motion, seconded by Trustee Bernal, to approve the January 8, 2018 minutes as written. Before voting Trustee Malm made a motion, seconded by Trustee Hyman, to table the approval of Executive Minutes until after Executive Session. President Corn called for a vote on the second motion; Ayes, Trustees Corn, Bernal, Hyman, Rauschenberger, Malm. Nays, none.

PUBLIC COMMENT

None

APPROVAL OF CASH DISBURSEMENTS

President Corn read aloud the cash disbursement totals per fund. Disbursements for the Sewer Revenue Fund \$448,759.32, Capital Improvement \$150,229.39 Depreciation & Replacement \$307,077.37, and Skyline \$4,576.00. Trustee Malm asked if the payment made to U.S. Geological

Survey was a payment on behalf of the Fox River Study Group that we get reimbursed for. Executive Director responded yes.

Trustee Rauschenberger made a motion, seconded by Trustee Hyman, to approve the Cash Disbursements as presented. Ayes, Trustees Corn, Bernal, Hyman, Malm, Rauschenberger. Nays, none.

REVIEW OF CONNECTION PERMITS

TSD Vogt reported that staff issued five commercial permits. As there were no irregularities, staff recommended approval.

Trustee Bernal made a motion, seconded by Hyman, to approve the Connection Permits as issued. Ayes, Trustees Corn, Bernal, Hyman, Rauschenberger, Malm. Nays, none.

REVIEW OF CONTRACTS AND PURCHASE ORDERS

None

FOIA REQUESTS

Executive Director Trueblood reported that there was one FOIA request made since the last meeting from MJ Maher at Clear Cove Systems requesting a list of industrial users and the total dollar amount of wastewater treatment excess strength charges levied against them for prior calendar years. ED Trueblood commented that the District only currently has one industrial user paying excess strength surcharges and the requested information was provided to Clear Cove.

OLD BUSINESS

None

NEW BUSINESS

MOTION TO APPROVE – FY 2018/19 MEETING SCHEDULE

Trustee Hyman made a motion, seconded by Trustee Bernal, to approve the provided Board meeting schedule for both Board of Trustees and Board of Local Improvements.

President Corn called for a vote. Ayes, Trustees Corn, Bernal, Rauschenberger, Malm, Hyman. Nays, none.

MOTION TO APPROVE – VEHICLE REPLACEMENT PURCHASE; 2018 4X2 FORD EXPLORER

Trustee Malm made a motion, seconded by Trustee Rauschenberger, to authorize Executive Director to sign a purchase order in the amount of \$24,285 to Wright Automotive for a new replacement vehicle as specified in the State of Illinois Joint Purchase Contract.

President Corn called for a vote. Ayes, Trustees Corn, Bernal, Rauschenberger, Malm, Hyman. Nays, none.

MOTION TO APPROVE – VEHICLE REPLACEMENT PURCHASE; 2018 4X4 FORD EXPLORER

Trustee Hyman made a motion, seconded by Trustee Bernal, to authorize Executive Director to sign a purchase order in the amount of \$26,065 to Wright Automotive for a new replacement vehicle as specified in the State of Illinois Joint Purchase Contract.

President Corn called for a vote. Ayes, Trustees Corn, Bernal, Rauschenberger, Malm, Hyman. Nays, none.

MOTION TO APPROVE – VEHICLE PURCHASE; 2018 FORD UTILITY VAN

Trustee Hyman made a motion, seconded by Trustee Bernal, to authorize Executive Director to purchase a 2018 Ford Utility Van through the State of Illinois Joint Purchase Contract in the amount of \$30,249.

President Corn called for a vote. Ayes, Trustees Corn, Bernal, Rauschenberger, Malm, Hyman. Nays, none.

MOTION TO APPROVE – TRAINING AGREEMENT WITH MANAGEMENT ASSOCIATION

Trustee Rauschenberger made a motion, seconded by Trustee Malm, to hire Management Association to conduct Harassment and Discrimination training. Trustee Rauschenberger asked if this is a requirement under the new laws. Executive Director Trueblood responded yes. Trustee Bernal asked if this training is for all staff including Board members. ED Trueblood responded yes, he will let Board members know the date as soon as it becomes available.

President Corn called for a vote. Ayes, Trustees Corn, Bernal, Rauschenberger, Malm, Hyman. Nays, none.

MOTION TO APPROVE – BASE PAY BENCHMARK & STRUCTURE DEVELOPMENT PROJECT WITH MANAGEMENT ASSOCIATION

Trustee Rauschenberger made a motion, seconded by Trustee Malm, to authorize Executive Director Trueblood to hire Management Association to perform Base Pay Benchmark Analysis & Structure Development Project. Trustee Malm asked if their analysis will include public works and public employees. ED Trueblood responded that IAWA does a survey every year that is regional and focuses on public employees. ED Trueblood commented that this salary analysis will take into consideration salary and insurance benefits as a total compensation value. Trustee Malm commented that the District has run these type of analysis studies before and he does not see the benefit as it is tough to compare our employees to other public agencies. Trustee Malm further added that Sanitary District positions are very different than other local government positions like at libraries. Trueblood commented that he disagrees; he feels there are enough comparisons including pension and step pay increases to provide the District with valuable feedback. Human Resources Manager Fran Venegas was present and commented that she has worked with this specific company before, and thought they did great work in the past. Venegas continued that they do have experience with other government agencies. Technical Services Director Vogt commented that now that the District has job descriptions for each position, the reviewers can use that information to compare positions with other public utilities even if they don't have experience with Sanitary District positions. Trustee Bernal commented that it would be hard to find a firm that only focuses on Sanitary Districts.

After discussion ended, President Corn called for a vote. Ayes, Trustees Corn, Bernal, Rauschenberger, Hyman. Nays, Malm.

MOTION TO AWARD – DEMOLITION OF 266 LESSENDEN PLACE PROJECT TO KLF ENTERPRISES

Trustee Malm made a motion, seconded by Trustee Hyman, to award the Residential Demolition of 266 Lessenden Place to KLF Enterprises for \$14,750 and authorize Executive Director to execute the associated agreement.

Trustee Rauschenberger asked if this contract was written differently than the Elgin Box contract to protect against issues that may arise during demolition, particularly with asbestos and lead paint. Technical Services Director Vogt responded that staff had both lead paint and asbestos testing performed. The District had the asbestos that was found removed and the lead paint testing was negative, so there should be no surprises with this demolition project.

President Corn called for a vote. Ayes, Trustees Corn, Bernal, Rauschenberger, Malm, Hyman. Nays, none.

MOTION TO APPROVE – CONSTRUCTION MODIFICATION REQUEST NO. 1 FOR ADDITION OF PRESSURE GAUGES FROM H. LINDEN AND SONS SEWER AND WATER INC.

Trustee Malm made a motion, seconded by Trustee Rauschenberger, to approve Construction Modification Request No. 1 for Addition of Pressure Gauges from H. Linden and Sons Sewer and Water Inc. for Pump Station 40 Replacement and Forcemain Repair project.

Trustee Malm asked if there were specifications for the gauges. Technical Services Directory responded that staff has typical gauges we prefer and the gauges to be provided were reviewed by staff. She can get that specific information for Trustee Malm, if needed. Trustee Malm asked how many forcemains the district has that currently do not have gauges. TSD Vogt did not know that specific number but the information could be pulled together if needed.

There were no more questions from the Board; President Corn called for a vote. Ayes, Trustees Corn, Bernal, Rauschenberger, Malm, Hyman. Nays, none.

MOTION TO AUTHORIZE – EXECUTION OF CHANGE ORDER NO. 1 TO JOSEPH J. HENDERSON AND SON INC. ON THE ADP WRF ANAEROBIC DIGESTION IMPROVEMENTS

Trustee Rauschenberger made a motion, seconded by Trustee Hyman, to authorize the Executive Director to execute Change Order No. 1 to Joseph J. Henderson and Son Inc. for the project, decreasing the contract price by \$1,057,942 and extending the contract time.

There was no discussion; President Corn called for a vote. Ayes, Trustees Corn, Bernal, Rauschenberger, Malm, Hyman. Nays, none.

MOTION TO APPROVE – PROFESSIONAL ENGINEERING SERVICES AGREEMENT FOR WEST WRF CONVERSION TO LIQUID DISINFECTION WITH STRAND ASSOCIATES, INC.

Trustee Rauschenberger made a motion, seconded by Trustee Bernal, to authorize Executive Director to sign the Professional Engineering Services Agreement for West WRF Conversion to Liquid Disinfection with Strand Associates, Inc. for \$130,000.

Trustee Malm expressed concerned that engineers expenses plus construction costs together estimates this project to be over 1 million dollars. Trustee Malm stated that by looking at the Health and Safety scorecard it would be beneficial to spend money on better training instead of a whole new system. Executive Director Trueblood responded that this project is not just about training but rather to be compliant with both risk management and State of Illinois OSHA requirements. TSD Vogt indicated that disinfection is required year round at the West Plant so having to keep the amount of chemical onsite down even lower could cause challenges.

Trustee Malm asked how many pounds of chlorine gas do we order. Executive Director Trueblood explained the FRWRD has been complying with the Risk Management requirements and keeping the onsite level under 2,500 lbs. Staff waits until onsite levels reach 500 lbs and then places an order for 2,000 lbs. However, Trueblood continued, the new OSHA rules only allow for 1,500 lbs on site. ED Trueblood also commented working with liquid chlorine is much safer than gas. Trustee Malm commented that in his 45 years of professional experience he has never seen an accident involving chlorine. Trustee Rauschenberger commented that OSHA is the driving force behind this project; staff is trying to remain compliant.

After conversations came to an end, President Corn called for a vote. Ayes, Trustees Corn, Bernal, Rauschenberger, Hyman. Nays, Malm.

President Corn called a 10 minute break at 9:58 A.M.

DISCUSSION – FY 2019 TENTATIVE BUDGET REVIEW

Finance Manager Uddin presented the board with Fiscal Year 2019 Tentative Budget. Executive Director Trueblood commented that on average group insurance increases by 10-15%. However, the projected increase is included at 25% due to claims experience this past year. Trustee Malm asked if staff really plans to spend \$40 million in capital expenses. Technical Service Director Vogt responded that is the \$40 million is an upper limit budgeted. However, with all the phosphorus removal projects transitioning from design to construction, the \$40 million was based on projecting these costs out.

MOTION TO APPROVE – NEGOTIATED SALE PRICE AND CONDITIONS OF SKYLINE WATER AND WASTEWATER SYSTEM TO AQUA ILLINOIS

Trustee Malm requested to move this Motion until after Executive Session.

FINANCE MANAGER’S REPORT

None

TECHNICAL SERVICES REPORT

TSD Vogt reported that IEPA provided a new draft of permit language to be added to discharge permits on the Fox River relating to phosphorus removal. Staff believes these permits may be issued in the next 6 months. Additionally, the USEPA approved the final version of the Sewer Use Ordinance and staff will prepare and present the final ordinance to the Board for approval at the next meeting.

STAFF REPORT OF ONGOING STUDY, DESIGN AND CONSTRUCTION PROJECTS

TSD Vogt provided a written update on all projects. Trustee Malm asked if flow data from the gas sensors on the digesters is available. TSD Vogt responded that the contractors are currently working on piping inside Digester 4 and the gas flow meters have only been installed on Digester 4 to date. Once Digester 4 is back in service, staff should be able to receive some flow data but not until the end of all construction will there be full gas production data available. Trustee Malm asked if staff has looked any more into struvite clogging of the force main carrying the sludge from the North and West WRFs. TSD Vogt responded that there has been no struvite accumulation issue with the West WRF operating in bio-P since 2012. She can check back at what Black & Veatch had determined before on this issue. Trustee Malm asked if there will be another cost estimate before the 100% completion of Phosphorus Removal Design project. TSD Vogt responded yes, however, there were no cost changes in the 90% design costs for the struvite project just submitted.

EXECUTIVE DIRECTOR'S REPORT

Executive Director Trueblood reminded the board that NACWA winter conference is in NAPA from February 6-9. ED Trueblood also informed the board the Trustee Malm was appointed by The Friends of the Fox River to fill their vacant seat on the Fox River Study Group Board effective January 2018. ED Trueblood reported that Skyline had a watermain break on January 24th, and staff was able to repair the break with only a few minor issues.

ATTORNEY'S REPORT

Attorney Scheflow provided a written report for Board members to review. There was brief discussion regarding the forcemain easements with the City of Elgin as well as the vacant lot for sale on McLean Blvd.

RECESS

Trustee Rauschenberger made a motion, seconded by Trustee Hyman, to recess the meeting and enter into Executive Session at 11:01 A.M. Ayes, Trustees Corn, Rauschenberger, Bernal, Malm, Hyman. Nays, none.

RECONVENE

Trustee Rauschenberger made a motion, seconded by Trustee Malm, to reconvene the Board of Trustees meeting at 12:05A.M. Ayes, Trustees Corn, Rauschenberger, Bernal, Malm, Hyman. Nays, none

MOTION TO APPROVE – NEGOTIATED SALE PRICE AND CONDITIONS OF SKYLINE WATER AND WASTEWATER SYSTEM TO AQUA ILLINOIS

Trustee Malm made a motion, seconded by Trustee Rauschenberger, to authorize the Executive Director to continue with negotiations of an Asset Purchase Agreement with Aqua Illinois, Inc. for the sale and transfer of the assets for the Skyline Water and Wastewater System. Ayes, Trustees Corn, Rauschenberger, Bernal, Malm, Hyman. Nays, none.

APPROVAL OF JANUARY 8, 2018 EXECUTIVE SESSION MINUTES

Trustee Bernal made a motion, seconded by Trustee Hyman, to approve the January 8, 2018 minutes as written. Ayes, Trustees Corn, Bernal, Hyman, Rauschenberger, Malm. Nays, none.

ADJOURN

Trustee Bernal made a motion, seconded by Trustee Hyman, to adjourn the January 29, 2018 Board of Trustees meeting at 12:07 A.M. Next meeting is scheduled for 9:00 A.M. February 12, 2018. Ayes, Trustees Corn, Bernal, Hyman, Rauschenberger, Malm. Nays, none.

Respectfully Submitted

Kim Narvaiz, Assistant Clerk

APPROVED:

Bruce R. Corn, President

Gary Hyman, Clerk-Treasurer