

August 27, 2018

Minutes of the Board of Trustees of the Fox River Water Reclamation District held on Monday, August 27, 2018 at the Administration Building at 1957 North LaFox, South Elgin, Illinois. Present were President Bruce Corn, Vice President Benjamin Bernal, Clerk/Treasurer Gary Hyman, Trustee Steve Rauschenberger and Trustee Marty McCormack.

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 9:20 A.M.

APPROVAL OF AUGUST 13, 2018 BOARD OF TRUSTEES MINUTES

Trustee Bernal made a motion, seconded by Trustee Hyman, to approve the August 13, 2018 minutes as written. Ayes, Trustees Corn, Bernal, Hyman, Rauschenberger, McCormack. Nays, none.

APPROVAL OF AUGUST 13, 2018 EXECUTIVE SESSION MINUTES

Trustee Rauschenberger made a motion, seconded by Trustee Hyman, to approve the August 13, 2018 Executive minutes as written. Ayes, Trustees Corn, Bernal, Hyman, Rauschenberger, McCormack. 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 \$282,843.58, Capital Improvement \$601.20, Depreciation & Replacement \$484,254.96, and Skyline \$1,177.97. Trustee Rauschenberger asked what we bought from USABluebook. Executive Director Trueblood responded he would have to pull the invoice to know exactly but generally speaking it is standard operating supplies.

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

REVIEW OF CONNECTION PERMITS

TSD Vogt reported that staff issued two commercial, and three single family permits between meetings. As there were no irregularities, staff recommended approval. Trustee Bernal

asked if 64 S. Grove Avenue installed a grease trap. TSD Vogt responded that this is the same building that Chooch's Pizzeria was just in. The restaurant has a grease trap.

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

REVIEW OF CONTRACTS AND PURCHASE ORDERS

Executive Director Trueblood reported that there were two purchase orders between meetings over \$10,000. The first one was to Xylem Water Solutions USA for two submersible pumps at the ADP WRF for the filtrate tanks. The second order is for the three new vehicles that FRWRD is purchasing from Morrow Brothers Ford that were all previously approved.

FOIA REQUESTS

Executive Director reported that the FOIA request from NBC Studios was submitted in a timely manner and that staff received a response back indicating the FOIA request was officially completed.

OLD BUSINESS

None

NEW BUSINESS

DRAFT FY 2018 AUDIT – DISCUSSION ONLY

Finance Manager Uddin introduced Joseph Lightcap from Baker Tily who was the lead auditor on this year's audit. Trustee Rauschenberger asked if there were any material differences in the audit this year. Mr. Lightcap responded there were a few items that were coded differently than in the past that resulted in a difference, but otherwise nothing significant. Mr. Lightcap went on to point out a few specific items in the audit, including the management discussion and analysis on page 3 and the net pension that became an asset instead of in the past a liability on page 9. Executive Director Trueblood commented that IMRF information is done by calendar year not fiscal year, so the information used in the audit only goes through December 2017. Mr. Lightcap also pointed out on page 38 the District 3-year trend information and that there is a difference of opinions when it comes to the restricted funds that FRWRD puts into a Depreciation and Replacement fund. Trustee Bernal asked if the disagreement is in the way the funds are spent or in what it is called. Executive Director Trueblood responded it is the verbiage of calling it "restricted funds" because in the audit world "restricted funds" means something different. ED Trueblood also

reminded board members that this is the short report which is more of a summary and further details and breakdowns will be provided at the next board meeting. ED Trueblood also mentioned that this year there was no need to have a single audit done as FRWRD did not receive any federal funds from the IEPA loans, but as the District continues to get more loan funding, there may be a need in the future.

MOTION TO APPROVE – COST PROPOSAL REQUEST 18 TO JOSEPH J HENDERSON AND SON, INC. ON THE ALBIN D. PAGORSKI WRF ANAEROBIC DIGESTION IMPROVEMENTS PROJECT

Trustee Rauschenberger made a motion, seconded by Trustee McCormack, to approve the Cost Proposal 18 from Joseph J. Henderson and Son Inc. for the anaerobic digestion improvement project. TSD Vogt commented that the existing motor size was misread in preparing the bid drawings. The motor is larger than shown and therefore a larger circuit breaker that is explosion proof needs to be purchased.

There were no questions; President Corn called for a vote. Ayes, Trustees Corn, Bernal, Hyman, Rauschenberger, McCormack. Nays, none.

MOTION TO APPROVE – PURCHASE OF ROCKWELL FACTORYTALK VIEW SE SCADA SOFTWARE

Trustee Hyman made a motion, seconded by Trustee McCormack, to authorize the Executive Director to sign a purchase order to Revere Electric for the purchase of Rockwell FactoryTalk View SE SCADA software. Executive Director Trueblood commented that this item is under the \$20,000 limit that staff is allowed without board approval, but it is close enough that staff felt obtaining board approval would be appropriate. Trustee Corn asked if there will be an overall savings. TSD Vogt responded yes; the estimate is about \$40,000 in savings over 10 years.

There were no further questions; President Corn called for a vote. Ayes, Trustees Corn, Bernal, Hyman, Rauschenberger, McCormack. Nays, none.

President Corn called a 10-minute break at 9:55 A.M.

FINANCE MANAGER'S REPORT

Finance Manager Uddin provided a written report. FM Uddin commented that the temporary transfer of funds in July that occurred to fund Depreciation and Replacement were paid back on August 15th. FM Uddin also reported that the R13 Oracle upgrade will occur on August 31st. Trustee Bernal asked if there were costs associated with the upgrade. FM Uddin responded that there were no costs directly with Oracle, but staff did sign an agreement with ST Tech Inc. for implementation services not to exceed \$18,000.

TECHNICAL SERVICES REPORT

Technical Service Director Vogt provided a written report for board members. TSD commented that staff is waiting to hear back from the IEPA to see if the requested revisions will be included in the draft prior to public notice, if not staff will provide formal written comments during the public notice period. TSD Vogt reported that letters were distributed to residents who live near the construction site of pump station 31 alerting them of the construction and the current project schedule of work that will be performed as well as contact information for the contractors and FRWRD staff. A letter was also distributed to contractors to remind them of student walking traffic as there is a school nearby and to be extra cautious as some of the streets in the neighborhood do not have sidewalks. Trustee Bernal commented that both letters distributed to the residents and to the contractors were very good and informational. Trustee Corn asked what material is being used for the exterior of the pump station. TSD Vogt commented that below grade will be comprised of cast-in-place concrete and above grade is a steel structure with cement board siding. Trustee Rauschenberger asked if the District has liability insurance in case damage is done to a nearby house. TSD Vogt responded that the contractors are required to carry this type of liability insurance for the project.

TSD Vogt also reported that staff has been monitoring flows at the West WRF where flows continue to increase. Current annual average flow is approximately 3.6 mgd and the plant rated capacity is 5.0 mgd. Originally, the West WRF was supposed to be expanded to 10 mgd by 2010, but the market crash and slow recovery delayed the need for expansion. As the market continues to improve, staff will need to monitor and plan for an expansion as the flows continue to increase. Finally, TSD Vogt reported that her trip to Washington DC last week to meet with the USEPA to discuss blending and its benefits went well. She commented that there were several agencies represented in person and by phone and they were able to effectively educate the USEPA on the benefits blending has for wastewater treatment plants as well as the environment. Trustee Rauschenberger asked if blending is considered a bypass. TSD Vogt explained people assume a bypass means no treatment, which isn't the case. While the high flows do bypass the secondary process, they are treated. Blending is an effective way to treat wet weather flows while safeguarding the biological process for continued treatment after the rain event.

STAFF REPORT OF ONGOING STUDY, DESIGN AND CONSTRUCTION PROJECTS

TSD Vogt provided a written update on all projects. TSD Vogt mentioned that staff has been working on getting GPS coordinates on the manhole structures at Judson University. Staff will set up a meeting with Judson to provide them a copy of easements and location of buried manholes. TSD Vogt also reported that the SludgeTransfer Forcemain project will be resuming soon as the endangered species mating season is coming to an end.

EXECUTIVE DIRECTOR'S REPORT

ED Trueblood provided a written report that the required Harassment and Discrimination Awareness and Prevention Training for Trustee Hyman will take place on September 10th as he was unable to attend the training that occurred on August 13th. ED Trueblood also reported that Aqua Illinois toured the Skyline water and sewer system on August 17th with their appraisers as required by the ICC for the completion of the sale of the Skyline water and sewer systems. Overall, the tour went well and the appraisers seems impressed. ED Trueblood provided Board members with a copy of the petition for purchase approval by Aqua Illinois with the ICC. Board members are able to stay up to date with any changes to this by looking up the case by the provided Docket Number.

ED Trueblood commented that he provided a document detailing a list of all the vehicles the District owns including their current mileage per the request of Trustee Hyman. Trustee Corn asked if there is a method staff follows when deciding to replace a vehicle. ED Trueblood responded that in past practice, vehicles were replaced on average every six years but new technology really extends the life of vehicles, so now it is really a judgement call by looking at the mileage and the overall wear and tear of the vehicle. Finally ED Trueblood reported that on September 12th the District will hold an all employee meeting that will focus on going over updated personnel policies and the new salary survey/compensation plan that FRWRD recently developed.

ATTORNEY'S REPORT

Attorney Scheflow provided copies of his July 31st invoice detailing services rendered for the month. Attorney Scheflow also put together a draft ordinance establishing the reimbursement of all travel, meal and lodging expenses of officers and employees. Attorney Scheflow commented that FRWRD's current policy does not establish maximum allowable reimbursement expenses which now needs to be instituted. For this draft, numbers were just estimated. Board members can adjust them as they seem fit, or they could adopt federal rules. There was discussion whether registration fees should be included in the total travel reimbursement calculation as this number is not something employees can adjust or shop around for a better rate. TSD Vogt suggested that the maximum for airfare be increased as booking flights for conferences can be expensive, depending on the location. ED Trueblood commented that employees can request for reimbursement above these maximums, it would require an itemized submittal of receipts to be reviewed by the board with approval by roll call vote. Trustee Rauschenberger asked if rental cars would still be covered. Attorney Scheflow responded yes he would considered that an incidental expense. TSD Vogt commented that typically for a conference, if staying in the Hotel selected by the conference there are shuttles or other services such as Uber or taxis that are more cost effective than a rental car. Attorney Scheflow commented that he will take the comments and suggestions and draft a new travel reimbursement ordinance for the board to approve at the next meeting.

August 27, 2018

ADJOURN

Trustee Rauschenberger made a motion, seconded by Trustee McCormack, to adjourn the August 27, 2018 Board of Trustees meeting at 10:47 A.M. Next meeting is scheduled for 9:00 A.M. September 10, 2018. Ayes, Trustees Corn, Bernal, Rauschenberger, McCormack. Nays, none.

Respectfully Submitted

Kim Narvaiz, Assistant Clerk

APPROVED:

Bruce R. Corn, President

Gary Hyman, Clerk-Treasurer