

Minutes of the Board of Trustees of the Fox River Water Reclamation District held on Monday, October 15, 2018 at the Administration Building at 1957 North LaFox, South Elgin, Illinois. Present were President Bruce Corn, Vice President Bernal, Trustee Steve Rauschenberger and Trustee Martin 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 9:15 A.M.

APPROVAL OF SEPTEMBER 10, 2018 BOARD OF TRUSTEES MINUTES

Trustee Bernal made a motion, seconded by Trustee Rauschenberger, to approve the September 10, 2018 minutes as written. Ayes, Trustees Corn, Bernal, Rauschenberger, and McCormack. Nays, none.

APPROVAL OF SEPTEMBER 10, 2018 EXECUTIVE SESSION MINUTES

Trustee Rauschenberger made a motion, seconded by Trustee Bernal, to approve the September 10, 2018 Executive minutes as written. Ayes, Trustees Corn, Bernal, Rauschenberger. Nays, none. Abstain, McCormack.

PUBLIC COMMENT

None

APPROVAL OF CASH DISBURSEMENTS

President Corn read aloud the cash disbursement totals per fund. Disbursements for the Sewer Revenue Fund \$970,955.33, Capital Improvement \$804,024.88, Depreciation & Replacement \$558,750.10, and Skyline \$1,919.83. Executive Director Trueblood commented that since it has been a month since the last board meeting the disbursements this time are a good representation of the total monthly expenses, which are right in line with the budget. Trustee Corn asked what the Cougars check is for. ED Trueblood responded the deposit for the 2019 FRWRD employee outing at the Kane County Cougars stadium.

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

REVIEW OF CONNECTION PERMITS

TSD Vogt reported that staff issued four commercial permits and one new multi-family home permit. As there were no irregularities, staff recommends approval.

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

REVIEW OF CONTRACTS AND PURCHASE ORDERS

ED Trueblood reported that four purchase orders were included in the packet over \$10,000. The first was made to National Association of Clean Water Agencies in the amount of \$12,325 for the 2019 membership dues. The second purchase order was for \$15,051.84 to Polydyne, Inc. for a standard order of polymer. The final two both were to Aquitas Solutions, Inc to upgrade the districts computerized maintenance management system (CMMS). The first one was for the installation agreement totaling \$36,000 and the second for \$17,112 for the software subscription and 12 month support. These purchases were both previously approved by the board at the August 13th Board of Trustees meeting.

FOIA REQUESTS

Executive Director reported that there has been one FOIA request since the last meeting from Deltek. Deltek is requesting a list of every vendor term/annual contract with a future expiration date that has been awarded through the Bid/RFP process. Since this is a very broad request FRWRD staff responded asking them to narrow the request down to a specified period of time. The requestor responded with the modified time frame of the past 3 years. Staff will work on gathering the requested information and responded within the 21 day time frame. No board action needed.

OLD BUSINESS

None

NEW BUSINESS

BAR – MOTION TO APPROVE 2018 RETIREE AMWINS INSURANCE RENEWAL

Trustee Rauschenberger made a motion, seconded by Trustee Bernal, to authorize ED Trueblood to execute the renewal of the AmWINS policy as presented. ED Trueblood pointed out the overall decrease of 1.37%.

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

BAR – MOTION TO APPROVE PERFORMANCE MANAGEMENT PROCESS DEVELOPMENT PROJECT WITH HR SOURCE

Trustee Bernal made a motion, seconded by Trustee McCormack, to authorize ED Trueblood to hire HR Source to perform a Performance Management Process Development Project. Trustee Rauschenberger asked who will be in charge of this project. ED Trueblood responded HR Manager Fran Venegas will be. ED Trueblood continued that his goal of this process is to train supervisors to communicate with employees what their expectations are and how each employee can invest in their future by advancing to a higher tier. Trustee Corn asked what will happen if an employee is already at the top of their pay scale. ED Trueblood responded that the plan is to do a CPI (consumer price index) also known as cost of living adjustment as well as a merit based raise if earned.

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

BAR – MOTION TO APPROVE FRWRD SALARY ADMINISTRATION POLICY AND PROCEDURE MANUAL

Trustee McCormack made a motion, seconded by Trustee Corn, to approve the FRWRD Salary Administration Policy and Procedure Manual.

There were further questions; President Corn called for a vote. Ayes, Trustees Corn, Bernal, Rauschenberger and McCormack. Nays, none.

BAR – MOTION TO APPROVE FISCAL YEAR 2018 TREASURER’S REPORT

Trustee Rauschenberger made a motion, seconded by Trustee McCormack, to approve the FY 2018 Treasurer’s Report as presented. Trustee Rauschenberger asked if the report has been published. ED Trueblood responded not yet, but needs to be before the end of October.

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

BAR – MOTION TO APPROVE RENEWAL OF ANNUAL SUBSCRIPTION OF THE ORACLE ERP/EPM CLOUD SYSTEM

Trustee McCormack made a motion, seconded by Trustee Bernal, to authorize ED Trueblood to sign the Ordering Document with Oracle America, Inc. to renew the annual subscription of Oracle ERP/EPM Cloud Hosted system for \$58,824. Trustee Bernal asked how

employees are liking the software. ED Trueblood responded that it is slow at times as it is a cloud based service and can sometime be overloaded with users.

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

BAR – MOTION TO APPROVE WEST WRF DISINFECTION CHEMICAL CONTRACT

Trustee McCormack made a motion, seconded by Trustee Bernal, to authorize ED Trueblood to sign a one year agreement with Alexander Chemical Corporation for the purchase of chlorine and sulfur dioxide at the specified prices. Trustee Rauschenberger asked why the flatbed delivery was needed. ED Trueblood responded that flatbed deliveries are needed to maintain safety for employees in offloading the chemicals from the truck. Also, beginning in May of this year, FRWRD had to request short filled containers in order to remain compliant with OSHA regulations. Alexander Chemical is the only supplier that submitted a quote. ED Trueblood continued that until the West Plant expansion project begins, short filling containers is much more cost effective than redesigning the disinfection system.

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

BAR – MOTION TO APPROVE 2019 FORD TAURUS SE SEDAN

Trustee Bernal made a motion, seconded by Trustee McCormack to authorize ED Trueblood to purchase a 2019 Ford Taurus through the State of Illinois Joint Purchase Contract in the amount of \$20,840. Trustee Corn asked why a hybrid was not selected. ED Trueblood responded that a hybrid is not on the state bid this year. ED Trueblood commented that his current car will be kept on site for administrative use when needed.

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

BAR – MOTION TO APPROVE AMENDMENT TO GRANT OF EASEMENT WITH THE FOREST PRESERVE DISTRICT OF KANE COUNTY REGARDING THE SLUDGE FORCE MAIN

Trustee McCormack made a motion, seconded by Trustee Bernal, to approve the Amendment to the Grant of Easement with the Forest Preserve District of Kane County for the Sludge Transfer Forcemain Project. Trustee Rauschenberger asked how far down did they have to go for the dewatering well and how large is the pipe. TSD Vogt responded about 15-20 feet down and the pipe is 8 inches in diameter with a 30-inch steal casing pipe.

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

BAR – MOTION TO APPROVE ANNEXATION BY THE OWNER OF 10.698 ACRES DESIGNATED AS LOT 3 ALONG BOWES ROAD, SOUTH ELGIN

Trustee Bernal made a motion, seconded by Trustee McCormack, to approve Ordinance Number 907 for the annexation of 10.698 acres designated as Lot 3 along Bowes Road, South Elgin. Trustee Bernal asked if this flow from this annexation will go to the West Plant. TSD Vogt responded yes and after this there is only 1 parcel left on Bowes Road to annex to the District. TSD Vogt also commented there will be an increase in traffic once the new annexed business is completed. If staff feels it is too difficult to turn out onto Route 31 from Dana Drive, FRWRD does have an easement behind the Pace Garage that would allow a road to be constructed to the Route 31 and Bowes Road intersection where there is a traffic light.

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

BAR – MOTION TO APPROVE ORDINANCE 908 - TRAVEL REIMBURSEMENT

Trustee Bernal made a motion, seconded by Trustee McCormack, to approve Ordinance 908 - Travel Reimbursement as presented. ED Trueblood commented that if travel totals exceeded these amounts they would need to submit itemized receipts for board review and roll call vote.

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

The following three agenda items were approved together as they all are related to the phosphorus removal improvement project needed for permit compliance.

BAR – MOTION TO APPROVE:

IEPA LOAN AUTHORIZATION ORDINANCE 909 FOR THE ALBIN D. PAGORSKI WRF STRUVITE FACILITIES PHOSPHORUS REMOVAL PROJECT,

IEPA LOAN AUTHORIZATION ORDINANCE 910 FOR THE ALBIN D. PAGORSKI WRF LIQUID FACILITIES PHOSPHORUS REMOVAL PROJECT

IEPA LOAN AUTHORIZATION ORDINANCE 911 FOR THE NORTH WATER RECLAMATION FACILITY – PHOSPHORUS REMOVAL PROJECT

Trustee Rauschenberger made a motion, seconded by Trustee Bernal, that Loan Authorization Ordinances 909, 910 and 911 be approved as presented. Attorney Scheflow commented that a non-substantive edit would be to remove section 9 of each of the ordinances as it is not needed. Trustee Rauschenberger made a substitute motion, seconded by Trustee Bernal, that Loan Authorization Ordinances 909, 910 and 911 be approved with the removal of section 9.

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

BAR – MOTION TO APPROVE RESOLUTION 492- AUTHORIZING FRWRD REPRESENTATIVE TO EXECUTE IEPA LOAN FORMS AND SUPPORTING DOCUMENTS

Trustee McCormack made a motion, seconded by Trustee Rauschenberger, to authorize ED Trueblood to execute IEPA loan forms and supporting documents regarding the water pollution control revolving loans. TSD Vogt commented that this resolution is needed for the loans and simply states ED Trueblood as the authorized representative of the district and therefore allowing him to execute and sign all IEPA Loan supporting documents.

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

BAR – MOTION TO APPROVE RESOLUTION 493 - FRWRD INVESTMENT AND BANKING POLICY AND PROCEDURE

Trustee Bernal made a motion, seconded by Trustee McCormack, to approve Resolution 493 as presented. Trustee Rauschenberger asked if any significant changes were made. FM Uddin responded no, just to add American Eagle Bank to Exhibit 2 of the authorized financial institutes so they can bid on CD's.

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

Trustee Hyman arrived and was added to attendance for voting.

BAR – MOTION TO APPROVE PROPERTY INSURANCE RENEWAL FOR POLICY YEAR NOVEMBER 1, 2018- NOVEMBER 1, 2019

Trustee Rauschenberger made a motion, seconded by Trustee McCormack, to authorize ED Trueblood to sign all necessary agreements and documents to renew General Liability, and Property Insurance for the FRWRD as recommended by staff. ED Trueblood reported that staff did request quotes from three brokers, Hub International, The Daniel and Henry Company, and AJ Gallagher. However, both Hub International and The Daniel and Henry Company did not submit proposals indicating they would not be able to be competitive with AJ Gallagher. ED Trueblood reported that AJ Gallagher is down 3.3% from last year and a premium summary is available for board members to review on page 43 of the print out.

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

President Corn called a 10-minute break at 10:05 A.M. Meeting resumed at 10:15 A.M.

FINANCE MANAGER'S REPORT

FM Uddin provided Board members with a copy of the Auditor Management Report and the Long Form Audit for review. One comment from the auditors to mention is their opinion that there is more than is required in reserve funds. ED Trueblood commented that he is working on developing a new direction for the Board to consider regarding depreciation. FM Uddin also commented that he noticed a decrease in billing from the City of Elgin compared to last year and has contacted them to figure out why the significant change.

TECHNICAL SERVICES REPORT

TSD Vogt reported that staff responded to the Notice of Violation letter for the IEPA regarding the event on April 15th and 16th at pump station 31. TSD Vogt expects a response including a legal compliance commitment agreement. She will keep the board updated when this response comes in. TSD also reported on the fecal violation that occurred at the North Plant. Staff has not been able to determine what caused the high fecal values, but for now staff has increased the minimum chlorine dose from 1.0 mg/L to 1.5 mg/L to avoid future high fecal counts.

Finally TSD Vogt commented on WEFTEC 2018 which took place in New Orleans this year from September 30th through October 3rd. Staff was able look into future options for digester gas utilization, including discussion with third party private contractors. Future utilization of digester gas is one of the top capital projects to be planned for once the phosphorus removal implementation is complete.

STAFF REPORT OF ONGOING STUDY, DESIGN AND CONSTRUCTION PROJECTS

TSD Vogt provided a written update on all projects. TSD Vogt reported that staff is beginning to look into preliminary screening at both the North and ADP plants and the costs and work associated with that. TSD Vogt also reported that the ADP Digester project is moving very slow as the project is waiting for the painters to finish their work. Liquidated damage are being imposed due to the missed milestone date.

TSD Vogt reported that staff is currently trying to get Union Pacific to issue the required license agreement to dig under the railroad. UP is under the impression that both the land owned by Kane County Forest Preserve and FRWRD property south of Pump Station 31 is their property. They want FRWRD to provide proof that they sold the properties. Attorney Scheflow provided a letter to UP regarding the deeds from both the Forest Preserve and FRWRD for the properties. He also provided title insurance from Chicago Title. Trustee Bernal asked what our next step would be

if UP does not respond and they continue to hold up the project. Attorney Scheflow responded that he would like to contact their legal department directly.

Project Engineer James Kerrigan came into the meeting and showed Board Members a PowerPoint presentation on the construction progress on the Pump Station 31 replacement project.

EXECUTIVE DIRECTOR'S REPORT

Executive Director Trueblood reported that he is working with Attorney Scheflow on the PTELL Property Tax Increase Ordinance to be approved at the next board meeting. ED Trueblood reminded Board members of the upcoming NACWA Fall Strategic Leadership Meeting October 22-23rd that he will be attending in Chicago. Finally, ED Trueblood reported that the ICC held an Administrative Hearing for Skyline water and Sewer system ownership transfer to Aqua Illinois on September 5th. The current schedule to close on the transfer is March 2019.

ATTORNEY'S REPORT

Attorney Scheflow provided his September Invoice. The Board members had no questions.

RECESS

Trustee Rauschenberger made a motion, seconded by Trustee McCormack, to recess the meeting and enter into Executive Session at 10:53 A.M. Ayes, Trustees Corn, Bernal, Hyman, Rauschenberger, McCormack. Nays, none.

RECONVENE

Trustee Rauschenberger made a motion, seconded by Trustee McCormack, to reconvene the Board of Trustees meeting at 11:12 A.M. Ayes, Trustees Corn, Bernal, Hyman, Rauschenberger, McCormack. Nays, none.

ADJOURN

As there was no additional business, Trustee Rauschenberger made a motion, seconded by Trustee Bernal, to adjourn the meeting at 11:13 A.M. The next meeting is scheduled for 9:00 A.M. Monday, November 12, 2018. Ayes, Trustees Corn, Bernal, Hyman, and Rauschenberger, McCormack. Nays, none.

Respectfully Submitted

Kim Narvaiz, Assistant Clerk

APPROVED:

Bruce R. Corn, President

Gary Hyman, Clerk-Treasurer