

Minutes of the Board of Trustees of the Fox River Water Reclamation District held on Monday, May 13, 2019 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 9:00 A.M.

**ELECTION OF OFFICERS FY 2020 BOARD OF TRUSTEES**

Trustee Rauschenberger made a motion, seconded by Trustee Bernal, that the officers of the Board of Trustees of the Fox River Water Reclamation District be elected as follows: Bruce R. Corn, President; Benjamin P. Bernal, Vice President; Gary Hyman, Clerk-Treasurer. Ayes, Trustees Corn, Bernal, Hyman, Rauschenberger and McCormack. Nays, none.

**APPOINTMENT OF TRUSTEES FY 2020 BOARD OF LOCAL IMPROVEMENTS**

Trustee McCormack made a motion, seconded by Trustee Hyman, to elect the Board of Trustees of the Fox River Water Reclamation District to serve as the Board of Local Improvement: Bruce R. Corn, Benjamin P. Bernal, Gary Hyman, Steven J. Rauschenberger and Martin McCormack. Ayes, Trustees Corn, Bernal, Hyman, Rauschenberger and McCormack. Nays, none.

**ASSISTANT CLERK**

Trustee Rauschenberger made a motion, seconded by Trustee McCormack, to reappoint Kim Narvaiz as Assistant Clerk for the Board of Trustees. Ayes, Trustees Corn, Bernal, Hyman, Rauschenberger and McCormack. Nays, none.

**ATTORNEY**

Trustee Rauschenberger made a motion, seconded by Trustee McCormack, to reappoint Doug Scheflow as Attorney for the Board of Trustees. Ayes, Trustees Corn, Bernal, Hyman, Rauschenberger and McCormack. Nays, none.

**RECESS**

Trustee Rauschenberger made a motion, seconded by Trustee Hyman, to recess the Board of Trustees meeting at 9:04 and enter into the Board of Local Improvements meeting. Ayes, Trustees Corn, Bernal, Hyman, Rauschenberger and McCormack. Nays, none.

**RECONVENE**

Trustee Bernal made a motion, seconded by Trustee Hyman, to reconvene the Board of Trustees meeting at 9:38 A.M. Ayes, Trustees Corn, Bernal, Hyman, Rauschenberger and McCormack. Nays, none.

**APPROVAL OF APRIL 15, 2019 BOARD OF TRUSTEES MINUTES**

Trustee Bernal made a motion, seconded by Trustee Rauschenberger, to approve the minutes of the April 15, 2019 Board of Trustees as written. Ayes, Trustees Corn, Bernal, Hyman, Rauschenberger and McCormack. Nays, none.

**APPROVAL OF APRIL 15, 2019 BOARD OF TRUSTEES EXECUTIVE MINUTES**

Trustee Bernal made a motion, seconded by Trustee Rauschenberger, to approve the minutes of the April 15, 2019 Board of Trustees Executive Session as written. Ayes, Trustees Corn, Bernal, Hyman, Rauschenberger and 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 \$888,961.44, Capital Improvement \$115,583.99, Depreciation & Replacement \$1,148,076.39, and Skyline \$1,361.70. Trustee Bernal asked why there were 2 payroll checks on the list. ED Trueblood responded that there are two pay periods in between meetings.

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

**REVIEW OF CONNECTION PERMITS**

TSD Vogt reported that staff issued one industrial, one public building, one commercial, three single family and 353 multi-family permits between board meetings. As most of these permits were prepaid service fees, connection fees collected for these permits totaled \$6,266. 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, Hyman, Rauschenberger and McCormack. Nays, none.

**REVIEW OF CONTRACTS AND PURCHASE ORDERS**

Executive Trueblood reported that there were three Purchase Orders above the \$10,000 threshold that were issued in between meetings. The first was to JWC Environmental Inc. in the amount of \$11,930.22 for the purchase of a muffin monster which replaced the sludge recirculation grinder at ADP Building 19. The second PO was to LAI LTD in the amount of \$17,109.46 for the purchase of a new pump for ADP Building 10's digester feed. The third PO is to Fluid Process Equipment- A SunSource Company for the purchase of 6 manhole smartcovers. The purchase of these smartcoveres was approved at the last board meeting.

**FOIA REQUESTS**

Executive Director Trueblood reported that there was one FOIA in between board meetings. The requester was from Smart 265, which is a sheet metal union, requesting information on any new construction, renovations and/or maintenance work planned for the District. Staff provided responsive documents fulfilling the request.

**OLD BUSINESS**

**TRAVEL REIMBURSEMENT**

Trustee McCormack submitted travel reimbursement for the IAWA Mini- Conference conference in the amount of \$495.56. Trustee Bernal made a motion, seconded by Trustee Hyman, to approve the travel reimbursement request. A Roll Call Vote was taken: Trustees Corn: Aye, Rauschenberger: Aye, Bernal: Aye, Hyman: Aye, McCormack: Abstain.

**NEW BUSINESS**

**BAR – MOTION TO APPROVE- ORDINANCE NO. 916 JESUS & ROSALIA FACIO  
ANNEXATION OF 0.7562 ACRES AT 1031 BODE ROAD, ELGIN**

Trustee Rauschenberger made a motion, seconded by Trustee Bernal, to adopt Ordinance No. 916 for annexation of the Jesus & Rosalia Facio 0.7562 acres at 1031 Bode Road in Elgin. TSD Vogt commented that the Facios' septic system failed and they requested the City of Elgin and FRWRD's approval for an emergency connection of their single family residence to the City of Elgin public sanitary sewer system.

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

**BAR – MOTION TO APPROVE FY 2019/2020 FRWRD STAFF SALARY ADJUSTMENTS**

Trustee Bernal made a motion, seconded by Trustee Hyman to approve the proposed staff salary adjustments with the total compensation expenses at or below the budgets 3% increase. ED Trueblood commented that all employees will receive the cost of living increase of 2% and then reviewed individually based on their salary with respect to their pay grade range to receive an additional increase.

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

**BAR – MOTION TO APPROVE NOTICE OF INTENT TO AWARD THE ADP WRF  
PHOSPHOROUS REMOVAL - STRUVITE FACILITIES PROJECT TO IHC  
CONSTRUCTION COMPANIES LLC**

Trustee Rauschenberger made a motion, seconded by Trustee Bernal, to authorize Executive Director Trueblood to issue a Notice of Intent to Award for the contract to IHC Construction Companies LLC. for \$8,564,520 and to subsequently sign the associated agreement with IHC Construction Companies LLC, upon IEPA loan approval, for the ADP WRF Phosphorous Removal Struvite facilities project. Trustee Corn commented that he was happy to see the bids close together like this, but asked who determines to project estimate. TSD Vogt responded that the consultants give their engineers estimate; in this case that is Black & Veatch. She continued that the estimate was calculated over a year ago during design but the loan approval process takes so long, pricing can increase. Also the American Steel requirements and the steel tariffs have impacted the cost of steel. Trustee Bernal asked if staff is comfortable working with IHC Construction Companies LLC. TSD Vogt yes they have done other work for FRWRD and staff likes that they are a local company.

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

**BAR – MOTION TO APPROVE ADP WRF PHOSPHORUS REMOVAL STRUVITE FACILITIES AMENDMENT NO. 2 WITH BLACK & VEATCH FOR CONSTRUCTION SERVICES**

Trustee Bernal made a motion, seconded by Trustee Hyman, to authorize Executive Director Trueblood to sign the Amendment No. 2 with Black & Veatch for the ADP WRF Phosphorus Removal Struvite Facilities Construction Services for \$924,963. Trustee Rauschenberger asked if it would be better to hire an additional staff member. TSD Vogt responded that staff is working to hire an additional engineer as numerous capital improvement projects are beginning construction, however staff still finds it necessary to use Black and Veatch's services for this project as planned.

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

**BAR – MOTION TO APPROVE CHANGE ORDER NO. 1 FOR TIME EXTENSION TO THIENEMAN CONSTRUCTION INC. FOR THE PUMP STATION 31 REPLACEMENT PROJECT**

Trustee Rauschenberger made a motion, seconded by Trustee Bernal, to approve the time extension request to Thieneman Construction Inc. for the Pump Station 31 Replacement Project. TSD Vogt commented that the weather has just not cooperated this past winter and spring causing significant delays. Trustee Rauschenberger asked what happens if construction is not completed within the allowed permit date. TSD Vogt responded that we would have to send a letter to IEPA to request an extension of time in the permit, but she doesn't foresee that this would have any financial impact.

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

**BAR – MOTION TO APPROVE 1493 WING STREET REAL ESTATE SALE CONTRACT**

Trustee Bernal made a motion, seconded by Trustee McCormack, to authorize Executive Director Trueblood and/or Attorney Scheflow to execute any and all documents necessary to complete the sale of the property at 1493 Wing Street in Elgin. Trustee Bernal asked if the buyer has paid earnest money. ED Trueblood responded yes. ED Trueblood continued that staff has advised the buyer to talk to the City of Elgin to find out if he will be able to develop the land before he buys it.

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

**BAR – MOTION TO APPROVE REAL ESTATE APPRAISAL FOR 901 RAYMOND STREET, ELGIN**

Trustee Bernal made a motion, seconded by Trustee Rauschenberger, to authorize staff to work with Attorney Scheflow to obtain a real estate appraisal for the sale or lease of the property at 901 Raymond Street. ED Trueblood commented that although this item was discussed at the last meeting, he wanted approval to get an appraisal as it will cost more than previously estimated. It was thought that there was an older appraisal that would just need to be updated, however, upon further research a complete appraisal is needed costing around \$2,700. Trustee Bernal commented he thinks it is a great idea so staff and board members have a better idea of the property's value and can determine from there whether to sell it or lease it.

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

The following two agenda items were delayed until after Executive Session.

**BAR – MOTION TO APPROVE REAL ESTATE PURCHASE IN ELGIN**

**BAR – MOTION TO APPROVE SALARY ADJUSTMENT FOR THE EXECUTIVE DIRECTOR**

At 10:02 President Corn called for a 10 minute break.

**FINANCE MANAGER'S REPORT**

Finance Manager Uddin presented the Board with the Financial Report thru March 31, 2019. FM Uddin commented that overall operating revenues were up 15% compared to last year and total operating costs saw no change. ED Trueblood commented that on page 8 of the Financial Report Trustees can see the Sewer Revenue Fund Statement of Revenues where the increase in the user rates is slowly closing the funding gap. ED Trueblood also commented that staff often performs temporary fund transfers to cover expenses from one account to another, if the board would like to be more aware of these temporary transactions, a report can be developed. FM Uddin also commented that his report included the FY 2019 audit schedule and that Baker Tilly will begin field work on May 28<sup>th</sup>.

**TECHNICAL SERVICES REPORT**

TSD Vogt provided Trustees with information and graphs on the Leachate treatment and revenue changes to the District since the summer of 2018. Due to changes in the reporting requirements by the USEPA, the wastewater treatment facility in Kenosha chose not to continue taking leachate which resulted in Countryside Landfill now bringing Leachate to FRWRD. This has

been a very good source of revenue. Calendar year 2017 leachate revenue was \$200,034 and 2018 was \$402,086. However, the additional leachate has caused some treatment challenges at the West WRF, particularly for phosphorus removal starting in the fall of 2018. Staff has worked with Waste Management to take some loads to the ADP WRF and has been evaluating what can be done to improve the phosphorus removal with the leachate loadings. Trustee Rauschenberger asked how much leachate they bring us monthly. TSD Vogt responded that they would bring as much as we will take but since we've been having to limit it, the average is right around 140,000 gallons a month. Trustee Rauschenberger asked if East Dundee takes Leachate. TSD Vogt responded no. Trustee Rauschenberger asked if nitrogen is limited. TSD Vogt responded no, but in order to reduce the phosphorus the nitrogen has to be reduced as well or the biological phosphorus process stops working properly.

### **STAFF REPORT OF ONGOING STUDY, DESIGN AND CONSTRUCTION PROJECTS**

TSD Vogt provided a written update on all projects. TSD Vogt commented that the digester improvement project is waiting for the cover, but also due to the increase in the cost of steel will be asking for a change order for an additional \$40,000. Also Visu-Sewer began televising the North Interceptor, but had to shut down because of all the rain. The plan is to complete the portion that is being transferred to the Village of West Dundee early in the project. One final item to note is that the Notice of Intent to Award pending IEPA approval was sent to the contractor for the North WRF Phosphorus Removal Project. Once the IEPA review is complete, the project can be awarded and begin, which is expected to be late June.

### **EXECUTIVE DIRECTOR'S REPORT**

Executive Director Trueblood commented that the NACWA Summer Conference is July 16-19 in Minneapolis MN. If any Board members are interested in attending, please let him or Admin Assistant Kathy Kovach know ASAP so reservations can be made. ED Trueblood also reported that due to the heavy rain and river inflows, the District experienced a high loss of solids due to a significant increase in the sludge blanket. The loss of solids appears to have interfered with the disinfection of the excess flows resulting in a higher fecal results. Trustee Rauschenberger asked what does this exceedance mean. ED Trueblood responded that we have to report it and explain why it happened. There is the possibility of a fine, but usually this type of violation does not get flagged.

ED Trueblood also reported that he received an email from Aqua Illinois stating that everything is in line for the ICC hearing that will take place June 3<sup>rd</sup>. ED Trueblood also commented that due to the delay in the sale of Skyline, the increase in rate structure is in question. The board had previously requested that the increase be gradual and not a bulk increase all at once. Attorney Scheflow commented that Aqua Illinois will need to obtain a revised assessment.

**ATTORNEY'S REPORT**

Attorney Schefflow provided copies of his April, 30<sup>th</sup> invoice detailing services rendered for the month. Board Members had no questions or comments.

**RECESS**

Trustee Rauschenberger made a motion, seconded by Trustee McCormack, to recess the meeting and enter into Executive Session at 10:49A.M. Ayes, Trustees Corn, Bernal, Hyman, Rauschenberger, McCormack. Nays, none.

**RECONVENE**

Trustee Rauschenberger made a motion, seconded by Trustee Bernal, to reconvene the Board of Trustees meeting at 11:18 A.M. Ayes, Trustees Corn, Bernal, Hyman, Rauschenberger, McCormack. Nays, none.

**BAR – MOTION TO APPROVE REAL ESTATE PURCHASE IN ELGIN**

Trustee Rauschenberger made a motion, seconded by Trustee Hyman, to authorize Attorney Schefflow to make a reasonable offer up to \$80,000 to purchase the property at 646 Wellington Ave in Elgin.

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

**BAR – MOTION TO APPROVE SALARY ADJUSTMENT FOR THE EXECUTIVE DIRECTOR**

Trustee Rauschenberger made a motion, seconded by Trustee Bernal, approve the salary adjustment of the Executive Director as discussed in Executive Session.

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



May 13, 2019

**ADJOURN**

As there was no additional business, Trustee Bernal made a motion, seconded by Trustee Hyman, to adjourn the meeting at 11:20 A.M. The next meeting is scheduled for 9:00 A.M. Monday, June 17, 2019. Ayes, Trustees Corn, Bernal, Hyman, Rauschenberger and McCormack. Nays, none.

Respectfully Submitted

Kim Narvaiz, Assistant Clerk

APPROVED:

Bruce R. Corn, President

Gary Hyman, Clerk-Treasurer