

Minutes of the Board of Trustees of the Fox River Water Reclamation District held on Monday, July 15, 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 9:16 A.M.

**APPROVAL OF JUNE 17, 2019 BOARD OF TRUSTEES MINUTES**

Trustee McCormack made a motion, seconded by Trustee Hyman, to approve the minutes of the June 17, 2019 Board of Trustees as written. Ayes, Trustees Corn, Bernal, Hyman, Rauschenberger and McCormack. Nays, none.

**APPROVAL OF JUNE 17, 2019 BOARD OF TRUSTEES EXECUTIVE MINUTES**

Trustee McCormack made a motion, seconded by Trustee Hyman, to approve the minutes of the June 17, 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 \$1,133,134.73, Corporate Fund \$60,368.98, Capital Improvement \$2,363.54, Depreciation & Replacement \$778,281.67, Skyline \$573.27, Petty Fund \$425.33 and Wire Transfer \$75,000. ED Trueblood explained that the wire transfer is to Chicago Title for the purchase of a property for up to \$75,000 if the Board approves the sale later in the meeting.

Trustee McCormack made a motion, seconded by Trustee Rauschenberg, 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 two commercial, six industrial, five single family and fifty-one Multi Family permits. Most of these were issued in the Service Fee area and were prepaid. A total of \$400 was collected for the connection fee permit.

Trustee Bernal made a motion, seconded by Trustee Hyman, 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 five Purchase Orders above the \$10,000 threshold that were issued in between meetings. The first was to Standard Equipment Company in the amount of \$383,995 for a new Vector truck. This purchase was approved at the last Board meeting. Next were 2 purchase orders both to Steiner Electric Company for the purchase of 2 diesel generators for pump stations 31 and 10 in the amount of \$215,497.60 and \$100,027.60, respectively. Both of these items were also approved at the last Board meeting. The last 2 Purchase Orders were made out to Visu-Sewer of Illinois for the cleaning and televising of the Northern Trunk Line and Northern Interceptor for the amount of \$48,650 and \$83,170. These projects were competitively bid and previously awarded by the Board.

**FOIA REQUESTS**

None

**OLD BUSINESS**

None

**NEW BUSINESS**

**BAR – APPROVE DESTRUCTION OF AUDIO TAPES OF EXECUTIVE SESSION**

Trustee Rauschenberger made a motion, seconded by Trustee Hyman, to not release the current Executive Session minutes at this time and also to authorize the destruction of all audio tapes of the Executive Session recorded prior to January 2018.

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

**BAR – MOTION TO APPROVE VEHICLE REPLACEMENT PURCHASE**

Trustee Bernal made a motion, seconded by Trustee McCormack to authorize Executive Director to sign a purchase order in the amount of \$66,446 to Landmark Ford for 2 new replacement vehicles as specified in the State of Illinois Joint Purchase Contract. Trustee Corn asked if staff put a reserve on the vehicles when they are sent to auction. ED Trueblood responded no. Trustee Corn asked how many miles are on the vehicles that these new vehicles are replacing. ED Trueblood responded he would have to get the exact number. TSD Vogt commented that typically District vehicles don't have very high mileage since it is mostly all local city driving, but they do get a lot of wear and tear.

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 REAL ESTATE PURCHASE, ELGIN**

Executive Director Trueblood reported that this item is on the agenda to be discussed under Executive Session and would be better to table it until after that meeting.

**BAR – MOTION TO APPROVE RESOLUTION 497 – FRWRD INVESTEMENT POLICY AND PROCEDURE**

Trustee Hyman made a motion, seconded by Trustee McCormack, to approve Resolution 497 as presented. Trustee Bernal asked what changes are being made. Finance Manager Uddin responded some of the institutions have changed or been added, otherwise everything else remains the same. Trustee Corn asked if the District has money in all of the banks listed in Exhibit 2. ED Trueblood responded yes. ED Trueblood continued that his goal is to bring this investment policy to the board on a yearly basis to make sure everything is current and up to date. Trustee Corn asked if there is a percentage or guideline when choosing how much and where to invest. ED Trueblood responded that FM Uddin works with the Engineering department on what big expenses are to be anticipated in the near future to determine how much can be invested and how much is needed as cash on hand. When choosing where and the length of the investment, ED Trueblood typically always goes with the best rate when an investment comes to term.

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 RESOLUTION 498 – PERMANENT TRANSFER OF FUNDS FROM SEWER REVENUE TO DEPRECIATION AND REPLACEMENT**

Trustee Hyman made a motion, seconded by Trustee Rauschenberger, to approve Resolution 498- Permanent Transfer of Funds from Sewer Revenue to Depreciation and Replacement. ED Trueblood commented that the past rate increases have been to help cover the unfunded Depreciation Expense. Thus, this is a permanent transfer of funds accumulated in the past fiscal

year out of sewer revenue and into Depreciation and Replacement. Also ED Trueblood will be working with FM Uddin to determine a new monthly transfer amount as the current \$156,125 may need to be adjusted.

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

**BAR – MOTION TO APPROVE REQUEST TO ISSUE ACH PAYMENT OF UP TO \$69,000 TO USEPA’S E-MANIFEST SYSTEM FOR PROCESSING SUBMITTED MANIFESTS**

Trustee McCormack made a motion, seconded by Trustee Bernal, to authorize Executive Director Trueblood to issue an ACH (Automated Clearing House) payment of up to \$69,000 to the USEPA’s electronic manifesting system for the processing of paper manifest in compliance with the national e-Manifesting system. TSD Vogt explained that even though leachate is non-hazardous, the loads are reported on a hazardous manifest and therefore must be recorded with the USEPA. Waste Management will reimburse FRWRD for the cost associated with the District’s participation in the federal e-manifest 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 ADP VIRTUAL HOST REPLACEMENT AGREEMENT WITH ENHANCED NETWORK’S, INC.**

Trustee Hyman made a motion, seconded by Trustee Bernal, to authorize Executive Director Trueblood to sign the ADP Virtual Host Replacement Agreement with Enhanced Networks, Inc. for \$45,547.69. TSD Vogt explained that the District owns and maintains two physical servers. One is at the Dana Drive Administration Building and the other at the ADP Plant. The physical server at the ADP Plant has reached its end of life for hardware support and needs to be replaced. The current server was installed in April 2012 and warranty support is no longer available. ED Trueblood commented that this type of hardware has a certain life expectancy and it would not be good if it were to crash.

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

**BAR – MOTION TO APPROVE AGREEMENT WITH MWRDGC FOR THE STRUVITE FACILITIES PROJECT**

Trustee Bernal made a motion, seconded by Trustee Rauschenberger, to approve the Agreement with MWRDGC for the Phosphorus Removal Struvite Facilities Project. Trustee Rauschenberger asked if the MWRDGC Board has already approved this agreement. TSD Vogt responded yes they have. She continued that they still have to pay the same percentage because the

project is in the biosolids facilities. The only major change from the last agreement is they will need to pay monthly unlike the digester project. ED Trueblood pointed out on page A-10 of the Agreement lists all the projects with MWRDGC and pages A-26 and 27 show the breakdown on how the percentage of capacity is calculated.

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

President Corn called for a 10 minute break at 9:44a.m.

### **FINANCE MANAGER'S REPORT**

Finance Manager Uddin presented the Board with the Financial Report thru May 31<sup>st</sup>. FM Uddin commented that the new sewer rates went into effect as of July 1, 2018 and that revenues for May compared to last year this time are up 11%. Trustee Rauschenberger asked if the glitches with the accounting software have been resolved. FM Uddin responded that he is still working with Oracle to work on the system slowness that many employees have complained about. ED Trueblood pointed out that page 2 of the financial report is a great source for Trustees to track the activity with PMA as it lists out all the institutions where current investments are located.

### **TECHNICAL SERVICES REPORT**

TSD Vogt reported that staff has received the IEPA Loan Agreements for the North WRF Phosphorus Removal Improvements and ADP WRF Phosphorus Removal Struvite Improvements as of July 5<sup>th</sup>. The interest rate on the 20 year loans is 1.64%, FRWRD receives a 0.2% reduction since the project is an environmental benefit. Staff plans to advertise the project for bids early fall of this year for the ADP WRF Liquid Improvements of Phosphorus.

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

TSD Vogt provided a written update on all projects. TSD Vogt commented that the contractor has almost completed removing the lid for Digester 3. The top sections of the walls are tilted in, so larger corbels need to be fitted before the new cover can be installed. Staff is providing their last comments on the HVAC bid documents to the consultant and once those are incorporated it will be advertised for bid. Construction is moving along at the new Pump Station 31, however some stair treads were stolen over the weekend from the job site, so the contractor installed some wooden treads. Staff is looking into planning a ribbon cutting ceremony once the station is complete and running.

**EXECUTIVE DIRECTOR'S REPORT**

Executive Director took a moment to inform Board members of the passing of recent FRWRD employee Gordon Giles. ED Trueblood attended the services for Gordon over the weekend and expressed condolences to Gordon's family on behalf of the whole FRWRD staff.

Executive Director Trueblood reported that he would be out of the office the rest of the week attending the NACWA Summer Conference in Minneapolis. In other news, FRWRD held an all Employee meeting on July 10<sup>th</sup> to discuss the new Performance Management Process. The evaluation forms were provided for board members to look over. Trustee Bernal asked if management is comfortable with these forms. ED Trueblood responded yes, there were several meetings where management's comments and suggestions were integrated together into creating this evaluation process. Other staff were also involved in the development of the review criteria.

ED Trueblood provided Board members a folder of the Skyline Water and Wastewater System Asset Purchase Agreement with Aqua Illinois. ED Trueblood commented that FRWRD is responsible to hold a public meeting, which staff will be looking to schedule sometime late summer. Trustee Rauschenberger asked if the sale price covers all the capital expenses that FRWRD has put into improving Skyline. ED Trueblood responded no. ED Trueblood has created a draft table of the cost if Skyline were to run as an Enterprise fund and what the user rates would need to be compared to what they are currently. Trustee McCormack suggested obtaining surrounding town's water and sewer bills to show skyline residents the comparison. Trustee Rauschenberger suggested sending out a mailer to inform residents of the sale. ED Trueblood said he would look into that option.

**ATTORNEY'S REPORT**

Attorney Schefflow provided copies of his June 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 McCormack made a motion, seconded by Trustee Hyman, to reconvene the Board of Trustees meeting at 11:08 A.M. Ayes, Trustees Corn, Bernal, Hyman, Rauschenberger, McCormack. Nays, none.

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

Trustee Hyman made a motion, seconded by Trustee McCormack, to authorize Attorney Schefflow to complete the purchase of property at 646 Wellington Ave at the previously approved amount.

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

**ADJOURN**

As there was no additional business, Trustee McCormack made a motion, seconded by Trustee Rauschenberger, to adjourn the meeting at 11:09 A.M. The next meeting is scheduled for 9:00 A.M. Monday, August 12, 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