

Minutes of the Board of Trustees of the Fox River Water Reclamation District held on Monday, January 27, 2020 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 9:13 A.M.

APPROVAL OF JANUARY 13, 2020 BOARD OF TRUSTEES MINUTES

Trustee Hyman made a motion, seconded by Trustee Bernal, to approve the minutes of the January 13, 2020 Board of Trustees as written. Ayes, Trustees Corn, Bernal, Hyman, Rauschenberger and McCormack. Nays, none.

APPROVAL OF JANUARY 13, 2020 BOARD OF TRUSTEES EXECUTIVE MINUTES

Trustee Bernal made a motion, seconded by Trustee Hyman, to approve the minutes of the January 13, 2020 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 \$407,633.11, Capital Improvement \$386,823.96, and Depreciation & Replacement \$23,188.68, Skyline Fund \$3,047.97 and Petty Cash Fund \$3,047.97. ED Trueblood commented that the IEPA did not receive a check from the December Disbursements so staff stopped payment and issued an ACH payment.

Trustee McCormack 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 commercial permit and one industrial permit in between meetings. Approximately \$100 was collected at this time in connection permit fees in addition to the previously collected service fees.

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

REVIEW OF CONTRACTS AND PURCHASE ORDERS

None

FOIA REQUESTS

None

OLD BUSINESS

None

NEW BUSINESS

BAR – MOTION TO APPOINT EXECUTIVE DIRECTOR TRUEBLOOD TO SERVE ON THE FOX RIVER STUDY GROUP BOARD OF DIRECTORS

Trustee Rauschenberger made a motion, seconded by Trustee Bernal, to appoint Executive Director Robert Trueblood to serve on the Fox River Study Group Board of Directors for the calendar year 2020 as the Fox River Water Reclamation District Representative.

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

BAR – MOTION TO APPROVE AMENDMENT NO. 6 TO THE ENGINEERING SERVICES AGREEMENT WITH STRAND ASSOCIATES FOR THE PUMP STATION 31 REPLACEMENT

Trustee Bernal made a motion, seconded by Trustee Hyman, to authorize Executive Director Trueblood to sign the Amendment No. 6 to the Engineering Services Agreement with Strand Associates for the Pump Station 31 Replacement for \$48,000. TSD Vogt explained that there were many circumstances, for example weather, issues with the vfd, delays with the MCC cabinets, etc

that led to substantial time delays for the project. Trustee Rauschenberger asked who the contractor on the project is. TSD Vogt responded Thieneman Construction. While they have done good work, she believes taking on a job this far out of their normal region might have been an issue for them.

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

DISCUSSION ONLY – FY 2021 PRELIMINARY BUDGET

Finance Manager Uddin provided copies of the FY 2021 Draft Preliminary Budget for Board members to review. The Preliminary Budget includes operating budgets by funds and functions; and combined budget of operating activities along with a summary of changes in the fund balances. ED Trueblood commented that although he would like the board to reconsider the depreciation and replacement policy, staff is making adjustments to fully fund the depreciation and replacement fund in the draft budget. ED Trueblood also commented that this budget is drafted with an anticipated 5% rate increase for this year and that the biggest unknown for budgeting is the health insurance renewal rates which will not be known before budget approval. Staff estimated a 10% health cost increase. Trustee Rauschenberger asked if there have been any reaction to the past rate increases. ED Trueblood responded no, that although over the past 5 years the District rates have gone up by 110%, they were so low to begin with that it does not seem to make a significant difference on an individual bill. Trustee Rauschenberger would like staff to revisit the investment policy with the possibility of looking into municipal bonds. There was a lot of discussion regarding self-funding projects, early payoff of IEPA loans, or continuing loans to the full 20 year term. TSD Vogt did comment that the current interest rates on the IEPA loans for phosphorus removal are below 2% with the anticipated ADP loan interest rate to be just over 2%. TSD Vogt also commented that with the new loans this year, the District may need to do a single audit to ensure compliance with federal requirements. ED Trueblood encouraged the Trustees to continue to review the Preliminary Budget and bring forward any more questions or discussion points at the next Board meeting.

President Corn called for a 10 minute break at 9:58 a.m.

FINANCE MANAGER'S REPORT

Finance Manager Uddin reported that temporary funds borrowed from the Sewer Revenue Fund to cover disbursements of the Capital Improvement funds have been refunded back to Sewer Revenue. FM Uddin also thanked the board for the opportunities they have given to him for the past three years, explaining that this will be his last Board meeting as he has submitted his resignation effective January 31st. All Board members wished him well with his future endeavors.

TECHNICAL SERVICES REPORT

None

STAFF REPORT OF ONGOING STUDY, DESIGN AND CONSTRUCTION PROJECTS

TSD Vogt provided a written update on all projects. Items to note include that staff will be bringing forward a blower replacement installation contract soon. Trustee Rauschenberger asked if there has been any more problems with the current blowers. TSD Vogt responded yes, there was just another failure this past week. Also staff is working with Strand Associates on punch list items for Pump Station 31. Staff is also performing lots of stress testing on the new pump station to make sure things are operating correctly and also to ensure staff is comfortable and well trained on everything.

TSD Vogt also reminded Board members of the IAWA Public Funding Committee luncheon event on February 3rd at Jimmy's Charhouse in Elgin. As of right now, Trustee Bernal and herself will be attending and any other interested trustees should let her know soon.

EXECUTIVE DIRECTOR'S REPORT

Executive Director Trueblood reported the he and Lab Manager Jack Russell will be attending the IWEA Government Affairs seminar on January 31st in Burr Ridge. ED Trueblood also reminded Trustees that the employee out of pocket reimbursement is due to HR Manager Fran Venegas at the end of the week. ED Trueblood commented that with FM Uddin leaving, the District Assistant Clerk Kim Narvaiz will be added to the Investment documents to initiate and communicate with the banks on investments. ED Trueblood and TSD Vogt will remain the approvers with himself being the decision maker.

Lastly ED Trueblood announced that Brian Yurs, a dedicated FRWRD employee for the past 39 years has submitted his notice to retire in the next month. Trustee Rauschenberger asked what the Districts plans are to replace him. ED Trueblood explained that since Yurs split his week working both maintenance and as an operator, staff is discussing how they want to fill the position.

ATTORNEY'S REPORT

None

ADJOURN

As there was no additional business, Trustee McCormack made a motion, seconded by Trustee Hyman, to adjourn the meeting at 10:41 A.M. The next meeting is scheduled for 9:00 A.M. Monday, February 10, 2020. Ayes, Trustees Corn, Bernal, Hyman, Rauschenberger and McCormack. Nays, none.

Respectfully Submitted

January 27, 2020

Kim Narvaiz, Assistant Clerk

APPROVED:

Bruce R. Corn, President

Gary Hyman, Clerk-Treasurer