

Minutes of the Board of Trustees of the Fox River Water Reclamation District held on Monday, September 21, 2020 at the Administration Building at 1957 North LaFox, South Elgin, Illinois. Present in the office were President Bruce Corn, Vice President Benjamin Bernal, Trustee Steve Rauschenberger, Trustee Gary Hyman, and Trustee Marty McCormack.

Staff present in the office included Executive Director Bob Trueblood, Technical Services Director Beth Vogt, Assistant Clerk Kim Narvaiz and Attorney Doug Schefflow.

President Corn called the meeting to order at 9:07 A.M.

APPROVAL OF AUGUST 17, 2020 BOARD OF TRUSTEES MINUTES

Trustee Rauschenberger made a motion, seconded by Trustee Bernal, to approve the minutes of the August 17, 2020 Board of Trustees as written.

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

APPROVAL OF AUGUST 17, 2020 BOARD OF TRUSTEES EXECUTIVE MINUTES

Executive Director requested to table this agenda item until the next Board Meeting.

PUBLIC COMMENT

None

APPROVAL OF CASH DISBURSEMENTS

President Corn read aloud the cash disbursement totals per fund. Disbursements for the Sewer Revenue Fund \$1,374,965.24, Capital Improvement \$2,921,719.72, Depreciation & Replacement \$452,774.51. Trustee McCormack made a motion, seconded by Trustee Bernal, to approve the Cash Disbursements as presented

Executive Director Trueblood reported that a check that was issued last month to the Illinois Environmental Protection Agency in the amount of \$67,152.78 was stolen and fraudulently cashed. Staff is working on taking the proper steps to get the money returned to FRWRD. Trustee Bernal asked if staff felt Attorney Schefflow needed to get involved. ED Trueblood responded not at this time. If it reaches that point, he will let Attorney Schefflow know. Trustee Bernal asked if we will be changing account numbers. ED Trueblood responded that they will be putting a check restriction on this account since it is the Corporate fund and not many checks get written out of it. Trustee Corn asked if we need to make some demands with JP Morgan Chase. ED Trueblood responded, not at this time. Currently all involved parties are cooperating just not as fast or aggressively as the District would like. There seems to be a lack of urgency on the banking end to return the funds to

the District. ED Trueblood continued he will stay of top of the matter and inform the Board of updates.

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

REVIEW OF CONNECTION PERMITS

Technical Services Director Vogt reported that staff issued three Commercial, two Industrial, and 47 Single Family permits in between meetings. Approximately \$10,000 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 Rauschenberger, to approve the Connection Permits as issued. There were no questions or comments; President Corn called for a vote. Ayes, Trustees Corn, Bernal, Rauschenberger, Hyman and McCormack. Nays, none.

REVIEW OF CONTRACTS AND PURCHASE ORDERS

Executive Director Trueblood reported that there were four purchase orders over \$10,000 issued in between meetings. The first was issued to Polydyne, Inc. in the amount of \$18,568 for a standard order of Polymer. The second purchase order was to Steiner Electric Company in the amount of \$27,194.34 for the new Kohler KG80 Natural Gas Generator for Pump Station 41. The third purchase order was to Enger-Vavra, Inc. in the amount of \$21,330 for the pump station 31 generator pad, which was previously approved at the last Board meeting. The fourth purchase order was to Manusos General Contracting, Inc in the amount of \$29,950 for the ADP Pump Station 10 generator pad also previously approved at the last Board Meeting.

FOIA REQUESTS

Executive Director Trueblood reported that staff received one FOIA in between meetings from a former employee who worked for the District in the 1980's requesting information on any vested pension time. ED Trueblood continued that staff responded accordingly. Trustee Rauschenberger commented that often these types of requests are in response to questions by the Social Security office when an individual begins the process to collect social security.

OLD BUSINESS

MOTION TO APPROVE ORDINANCE 926

Trustee Hyman made a motion, seconded by Trustee Bernal, to approve Ordinance 926-Rules and Procedures for Attendance by Audio or Video Conferencing by Members of the Board of Trustees or Local Improvements as presented. Trustee Rauschenberger asked Attorney Scheflow if he wrote the Ordinance and if he supports it. Attorney Scheflow responded yes, it follows the Open

Meeting Act very closely and provides for electronic attendance in the event of a declared disaster. Trustee Rauschenberger asked ED Trueblood if he and staff agree with this Ordinance. ED Trueblood responded yes.

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

MOTION TO APPROVE ORDINANCE 927

Trustee McCormack made a motion, seconded by Trustee Rauschenberger, to approve Ordinance 927 Rules and Procedures of the Board of Trustees of Board of Local Improvements. Trustee Rauschenberger asked Attorney Schefflow if he wrote the Ordinance and if he supports it. Attorney Schefflow responded yes. Executive Director questioned the need for roll call vote as we are not a large Board with large crowds. Trustee Rauschenberger agreed with ED Trueblood and recommended changing paragraph G1 on page 3 of the Ordinance document to state upon request by any Board member a roll call vote will be taken, but is otherwise not mandatory. There was discussion on this recommendation and general agreement. Trustee Rauschenberger made a motion to approve Ordinance 927 as amended per this discussion, Trustee Bernal seconded the amendment.

There were no other questions or comments; President Corn called for a vote to approve the proposed amendment to Ordinance 927. Ayes, Trustees Corn, Bernal, Rauschenberger, Hyman and McCormack. Nays, none.

President Corn called for a vote to approve Ordinance 927 as amended. Ayes, Trustees Corn, Bernal, Rauschenberger, Hyman and McCormack. Nays, none.

President Corn called a 10 Minute Break at 10:03am.

NEW BUSINESS

DISCUSSION ONLY- Audit Review

Executive Director Trueblood provided draft copies of the Fiscal Year 2020 Audit as prepared by Baker Tilly. Joe Lightcap, partner at Baker Tilly, was now participating in the Board Meeting via Zoom. Mr. Lightcap gave a brief overview of the audit indicating what information could be found on which pages. One item worth noting on page 3 of the audit is the Management's Discussion and Analysis giving a comparison to last year's audit. Mr. Lightcap continued that while he knows the Board is not reviewing the District's single audit at this time, he wanted to point out that Baker Tilly has completed this as well and there were no significant findings.

Executive Director Trueblood commented that there has been a finding from MWRDGC's auditor regarding the District's Fiscal Year 2019 Audit, which MWRDGC has currently been reviewing. It was discovered that depreciation was calculated incorrectly for both FY 2019 and 2018. The miscalculation has been verified by District staff. Staff discussed the miscalculation

with Baker Tilly so it was corrected before the Fiscal Year 2020 audit was completed. Trustee Rauschenberger asked what the ballpark figure of the miscalculation is. Technical Services Director Vogt responded roughly \$360,000, which also includes a small portion due to the Village of West Dundee as well for the same depreciation miscalculation. Executive Director commented that staff will work with both municipalities to issue the refunds. Trustee Rauschenberger asked if the current audit treated it as a reduction in revenue. Mr. Lightcap responded yes, as it is not a material amount given the overall value of the District's assets.

As the discussion was coming to an end, Executive Director Trueblood asked the Trustees to fully review the audit and forward any questions or comments they might have to either himself, TSD Vogt or directly to Joe Lightcap. The final version will be presented with a motion to accept at the October 19th Board Meeting with the deadline to approve is October 31st.

MOTION TO APPROVE TIME EXTENSION NO. 1 TO INDEPENDENT MECHANICAL INDUSTRIES, INC. ON THE ADP WRF BUILDING 10, 13, AND 35 HVAC IMPROVEMENTS PROJECT

Trustee McCormack made a motion, seconded by Trustee Hyman, to approve Time Extension No. 1 for the ADP WRF Building 10, 13, and 35 HVAC Improvements Project to Independent Mechanical Industries, Inc.

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

MOTION TO APPROVE CHANGE ORDER NO. 1 – TIME EXTENSION TO IHC CONSTRUCTION INDUSTRIES INC., ON THE ADP WRF PHOSPHOROUS REMOVAL – STRUVITE FACILITIES PROJECT

Trustee Rauschenberger made a motion, seconded by Trustee McCormack, to approve Change Order No. 1 – Time Extension to IHC Construction Industries Inc., on the ADP WRF Phosphorous Removal – Struvite Facilities Project, and subsequent change order to the contract. Trustee Corn questioned if this is really the first reactor in the United States. Technical Services Director responded that it is the first reactor built on American soil. In the past the reactor was built and assembled in Germany and then shipped to the U.S. TSD Vogt continued because it is a state funded project with American Steel requirement it will be built stateside.

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

MOTION TO AWARD COST PROPOSAL NO. 16 TO JOSEPH J HENDERSON AND SON, INC. ON THE NORTH WRF PHOSPHOROUS REMOVAL PROJECT

Trustee Bernal made a motion, seconded by Trustee McCormack, to approve Cost Proposal Request No. 16 to Joseph J Henderson and Son, Inc. on the North WRF Phosphorous Removal Project. TSD Vogt commented that a new version of this BAR was distributed this morning as there was a slight change in the numbers due to electrical work.

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

TECHNICAL SERVICES REPORT

Technical Services Director Vogt reported that Pretreatment Coordinator Dacka did extensive research on the average residential investment of installing a credit meter to ensure that those who enrolled right before the close of the program will at least break even their investment. On average, this was estimated to be 10 years, therefore staff is suggesting a sunset date on the credit meter program of January 2030. TSD Vogt also reported that staff received a request for information on our pretreatment program from USEPA on August 13th. Staff was able to submit to responses to questions 8-23 within the original 30 day allowed period. However, an extension was requested for questions 1-7 to allow time for Attorney Scheflow to review staff's responses. This was mainly related to question 1 which addressed legal authority as it relates to our partners MWRDGC and the Village of West Dundee.

STAFF REPORT OF ONGOING STUDY, DESIGN AND CONSTRUCTION PROJECTS

Technical Services Director Vogt provided a written update on all projects. TSD Vogt commented that good progress is being made on the punch list items at Pump Station 31. The new impellers are expected to arrive at the end of the month. Trustee Rauschenberger asked if the new pumps will fix the capacity issue. TSD Vogt responded that staff is reasonably confident that the full-size impellers will fix the problem. Additionally, the preconstruction meeting for the Pump Station 33 Forcemain relocation took place on September 1st. The contractor is hoping to begin work later this week and has estimated the project to be completed in 2 weeks. TSD Vogt reminded Board members that this project is at the request of Nicor and the cost of the project will be refunded to the District by Nicor.

Technical Services Director Vogt also reported that most of the contaminated soil that was found at the ADP WRF where the mixing basins are located for the Phosphorus Removal Liquid project can be relocated on site and do not have to be disposed at a landfill. The North WRF Phosphorus Removal project has had some underground issues and the Contractor has notified staff of potential delays due to COVID-19, but at this time has not submitted a formal claim.

EXECUTIVE DIRECTOR'S REPORT

Executive Director Trueblood reported that the District currently has 3 employees that are sick and went to get Covid tested. ED Trueblood continued that District employees continue to wear masks and social distance, although staff is frustrated that contractors working on District property are not wearing masks.

Additionally, ED Trueblood provided copies of the July 2020 financial statements provided by PorteBrown. The July statement shows that revenues continue to stay up for the first quarter of Fiscal Year 2021, and expenses have remained on or under budget. With the revenues staying steady, ED Trueblood reported that he would like to look at merit increases for employees, as they were not given in the spring due to concerns of low revenues because of the Covid-19 pandemic. Lastly, ED Trueblood reported that there is an appeal hearing scheduled for early October to determine the Election Day Holiday rules. Either way, staff will have a recommendation for the Board to make a decision on how to approach this day at the next Board meeting.

ATTORNEY'S REPORT

Attorney Schefflow provided copies of his August 31st invoice detailing services rendered for the month. Board Members had no questions or comments.

ADJOURN

As there was no additional business, Trustee Rauschenberger made a motion, seconded by Trustee McCormack, to adjourn the meeting at 11:22 A.M. The next meeting is scheduled for 9:00 A.M. Monday, October 19, 2020. President Corn called for a vote. Ayes, Trustees Corn, Bernal, Rauschenberger, Hyman and McCormack. Nays, none.

Respectfully Submitted

Kim Narvaiz, Assistant Clerk

APPROVED:

Bruce R. Corn, President

Gary Hyman, Clerk-Treasurer