

April 26, 2021

Minutes of the Board of Trustees of the Fox River Water Reclamation District held on Monday, April 26, 2021 at the Administration Building at 1957 North LaFox, South Elgin, Illinois. Due to the ongoing Covid-19 pandemic, this meeting was conducted via Zoom video and audio conference as permitted pursuant to section 7 of the Open Meetings Act. Audio of the meeting was recorded. Present in the office were Vice President Benjamin Bernal and Trustee Gary Hyman. Trustee Marty McCormack and Trustee Steve Rauschenberger were present via zoom. President Bruce Corn was absent.

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

Vice President Bernal called the meeting to order at 9:15 A.M.

APPROVAL OF APRIL 5, 2021 BOARD OF TRUSTEES MINUTES

Trustee Rauschenberger made a motion, seconded by Trustee Hyman, to approve the minutes of the April 5, 2021 Board of Trustees as written.

There were no comments; Vice President Bernal called for a Roll Call vote. Trustees Bernal: Aye, Rauschenberger: Aye, Hyman: Aye, McCormack: Aye.

APPROVAL OF APRIL 5, 2021 BOARD OF TRUSTEES EXECUTIVE MINUTES

Trustee McCormack made a motion, seconded by Trustee Rauschenberger, to approve the minutes of the April 5, 2021 Board of Trustees Executive Minutes as written.

There were no questions or comments; Vice President Bernal called for a Roll Call vote. Trustees Bernal: Aye, Rauschenberger: Aye, Hyman: Aye, McCormack: Aye.

PUBLIC COMMENT

None

APPROVAL OF CASH DISBURSEMENTS

Vice President Bernal read aloud the cash disbursement totals per fund. Disbursements for the Sewer Revenue Fund \$713,518.22, Capital Improvement Fund \$7,106.00, and Depreciation & Replacement Fund \$141,505.65. Trustee Hyman made a motion, seconded by Trustee Rauschenberger, to approve the Cash Disbursements as presented.

There were no questions or comments; Vice President Bernal called for a Roll Call vote. Trustees Bernal: Aye, Rauschenberger: Aye, Hyman: Aye, McCormack: Aye.

REVIEW OF CONNECTION PERMITS

Staff issued five commercial, two industrial, one public building, and four single family permits in between meetings. There were also nine single-family permits that were reissued. Over \$20,000 was collected on Connection Fees.

Trustee McCormack made a motion, seconded by Trustee Rauschenberger, to approve the Connection Permits as issued. There were no additional questions or comments; Vice President Bernal called for a Roll Call vote. Trustees Bernal: Aye, Rauschenberger: Aye, Hyman: Aye, McCormack: Aye.

REVIEW OF CONTRACTS AND PURCHASE ORDERS

Executive Director Trueblood reported that there was one purchase order over \$10,000 issued in between meetings. Purchase Order 24915 was issued to Dell Marketing LP in the amount of \$17,424.94. This expense was budgeted and is for Microsoft Office 365 renewal.

FOIA REQUESTS

None

OLD BUSINESS

None

NEW BUSINESS

None

PUBLIC HEARING FY 2022 BUDGET AND APPROPRIATIONS ORDINANCE 936

At 9:20 A.M., Vice President Bernal opened the Public Hearing for the FRWRD fiscal year Budget Ordinance No. 936 beginning May 1, 2021 and ending April 30, 2022. Executive Director Trueblood advised there have been no changes or additions to the budget since the tentative Budget was approved by the Board of Trustees on March 8, 2021. Staff formally advertised the notice of Public Hearing and made the Tentative Budget available for public review on March 10, 2021.

Having no questions from members of the public in attendance and hearing no comments, Vice President Bernal closed the Public Hearing at 9:22 A.M.

MOTION TO APPROVE FY 2022 BUDGET AND APPROPRIATIONS ORDINANCE 936

Trustee Rauschenberger made a motion, seconded by Trustee Hyman, to approve the Fiscal Year 2022 Budget and Appropriations Ordinance 936.

There were no additional comments or questions; Vice President Bernal called for a Roll Call vote. Trustees Bernal: Aye, Rauschenberger: Aye, Hyman: Aye, McCormack: Aye.

MOTION TO APPROVE DEVELOPMENT OF FY 2022 USER RATE INCREASE ORDINANCE

Trustee Hyman made a motion, seconded by Trustee Rauschenberger, to approve development of the FY 2022 User Rate Ordinance with a 5% increase in user rate (excluding excess strength waste). ED Trueblood explained that at the April 5, 2021 meeting, staff identified a 10% rate increase to be implemented July 1st based mainly on projections of costs for loan repayments and additional depreciation expense. Reviewing the monthly income statements shows that water use (and thus revenue) has increased beyond that expected this fiscal year, likely due to more people working from home which results in more residential water use. Staff also received some feedback that there was concern given the current economic situation of proceeding with the 10% rate increase. Thus, staff has proposed a 5% increase for discussion by the Board of Trustees. Reducing the increase to 5% is projected to result in a \$1.1 million shortfall in FY 2024, however this turns around the next fiscal year. With a 10% rate increase this year, the FY 2024 shortfall is about \$300,000.

Trustee Rauschenberger asked what the difference in monthly bill would be between a 5% and 10% increase in user rate. TSD Vogt made the quick calculation based on normal water use to be approximately \$0.80 more per month with a 5% rate increase and \$1.60 more per month with a 10% rate increase. Trustee Bernal asked what the interest rates will be on the new loans. ED Trueblood explained that they will all be at 2% or lower. Trustee Rauschenberger indicated that if the monthly bill increase is less than \$1 for 5% and less than \$2 for 10% increase, he is more comfortable doing the rate increase that minimizes future revenue shortfalls and he suggested amending the motion.

Trustee Rauschenberger made a motion, seconded by Trustee Bernal, to amend the rate increase motion to 10% and make it take effect September 1st. Trustee McCormack agreed that most residents would be able to afford this minimal adjustment in rate. Trustee Hyman indicated that regardless of the percent increase or actual dollar amount, there is likely to be some negative feedback from residents.

After the discussion; Vice President Bernal called for a Roll Call vote on the amendment. Trustees Bernal: Aye, Rauschenberger: Aye, Hyman: Aye, McCormack: Aye. Vice President Bernal then called for a Roll Call vote on the original motion as amended. Trustees Bernal: Aye, Rauschenberger: Aye, Hyman: Aye, McCormack: Aye.

MOTION TO APPROVE 2021 HEALTH AND DENTAL INSURANCE RENEWAL WITH BLUE CROSS BLUE SHIELD AND VISION RENEWAL WITH SUPERIOR VISION INSURANCE

Trustee Hyman made a motion, seconded by Trustee Rauschenberger, to authorize Executive Director to execute the renewal of the Health, Dental, and Vision Insurance policies as recommended by AJ Gallagher. Executive Director pointed out that a 1% increase is very reasonable even though it was a relatively high year of healthcare expenses. Trustee Bernal asked if AJ Gallagher also provides our property and casualty insurance. ED Trueblood said yes they do, but it is a different department.

As there were no further questions or comments; Vice President Bernal called for a Roll Call vote. Trustees Bernal: Aye, Rauschenberger: Aye, Hyman: Aye, McCormack: Aye.

MOTION TO APPROVE 2021 KANSAS CITY LIFE GROUP BENEFITS

Trustee Rauschenberger made a motion, seconded by Trustee Hyman, to authorize Executive Director to execute the renewal of the Kansas City Life Group Benefits. ED Trueblood explained that the renewal is at 0% increase for all parts of the coverage. The Basic Life and ADD renewal are a 1-year term and the rates are guaranteed until May 31, 2023.

There were no questions or comments; Vice President Bernal called for a Roll Call vote. Trustees Bernal: Aye, Rauschenberger: Aye, Hyman: Aye, McCormack: Aye.

MOTION TO APPROVE 1-YEAR INFORMATION TECHNOLOGY SUPPORT SERVICES AGREEMENT WITH ENHANCED NETWORKS

Trustee McCormack made a motion, seconded by Trustee Rauschenberger, to authorize the Executive Director to sign the 1-year Information Technology Support Services Agreement with Enhanced Networks for \$75,600. Trustee Rauschenberger asked if staff is still happy with the services provided. TSD Vogt said yes; when Enhanced Networks began working for the District, we had 4-6 switches and now we have around 50 plus considerable other IT infrastructure. Additionally with all the zero-day attacks that have been going on lately, staff feels that our IT services are being performed very well. The agreement is a renewal with no increase in cost. ED Trueblood noted that the latest attack path is to get into the network through security cameras.

There were no additional questions or comments; Vice President Bernal called for a Roll Call vote. Trustees Bernal: Aye, Rauschenberger: Aye, Hyman: Aye, McCormack: Aye.

MOTION TO ADOPT ANNEXATION ORDINANCE 935 FOR 8.493 ACRES BY RANDALL ROAD HOLDINGS, LLC FOR LOT 1 OF THE FUTURE BIGGERS SUBDIVISION, ELGIN

Trustee Rauschenberger made a motion, seconded by Trustee McCormack, to adopt Ordinance No. 935 for annexation of 8.493 acres by Randall Road Holdings, LLC for Lot 1 of the future Biggers Subdivision, Elgin, IL. Trustee Bernal asked if the fees for the annexation had been paid. TSD Vogt said yes.

There were no additional questions or comments; Vice President Bernal called for a Roll Call vote. Trustees Bernal: Aye, Rauschenberger: Aye, Hyman: Aye, McCormack: Aye.

At 10 A.M., Vice President Bernal called for a 15 minute break. At that time, Trustee McCormack needed to leave the meeting. The meeting resumed at 10:15 A.M.

MOTION TO APPROVE COST PROPOSAL NO. 2 TO JOSEPH J HENDERSON AND SON, INC. ON THE ADP WRF PHOSPHOROUS REMOVAL PROJECT

Trustee Hyman made a motion, seconded by Trustee Rauschenberger, to approve Cost Proposal Request No. 2 to Joseph J Henderson and Son, Inc. on the North WRF Phosphorous Removal Project. TSD Vogt noted that this is a small change to monitor the buried meter structure in case water builds up inside, which could affect the meter electronics.

There were no questions or comments; Vice President Bernal called for a Roll Call vote. Trustees Bernal: Aye, Rauschenberger: Aye, Hyman: Aye.

MOTION TO APPROVE CHANGE ORDER NO. 6 TIME EXTENSION NO. 3 TO JOSEPH J. HENDERSON AND SON, INC. ON THE NORTH WRF PHOSPHOROUS REMOVAL PROJECT

Trustee Hyman made a motion, seconded by Trustee Rauschenberger, to approve Change Order No. 6, Time Extension No. 3 to Joseph J. Henderson and Son, Inc. on the North WRF Phosphorous Removal Project, subject to IEPA issuance of a revised NPDES permit for the North WRF. TSD Vogt noted that staff did hear from IEPA on Friday the 23rd that the revised permit would be issued, extending the time to complete construction.

There were no questions or comments; Vice President Bernal called for a Roll Call vote. Trustees Bernal: Aye, Rauschenberger: Aye, Hyman: Aye.

MOTION TO APPROVE COST PROPOSAL NO. 23 TO JOSEPH J HENDERSON AND SON, INC. ON THE NORTH WRF PHOSPHOROUS REMOVAL PROJECT

Trustee Hyman made a motion, seconded by Trustee Rauschenberger, to approve Cost Proposal No. 23 and issue a subsequent Work Change Directive to Joseph J Henderson and Son, Inc. on the North WRF Phosphorous Removal Project.

There were no questions or comments; Vice President Bernal called for a Roll Call vote. Trustees Bernal: Aye, Rauschenberger: Aye, Hyman: Aye.

MOTION TO APPROVE TERMINATION OF PREVIOUS GRANT OF EASEMENT AND APPROVAL OF NEW GRANT OF EASEMENT FROM BLUFF CITY MATERIALS, INC. AND SOUTHWIND FINANCIAL FOR THE BLUE HERON BUSINESS PARK SEWER

Trustee Rauschenberger made a motion, seconded by Trustee Hyman, to terminate the previous easement agreement and approve and execute the current Grant of Easement from Bluff City Materials, Inc. and Southwind Financial for the Blue Heron Business Park Sewer.

There were no questions or comments; Vice President Bernal called for a Roll Call vote. Trustees Bernal: Aye, Rauschenberger: Aye, Hyman: Aye.

TECHNICAL SERVICES REPORT

TSD Vogt explained that FRWRD staff had received a Notice of Potential Violations letter and associated proposed Administrative Order on Consent (AOC) from USEPA for approximately 100 line items identified by the reviewer from the documents submitted in 2020. The documents were submitted in response to a Clean Water Act Section 308 information request from USEPA in August 2020. While the USEPA did identify some areas where we need to make additional improvements in our program, some things we will need to work out how to address them with USEPA. Trustee Rauschenberger asked for an example. TSD Vogt explained that a certain number of parameters are to be sampled by FRWRD as 24-hour composite samples. Some of our dischargers only discharge from their pretreatment systems for a short period each day or week (such as 15 minutes). This is the type of situation that we will need to work through with USEPA. Some other items were reports that we had submitted to IEPA but that they didn't put into the ECHO system that USEPA looks at. We will have to prove that we submitted the reports. TSD Vogt reiterated that there are still items that we will need to improve, mainly focused on re-writing our permit structure in their recommended model. We will have to enter into the AOC and make the suggested changes within their timeline or we could be subject to penalties.

TSD Vogt also noted that Illinois American had their consultant submit a proposed meter for the Elgin Estates area to replace the meter that isn't working and can't capture high flows. However, staff reviewed the report and the proposed meter would still be submerged and unable to read the high flows.

STAFF REPORT OF ONGOING STUDY, DESIGN AND CONSTRUCTION PROJECTS

TSD Vogt indicated that a written update on all projects has been provided. Some items to note include:

- Phosphorus removal construction at both ADP WRF and the North WRF are deep into construction. The plants are very torn up and visiting the sites could be difficult. The changes approved today will keep the projects moving along.
- The last two replacement Atlas Copco blowers are being installed. Once they are installed and operational, a service agreement between FRWRD and Atlas Copco will need to be signed.
- On the Sludge Transfer Forcemain project, an Army Corps permit has been obtained. However, IDNR is now saying we need another permit from them. Staff is working on obtaining this permit so that we can bid completing the forcemain.

EXECUTIVE DIRECTOR'S REPORT

Executive Director Trueblood provided a written report. He noted that there are currently two staff members out on COVID sick leave that are scheduled to return this week. Trustee Rauschenberger asked what percentage of staff has been vaccinated. ED Trueblood said he believes about one-third are fully vaccinated at this point. Trustee Hyman asked if the District is allowing staff to use normal paid time to get the vaccine. Trueblood said yes, as long as the amount of time is reasonable. Trustee Hyman asked if the COVID cases are considered Workers' Comp. Trueblood explained that only if it is identified that it was contracted at work and then it would be up to our Workers' Comp carrier to determine if it was work related. He continued that the District provides staff with a number of vaccines at no cost such as the flu shot and Hepatitis B. Tetanus is only provided if they cut themselves although insurance will cover them to keep up to date.

There is still no resolution on the stolen check. Staff continues to communicate with both JP Morgan Chase and Fifth/Third for updates but they keep pointing at each other.

The preliminary notice of IMRF contribution identified a rate of 4.38%, which is below the normal rate. This is because FRWRD prepaid and return on investments have been good. This rate compares with 16% back in 2006. Trustee Rauschenberger asked if we can over deposit given how low interest rates on investments are right now. Trueblood indicated it was worth asking about.

The Kane County Cougars game that was cancelled last year is planned for August 14, 2021. There will be fireworks after the game. Those that attend will need to be vaccinated. Trustee Hyman asked if we can make it mandatory to wear masks at the Cougars game. Trueblood indicated that it will be whatever the state is mandating at that time and the Cougars requirements. Trustee Rauschenberger indicated that we can't require the vaccine for staff due to its emergency authorization. Trustee Hyman asked if we take disciplinary action for not wearing masks and if we supply masks. ED Trueblood said yes we supply masks and most staff is compliant with the requirements, but that we can take disciplinary action if necessary. Most of the issues are with contractors because they do not wear them as much as we would like.

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The March Financial statement was provided for review. On average, the District is spending less than what was budgeted for fiscal year 2021.

At 10:33 A.M., Trustee McCormack returned to the meeting.

ED Trueblood reminded the Board that as the next meeting starts the fiscal year, the election of officers will need to take place.

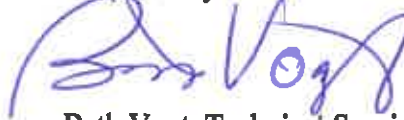
ATTORNEY'S REPORT

Attorney Scheflow indicated that a report and associated detailed invoice were provided to the Board for review.

ADJOURN

As there was no additional business, Trustee Hyman made a motion, seconded by Trustee Rauschenberger, to adjourn the meeting at 10:41 A.M. The next meeting is scheduled for 9:00 A.M. Monday, May 24, 2021. Vice President Bernal called for a Roll Call vote. Trustees Bernal: Aye, Rauschenberger: Aye, Hyman: Aye, McCormack: Aye.

Respectfully Submitted



Beth Vogt, Technical Services Director

APPROVED:



_____. President



_____. Clerk-Treasurer