

July 8, 2009

Minutes of the regular meeting of the Board of Trustees of the North Shore Sanitary District held on Wednesday, July 8, 2009 at 9:30 A.M. at the District Office of the Raymond E. Anderson Complex located in Gurnee, IL.

The meeting was opened with the Pledge of Allegiance.

On roll call, the following Trustees were present:

James E. Swarthout, President
Stephen J. Drew, Vice President
John R. Paxton, Treasurer
Daniel M. Pierce
Effie Wroten

Staff members present were General Manager Brian Dorn, Assistant General Manager Dave Miller, Attorney Greg Jackson, Director of Engineering Services Jai Gupta, Director of Laboratory Services Joe Robinson, Director of Operations Gary Sowma, and Director of Technology Services Pete Russo.

There were no comments from the public.

President Swarthout presented the Consent Agenda, as follows:

- A. Approval of the Minutes of the Meeting held on June 10, 2009.
- B. Consideration of Bills.
Wastewater Treatment Fund \$2,566,081.54
Check Nos. 145541 and 145542, Check Nos. 145599 through 145839,
Check Nos. 145852 through 145907.
- C. Financial Report, May 2009.
- D. Hearing Summary, June 9, 2009.
- E. Annexation Ordinance.
 1. No. 443, Submitted by Whitmore's Service Inc., for approximately 1/2 acre for commercial use located immediately east of Delany Road and immediately north of Yorkhouse Road, in the City of Waukegan.

ANNEXATION ORDINANCE

WHEREAS, the property hereinafter described is contiguous to the North Shore Sanitary District, and

WHEREAS, said property is not within the corporate limits of any sanitary district, and

WHEREAS, within the meaning of 70 ILCS 2305/28, the NORTH SHORE SANITARY DISTRICT has power to annex the territory hereinafter described by the passage of an ordinance to that effect, and

WHEREAS, it is in the best interests of the citizens of the NORTH SHORE SANITARY DISTRICT to annex the property hereinafter described.

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE NORTH SHORE SANITARY DISTRICT AS FOLLOWS:

SECTION 1: That the property hereinafter described to-wit:

THAT PART OF THE SOUTH WEST QUARTER OF SECTION 36, TOWNSHIP 46 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, BEGINNING AT THE SOUTH WEST CORNER OF SAID SECTION AND RUNNING THENCE EAST ALONG THE SOUTH LINE OF SAID SECTION 205 FEET; THENCE NORTH AND PARALLEL WITH THE WEST LINE OF SAID SECTION 192 FEET; THENCE WEST AND PARALLEL WITH THE SAID SOUTH LINE OF SAID SECTION 205 FEET TO

THE WEST LINE THEREOF; THENCE SOUTH ALONG SAID WEST LINE 192 FEET TO THE PLACE OF BEGINNING, IN LAKE COUNTY, ILLINOIS.

be and the same is hereby annexed to the North Shore Sanitary District.

SECTION 2: If the property herein described was the subject of a sewer service agreement, that agreement is terminated as of the effective date of this Ordinance.

SECTION 3: That a certified copy of this Ordinance, together with a map of the annexed territory shall be filed with the County Clerk of Lake County, Illinois.

SECTION 4: This Ordinance shall be in full force and effect from and after its passage and approval as provided by law.

F Correspondence.

1. 06/11/09 letter from NSSD to Illinois State Treasurer's Office regarding Prime Fund conversion.
2. 06/19/09 letter from NSSD to ComEd regarding NSSD Account Manager.
3. 06/30/09 letter from Lake County to NSSD regarding tax levy Loss in Collection adjustment.

G. Press Articles.

1. Lake County News Sun.
 - i. 'Sanitary district budget stresses system upgrades', 06/16/09.
2. Lake Forester.
 - i. 'People in the news', 06/04/09.
3. Lake County Journal.
 - i. 'Lake County welcomes 'The Fielders'', 06/04-10/09.

H. Authorize Payroll and Finance Department to issue District checks to meet expenses where necessary for payroll and to avoid interest and/or penalties before the next Board Meeting.

It was moved by Trustee Paxton and seconded by Trustee Drew that the items under the Consent Agenda be approved.

On roll call, all Trustees present voted "Aye". Motion declared carried.

General Manager Dorn gave the Management Report as follows:

A. Presented Engineering Agreement Amendments.

1. Donohue & Associates, Inc., Sludge Recycling Facility Operations Support Project, Contract Amendment No. 1.

It was moved by Trustee Paxton and seconded by Trustee Drew to approve Contract Amendment No. 1 with Donohue & Associates, Inc., Sludge Recycling Facility Operations Support Project.

On roll call, all Trustees present voted "Aye". Motion declared carried.

2. Clark Dietz, Inc., Site Drainage and Filtrate Drain Improvements, Contract Amendment No. 1, Increase of \$2,585.00.

It was moved by Trustee Drew and seconded by Trustee Paxton to approve Contract Amendment No. 1 with Clark Dietz, Inc., Site Drainage and Filtrate Drain Improvements, an Increase of \$2,585.00.

On roll call, all Trustees present voted "Aye". Motion declared carried.

Assistant General Manager Miller gave the Administration Division report as follows:

- A. Presented 2009 Connection and Annexation Fee Determination Report and Ordinance Change.

ORDINANCE

BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE NORTH SHORE SANITARY DISTRICT THAT 'AN ORDINANCE ESTABLISHING THE FEES AND CHARGES OF THE NORTH SHORE SANITARY DISTRICT' BE AMENDED AS FOLLOWS:

SECTION 2: CAPITAL RECOVERY FEES

2.1 ANNEXATION FEES

As per an Ordinance Relating to Sewers and Sewer Systems, the following are the annexation fees for property to be annexed to the District. The fees will be calculated on the estimated population of the property to be served by the District, using the following schedule:

Each single-family dwelling sewer connection	\$1,360 per connection if annexed before 8/1/00
A condominium containing more than two bedrooms shall be considered a single family dwelling	\$1,508 per connection if annexed 8/1/00 - 8/31/02 \$1,452 per connection if annexed 9/1/02 - 8/31/03 \$1,820 per connection if annexed 9/1/03 - 8/31/04 \$1,824 per connection if annexed 9/1/04 - 8/31/05 \$1,728 per connection if annexed 9/1/05 - 8/31/06 \$2,068 per connection if annexed 9/1/06 - 8/31/07 \$2,004 per connection if annexed 9/1/07 - 8/31/08 \$1,944 per connection if annexed 9/1/08 - 8/31/09 \$1,880 per connection if annexed after 8/31/09
Each two-bedroom dwelling unit of a multiple family structure	\$1,020 per connection if annexed before 8/1/00 \$1,131 per connection if annexed 8/1/00 - 8/31/02 \$1,089 per connection if annexed 9/1/02 - 8/31/03 \$1,365 per connection if annexed 9/1/03 - 8/31/04 \$1,368 per connection if annexed 9/1/04 - 8/31/05 \$1,296 per connection if annexed 9/1/05 - 8/31/06 \$1,551 per connection if annexed 9/1/06 - 8/31/07 \$1,503 per connection if annexed 9/1/07 - 8/31/08 \$1,458 per connection if annexed 9/1/08 - 8/31/09 \$1,410 per connection if annexed after 8/31/09
Each one-bedroom, efficiency single room dwelling unit of a multiple family structure or condominium	\$680 per connection if annexed before 8/1/00 \$754 per connection if annexed 8/1/00 - 8/31/02 \$726 per connection if annexed 9/1/02 - 8/31/03 \$910 per connection if annexed 9/1/03 - 8/31/04 \$912 per connection if annexed 9/1/04 - 8/31/05 \$864 per connection if annexed 9/1/05 - 8/31/06 \$1,034 per connection if annexed 9/1/06 - 8/31/07 \$1,002 per connection if annexed 9/1/07 - 8/31/08 \$972 per connection if annexed 9/1/08 - 8/31/09 \$940 per connection if annexed after 8/31/09
Each industrial or commercial connection for each population equivalent	\$340 per PE with 4 PE minimum if annexed before 8/1/00 \$377 per PE with 4 PE minimum if annexed 8/1/00 - 8/31/02 \$363 per PE with 4 PE minimum if annexed 9/1/02 - 8/31/03 \$455 per PE with 4 PE minimum if annexed 9/1/03 - 8/31/04 \$456 per PE with 4 PE minimum if annexed 9/1/04 - 8/31/05 \$432 per PE with 4 PE minimum if annexed 9/1/05 - 8/31/06 \$517 per PE with 4 PE minimum if annexed 9/1/06 - 8/31/07 \$501 per PE with 4 PE minimum if annexed 9/1/07 - 8/31/08 \$486 per PE with 4 PE minimum if annexed 9/1/08 - 8/31/09 \$470 per PE with 4 PE minimum if annexed after 8/31/09

2.2 FAIR CAPITAL CONTRIBUTION FEES

As per an Ordinance Relating to Sewers and Sewer Systems, all property which was at any time exempt from *ad valorem* real estate taxes but becomes subject to said real estate taxes or any property obtained by another entity not required to be assessed ad valorem taxes shall pay the following fair capital contribution fees as a capital contribution to the plants and facilities of the North Shore Sanitary District:

Each single-family dwelling sewer connection A condominium containing more than two bedrooms shall be considered a single family dwelling	\$1,360 per connection if annexed before 8/1/00
	\$1,508 per connection if annexed 8/1/00 - 8/31/02
	\$1,452 per connection if annexed 9/1/02 - 8/31/03
	\$1,820 per connection if annexed 9/1/03 - 8/31/04
	\$1,824 per connection if annexed 9/1/04 - 8/31/05
	\$1,728 per connection if annexed 9/1/05 - 8/31/06
	\$2,068 per connection if annexed 9/1/06 - 8/31/07
	\$2,004 per connection if annexed 9/1/07 - 8/31/08
Each two-bedroom dwelling unit of a multiple family structure	\$1,944 per connection if annexed 9/1/08 - 8/31/09
	\$1,880 per connection if annexed after 8/31/09
	\$1,020 per connection if annexed before 8/1/00
	\$1,131 per connection if annexed 8/1/00 - 8/31/02
	\$1,089 per connection if annexed 9/1/02 - 8/31/03
	\$1,365 per connection if annexed 9/1/03 - 8/31/04
	\$1,368 per connection if annexed 9/1/04 - 8/31/05
	\$1,296 per connection if annexed 9/1/05 - 8/31/06
Each one-bedroom, efficiency single room dwelling unit of a multiple family structure or condominium	\$1,551 per connection if annexed 9/1/06 - 8/31/07
	\$1,503 per connection if annexed 9/1/07 - 8/31/08
	\$1,458 per connection if annexed 9/1/08 - 8/31/09
	\$1,410 per connection if annexed after 8/31/09
	\$680 per connection if annexed before 8/1/00
	\$754 per connection if annexed 8/1/00 - 8/31/02
	\$726 per connection if annexed 9/1/02 - 8/31/03
	\$910 per connection if annexed 9/1/03 - 8/31/04
Each industrial or commercial connection for each population equivalent	\$912 per connection if annexed 9/1/04 - 8/31/05
	\$864 per connection if annexed 9/1/05 - 8/31/06
	\$1,034 per connection if annexed 9/1/06 - 8/31/07
	\$1,002 per connection if annexed 9/1/07 - 8/31/08
	\$972 per connection if annexed 9/1/08 - 8/31/09
	\$940 per connection if annexed after 8/31/09
	\$340 per PE with 4 PE minimum if annexed before 8/1/00
	\$377 per PE with 4 PE minimum if annexed 8/1/00 - 8/31/02
\$363 per PE with 4 PE minimum if annexed 9/1/02 - 8/31/03	
\$455 per PE with 4 PE minimum if annexed 9/1/03 - 8/31/04	
\$456 per PE with 4 PE minimum if annexed 9/1/04 - 8/31/05	
\$432 per PE with 4 PE minimum if annexed 9/1/05 - 8/31/06	
\$517 per PE with 4 PE minimum if annexed 9/1/06 - 8/31/07	
\$501 per PE with 4 PE minimum if annexed 9/1/07 - 8/31/08	
\$486 per PE with 4 PE minimum if annexed 9/1/08 - 8/31/09	
\$470 per connection if annexed after 8/31/09	

2.3 SANITARY SEWER CONNECTION PERMIT FEES

As per an Ordinance Relating to Sewers and Sewer Systems, the following are the fees to be charged for sanitary sewer connection permits:

Each single-family dwelling sewer connection	\$1,824 per connection
Each two-bedroom dwelling unit of a multiple family structure	\$1,368 per unit
Each one-bedroom, efficiency single room dwelling unit of a multiple family structure or condominium	\$912 per unit
Each industrial or commercial connection for each population equivalent	\$456 per PE with 4 PE minimum

SECTION 5.3 This ordinance shall be in full force and effect following its passage, approval, and publication as provided by law or on September 1, 2009, whichever date is later.

It was moved by Trustee Drew and seconded by Trustee Paxton to approve 2009 Connection and Annexation Fee Determination Report and Ordinance Change.

On roll call, all Trustees present voted “Aye”. Motion declared carried.

B. Presented 2010 IMRF Employer Contribution Rate.

After giving a brief overview of the District’s options regarding choosing between a 2010 annual required contribution rate of 16.80% or an optional phase-in contribution rate of 12.38%, several questions were raised by Trustee Pierce and a discussion followed. Trustee Pierce inquired as to when the District would need to make a decision. Assistant General Manager Miller reported the deadline was August 31, 2009. Trustee Pierce suggested that more research be done on this issue and to look at other municipalities to see what percentage they are funded and what option they were choosing. It was then suggested that the item be tabled and brought back at the August meeting.

It was moved by Trustee Pierce and seconded by Trustee Drew to Table the 2010 IMRF Employer Contribution Rate to the August meeting.

On roll call, all Trustees present voted “Aye”. Motion declared carried.

C. Presented Contract Termination – The Landscape Company.

It was moved by Trustee Pierce and seconded by Trustee Paxton to approve the Contract Termination – The Landscape Company.

On roll call, all Trustees present voted “Aye”. Motion declared carried.

D. Presented Bank of America Late Fees.

Assistant General Manager Miller presented the details of the Bank of America Late Fees. It was recommended that the District pay the late fees owed to the Bank of America and refrain from doing any future business with them.

It was moved by Trustee Paxton and seconded by Trustee Pierce to approve Bank of America Late Fees.

On roll call, all Trustees present voted “Aye”. Motion declared carried.

Director of Engineering Services Gupta gave the Engineering Division report as follows:

A. Presented Bid Summary.

1. Valve and Actuator Replacement at Gurnee STP Building 380 and Waukegan STP Structure 457, Reject all Bids.

It was moved by Trustee Drew and seconded by Trustee Paxton to Reject all Bids for Valve and Actuator Replacement at Gurnee STP Building 380 and Waukegan STP Structure 457 and rebid the project.

On roll call, all Trustees present voted "Aye". Motion declared carried.

Director of Laboratory Services Robinson gave the Laboratory Division report as follows:

- A. Presented Current Status of Significant Industrial Wastewater Violation(s) in the Service Area of the NSSD.

Director of Laboratory Services Robinson reported that all industries were in compliance with the District at this time.

There being no further business to come before the Board, on motion duly made, seconded and unanimously passed, the meeting was then and there adjourned until the next regular meeting to be held on Wednesday, August 12, 2009 at 9:30 A.M. at the District Office of the Raymond E. Anderson Complex in Gurnee.

PRESIDENT

SECRETARY