

December 7, 2009

Minutes of the Organizational and Regular Meeting of the Board of Trustees of the North Shore Sanitary District held Monday, December 7, 2009 at 9:30 AM. at the District Office of the Raymond E. Anderson Complex located in Gurnee, Illinois.

ORGANIZATIONAL MEETING

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

Trustee Wroten was absent.

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.

President Swarthout announced that this was the Annual Organizational Meeting.

It was moved by Trustee Paxton and seconded by Trustee Drew, that James E. Swarthout be elected Chairman of the Annual Organizational Meeting.

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

Chairman James E. Swarthout appointed Mary Jo Bryant Secretary of the Meeting.

It was moved by Trustee Paxton and seconded by Trustee Drew, that the regularly scheduled meetings of the Board of Trustees of the North Shore Sanitary District for 2010 will be held on the second Wednesday of each month at 9:30 A.M. and the annual organizational meeting to be held on Monday, December 6th.

The 2010 scheduled meetings are as follows:

January 13 th	July 14 th
February 10 th	August 11 th
March 10 th	September 8 th
April 14 th	October 13 th
May 12 th	November 10 th
June 9 th	December 6 th

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

It was moved by Trustee Drew and seconded by Trustee Paxton that Daniel M. Pierce be elected as President of the Board of Trustees of the North Shore Sanitary District for the period from December 7, 2009 to December 6, 2010.

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

It was moved by Trustee Paxton and seconded by Trustee Pierce, that Stephen J. Drew be elected Vice President of the Board of Trustees for the period from December 7, 2009 to December 6, 2010.

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

It was moved by Trustee Drew and seconded by Trustee Pierce, that John R. Paxton be elected Treasurer of the North Shore Sanitary District for the period from December 7, 2009 to December 6, 2010.

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

It was moved by Trustee Paxton and seconded by Trustee Drew, that Dave Miller be named Deputy Treasurer of the North Shore Sanitary District for the period from December 7, 2009 to December 6, 2010.

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

It was moved by Trustee Drew and seconded by Trustee Paxton that Mary Jo Bryant be named Secretary of the North Shore Sanitary District for the period from December 7, 2009 to December 6, 2010.

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

It was moved by Trustee Paxton and seconded by Trustee Drew, that Gregory T. Jackson be designated Attorney of the North Shore Sanitary District for the period from December 7, 2009 to December 6, 2010.

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

It was moved by Trustee Drew and seconded by Trustee Paxton, that Anne C. Linn be designated Assistant Attorney of the North Shore Sanitary District for the period from December 7, 2009 to December 6, 2010.

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

It was moved by Trustee Paxton and seconded by Trustee Drew, that incidental expenses for the Trustees be authorized for the period from December 7, 2009 to December 6, 2010, not to exceed \$2,500.00 for the President and \$1,000.00 for each of the other Trustees.

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

It was moved by Trustee Drew and seconded by Trustee Paxton, that the President and Treasurer be authorized to sign all checks written for the North Shore Sanitary District on all funds pertaining to the District, and that both shall sign all checks.

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

It was moved by Trustee Paxton and seconded by Trustee Drew, that the Annual Organizational Meeting be adjourned.

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

CHAIRMAN

SECRETARY

REGULAR BOARD MEETING

The Regular Meeting was declared in session.

On roll call, the following Trustees were present:

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

Trustee Wroten was absent.

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 Pierce presented the Consent Agenda, as follows:

- A. Approval of the Minutes of the Meeting held on November 11, 2009.
- B. Approval of the Minutes of the Executive Session held on November 11, 2009.
- C. Consideration of Bills.
 - Wastewater Treatment Fund \$4,630,636.99
 - Check Nos. 147402 through 147426, Check Nos. 147491 through 147589,
 - Check Nos. 147591 through 147651, Check Nos. 147653 through 147701,
 - Check Nos. 147775 through 147837.
 - Void Check Nos. 147590 and 147652.
- D. Euro Payment for Andritz Purchase Orders #15716 and #16420.
- E. Financial Report, October 2009.
- F. Hearing Summary, November 3, 2009.
- G. Correspondence.
 1. 11/25/09 letter from NSSD to Congresswoman Melissa Bean requesting funding through 2010 Water Resources Development Act.
- H. Press Articles.
 1. Lake County News Sun.
 - i. 'Sanitary district denied \$12M in stimulus funding', 11/16/09.
 - ii. 'Highland Park to upgrade sewage pumping plant', 11/17/09.
 - iii. 'Zion groundbreakings', Talk of the County, 11/21/09.
 2. Chicago Tribune.
 - i. 'Lake Michigan pollution: Highland Park project aims to curb sewage flow', 12/02/09
 3. Lake County Journal.
 - i. 'Sewage rates increase for some', 11/12-18/09.
 - ii. 'Fielders officially break ground on new stadium', 11/12-18/09.
 4. Zion-Benton News.
 - i. 'Ground is broken for new ballpark', 11/12/09.
- I. Thank You Cards.
 1. Darrin Leith.
 2. John Reuskens and Family.
 3. Waldemar Salazar and Family.
- J. 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 presented the Management Report as follows:

A. Presented Engineering Agreement Amendments.

1. Clark Dietz, Inc., Generator Cooling Improvements, Contract Amendment No. 1, Increase of \$7,100.00.

General Manager Dorn reported that Contract Amendment No. 1 is for Clark Dietz, Inc. to perform construction related services for the Generator Cooling Improvements Project and asked for Board approval.

It was moved by Trustee Drew and seconded by Trustee Swarthout, that Contract Amendment No. 1, Clark Dietz, Inc., Generator Cooling Improvements, an Increase in the amount of \$7,100.00 be approved.

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

2. Clark Dietz, Inc., Gurnee STP Building 340 Switchboard Replacement, Contract Amendment No. 2, Increase of \$3,100.00.

General Manager Dorn reported that Contract Amendment No. 2 is to cover additional engineering costs associated with Building 340 Switchboard Replacement Project due to problems encountered during the project. General Manager Dorn stated that the District intends to recoup these costs from the Contractor and asked for Board approval.

It was moved by Trustee Drew and seconded by Trustee Paxton, that Contract Amendment No. 2, Clark Dietz, Inc., Gurnee STP Building 340 Switchboard Replacement, an Increase in the amount of \$3,100.00 be approved.

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

B. Presented Employee Holiday Gifts.

General Manager Dorn stated that for the last nine years the District gave each employee a \$100.00 "net" check accompanied by a letter of gratitude from the Board of Trustees and the General Manager. General Manager Dorn said it is the Board's discretion to grant the Holiday Gift this year. Trustee Paxton had inquired the previous year about the value of the \$100.00 due to inflation over the last nine years. General Manger Dorn stated that if the cost of inflation is incorporated into the value of the initial gift that the net worth today is \$120.00. Trustee Swarthout felt the additional \$20.00 was warranted.

It was moved by Trustee Swarthout and seconded by Trustee Paxton to approve an Employee Holiday Gift in the "net" amount of \$120.00.

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 Tax Levy Ordinance.

Assistant General Manager Miller stated that one of the assumptions used in the preparation of the estimate is that the C.P.I. will increase by the same percentage as during the previous year. Assistant General Manager Miller reported that the actual C.P.I. increase of 0.1%, provided in November by the Lake County Clerk, is far less than the 4.1% projection used by in the estimate. This results in an actual levy \$434,408 (3.8%) less than the estimated levy included in the Combined Budget, Appropriation & Tax Levy Document that was approved by the Board on 6/10/09.

Trustee Pierce asked several questions related to the assessment value of the District and tax related questions which Assistant General Manager Miller answered. Assistant General Manager Miller asked for Board Approval of the 2009 Tax Levy Ordinance.

It was moved by Trustee Paxton and seconded by Trustee Drew to approve the 2009 Tax Levy Ordinance.

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

B. Presented Request for Reduction of User Charge Fees.

1. John Scifers, 1014 Cummings Avenue, Waukegan.

Assistant General Manager Miller reported that the District was in receipt of a letter from Mr. John Scifers dated November 9, 2009 regarding the service address of 1014 Cummings Avenue, Waukegan. Mr. Scifers states that his NSSD invoices dated April 25, 2009 and July 25, 2009 were substantially high due to a running toilet. He indicates that he repaired the toilet himself by adjusting a screw on the toilet.

Mr. Scifers is requesting NSSD to adjust his sewer bill for those quarters. Mr. Scifers does not have previous history since this is a new account and the above mentioned invoices were the first 2 billing periods. Assistant General Manager Miller stated there is no reason to dispute Mr. Scifers story and that if the Board approved his request it would result in a credit of \$381.92.

It was moved by Trustee Paxton and seconded by Trustee Swarthout to approve the Request for Reduction of User Charge Fees for Mr. John Scifers, 1014 Cummings Avenue, Waukegan resulting in a credit of \$381.92.

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

C. Presented Request for New Delinquent Account Payment Agreement.

1. Gilbert Pook, 1207 Wadsworth Avenue, North Chicago.

Assistant General Manager Miller stated that the account of Mr. Gilbert Pook was drawn into the sewer service termination process after defaulting on a Delinquent Payment Agreement. The water was to be shut off on Tuesday November 17, 2009. On Thursday, November 12, 2009 Trustee Effie Wroten was contacted regarding this sewer service termination. Trustee Wroten reviewed Mr. Pook's account and agreed that Mr. Pook shall pay one-half of his balance immediately and sign a payment agreement to pay the balance by November 30, 2009. Mr. Pook made a \$350.00 payment on November 14, 2009 and signed a new payment agreement. Assistant General Manager stated that since the payment on November 14, 2009 Mr. Pook has now paid the account in full.

It was moved by Trustee Swarthout and seconded by Trustee Drew to approve Request for New Delinquent Account Payment Agreement for Gilbert Pook, 1207 Wadsworth Avenue, North Chicago.

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 the following Bid Summary.

1. Generator Cooling Pump Replacement at the Clavey Road, Gurnee and Waukegan STPs, Mecon Industries, Inc. of Lansing, IL in the amount of \$113,700.00.

It was moved by Trustee Paxton and seconded by Trustee Paxton to award the Generator Cooling Pump Replacement at the Clavey Road, Gurnee and Waukegan STPs to Mecon Industries, Inc. of Lansing, IL in the amount of \$113,700.00.

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

B. Presented Emergency Authorization Report.

1. EAR-10-01, Supply of Filtering Membranes for Reverse Osmosis System #2 at SRF, \$40,014.37.

Director of Engineering Services Gupta stated that the existing filtering membranes on the Reverse Osmosis System #2 at the SRF needed to be replaced urgently and was approved at the September 9, 2009 Board meeting at an estimated cost of \$39,360. The work is now completed and the final cost is \$40,014.37.

Trustee Swarthout inquired as to whether the life of these membranes had failed long before the expected time. Director of Engineering Services Gupta stated that the actual lifetime was estimated at only 3 to 5 years. Trustee Swarthout inquired if this was the second time they were being replaced. Director of Engineering Services Gupta stated that this is the first time they are being replaced and that the lifetime use was only slightly compromised.

It was moved by Trustee Swarthout and seconded by Trustee Paxton to approve Emergency Authorization Report, EAR-10-01, Supply of Filtering Membranes for Reverse Osmosis System #2 at SRF, in the amount of \$40,014.37.

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

C. Presented Emergency Authorization Request.

1. EAR-10-02, Repair of Lake Forest Pumping Station F7 Forcemain Leak, \$70,000.00

Director of Engineering Services Gupta reported that the District was notified by the City of Lake Forest on November 9th that raw sewage was flowing out of the ground on Maplewood Drive just east of Sheridan Road. It was determined that the leak was coming from our F7 Forcemain. George W. Kennedy was immediately called to mobilize and repair the leaking pipe. The repair work was started on Tuesday, November 10th and was completed on Thursday, November 12th. During this time approximately 1.6 MG of raw sewage was diverted to the Lake Forest Sewage Storage Basin during the repair process.

Trustee Swarthout commented how well the Lake Forest Sewage Storage Basin worked in this situation and how important it is to have. Trustee Pierce stated that this is a good example of why we need these basins. Trustee Paxton commented on the Village of Lake Bluff having problems with locating a basin at the Lake Bluff lakefront and how important the need of having a basin is.

It was moved by Trustee Swarthout and seconded by Trustee Paxton to approve Emergency Authorization Request, EAR-10-02, Repair of Lake Forest Pumping Station F7 Forcemain Leak in the amount of \$70,000.00.

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

2. Presented Payment Authorization – George W. Kennedy Construction Co., Inc. \$57,058.89.

Director of Engineering Services Gupta reported that this Payment Authorization is for the work done by George W. Kennedy Construction Co., Inc. for repair of Lake Forest Pumping Station F7 Forcemain Leak.

It was moved by Trustee Swarthout and seconded by Trustee Paxton to approve Payment Authorization – George W. Kennedy Construction Co., Inc. in the amount of \$57,058.89.

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

D. Presented Pre-Annexation Agreement.

1. No. 446, Submitted by Issac and Jaya Thomas, for approximately 5 acres for commercial use, located south of Washington Street and east of Greenleaf Street, in unincorporated Lake County.

It was moved by Trustee Drew and seconded by Trustee Swarthout to approve Pre-Annexation Agreement No. 446, Submitted by Isaac and Jaya Thomas, for approximately 5 acres for commercial use, located south of Washington Street and east of Greenleaf Street, in unincorporated Lake County.

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 Industrial Facilities are in compliance at this time.

- B. Presented Lambent Technologies Expansion.

Director of Laboratory Services Robinson reported that Lambent Technologies of Gurnee currently known as Petroferm has expanded their business and have now reached their capacity for their BOD limit and will need to purchase additional BOD loads to continue to operate. Lambent Technologies expressed that they will contact Trustee Drew to discuss the matter of purchasing additional BOD loads (estimated at \$250,000 to \$500,000) and how to go about it at an economical standpoint. Director of Laboratory Services Robinson stated that they are located on Delany Road in Gurnee. The Gurnee STP does have adequate capacity for this additional loading. This item was informational only.

President Pierce stated that before we moved on to the next item on the Agenda that he would like to thank Trustee Swarthout for his past year as President and all his hard work and efforts. President Pierce hopes that the upcoming year will be as good.

Director of Technology Services Russo gave the Technology Division report as follows:

- A. Presented Internet Service Contract.

Director of Technology Services Russo reported that the current contract for Internet service is expiring. The renewal contract has decreased for the upcoming year. The cost is \$502 per month for a 3 year term. Trustee Pierce inquired who the contract is with. Director of Technology Services Russo reported it is with AT & T and asked for Board approval.

It was moved by Trustee Swarthout and seconded by Trustee Drew to approve the Internet Service Contract.

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

Attorney Gregory Jackson gave the Attorney report as follows:

- A. Presented Resolution Providing for Appointment of Freedom of Information Officer.

Attorney Jackson stated that as of January 1, 2010 the Illinois Freedom of Information Act requires all public bodies to appoint a Freedom of Information Officer. Attorney Jackson requested that the Assistant General Manager position be appointed as the Freedom of Information Office and shall have such duties, powers and rights as provided by the Freedom of Information Act and shall receive requests submitted to the North Shore Sanitary District and ensure that the District respond to these requests as required by the Act. The Assistant General Manager shall have the authority to appoint deputy Freedom of Information Officers to assist the Assistant General Manager in performing these duties.

Several of the Trustees, Attorney Jackson and Assistant General Manager Miller discussed this item further. It was agreed that the position should stay in-house.

It was moved by Trustee Swarthout and seconded by Trustee Drew to approve the Resolution Providing for Appointment of Freedom of Information Officer.

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

It was moved by Trustee Drew and seconded by Trustee Swarthout to move into Executive Session to discuss:

- A. Real Estate
 - 1. Potential Sale/Lease of Portion of F-11 Forcemain.
- B. Personnel.
 - 1. Employee Agreements.
 - i. General Manager.
 - ii. Assistant General Manager.

It was moved by Trustee Drew and seconded by Trustee Swarthout to end the Executive Session and resume the regular meeting.

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

It was moved by Trustee Paxton and seconded by Trustee Swarthout to approve Employee Agreements for the General Manager and Assistant General Manager.

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

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, January 13, 2010 at 9:30 A.M. at the District Office of the Raymond E. Anderson Complex in Gurnee.

PRESIDENT

SECRETARY