

**Lake in the Hills Sanitary District
Board of Trustees August 24, 2017
Rescheduled Meeting Minutes**

Roll Call:

The rescheduled meeting was called to order by President Hansen at 7:00 pm at the Sanitary District offices located at 515 Plum Street. Roll call was answered by President Eric Hansen, Trustee Terry Easler and Trustee Kyle Kane. Also present were District Manager Rick Forner, District Engineer Brett Postl, District Treasurer/Clerk Karen Thompson and Attorney Ann Williams from the law firm of Storino, Ramello & Durkin.

Public Comments:

None

Approval of Bills:

- A. Ratification of Bills submitted August 3, 2017 and paid August 15, 2017.

A motion was made by Trustee Easler and seconded by Trustee Kane to ratify the bills submitted August 3, 2017 and paid August 15, 2017. On a roll call vote, President Hansen and Trustees Easler and Kane voted aye.

- B. Current Bills

A motion was made by Trustee Easler and seconded by Trustee Kane to approve the list of bills as presented. Total payment of all bills approved were \$372,324.76 of which \$34,656.05 is from the General Corporate Fund, \$297,473.41 is from the Operations and Maintenance Fund, \$40,195.30 is from the Construction Fund and \$0 is from the Bond and Interest Fund.

The motion passed after a roll call vote; President Hansen, Trustee Easler and Trustee Kane voted aye. (A list of the bills approved is attached to these minutes)

Minutes:

- A. June 8, 2017 Regular Meeting of the Board of Trustees
- B. June 15, 2017 Special Meeting of the Board of Trustees
- C. July 6, 2017 Special Meeting of the Board of Trustees
- D. July 10, 2017 Special Meeting of the Board of Trustees

A motion was made by Trustee Easler seconded by Trustee Kane to approve the Minutes identified as items A-D above. On a roll call vote, President Hansen, Trustee Easler and Trustee Kane voted aye.

Consent Agenda:

- A. Declare District's 2004 Ford Ranger as surplus equipment.
- ~~B. Ratify actions taken at the July 6, 2017 Special Board Meeting.~~ **See comments below.
This item was removed**
- C. Ratify Actions taken at the July 10, 2017 Special Board Meeting.
- D. Approval of Final Plat of Melody Living of Lake in the Hills.
- E. Approval of Application and Certificate for payment #4 in the amount of \$74,880.00 to RP Coatings, Inc. for the 2017 Tank and Clarifier Coating contract.

President Hansen asked to remove Item B from the Consent Agenda. Motion was made by Trustee Kane seconded by Trustee Easler to remove Item B. On a roll call vote President Hansen and Trustees Easler and Kane voted aye.

Motion was made by Trustee Easler and seconded by Trustee Kane to approve the Consent Agenda items A, C, D & E. On a roll call vote, President Hansen, Trustee Easler and Trustee Kane voted aye.

Specific Agenda:

- A. Motion to retain Law Firm Storino, Ramello & Durkin to provide legal services to the Lake in the Hills Sanitary District.

Trustee Easler asked Attorney Williams from Storino, Ramello & Durkin to provide some background about their firm and what services they will provide. Attorney Williams indicated that their firm has several years of experience working with municipalities. They have not yet prepared an engagement letter, but confirmed that their rates would be at or below the rates of the prior law firm.

Trustee Easler also asked Attorney Williams to explain the rules under the Open Meetings Act as it applies to Trustees communicating with each other outside of a Board Meeting. She confirmed that Trustees should not communicate to discuss public business outside of a scheduled Board Meeting. Instead, Trustees should utilize District Staff for items that need to be addressed.

Motion was made by Trustee Kane, seconded by President Hansen to approve Specific Agenda Item A and hire the Law Firm of Storino, Ramello & Durkin to provide legal services to the Lake in the Hills Sanitary District. On a roll call vote, President Hansen, Trustee Easler & Trustee Kane voted aye.

- B. Waive connection fee for sanitary sewer connection to the Ford School Outhouse.

District Manager Rick Forner provided Trustees with a letter from Robert Spooner of Lake in the Hills Historical Society requesting that the Sanitary District waive the connection fees for their period-looking outhouse. Trustee Easler wanted to confirm that the Village had also waived their fees. Confirmation was found on Page 2 of the document.

Motion was made by Trustee Easler, seconded by President Hansen to approve Specific Agenda Item B and waive the connection fee to the Ford School Outhouse. On a roll call vote, President Hansen, Trustee Easler and Trustee Kane all voted aye.

C. Designation of signatures' for District's financial accounts.

President Hansen requested that both he and Trustee Kane be added as authorized signers on the Districts Bank accounts. Motion was made by President Hansen, seconded by Trustee Kane to approve Specific Agenda Item C and designate President Hansen and Trustee Kane as signers on the Districts bank accounts. On a roll call vote, President Hansen, Trustee Easler and Trustee Kane all voted aye. District Treasurer is working with the banks to get new agreements drawn up for signatures.

D. Instruct District Manager to look into and provide options on updating and upgrading our web presence. Including but not limited to: a form for customer assistance, making available all meeting agendas and minutes and to look into live streaming the meetings – similar to how McHenry County does this.

Trustee Easler commented that he does not see much value in live streaming of meetings as our public attendance has historically been low. He also does not feel it would be fiscally prudent to purchase equipment to accomplish this task. Additionally, he expressed concern about the District Manager taking too much time away from his regular task of running the District to research this process. President Hansen still believes that the District needs to be more transparent and a website and live streaming of meetings would help accomplish this.

Motion was made by Trustee Easler, seconded by Trustee Kane to approve Specific Agenda Item D and instruct the District Manager to look into and provide options to upgrade the Districts web presence in an effort to be more transparent. On a roll call vote, President Hansen and Trustees Easler and Kane voted aye.

E. Approval of Ordinance No. 384 – “An Ordinance Levying Taxes for the Lake in the Hills Sanitary District for Fiscal Year 2017- 2018”.

District Manager presented Ordinance No. 384. He commented that this levy reflects a 10% cut (or \$76,000 reduction) over the 2016-2017 levy. This 10% cut was implemented in response to the McHenry County Board's request for all governmental entities to reduce their levies. Trustee Easler reminded everyone that this levy is only implemented for residents who reside in the Sanitary District boundaries and use the Districts services.

Motion was made by President Hansen and seconded by Trustee Kane to approve Specific Agenda Item E. On a roll call vote President Hansen and Trustees Easler and Kane voted aye.

F. Recognition of service by Shelby Key

Shelby Key was present in the audience. The District Manager read the Resolution recognizing Shelby Key for his almost 40 years of service to the Sanitary District.

Trustee Easler additionally thanked Shelby Key for his service and dedication. Added that underneath Shelby's leadership the District has been very well run and that he has never experienced a back-up in his basement.

Shelby Key spoke to the new Board and informed the new Trustees that they are taking over a very well run and efficient District. Additionally he commented that the new Trustees should be very cautious when considering consolidation as he has concerns about the ability of another entity to run the District as effectively as it is and has been run for over 50 years. He added that the Sanitary District has been very well-maintained and cared for by the previous Board and staff. He also commented that the financial

numbers reported in the press are not correct. Additionally he advised the new Board Trustees to learn as much as they can about the Sanitary District so that they can make wise choices in the future and continue to protect Sanitary District customers. President Hansen thanked Shelby for his comments and said he would take these warnings and remarks into consideration. He also said that he is willing to take a look at consolidation, but that it is not necessarily a done deal.

Motion was made by President Hansen, seconded by Trustee Easler to approve Specific Agenda Item F and approve the Resolution acknowledging Shelby Key's service to the Sanitary District. On a roll call vote, President Hansen and Trustees Easler and Kane voted aye.

Treasurer's Report:

A. June 2017 Treasurer's Report

District Treasurer presented the June 2017 Report. She gave a brief explanation of the format and offered to answer any questions. No questions were asked.

Motion was made by Trustee Easler, seconded by Trustee Kane to approve the June 2017 Treasurer's Report. On a roll call vote President Hansen and Trustees Easler and Kane voted aye.

B. July 2017 Treasurer's Report

Motion was made by Trustee Easler, seconded by Trustee Kane to approve the July 2017 Treasurer's Report. On a roll call vote President Hansen and Trustees Easler and Kane voted aye.

C. Draft Annual Treasurer's Report

District Treasurer presented a draft copy of the Annual Treasurer's report for the Board to review. Will seek final approval at the September 2017 Board meeting.

Additionally the Treasurer provided a copy of the A/R Analysis report pertaining to the Water Shut off program. She does not seek approval of this report, but indicated that it is a supplemental report which was prepared when the Water Shut off program was implemented. This report has been used to help identify the success of the program. District Manager gave the new Trustees some background on the Water Shut off process.

Manager's Report:

A. Operations Update

The District Manager presented the June and July 2017 Reports.

In June 2017 there was one backup on Jessie Lane. This was a minor backup and was caused by the high precipitation that we had in June (8" of rain compared to the typical 4" of rain). No claim was filed.

In June & July 2017 District personnel continued to work on televising the lines and using the vector truck to clean and cut roots.

July 2017 was also a high precipitation month with 11" of rain, however, there were no backups resulting from the high precipitation.

The three backups that did occur in July were in the service line from the house to the main line. These are the homeowner's responsibility and not the Districts responsibility.

Also reported that the Districts Lab technician Jennifer Olson completed the DMR quality assurance testing. This testing is used to evaluate the performance of lab testing by wastewater treatment facilities and results are sent to the EPA. Jennifer did an excellent job and all results were in the acceptable range.

District Manager updated the new Trustees on the guidelines for the CBOD and suspended solids limits.

District Manager updated the Board on the new Melody Living project. The District has reviewed the specifications and all are in the compliance. The developer has been notified of the fees and we are now just waiting for construction to begin.

B. Draft Financial Statements for the Year Ended April 30, 2017 as provided by James Gioia & Company, P.C.

The District Manager reiterated that earlier he had discussed with President Hansen the fact that the Draft Financial Statements were not yet ready for review. Auditor will have these ready shortly.

Motion was made by Trustee Easler and seconded by Trustee Kane to approve the Managers Reports for June and July 2017. On a roll call vote, President Hansen and Trustees Easler and Kane voted aye.

District Engineer:

The District Engineer had 3 items to report on:

1. He has been working with the Village regarding the new NPDES permit and the guidelines for the amount of Barium. The Barium produced by the Village in their water treatment process gets filtered down to the Districts system. The Barium levels will either need to be reduced by the Village thru their process or by the Sanitary District. We will monitor the flow from the Village and compare with our discharge. May have to pass an Ordinance regarding who will treat to be in acceptable levels.
2. He is working on issues related to the operation of the sewers and is doing some study work to divert flows.
3. He is also working on improvements to the Districts solid contents (sludge). He has been doing research on the blowers as it relates to the EPA guidelines for air quality. Looking at rebuilding the current blowers as opposed to purchasing new. Project will be approximately \$300,000.

Engineer was looking for a consensus from the Board to go out for bid on the upgrades to the blowers. Board agreed to go ahead with bidding process.

Engineer also updated new Trustee Kane on the electrical problem that occurred in June 2016 and what is being done to avoid it from happening again.

Attorney:

None

Unfinished Business:

None

New Business:

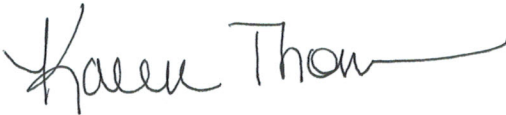
None

Adjournment:

There being no further business to bring before the Board, President Hansen asked for a motion to adjourn the meeting. Motion was made by Trustee Easler and seconded by Trustee Kane. The motion passed after a verbal vote. All Board members who were present voted aye.

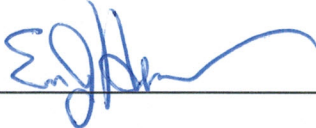
The meeting was adjourned at 8:02 pm.

Respectfully Submitted,



Karen Thompson,
District Clerk

APPROVED this 14th day of September, 2017 .



President Hansen