

**Lake in the Hills Sanitary District
Board of Trustees Regular Meeting Minutes
September 14, 2017**

Roll Call:

The regular 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 Attorney Ann Williams and District Treasurer/Clerk Karen Thompson.

Approval of Minutes:

Motion was made by Trustee Easler and seconded by Trustee Kane to approve the Minutes of the Rescheduled Board Meeting of August 24, 2017. On a roll call vote, President Hansen and Trustees Easler and Kane voted aye.

Public Comments:

None

Consent Agenda:

- A. Approval of Ordinance No. 386 – An Ordinance Abating the Taxes Levied for the Year 2017 to Pay General Obligation Bonds, Series 2014.
- B. Approval of Lake in the Hills Sanitary District's Financial Statements for the Year Ended April 30, 2017 as presented by James Gioia & Company, P.C.
- C. Approval of Annual Treasurers Report for Fiscal Year 2016 – 2017.
- D. Approval of Application and Certificate for payment #5 in the amount of \$9,360.00 to RP Coatings, Inc. for the 2017 Tank and Clarifier Coating contract.
- E. Authorize District Manager to execute Engagement Letter for legal services with Storino, Ramello & Durkin dated September 11, 2017.

Motion was made by Trustee Easler seconded by Trustee Kane to approve the Consent Agenda as presented. On a roll call vote, President Hansen, Trustee Easler and Trustee Kane voted aye.

Specific Agenda:

None

Accountant's Report:

District Treasurer presented a copy of the August 2017 Treasurer Reports. She commented that expenses were slightly higher than usual, but this is because bills were paid twice in August. Septage revenue on the Sewerage fund was also slightly higher than typical and was primarily due to the Septage haulers paying both their June & July invoices in August. She also presented the Trustees with some figures to show the reduction in the delinquent customer accounts that are more than 90 days past due.

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

Approval of Bills:

District Treasurer presented a list of bills for approval. She commented that we will no longer see Pivotal Payments as a vendor paid under the recurring bills section of the report. This is because Payment Service Network now has the ability to provide this service. We anticipated that fees assessed by Payment Service Network would be similar to Pivotal's fees, however, there has been a slight savings so far.

A motion was made by President Hansen and seconded by Trustee Kane to approve the List of Bills as presented for payment totaling \$ 279,968.86 with \$ 38,486.36 from the General Corporate Fund, \$ 147,751.48 from the Operations and Maintenance Fund, \$ 7,943.51 from the Construction Fund and \$ 85,787.51 from the Bond and Interest Fund.

The motion passed after a roll call vote; President Hansen and Trustees Easler and Kane voted aye. (A copy of the bills approved will be kept with the Board Meeting documents)

Manager's Report:

A. Operations Update

The District Manager presented a written Operations Update which has been filed with the Board Meeting documents.

He also presented a written copy of the August 2017 Managers Report and provided a verbal recap of some of the items on the report:

- Flows for August 2017 were normal.
- Septage numbers were higher in August. He reminded the Board that even though this is a revenue source for the District, there are some costs related to providing this (ie. The septage disposal needs to be screened since it sometimes contains rocks or other materials that can be damaging)
- CBOD & Suspended Solids were within normal limits
- There was one callout in August from a customer whose sump pump was running a lot. This issue was not related to any problems with the Sanitary District's system, but our staff gave the customer some suggestions to help with their problem.

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

District Engineer:

The District Engineer reported that we are moving forward with the blower bids. A few contractors have picked up a bid packet. He is meeting with one contractor tomorrow (9/15) to go over some of the specs.

He met with the Village of Lake in the Hills regarding the Barium issue. Has started to collect samples and to look at options to treat. President Hansen asked if the Village has been cooperative. Engineer indicated that they have been cooperative thus far. It might become a more difficult discussion when it comes down to who will treat and how much that will cost. Engineer is thinking that it would be best to treat the Barium at the source. The District may have some options to treat on our end, but will have to purchase chemicals for this to happen.

The easement titles have been taken care of for the sewer line that runs along the creek. We have cleared this area and will be televising and cleaning this line.

Has started the Engineering work for the fourth Digester Tank. This item is in the Budget and he plans to go out for bids in the spring of 2018. There are only a few contractors in the US that do this kind of work, so he does not anticipate a high volume of bids returned.

Attorney:

The District Attorney reminded the Board that the pending lawsuit was dismissed without findings and without prejudice.

She further stated that it is her legal opinion that the appointments of President Eric Hansen and Trustee Kyle Kane made by McHenry County Chairman Franks on June 20, 2017, were valid and duly authorized as of that date, and that any and all actions taken by said officers after that date were likewise valid. The courts have held that where there is an existing office, a person who fills the office and exercises the powers of that office is considered a *de facto* officer, even if there was some irregularity in appointment or qualification. Actions taken by a board which includes a *de facto* officer/s are also valid and binding.

Additionally she stated that the Oaths of Office for President Hansen and Trustee Kane that were done just prior to tonight's meeting are valid and binding.

She contacted Ancel Glink (et al) regarding the escrow deposit and is hopeful that these funds will be recouped.

She met with Sanitary District Staff (Rick, Karen and Jerilyn) to go over internal processes and the transfer of services. She commented that it was a productive meeting and the Staff seems very organized.

Unfinished Business:

None

New Business:

Trustee Easler suggested to the new Trustees that they read over the summary of the Financials presented by Jim Gioia, particularly the section about the efficiencies created by the reduction of the Sludge expenses.

District Engineer reminded the Board about the get together next Thursday, September 21st to honor Shelby Key's service to the Sanitary District.

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 President Hansen and seconded by Trustee Easler. The motion passed after a verbal vote. All Board members who were present voted aye.

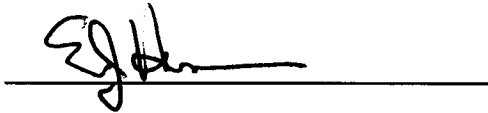
The meeting was adjourned at 7:22 pm.

Respectfully Submitted,



Karen Thompson,
District Clerk

APPROVED this 12 day of OCTOBER, 2017 .



President Hansen