

**Lake in the Hills Sanitary District
Board of Trustees Regular Meeting Minutes
October 12, 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 Kane and seconded by Trustee Easler to approve the Minutes of the Regular Board Meeting of September 14, 2017. On a roll call vote, President Hansen and Trustees Easler and Kane voted aye.

Public Comments:

Joe Greenwood who has been a long time resident of Lake in the Hills spoke about his shock and disappointment about what has happened at the Sanitary District over the past few months. He additionally expressed his disbelief and disappointment with the leadership of the Sanitary District. He further indicated that Illinois has too many taxing entities and he is being driven out of this State due to high taxes. He believes that there should be some recourse for the actions taken by the Sanitary District over the past few months.

Consent Agenda:

- A. Approval for the sale of a 2004 Ford Ranger XLT extended cab to Renee Laramie, 7217 Manor Lane, Crystal Lake, Illinois 60014 in the amount of \$2,605.
- B. Approval of Ordinance No. 388 – An Ordinance to Rescind Ordinance 2017-379 Which Authorized The Annexation Of Certain Territory And Property To The Lake In The Hills Sanitary District.

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

Specific Agenda:

- ~~A. Award of a contract for the Reconfiguration of Existing Hoffman Blowers, per District Engineers recommendation.~~

District Engineer asked that Item A be removed from the Specific Agenda. He will provide additional details during his report. Specific Agenda item A was removed and no approval was sought.

- B. Approval of Resolution No. 387R – A Resolution to Authorize the Release of Certain Executive Session Minutes of Meetings of the Board of Trustees of the Lake in the Hills Sanitary District.

Motion was made by Trustee Kane, seconded by Trustee Easler.

On a roll call vote President Hansen and Trustees Easler and Kane voted aye to approve Specific Agenda item B and release the executive session meeting minutes dated March 27, 2017, April 27, 2017 and June 15, 2017.

- C. Approval of Invoice from Ancel, Glink, Diamond, Bush, DiCianni & Krafthefer, P.C. dated August 11, 2017.

Motion was made by Trustee Kane, seconded by Trustee Easler to bring Specific Agenda Item C before the Board and create discussion regarding payment on invoice from Ancel Glink dated August 11, 2017.

After much discussion, President Hansen made a motion to table Specific Agenda Item C, Trustee Kane seconded it. On a roll call vote, President Hansen and Trustees Easler and Kane voted aye to table Specific Agenda Item C until next month.

Accountant's Report:

District Treasurer presented a copy of the September 2017 Treasurer Reports. She commented that we received a grant from the Illinois Public Risk Fund in the amount of \$2,144. You will see this on the General Fund Report. She also updated the Board on the fact that the State of Illinois has decided it will not attempt to recoup the Personal Property Replacement Tax that was overpaid in 2016.

Motion was made by Trustee Easler, seconded by Trustee Kane to approve the September 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.

A motion was made by President Hansen and seconded by Trustee Kane to approve the List of Bills as presented for payment totaling \$ 286,304.35 with \$ 96,614.45 from the General Corporate Fund, \$ 143,468.71 from the Operations and Maintenance Fund, \$ 46,221.19 from the Construction Fund and \$ 0 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 September 2017 Managers Report and provided a verbal recap of some items:

- The Districts website will be up and running by the end of the month. 100% of the items may not be included initially as we are continuing to upload documents for that purpose. The District purchased a 1 year subscription to GoDaddy to host our website.
- Brett will update the Board in his report on the Barium testing.
- Updated the Board on the Beehive Assisted Living project. There is a meeting at the Village on Monday to go over the details.
- Flows for September are quite low compared to normal due to low precipitation.
- The CBOD and suspended solids, ammonia and nitrogen are typical and well within our permit requirements.
- We have received an invitation to the Ford School open house on 10/15/17 from 1-4pm.

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

District Engineer:

He has been meeting with a Controls expert regarding the older facilities. They have been making improvements in this area.

The District Engineer reported that the reason he asked to remove Specific Agenda Item A is because of the lack of competition in the bids. We have postponed this indefinitely until we can determine why there was a lack of bids. President Hansen asked about the urgency of the project. Engineer indicated that it is a requirement of the EPA. He believes that we are Ok to push this project back a little due to the cold weather coming. Research done a few month back indicated that refurbishment, as opposed to purchasing new, could save the District a couple of 100 thousand dollars. This savings may have dwindled now so he would like to go back and do some additional research.

The work on Digester #4 is going forward. He gave the Board some background regarding the sludge retention process and the volatile solids issue. The EPA has placed restrictions on our Sludge Management contractor regarding volatile solids. When renewal of our contract comes up with them if the volatile solids are high it may results in higher fees from them. Digester #4 will help with the sludge odor and will help allow the sludge to digest longer which will help reduce the volatile solids. Digester #4 will also allow the District to eventually retire the old steel tank.

Continuing to work on testing of Barium. We have 6 weeks of results, which are either at the lab or being sent to the lab. Once these results are back we will be able to review. This work is being done so we can be in compliance with the new EPA requirements that will be implemented over the next few years.

Attorney:

The District Attorney reported that she and President Hansen met with McHenry County Chair Jack Franks today to discuss the issue of consolidation. She gave some history regarding the 2013 Local Government Reduction and Efficiency Act as it related to DuPage County. In 2016 this law was expanded to include McHenry County. It provided for possible discussion of consolidation of local units of government. The power to pass an Ordinance lies with the County. It is a two step process and she could provide a presentation when appropriate.

She has been directed by President Eric Hansen to prepare a resolution providing for the formation of a Sanitary District Consolidation Study Committee for consideration of the Board at the November

meeting. She further stated that this is not required by the law and it not something that the County has requested

She further stated that the purpose of the Committee will be to determine whether dissolution of the District and consolidation with the Village would be a net positive for taxpayers by streamlining the provision of services, increasing efficiency for customers, eliminating duplication and waste and saving taxpayer money while providing the same or higher level of services to Sanitary District customers, and to make a recommendation to the McHenry County Board.

The Study Committee will be comprised of representatives of the Lake in the Hills Sanitary District, the Village of Lake in the Hills, McHenry County, and others.

Items to be considered by the Study Committee include the District's functions, fiscal sustainability, transparency, accountability, internal controls, audit and opportunities to improve efficiency, streamline structure, and reduce costs.

The plan would be to work up a resolution and move forward with a preliminary study. She said that there is some precedence in DuPage, but it is not the same thing.

She also spoke regarding the regarding the outstanding escrow deposit on the land in Kane County and the broker fees. The next step would be to do a demand letter in an effort to recoup these funds.

Unfinished Business:

None

New Business:

None

Audience Participation:

Lake in the Hills resident Joe Greenwood spoke again. He commented that he realizes consolidation will be difficult and may take a long time to accomplish. He reiterated that the actions taken by the District should be addressed. He has lost confidence in Management and he is not sure what is accurate and what isn't. He believes that something needs to be done immediately to look at the current organization and how it can be improved.

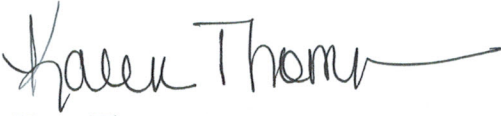
Trustee Easler spoke of the history of the Board and the fact that they have not had a need to micromanage the District as it has been well run by the experienced professionals.

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.

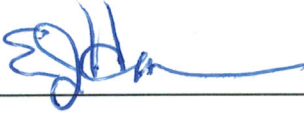
The meeting was adjourned at 7:58 pm.

Respectfully Submitted,



Karen Thompson,
District Clerk

APPROVED this 9th day of November, 2017 .



President Hansen