

**Lake in the Hills Sanitary District  
Board of Trustees Public Hearing and Regular Meeting Minutes  
July 11, 2019**

**Public Hearing – Budget and Appropriation for Fiscal Year May 1, 2019 through April 30, 2020**

**Roll Call:**

The public hearing 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 and Trustee Jessica Reed. Trustee Cheryl Kehoe was absent. Also present were Assistant District Manager Tamara Mueller, District Engineer Peter Kolb of Applied Technologies, District Attorney Ann Williams of Storino Ramello & Durkin and District Treasurer/Clerk Karen Thompson.

**Public Comments:**

None.

**The Budget and Appropriation for Fiscal Year May 1, 2019 through April 30, 2020 was presented.**

District Treasurer stated that the Budget was prepared by the former District Manager Rick Forner. Therefore, she did not have much involvement in the preparation. However, she has some knowledge about the increases to IMRF and computer, hardware, software and support expenses. She elaborated that IMRF was increased in an effort to pay down the ERI liability that the District has. This liability is contributing to over 8% of the District's total rate. Our goal is to try to get this paid down sooner so that our employer rate can decrease. The increase to the computer expense line is for the new software and server upgrades for the front office. She further added that there are also some SCADA upgrades going on which may have also contributed to this large increase on the computer expense line.

President Hansen noted that the budget line for new construction was decreased by \$500,000 and he wanted to make sure that this would be adequate to cover any projects. District Engineer indicated that they were asked to provide the former District Manager with some cost estimates for future projects and he believes that those were taken into account for the budget.

President Hansen asked about the increase in the medical and life insurance line. District Treasurer indicated that the former District Manager did get some insurance quotes late last fall in an effort to reduce premiums; however, there were no better options at that time and the decision was made to stay with the current provider.

Trustee Reed asked for some clarification regarding the IMRF liability. District Treasurer elaborated and provided additional detail.

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

The public hearing meeting was adjourned at 7:06 pm.

### **Roll Call:**

The regular meeting was called to order by President Hansen at 7:06 pm at the Sanitary District offices located at 515 Plum Street. Roll call was answered by President Eric Hansen and Trustee Jessica Reed. Trustee Cheryl Kehoe was absent. Also present were Assistant District Manager Tamara Mueller, District Engineer Peter Kolb of Applied Technologies, District Attorney Ann Williams of Storino, Ramello & Durkin and District Treasurer/Clerk Karen Thompson.

### **Approval of Minutes:**

Motion was made by Trustee Reed and seconded by President Hansen to approve the Minutes of the Regular Board Meeting of June 13, 2019 as presented. On a roll call vote, President Hansen and Trustee Reed voted aye.

### **Public Comments:**

Joseph Greenwood of Lake in the Hills referenced a comment made by a member of the public from a previous meeting. This comment was related to the fact that the Board did not have any input or questions regarding the projects that the Engineer discussed. President Hansen stated that since he speaks with the Manager in between meetings to get questions answered he does not usually have additional questions during the meeting. He also stated that for public record, it might be best for him to ask questions even though those questions have already been answered outside of the meeting.

Mr. Greenwood further stated that he has a lot more confidence in the current District Engineer and their company, Applied Technologies. He thanked them for doing a great job.

### **Consent Agenda:**

- A. Ordinance No. 398, An Ordinance for the Combined Budget and Appropriation for Fiscal Year May 1, 2019 through April 30, 2020.
- B. Designation of Tamara Mueller as the IMRF Authorized Agent for the District.
- C. Approval of Contractor's Application for Payment No. 1 in the amount of \$93,887.31 to Schroeder Asphalt Services, Inc. for the 2019 Rear Drive Entrance.
- D. Approval of Change Order No. 1 in the amount of \$4,847 to Schroeder Asphalt Services, Inc. for the Rear Drive Entrance.
- E. Approval of Final Plat for the Resubdivision of Melody Living.

Motion was made by President Hansen and seconded by Trustee Reed to approve the Consent Agenda as presented (Items A thru E). On a roll call vote President Hansen and Trustee Reed voted aye.

### **Specific Agenda:**

None.

### **Treasurer's Report:**

District Treasurer presented written copies of the June 2019 Treasurer reports and provided a verbal summary. First, she stated that the front office did not pursue delinquent accounts thru the water shut office process in June. This is because they were in the process of upgrading their software and being trained on the new software. This process will resume in July.

At the request of President Hansen, she added a third column to the monthly Treasurer reports. The reports now include prior month, current month, year to date and budget figures. With this third column added the Board will now be able to see trends regarding monthly expenditures. They may notice that some expenses are very consistent month to month, some are high and low on a cyclical basis related to the quarterly billing cycle and some are inconsistent based on unplanned repairs or maintenance issues.

She further stated that the expenses on the O&M report for Engineering were higher in June because of the expenses related to SCADA work were paid from there. She then directed the Board's attention to the Governmental Funds report and advised that in June we did receive some additional property tax installments. Lastly, she stated that there were no expenses on the General Fund report for legal services and this is because, as we discussed last month, we did not have any new bills. District Attorney further added that she checked with their billing department and found that bills go out between the 10<sup>th</sup> and 15<sup>th</sup> of each month for the service thru the end of the prior month. Therefore, there can be a delay.

Trustee Reed asked for clarification on the pie chart on the accounts receivable report. District Treasurer provided an explanation.

Motion was made by President Hansen seconded by Trustee Reed to approve the June 2019 Treasurer reports. On a roll call vote President Hansen and Trustee Reed voted aye.

### **Approval of Bills:**

District Treasurer presented a list of bills for approval. She explained that the payments made before the meeting to Controls Consulting were for some SCADA work. Usually bills in a higher amount like this would not be paid before the meeting. However, the Assistant District Manager wanted to speak with that vendor to get clarification before approving. After she spoke with him, she asked that those bills be paid since the invoices were submitted before the prior meeting. She then directed the Boards attention to the bills that have not been paid yet and are being presented for approval tonight. She highlighted some of the unusual or large invoices. She also has copies of all of the bills if any of the Trustees would like to see the detail.

President Hansen asked about the invoices from Controls Consulting. Assistant District Manager provided some additional detail about the work that is being done to the District's SCADA system.

Trustee Reed asked why we have invoices for both AT&T and Verizon. District Treasurer and Assistant District Manager explained that we pay AT&T for alarms and we pay Verizon for the employee's cell phones who are on call and for the GIS laptop.

Motion was made by President Hansen and seconded by Trustee Reed to approve the List of Bills as presented for payment totaling \$ 242,320.93 with \$ 37,891.92 from the General Corporate Fund, \$ 162,695.01 from the Operations and Maintenance Fund, \$ 41,734.00 from the Construction Fund and \$ 0 from the Bond and Interest Fund.

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

### **Manager's Report:**

Assistant District Manager prepared and presented the June 2019 Manager's Report and provided a verbal summary. First, she stated that there was a digester foam overflow that happened on June 16<sup>th</sup>. The level sensor did not detect the foam and the high level alarms did not trip because the foam had engulfed it and went over the top. The foam stayed on the property until the clean up process. During the clean up, it was mixed with water and found its way into a storm drain near the digesters. That incident was reported to the IEPA on June 17<sup>th</sup>.

We are still waiting for our dump truck as there has been a delay in the truck bed. Rush Truck Center anticipates that we should have it within the next week. Since we could not wait any longer to press, we are using the District's small dump truck. This makes for a very inefficient process.

We have a new employee starting on Monday who will be our summer help. Lastly, there were three callouts in June, but none were the Districts issue.

President Hansen wanted to know how serious the issue that was reported to the IEPA is. Assistant District Manager does not think that we will be fined for it. She did make the inspector aware of it and our IEPA inspection is tomorrow so she may find out more at that time. President Hansen asked to be kept in the loop.

Assistant District Manager presented some options for the tax levy that will be presented next month. President Hansen is hoping to be able to abate the taxes by 10% again this year. Some discussion took place regarding how much to reduce and how it would affect the District. There was some concern about how a reduction could affect the District's current outstanding bonds or the ability to issue bonds in the future. Assistant District Manager said that she could reach out to the auditor again to discuss bonding ability. District Attorney added that there are some types of bonds that are dependent on and can be issued at a percentage of the levy. So in fact, reducing the levy could affect the District's ability to issue bonds in the future.

Motion was made by President Hansen, seconded by Trustee Reed, to approve the June 2019 Manager's Report as presented. On a roll call vote President Hansen and Trustee Reed voted aye.

### **Engineer's Report:**

District Engineer Peter Kolb of Applied Technologies provided a written report and a verbal recap.

Regarding Task Order 18-02 (Beach Lift Station Rehab), the preliminary site plan and facilities layout have been completed and have been submitted for review by staff and the Village of Lake in the Hills. They have received tentative approval by all. The soil boring is scheduled for Monday. After that report is received back, final drawings and a bid package will be prepared along with a final cost estimate. The plan is to bid in August, bring an award recommendation to the Board in September and construction in October thru December.

Regarding Task Order 18-03 (Electrical Service & Plant Power Distribution), they have completed the specification package for the electrical studies. They are requesting quotes from three specialized firms

who do this type of work. He is estimating the cost will be around \$12,000.00. Once the quotes are received back they will bring the Board a recommendation. They have identified several areas in the plant where they are recommending electrical upgrades be done. They will be working with the Assistant District Manager on these. It is their opinion that the main electrical feed coming in to the plant is owned by ComEd until it gets to the meter. This line has been troublesome. They plan to ask ComEd to replace this line. They are also planning to put together a task order for emergency power capability for the blowers. They are also recommending that a main breaker be installed to the MCC in the Belt Press Building. They are also recommending that the deteriorated electrical components in the filter building be replaced. Lastly, they will be working with staff on relocating the wash water pumps. He anticipates that the electrical studies final review report will be ready in August.

Regarding Task Order 18-04 (Richard Taylor Park Bypass), they are very close to final drawings. They have coordinated with the Village for water main information. Bid packages should go out in August. Awards will be in September and construction in November.

Regarding Task Order 19-01 (Rear Entrance Drive Construction Services), the first pay out was presented tonight as well as the change order for \$4,800. They have had some delays because of rain. The plan is to have it paved next week and done by Friday.

**Attorney's Report:**

District Attorney indicated that she prepared a memo to staff that has been approved by President Hansen. It outlines the District's process for complaints and the responsibilities and obligations for the employees as part of their employment in terms of sexual harassment, harassment, general conditions of employment, equal opportunity employment etcetera. She will give this memo to the Assistant District Manager along with the most recent copy of the District's Personnel Policy Book. This memo should be distributed to all employees.

President Hansen asked if there are still some things in the personnel book that need to be updated. District Attorney indicated that the District has updated the manual as the law requires and will continue to do that. She further stated that it is a lengthy book and there is some overlap on things that could be tightened up.

Assistant District Manager asked if there are any specific areas of the personnel manual that she needs to point out to staff. District Attorney indicated that the memo should suffice.

**Unfinished Business:**

None.

**New Business:**

None.

**Adjournment:**

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

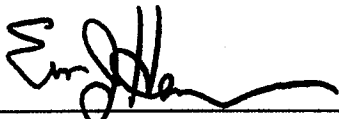
The meeting was adjourned at 7:39 pm.

Respectfully Submitted,



Karen Thompson,  
District Clerk

APPROVED this 8th day of August, 2019.



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President Hansen  
(stamped signature -KT)