Minutes of the Regular Meeting of the Board of Trustees of the North Shore Water Reclamation District
held Wednesday, August 12, 2015 at 9:30 A.M. at the District Office of the Raymond E. Anderson
Complex located in Gurnee, Illinois.

The meeting was opened with the Pledge of Allegiance.

On roll call, the following Trustees were present:

Daniel M. Pierce, President
Stephen J. Drew, Vice President
Preston P. Carter, Treasurer
Thomas E. Swarthout
B. Sugar Young

Staff members present were Executive Director Brian Dorn, Deputy Executive Director Dave Miller,
Attorney Greg Jackson, Director of Engineering Services Jai Gupta, Director of Laboratory Services Joe
Robinson, Director of Operations Phil Connelly and Director of Technology Services Bill Jackewicz.

President Pierce presented the Consent Agenda as follows:

A. Approval of the Minutes of the Meeting held on July 8, 2015.
B. Approval of the Minutes of the Executive Session held on July 8, 2015.
C. Consideration of Bills.
   Wastewater Treatment Fund $2,302,709.41
   Check Nos. 170188 through 170213.
   Check Nos. 170214 and 170215 were inadvertently left off checklist and should
   reflect payments to Sam’s Club in the amount of $326.23 and Home Depot in the amount of
   $247.61, respectively.
   Check Nos. 170216 through 170633.
E. Prepayment for Procurement of BRF Parts.
   1. Pollrich Ventilatoren GmbH, Purchase Order #33489 in the amount of 14,510.00€.
F. Orders to Terminate Service.
G. Requests for Waiver of Delinquent Account Fees.
   1. 2010 Glen Flora Avenue, Waukegan.
   2. 14000 W Rockland Road, Libertyville.
H. Annexation Ordinance.
   1. No. 459, Submitted by Allen Hutchison, for approximately 2.25 acres located in the
      Village of Beach Park.
I. 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 Drew and seconded by Trustee Swarthout that the items under the Consent Agenda
be approved.

On roll call, the vote was 5 – 0 with all Trustees present voting "Aye". Motion declared carried.

President Pierce presented the President Report as follows. President Pierce stated he had attended a
meeting in which a Trustee of the Park District of Highland Park was in attendance and had praised the
look of reconstructed Rosewood Beach in Highland Park. President Pierce commented that the beach is
worth checking out if ever in the vicinity of Highland Park.

Before proceeding with the Management Report, Executive Director Dorn introduced Bill Jackewicz who
replaced Pete Russo as Director of Technology Services. Executive Director Dorn commented that Bill has
been with the District since October, 2013 as the Database and Network Specialist in the IT department.
Bill has over twenty years experience in the IT field and will be a good fit for the position. A welcome was
extended to Bill from the Board.
Secondly, Executive Director Dorn presented Director of Operations Connelly with the NACWA Peak Performance Awards achieved by all three WRFs. Director of Operations Connelly and his staff are to be commended for achieving these awards. The Waukegan WRF was awarded a Platinum 11 award for eleven consecutive years of 100% National Pollution Discharge Elimination System (NPDES) compliance, the Gurnee WRF was awarded the Silver award for only one permit violation for the past calendar year, and the Clavey Road WRF was awarded a Gold award signifying 100% NPDES permit compliance for the past calendar year. Director of Operations Connelly thanked Executive Director Dorn and stated that it is a team effort and that the staffs at all three WRFs do a great job to earn these awards.

Executive Director Dorn presented the Management Report as follows:

A. Engineering Agreements.

Executive Director Dorn provided background information regarding the Del Mar Woods Sanitary District and their request that the District take over their small Sanitary District which serves approximately 80 residential homes. The District’s review of Del Mar Woods Sanitary District records indicated there are some issues with their sewer system, primarily protruding taps which need to be addressed. Del Mar Woods Sanitary District would like the District to take over its sewer system in its present condition and is willing to transfer up to $90,000 to the District for this consideration. Executive Director Dorn stated it is prudent to have a professional engineer conduct a condition assessment of the Del Mar Woods Sanitary District sanitary sewer system, including preparation of a cost estimate to rehabilitate the system. Executive Director Dorn stated the scope of this Agreement includes review of Del Mar Woods Sanitary District’s existing inspection records, interviewing the primary contractor who maintains the system, summarizing system defects and rehabilitation recommendations and providing a cost estimate to rehabilitate the sewer system. President Pierce asked if the Del Mar Woods Sanitary District would provide additional revenue to the District. Deputy Executive Director Miller stated the District already assesses user charges since the property is already served by the District, and would in addition assess a sewer maintenance fee if the District takes over the sewer system. Executive Director Dorn asked for Board approval of the Engineering Agreement with Strand Associates, Inc. for the Del Mar Woods Sanitary District Collection System Assessment.

It was moved by Trustee Drew and seconded by Trustee Carter that the Engineering Agreement with Strand Associates, Inc., Del Mar Woods Sanitary District Collection System Assessment be approved.

On roll call, the vote was 5 – 0 with all Trustees present voting "Aye". Motion declared carried.

2. CDM Smith Inc. – Water Resources Sustainability Study.

Executive Director Dorn provided background information on this project and stated the scope of this Agreement is intended to explore the feasibility of relocating the Waukegan WRF outfall from the Des Plaines River watershed to the Lake Michigan watershed, to recommend a potential relocation concept, and to identify an action plan that defines the next steps forward. This project will evaluate the feasibility of returning the Waukegan WRF outfall to the Lake Michigan watershed as a more sustainable long-term solution to manage the area’s valuable water resources. Dan Lau of CDM Smith was present and provided additional details regarding the proposal. A discussion ensued regarding the Waukegan WRF and the Water Reclamation District of Greater Chicago being the only facilities adjacent to Lake Michigan that cannot discharge to the Lake. Executive Director Dorn asked for Board approval of this Agreement with CDM Smith, Inc. for the Water Resources Sustainability Study.

It was moved by Trustee Drew and seconded by Trustee Young that the Engineering Agreement with CDM Smith Inc. – Water Resources Sustainability Study be approved.

On roll call, the vote was 5 – 0 with all Trustees present voting "Aye". Motion declared carried.

B. Engineering Agreement Amendment.
Executive Director Dorn gave a brief overview of the Contract Amendment and stated it is intended to provide continued hydrogeological support, engineering services, reporting services and follow-up with the IEPA related to permit issues associated with the Zion Landfill. Executive Director Dorn indicated the scope of work is further outlined in the attachment provided in the Board packet and asked for Board approval.

It was moved by Trustee Swarthout and seconded by Trustee Drew that Contract Amendment No. 1, AECOM Technical Services, Inc., Professional Oversight and Reporting Service for Landfill Compliance Activities be approved.

On roll call, the vote was 5 – 0 with all Trustees present voting "Aye". Motion declared carried.

C. F3 Waukegan Effluent Forcemain Rehabilitation 2015.

1. HR Green Statement of Qualifications.

Executive Director Dorn stated Staff had provided a recommendation to utilize Weston Solutions, Inc. to provide engineering services for the F3 Waukegan Effluent Forcemain Rehabilitation 2015 project at the July Board meeting. The Board declined to use that firm, and one Trustee asked Staff to discuss the project with HR Green. Executive Director Dorn provided an overview of the project and indicated that he had requested HR Green to make a brief presentation to the Board and Staff of HR Green’s qualifications and experience to perform this work. Executive Director Dorn stated that HR Green’s Statement of Qualifications is provided in the Board packet and introduced Eddie McCall of HR Green. Mr. McCall addressed the Board and discussed H.R. Green’s GIS data system capabilities and secondly HR Green’s short term and long term approach to this project. Executive Director Dorn inquired if any subconsultants would be involved in the project, specifically Simpson Gumpertz & Heger (SGH) who has extensive knowledge in the rehabilitation of PCCP and has worked in the past with the District on the F3 Rehabilitation. Mr. McCall indicated that they intend to utilize the services of SGH, and gave an overview of the Project Team as described in HR Green’s Statement of Qualifications provided in the Board packet. Mr. McCall also introduced several HR Green employees who would be involved in the project. Trustee Swarthout asked Mr. McCall why HR Green is a better choice than the firm that Staff had recommended. Mr. McCall responded that all personnel involved with the project will be from the State of Illinois. Trustee Swarthout stated that if Staff was comfortable with HR Green performing the work on this project that he was fine with it. Executive Director Dorn stated that the District has worked with HR Green on several smaller plant projects, but nothing similar to this project. Executive Director Dorn commented that if it is the Board’s direction to pursue the project with HR Green he would bring an Engineering Agreement to the Board at the September meeting. There was no action taken.

D. Veolia North America Proposal for Preparation of Scope of Work for Dryer Coil Assembly Replacement.

Executive Director Dorn provided background on this project and stated that the scope of work includes preparation of a detailed procedure for removing the existing coil assembly and installing the new coil assembly in the dryer including all work associated with preparing the area around the dryer for the replacement, all the technical specifications and drawings necessary to perform the work, and CRS services as described in the proposal included in the Board packet. Executive Director Dorn commented that the coil would be replaced with the District’s existing spare coil and the District would budget next year to purchase a new spare coil to be placed in inventory. The coil that is now in service would first be evaluated to see if it is still serviceable and feasible to keep as a backup coil. Executive Director Dorn asked for Board approval of the Veolia North America Proposal for Preparation of Scope of Work for Dryer Coil Assembly Replacement.

It was moved by Trustee Drew and seconded by Trustee Young that the Veolia North America Proposal for Preparation of Scope of Work for Dryer Coil Assembly Replacement be approved.

On roll call, the vote was 5 – 0 with all Trustees present voting "Aye". Motion declared carried.

Deputy Executive Director Miller presented the Administration Division Report as follows:

A. Personnel Policy Revisions.

1. Non-Bargaining Unit Medical & Dental Insurance Contributions.
i. Policy 150.1 – Group Insurance Plans.
ii. Policy 151.4 – Leaves of Absence not Covered by the Family and Medical Leave Act of 1993.
iii. Policy 151.6 – Medical and Family Leaves of Absence as defined under the Family and Medical Leave Act of 1993.

Deputy Executive Director Miller stated that with the recent approval and ratification of the Collective Bargaining Unit Agreement one of the provisions that was discussed was to eliminate the insurance contributions paid by all employees for Medical and Dental Insurance. Deputy Executive Director Miller stated that revisions to Personnel Policies 150.1, 151.4 and 151.6 are needed to incorporate these changes. President Pierce commented that he supports this solely to bring parity to both the bargaining and non-bargaining units. President Pierce asked if the District is at risk of falling under the Cadillac insurance classification with its insurance program. Deputy Executive Director Miller stated that any company classified as offering a Cadillac insurance program will be taxed starting in 2018 and that the District along with many other companies are at risk of this. Deputy Executive Director Miller stated that Allied Benefits is tracking this issue closely. Deputy Executive Director Miller asked for Board approval for Personnel Policy Revisions to policies 150.1, 151.4 and 151.6 as presented.

It was moved by Trustee Carter and seconded by Trustee Swarthout to approve Revision to Policy 1501.1 – Group Insurance Plans, Policy 151.4 - Leaves of Absence Not Covered by the Family and Medical Leave Act of 1993 and Policy 151.6 – Medical and Family Leaves of Absence as defined under the Family and Medical Leave Act of 1993 as presented.

On roll call, the vote was 5 – 0 with all Trustees present voting "Aye". Motion declared carried.

2. Policy 151.1 – Funeral Leave

Deputy Executive Director Miller stated that there are two changes to the Funeral Leave Policy. The first change is to add daughter-in-law and son-in-law to the eligible list, which was an oversight when the policy was last revised. Secondly, to extend the time frame in which an employee may take funeral leave due to the loss of a family member. Deputy Executive Director Miller requested Board approval of Policy 151.1 – Funeral Leave as presented in the handout contained in the Board packet.

It was moved by Trustee Drew and seconded by Trustee Swarthout to approve Revision of Policy 151.1 – Funeral Leave.

On roll call, the vote was 5 – 0 with all Trustees present voting "Aye". Motion declared carried.

3. Policy 151.3 – Military Leave

Deputy Executive Director Miller stated this Policy Revision is required to comply with State and Federal regulations and asked for Board approval for revision to Policy 151.3 - Military Leave.

It was moved by Trustee Drew and seconded by Trustee Swarthout to approve Revision of Policy 151.3 – Military Leave.

On roll call, the vote was 5 – 0 with all Trustees present voting "Aye". Motion declared carried.

Director of Engineering Services Gupta presented the Engineering Division Report as follows:

A. Bid Summaries.
1. Site Modifications at Park Avenue Pump Station PS-12.
2. Aeration Systems Modifications at the Clavey Road WRF, Gurnee WRF and Waukegan WRF.

Director of Engineering Services Gupta gave a brief overview of the Site Modifications at Park Avenue Pump Station PS-12 project and stated the Design & Construction Department’s recommendation is to award the bid to Boller Construction Company of Waukegan, IL being the lowest responsive and responsible bidder qualified and capable of performing the work as specified and asked for Board approval.
It was moved by Trustee Drew and seconded by Trustee Young to award all three bids as follows:

1. Site Modifications at Park Avenue Pump Station PS-12 to Boller Construction Company of Waukegan, IL.
2. Aeration System Modifications at the Clavey Road WRF, Gurnee WRF and Waukegan WRF as follows: Clavey Road WRF and Waukegan WRF to Joseph J. Henderson & Son, Inc. of Gurnee, IL and the Gurnee WRF to Path Construction Company of Arlington Heights, IL.
3. Wetwell Coating Project at North Chicago Pump Station PS-4 to Boller Construction Company of Waukegan, IL.

On roll call, the vote was 5 – 0 with all Trustees present voting "Aye". Motion declared carried.

Director of Laboratory Services Robinson presented the Laboratory Division Report as follows:

A. Current Status of Significant Industrial Wastewater Violation(s) in the Service Area of the NSWRD.

Director of Laboratory Services Robinson reported EMCO Chemical of North Chicago exceeded their Methylene Chloride daily maximum and monthly average limitations during June 2015. As a result EMCO has been deemed to be in Significant Non-Compliance for the January through June 2015 Compliance period. Additional sampling was performed during July and the results indicated compliance.

Director of Laboratory Services Robinson then updated the Board on both the Commercial and the Industrial User Population Equivalent (PE) Audits as provided in the handout in the Board packet. Director of Laboratory Services Robinson reported that the information provided by Super Express Car Wash in Park City, stating that 20% of the wash water used in the process does not reach the sewer appears to be credible. Director of Laboratory Services Robinson stated the District will conduct sampling to determine whether the flow or loading components of car wash discharges dictates the governing P.E. Director of Laboratory Services Robinson also briefly discussed how Pfanschied’s waste benefits the future biological phosphorus removal systems of the District and how he is working on proposed ordinance changes along with fee revisions to ensure the District continues to receive beneficial wastes such as that produced by Pfanschied. Under the District’s current rate structure, it may be more economical for industries to haul these types of wastes away. President Pierce requested an update on Ravinia Festival. Director of Laboratory Services Robinson stated that Ravinia Festival was in the process of permitting their deficient PE amount and that the past high flows have not reoccurred. Director of Laboratory Services Robinson stated the District continues working with them to resolve the issue. There was no action required.

Director of Operations Connelly presented the Operations Division Report as follows:

A. Bid Extension.

Director of Operations Connelly reported that due to the ongoing and unfinished Fine Bar Screen Projects at Clavey Road, Gurnee and Waukegan Water Reclamation Facilities it is recommended to extend the current contract with Advanced Disposal Services for an additional two years. Advanced Disposal Services stated they would agree to extending the contracted services provided per Bid No. 1344, however, a two percent cost increase would need to be applied to all services the District currently receives since their prices have remained the same since 2012. Director of Operations Connelly recommended approval of this two year extension.

It was moved by Trustee Swarthout and seconded by Trustee Drew that a two-year extension contract of Bid No. 1344, Grit, Screenings, Waste and Recycling Removal and Disposal Services with Advanced Disposal Services be approved for the term of October 1, 2015 through September 30, 2017.

On roll call, the vote was 5 – 0 with all Trustees present voting "Aye". Motion declared carried.

A. Bid Summary.
   1. Bid No. 1371, Tree & Shrub Removal.
Director of Operations Connelly stated the Purchasing Department recommends awarding Bid No. 1371, Tree & Shrub Removal to Tree Experts, Inc., of Antioch, IL being the lowest responsive and responsible bidder meeting bid specifications and asked for Board approval.

It was moved by Trustee Swarthout and seconded by Trustee Drew to award Bid No. 1371, Tree & Shrub Removal to Tree Experts, Inc. of Antioch, IL.

On roll call, the vote was 5 – 0 with all Trustees present voting "Aye". Motion declared carried.

Director of Technology Services Jackewicz presented the Technology Services Division Report as follows:

Director of Technology Services Jackewicz reported that the State of Illinois has a volume licensing agreement with Microsoft that provides a significant discount level (typically 30%) for any Microsoft software the State purchases. A provision in the agreement allows local government entities to receive the discount by becoming a registered affiliate. By taking advantage of the discount provided for in this agreement, the District can realize significant savings on its upcoming server upgrade capital project. Director of Technology Services Jackewicz recommended applying as a registered affiliate under the State agreement and requested Board approval.

It was moved by Trustee Swarthout and seconded by Trustee Carter that the Microsoft Volume Licensing Agreement be approved.

On roll call, the vote was 5 – 0 with all Trustees present voting "Aye". Motion declared carried.

The Attorney Report was presented as follows:

A. Office of the Attorney General – Enforcement Action for Alleged Violations of Environmental Protection Act and Illinois Pollution Control Board Regulations.

Attorney Jackson reported that he would prefer discussing this item in Executive Session.

President Pierce suggested moving to Old Business before moving to Executive Session.

President Pierce presented Old Business as follows:

A. City of Zion/James Herchenbach – Proponics Specialty Greenhouse.
   1. Draft Lease for Illinois Fresh Product, LLC.

Executive Director Dorn reported that at the last meeting there was a discussion regarding the District taking soil borings and performing soils analysis at the potential Proponics Specialty Greenhouse site at the request of Jim Herchenbach. Executive Director Dorn stated the cost to do these soil borings would be approximately $15,000, and that he and Attorney Jackson have been working with Mr. Herchenbach in an effort to draft a lease agreement. There are several issues that need to be worked through concerning utilities, security, roadway access and obtaining an IEPA permit to develop the land. Both Mr. Herchenbach and City of Zion Mayor Al Hill were present. President Pierce stated the District does not mean to be an obstacle to the proposed development but it does need to be thorough and diligent with respect to this proposal. President Pierce asked Mayor Hill if he had anything he would like to add. Mayor Hill introduced himself and thanked the Board for the opportunity to be present at the meeting and expressed to the Board that the City of Zion needs help with development and job creation and he hopes that the Board and Staff will do anything they can to get this project going. He thanked the Board.

B. Engineering Agreement.
   1. Donohue & Associates, Inc.
      i. Nutrient Study Amendment.

Executive Director Dorn stated this item had been presented at the July meeting and tabled at Trustee Young’s request. Executive Director Dorn summarized this project stating it’s goal is to evaluate methods, timeframes, and costs of achieving effluent phosphorus standards of 0.5 mg-P/L and 0.1 mg-P/L on a monthly, seasonal, and annual average basis, and to evaluate and recommend methods to optimize effluent
phosphorus performance using existing systems at each of the District’s three water reclamation facilities. These evaluations are required by the District’s draft NPDES permits. Executive Director Dorn stated that Donohue had already developed the modeling of the District’s three plants required to perform this work as part of the initial nutrient reduction study performed in 2010, thus it makes sense and provides continuity to have them perform this amended work and asked for Board approval.

It was moved by Trustee Carter and seconded by Trustee Swarthout that the Engineering Agreement with Donohue & Associates, Inc. - Nutrient Study Amendment be approved.

On roll call, the vote was 5 – 0 with all Trustees present voting "Aye". Motion declared carried.

C. Personnel.
   1. Annual Pay Increases – Non-Bargaining Unit.

President Pierce stated this item would be discussed in Executive Session.

It was moved by Trustee Drew and seconded by Trustee Carter to move to Executive Session to discuss:
   A. Personnel
      1. Annual Pay Increases – Non-Bargaining Unit.
   B. Imminent/Threatened Litigation.

On roll call, the vote was 5 – 0 with all Trustees present voting "Aye". Motion declared carried.

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

On roll call, the vote was 5 – 0 with all Trustees present voting "Aye". Motion declared carried.

It was moved by Trustee Drew and seconded by Trustee Swarthout to approve a lump sum pool in the amount of $80,416 to be distributed as pay increases for non-bargaining unit personnel and allocated by Management based on merit.

On roll call, the vote was 5 – 0 with all Trustees present voting "Aye". Motion declared carried.

It was moved by Trustee Young and seconded by Trustee Carter to approve a 2.00% pay increase for both the Executive Director and the Deputy Executive Director.

On roll call, the vote was 5 – 0 with all Trustees present voting "Aye". Motion declared carried.

President Pierce requested that Attorney Jackson work with the Illinois Attorney General’s Office to prepare a settlement agreement related to the threatened litigation by the Illinois Attorney General’s Office for presentation at the September Board meeting.

President Pierce presented Other Business as follows:
   A. Legislative Report.

President Pierce introduced Chris Ganschow, the District’s legislative liaison who updated the Board on the status of Senate Bill 1854. He stated it looked like the Governor would be signing the bill, however the Governor had concerns regarding the provision which states the Board can decide its own pay increase. The deadline for the Governor to sign Senate Bill 1854 is August 26, 2015. Mr. Ganschow also reported that Congressman Dold had toured the Waukegan Water Reclamation Facility. Mr. Ganschow also discussed The Great Lakes Water Protection Act introduced as House Resolution 2809 by Representative Dold and as a provision contained in the Senate’s FY16 Interior, Environment and Related Agencies appropriation bill by Senator Kirk. A discussion ensued. Executive Director Dorn stated that the District has submitted a letter to Senator Kirk opposing the legislation. President Pierce directed Executive Director Dorn to have Attorney Jackson review language proposed by the District when the Great Lakes Water Protection Act was first introduced in 2011. There was no action required.

   B. Issues Related to Expired Agreement for Sewage Disposal with County of Lake.
President Pierce stated the District and the County have continued negotiations on the expired agreement and have overcome several hurdles. It is hoped that an Agreement between the County and the District may be ready for approval at the September meeting.

C. Sewer Service Agreements.
   1. SSA CTY-10, Submitted by Merit Homes for approximately .99 acres located in the Village of Libertyville.
   2. SSA CTY-11, Submitted by Merit Homes for approximately .28 acres located in the Village of Libertyville.
   3. SSA CTY-12, Submitted by Merit Homes for approximately .24 acres located in the Village of Libertyville.
   4. SSA CTY-13, Submitted by Merit Homes for approximately .32 acres located in the Village of Libertyville.
   5. SSA CTY-14, Submitted by Mall at Gurnee Mills, LLC for approximately .867 acres located in the Village of Gurnee.

Executive Director Dorn stated that these five Sewer Service Agreements are recommended for approval under the same terms as contained in the Resolution previously passed by the Board addressing a means to provide sewer service for properties outside the District corporate boundaries and within the County service area by execution of a sewer service agreement. Executive Director Dorn recommended that the Sewer Service Agreements be approved contingent upon receipt of all fees and approvals from the Local Units of Government or Entities controlling the sewer(s) to which the user must connect prior to permit signoff.

It was moved by Trustee Swarthout and seconded by Trustee Young to approve Sewer Service Agreements CTY-10, CTY-11, CTY-12, CTY-13 and CTY-14 as presented.

On roll call, the vote was 5 – 0 with all Trustees present voting "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, September 9, 2015 at 9:30 A.M. at the District Office of the Raymond E. Anderson Complex in Gurnee.

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PRESIDENT

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SECRETARY