

April 8, 2020

Minutes of the Regular Meeting of the Board of Trustees of the North Shore Water Reclamation District held Wednesday, April 8, 2020 at 9:30 A.M. In accordance with Governor Pritzker's Disaster Proclamation related to COVID-19 and his Executive Order 2020-07, the provisions of the Open Meetings Act requiring "*members of the public body must be physically present*" have been suspended and this meeting is being held via teleconference to comply with public health directives including social distancing and shelter in place.

The meeting was opened with the Pledge of Allegiance.

On roll call, the following Trustees were present:

Preston P. Carter, President  
Stephen J. Drew, Vice President  
B. Sugar Young, Treasurer  
Rhoda Pierce  
Tom Swarthout

Trustees Young, Swarthout, Drew and Carter welcomed Trustee Pierce to her first meeting as Trustee.

Trustee Pierce stated that in the March 11th minutes on the Agenda for approval under the Consent Agenda, there is a correction that should be made to the minutes under the Operations Division Report. An Aluminum Dump Trailer was approved for purchase for \$51,439.78 and the amount reflected in the minutes on roll call was incorrectly reported as \$1,439.78 and needed correction. It was noted this typographical error would be corrected.

Staff members present were Executive Director Dave Miller, Attorney Greg Jackson, Special Projects Manager Steve Waters, Director of Engineering Services Jai Gupta, Director of Laboratory Services Joe Robinson, Director of Operations Phil Connelly and Director of Technology Services Bill Jackewicz. Also present were Jane Kaplan, Public Relations Consultant and John Norris, Government Affairs Representative.

There were no comments from the public.

President Carter presented the Consent Agenda as follows:

- A. Approval of the Minutes of the Meeting held on March 11, 2020.
- B. Approval of the Minutes of the Executive Session held on March 11, 2020.
- C. Consideration of Bills.  
Wastewater Treatment Fund                      \$1,813,930.67  
Check No. 186733 through 186904.
- D. Financial Report, February 2020.
  1. IEPA State Revolving Fund Loan Summary.
- E. Current Status of Significant Industrial Wastewater Violation(s) in the Service Area of the NSWRD.
- F. Construction Change Orders.
  1. C.O. No. 2, F4 Forcemain Rehabilitation, Berger Excavating Contractors, Inc.
  2. C.O. No. 2, Tertiary Filter Media Replacement Project, Keno & Sons Construction Company.
- G. 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 Consent Agenda be approved as presented.

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

President Carter stated he had nothing to report but would like to extend a Thank You to Executive Director Miller for the good job of keeping the NSWRD running through this pandemic.

President Carter asked if there was any Trustee Report.

Trustee Drew stated he would once again like to welcome Trustee Pierce and then extended a huge thank you to all Staff starting with Administrative Services, Engineering Services, Laboratory Services, Operations Division, Technology Services, especially Director Jackewicz for getting Staff set up remotely and to former Executive Director Dorn for remaining on board and helping out. Trustee Drew thanked Executive Director Miller for coordinating all

efforts and keeping the NSWRD running well through this COVID-19. Everyone has done a great job. All Trustees concurred with Trustee Drew.

Executive Director Miller presented the Management Report as follows:

A. Coronavirus Response Update.

Executive Director Miller started by saying that the COVID-19 has been a real challenge for everyone and what was once normal was all different now and wanted to thank the entire staff and board for their support and for everyone doing their part through this pandemic to keep everything running smoothly. Executive Director Miller gave a lengthy Coronavirus update which included the following areas giving a brief summary on each category.

- Lockdown Contingency
- Employee Communications
- Public Communications
- Remote Work
- Schedule/Shift Changes
- On Site / Remote Rotations
- Workstation Changes
- Meetings
- Customer Billing
- Human Resource Changes
- Vendor/Contractor Issues – Updates

Executive Director Miller stated that the implementation of these temporary adjustments has gone very smoothly due to everyone doing their part and being willing to adapt to these necessary changes. The Board thanked Executive Director Miller for the thorough update.

B. Coronavirus Revenue Impact.

Executive Director Miller briefed the Board on Coronavirus Revenue Impact and stated that the Capital plan would be presented to the Board in May and the O&M Budget in June. Executive Director Miller stated that this proves to be challenging due to the difficulties with estimating incoming revenues. The State of Illinois is currently modeling a 20% revenue drop. Staff's goal will be to present each of these two budgets to the Board as fully funded without planning to dip into any existing District reserves. Those reserves will serve as a cushion if actual revenues turn out to be even worse than projected. The O&M Budget is fairly consistent year to year so we will limit the amount of capital projects in the budget to match the anticipated revenue balance after O&M, and any projects targeted for loan funding. This was informational only and does not require action.

Executive Director Miller presented the Administration Division Report as follows:

A. Property & Casualty Insurance Renewal, West's Insurance Agency.

Executive Director Miller stated that Brent Jones from West's Insurance was present on the teleconference to present the Property & Casualty Renewal. Mr. Jones stated that the proposal is quoted using several different insurance companies in order to provide the District with the broadest coverage at a very competitive cost. The renewal represents a 10% increase over the expiring premium and is the result of both an increase in property values and a rate increase. Mr. Jones commented that the District's is the lowest he has seen for a public agency. Mr. Jones noted that at last year's renewal Chubb's loss control report included 'critical recommendations' for maintenance and testing on certain District transformers which the District complied with. Chubb is now requiring a commitment from the District to replace a limited number of aging PCB-containing transformer units. A discussion ensued. Trustee Swarhout asked what the cost would be to replace these transformers. Director of Engineering Services stated the cost would be approximately \$70,000 per transformer but with containment costs added in approximately \$130,000 per transformer. Executive Director Miller commented that the District was budgeting to replace two transformers at the Waukegan Plant, one of which is a large one, at a cost of 1.2 M. The District has agreed to works towards replacing the other units identified by Chubb in the coming years. Mr. Jones then stated that One Beacon who has been the Liability insurance carrier for the District for many years is no longer offering a multi-year renewal and is passing along a significant price increase. One Beacon historically offered \$20,000,000 Excess Liability but now offers only \$10,000,000. Mr. Jones looked into other carriers and stated that the Glatfelter Public Entity Program quotes the same lines for \$106,775 affording comparable coverage. Moving the program to Glatfelter yields a \$19,557 savings for the District. Mr. Jones provided the District with options to increase the equipment breakdown deductible limit from

\$75,000 to \$100,000 for premium savings of \$3,628. Executive Director Miller stated the savings was minor and Staff does not recommend increasing the equipment breakdown deductible limit. Mr. Jones stated the annual premium for the 2020-021 term is \$438,447, a 7.2% increase compared to the expiring term. Executive Director Miller recommends West's Insurance Property/Casualty Insurance renewal be approved as presented.

It was moved by Trustee Drew and seconded by Trustee Swarthout to approve the Property & Casualty Insurance Renewals with West's Insurance Agency as presented for a total of \$438,447.

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

B. Health Insurance Renewals, Allied Benefit Systems, Inc.

1. Medical & Dental Insurance Renewal.
  - i. FY21 Summary Plan Description – Medical.
  - ii. FY21 Summary Plan Description – Dental.
  - iii. FY21 Summary of Benefits & Coverage.
2. COBRA & IMRF Insurance Continuation Rates.
3. Coverage Extension for Virtual Office Visits.

Executive Director Miller stated that the District has enjoyed a good working relationship with Mindee Zis and Allied for the past 20 plus years and stated that Mindee was present via the teleconference and would summarize the FY21 renewal proposal from Allied that is included in the Board packet. Mindee stated that Allied has proposed a renewal with no increase to its charges for all of the services provided under the Administrative Services except for a small increase in Medical Administration charges of about \$600 a year. Mindee then described both types of stop loss coverage, specific and aggregate. Mindee stated the District has experienced several specific stop loss claims since becoming self-insured. Allied received competitive quotes from 4 carriers and HCC submitted the most favorable pricing and contract terms. The District opted not to purchase aggregate coverage during FY20 as, stop loss carriers doubled their premiums and reduced coverage. The FY21 renewal is far more realistic with a 3.5M attachment point and a \$36K premium. Given the makeup of the District's workforce, the prevailing uncertainty related to the coronavirus pandemic and the more fairly priced renewal, it is recommended the District purchase the aggregate coverage for FY21.

Mindee then reported that Allied's new RxCare Alliance/PBM Rebate program implemented last year has been very successful through a 50/50 revenue share on rebates received through the District's CVS/Caremark prescription drug program. It is recommended to continue with the program which is projected to net approximately \$72k in the upcoming year. Mindee stated that Executive Director Miller summarized the medical/dental renewal very well and thanked the Board and Staff for the opportunity to present the renewal.

Executive Director Miller stated that if there were no other concerns based on the information provided it would be Staff's recommendation to:

- Approve the FY21 self-insured health, dental and prescription drug plan renewal as proposed by Allied.
- Maintain the RxCare Alliance/PBM Rebate program.
- Maintain the PHCS network.
- Maintain the Specific Stop Loss Renewal with HCC.
- Add the Aggregate Stop Loss coverage with HCC at a cost of \$36K.

It was moved by Trustee Drew and seconded by Trustee Young to approve the Medical & Dental Insurance Renewal, COBRA & IMRF Insurance Continuation Rates, and Coverage Extension for Virtual Office Visits.

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

C. Life Insurance Renewal, Principal Life Insurance Company.

Executive Director Miller stated that Principal Life Insurance Company, the current provider for Group Term Life and Accidental Death & Dismemberment has offered as renewal with no change in rates. Executive Director Miller recommends approval of the Life Insurance Renewal with Principal Life Insurance through April 30, 2021.

It was moved by Trustee Drew and seconded by Trustee Swarthout to approve Life Insurance Renewal with Principal Life Insurance Company through April 30, 2021.

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

D. District Policy 151.6 Families First Coronavirus Response Act (FFCRA).

Executive Director Miller stated that the District has created a Policy to comply with the requirements of the Federal Families First Coronavirus Response Act (FFCRA) which provides employees with Emergency Paid Sick Leave (EPSL) and Emergency Paid Family and Medical Leave (EFMLA) for those affected by the COVID-19 pandemic, from April 1, 2020 through December 31, 2020. The District fully intends to comply with the Act, subject to any further guidance, interpretations or clarifications from the Department of Labor, Internal Revenue Service, or any other Agencies responsible for implementing its provisions. Executive Director Miller stated that the Policy clarifies all the conditions and requirements for eligibility of Emergency Paid Sick Leave (EPSL) and Emergency Family Medical Leave Act (EFMLA). He stated that several employees from various departments were already utilizing this Act and asked for Board approval of this Policy.

It was moved by Trustee Drew and seconded by Trustee Young to approve District Policy 151.6 Families First Coronavirus Response Act (FFCRA).

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

E. Addendum to NRG Curtailment Solutions, Inc. PowerPay Program Agreement.

Executive Director Miller presented background on the District's participation in the PJM demand response program and stated that PJM requires this annual documentation for the upcoming 2020-21 year. Trustee Drew commented that this has been a very beneficial program for the District resulting in revenue each year just for starting up our generators on demand. Executive Director Miller stated that the 2020/21 program revenue is expected to be \$334K and recommended approval of the Addendum to NRG Curtailment Solutions, Inc. PowerPay Program Agreement.

It was moved by Trustee Drew and seconded by Trustee Swarthout to approve the Addendum to NRG Curtailment Solutions, Inc. PowerPay Program Agreement.

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. Construction Change Order.

1. C.O. No. 2, Protective Relay Replacement, Homestead Electrical Contracting, LLC.

Director of Engineering Services Gupta stated this Change Order is for an amount of \$24,357.00 and gave a detailed description of the four proposals contained within the change order and asked for Board approval.

It was moved by Trustee Drew and seconded by Trustee Swarthout to approve Change Order No. 2, Protective Relay Replacement, Homestead Electrical Contracting, LLC in the amount of \$24,357.00.

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. Agreement.

1. Evoqua Water Technologies, Hydrogen Sulfide and Odor Control within the Wastewater Conveyance System between the North Chicago Pumping Station and the Gurnee Water Reclamation Facility.

Director of Laboratory Services Robinson provided background regarding the current contract with Evoqua Water Technologies LLC for Hydrogen Sulfide & Odor Control within Wastewater Conveyance System between PS4 & Gurnee WRF. The renewal of this contract was discussed at the July Board meeting. Staff had recommended that the District not renew the contract and instead administer the program going forward utilizing District personnel. Since this time Evoqua has reduced its costs. Director Robinson stated it would now be beneficial for the District to engage into a three-year full-service contract for the products and services for the hydrogen sulfide and odor control within the wastewater conveyance system between North Chicago PS-4 and Gurnee WRF and he asked for Board approval.

It was moved by Trustee Drew and seconded by Trustee Swarhout to approve the agreement with Evoqua Water Technologies, Hydrogen Sulfide and Odor Control within the Wastewater Conveyance System between the North Chicago Pumping Station and the Gurnee Water Reclamation Facility.

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

Director of Operations Connelly presented the Operations Report as follows:

A. Lake Forest Pumping Station (PS-7) Event Summary, March 24-25.

Director of Operations Connelly stated he wanted to give the Board a summary of the events that took place on March 24-25, 2020 at the Lake Forest Pump Station (PS-7). He also wanted to extend great thanks to all Staff who jumped into action and worked until the situation was under control. Director of Operations Connelly gave a summarization of the events that took place which are also included as an attachment in the Board packet. Trustee Swarhout commented that he received a phone call from Executive Director Miller regarding an incident at the Lake Forest Pump Station (PS-7) and went on-site in Lake Forest and was completely impressed by the District's response to the situation. Trustee Swarhout was also quite amazed at the number of people present on the beach at the time of the incident who did not seem bothered by all the activity going on. He extended a huge thank you to all the NSWRD Staff on site and their hard work and for the fact that nothing was discharged into Lake Michigan but only into the NSWRD's Retention Basin which has proved to be quite a beneficial resource for the District. Director of Operations Connelly stated this was for informational purposes only and did not require any action.

There was no Technology Division Report.

There was no Attorney Report.

President Carter presented Old Business as follows:

- A. Engineering Agreement.  
1. Strand Associates, Inc., Clavey Road WRF Building 310 Exhaust Fan Project.

President Carter stated he would like to remove this item from the Agenda and stated that NSWRD employees were looking into this matter.

President Carter presented Other Business as follows:

A. Legislative Report.

John Norris, the District's Government Affairs Representative commented on the prior insurance renewal presentation and stated it was well put together and went very smoothly. Mr. Norris then reported that Legislators in Springfield were on Easter break and were scheduled to return on April 21, 2020, but was uncertain if they would return to session due to the fear of health and safety. Mr. Norris reported that when back in session, the budget would be the topic discussed as well as discussions on property taxes and had no idea if this would have any impact on the NSWRD. Mr. Norris reported he has been monitoring the IAWA bill and it has not moved anywhere.

Before bringing the meeting to a close Executive Director Miller wanted to thank the Board of Trustees, Staff and all present today on the teleconference meeting for the patience to move through the agenda and accomplish business thoroughly and be able to pay all vendors and contractors on time.

There being no further business to come before the Board, on motion duly made, seconded and unanimously passed, the meeting was then adjourned until the next regular meeting to be held on Wednesday May 13, 2020 at 9:30 A.M. at the District Office of the Raymond E. Anderson Complex located in Gurnee, Illinois.

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PRESIDENT

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SECRETARY

Minutes 04-08-20