

March 8, 2023

Minutes of the Regular Meeting of the Board of Trustees of the North Shore Water Reclamation District held Wednesday, March 8, 2023 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.

Stephen J. Drew, President  
B. Sugar Young, Vice President  
Preston Carter  
Thomas Swarthout

Trustee Pierce was observing the meeting via telephone.

Staff members present were Executive Director Dave Miller, Attorney Greg Jackson, Bill Stoltz, Supervisor of Design and Construction (filling in for Director of Engineering and Special Projects Steve Waters), Director of Laboratory and Environmental Compliance Chuck Bodden, Director of Operations Igor Filipovich and Director of Technology Services Bill Jackewicz. Also present was Jane Kaplan, Public Relations Consultant and John Norris, Government Affairs Representative.

There was No Public Comment.

President Drew presented the Consent Agenda as follows:

- A. Approval of the Minutes of the Meeting held on February 8, 2023.
- B. Consideration of Bills.  
Wastewater Treatment Fund                      \$2,455,071.18  
Check No. 194655 through 194844.
- C. Financial Report, January, 2023.
  1. IEPA State Revolving Fund Loan Summary.
- D. Community Reinvestment Act – Fair Lending Evaluations & Violations.
- E. Orders to Terminate Service.
- F. 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 Carter and seconded by Trustee Young that the Consent Agenda be approved as presented.

On roll call, the vote was 4-0 with all Trustees present voting “Aye”. Motion declared carried.

There was no President Report.

There was no Trustee Report.

Executive Director Miller presented the Management Report as follows:

- A. Watershed Workgroup Annual Membership Dues.
  1. North Branch Chicago River Watershed Workgroup (NBWW).
  2. Des Plaines River Watershed Workgroup (DRWW).

Executive Director Miller stated the District participates in the North Branch Chicago River Watershed Workgroup (NBWW) for the Clavey Road WRF and in the Des Plaines River Watershed Workgroup (DRWW) for the Gurnee and Waukegan WRF. Executive Director Miller stated that the District’s NPDES permits require that the District must participate in these watershed workgroups and if not, the District would be in violation of their permits. The primary objective for each workgroup is the completion of a watershed-based Nutrient Assessment and Reduction Plan, or ‘NARP’. It was noted by the Trustees that the District does maintain a budget and the Board would certainly appreciate not seeing the costs of these dues increasing any further. Executive Director Miller stated that that message would be expressed. Executive Director Miller stated that cost of the NBWW dues renewal is \$64,376.94 and the DRWW is \$88,362.94 and recommended Board approval.

It was moved by Trustee Swarthout and seconded by Trustee Carter to approve the North Branch Chicago River Watershed Workgroup Annual Membership Dues in the amount of \$64,376.94 and the Des Plaines River Watershed Workgroup in the amount of \$88,362.94.

On roll call, the vote was 4-0 with all Trustees present voting “Aye”. Motion declared carried.

B. IDNR Acquisition of District Property.

Executive Director Miller stated that the District owned 9.75 acres which comprised the abandoned Winthrop Harbor Sewage Treatment Plant located in the Illinois Beach State Park’s Forest Preserve area. The IDNR had approached the District in 2014 regarding acquiring this parcel of property. The District determined that it was no longer using that property and it was available for acquisition. The IDNR went through three rounds of acquiring funding and finally were successful. The IDNR made an offer to buy the property for \$26,000.00 on December 7, 2021. The District accepted the \$26,000.00 offer on February 9, 2022. The Attorney General approved this on December 14, 2022, with the closing taking place on February 17, 2023 and the District receiving a \$26,000.00 check. This was an update only with no action required.

Executive Director Miller presented the Administration Report.

A. Health Insurance Renewals, Allied Benefit Systems, Inc.  
1. Medical & Dental Insurance Renewal.

Executive Director Miller stated that Mindee Zis who had been the representative from Allied for the past 25 years has retired and introduced Jenna Minotti, who is the new representative. Executive Director Miller stated he would summarize Allied’s FY24 renewal proposal. Executive Director Miller stated that last year Allied had raised its medical administration charges 50 cent per employee per month (PEPM) and committed not to increase those rates this year. Allied provided notice of 2 increases to Admin Service Fees this year. The first is the Utilization Review fee which will increase 5 cents PEPM or \$60.00 per year. The second fee increase is Government Compliance which will increase 90 cents PEPM or \$1,130 per year. Executive Director Miller asked Jenna to explain this second charge to the Board. Jenna explained that in January 2022 the Federal Government required more transparency to members related to coverage and the ability to search for providers. As of January, 2023, the requirement for transparency heightened further requiring that participants be able to search for specific tests and out of pocket costs for specific providers which increased Allied’s technology costs and is part of this compliance fee. Executive Director then reported that Allied’s RxCare Alliance/PBM Rebate program implemented a couple a years ago has been very successful and recommended to continue with the program. It was noted that to date, the District has received \$247K in rebate checks against \$23K in premium costs, for a net benefit of nearly \$225K.

Executive Director Miller then described both types of stop loss coverage, specific and aggregate. Executive Director Miller stated the District has experienced several specific stop loss claims since becoming self-insured. The insurance limits the annual covered charges payable by the District for any one plan participant to a maximum of \$150K. Allied approached approximately 6 carriers but all declined to quote based upon the District’s recent high claims history. Only HCC, the long-time incumbent carrier, offered coverage. The aggregate stop loss coverage limits the annual covered charges to the District for all plan participants to a maximum total of 125% of the actuarially determined claims expectation, which can vary greatly from year to year. Exceeding the limit is quite rare, and since FY09 the District has only been paid once under the aggregate. The District opted not to purchase aggregate coverage in either FY20 or FY23, due to exorbitant premiums and unrealistically high attachment points from the carriers. Even though the District had ‘bad’ claims years it didn’t come anywhere close to its aggregate limit in FY21 or FY22. It is recommended to renew the specific stop loss coverage and reject the aggregate stop loss coverage for FY24.

Trustee Young inquired about the District’s insurance offering Silver Sneakers coverage into their plan. Ms. Minotti stated she would look into coverage related to the Silver Sneakers and send over some lists to the District.

It was moved by Trustee Carter and seconded by Trustee Swarthout to approve the Health Insurance Renewals with Allied Benefit Systems, Inc, for Medical and Dental Insurance as presented.

On roll call, the vote was 4-0 with all Trustees present voting “Aye”. Motion declared carried.

B. BW-284, Financial Audit for Fiscal Year Ending 4/30/23.

Executive Director Miller stated that Bid Waiver No. 284 is for the engagement of Swarztrauber & Co. for accounting services and the audit of the District's combined annual financial statement for the fiscal year ending April 30, 2023. Executive Director Miller stated the proposal is for an amount Not to Exceed \$46,000.00 and noted that the cost reflects increased year end adjusting journal entries being performed by District personnel. Trustee Pierce asked how long the District had been utilizing Swarztrauber & Co. for auditing purposes. Executive Director Miller stated that the District has had them since he started at the District which is 20 plus years. Trustee Pierce mentioned that it is a good practice to utilize different firms every few years. Executive Director Miller stated the District's goal is to perform as many in-house entries as possible and that he would put in an RFP (request for proposal) together for next year's audit. Executive Director Miller recommended Board approval of Bid Waiver 284, Financial Audit for Fiscal Year Ending 4/30/2023.

It was moved by Trustee Carter and seconded by Trustee Young to approve Bid Waiver BW-284, Financial Audit for Fiscal Year Ending 4/30/2023 with Swarztrauber & Co. in the amount of \$46,000.00.

On roll call, the vote was 4 – 0 with all Trustees present voting "Aye". Motion declared carried.

C. Closed Account Fee Waiver for Auto Bill Pay Customers.

Executive Director Miller stated Staff is recommending the District discontinue charging customers enrolled in Automatic Bill Payment Program a \$25 fee for charge backs on closed accounts. Executive Director Miller stated that the District has always charged customers a \$25.00 fee for any bank chargebacks. Accounts are increasingly being closed due to fraud and the District's \$25 fee has led to many phone calls and frustrated customers. Executive Director Miller recommended the District discontinue charging the customers enrolled in Automatic Bill Payment Program the \$25 fee and asked for Board approval. This would only be for automatic withdrawals from closed customer funds accounts. All other fees will stay in place.

It was moved by Trustee Swarhout and seconded by Trustee Carter to approve Closed Account Fee Waiver for Auto Bill Pay Customers.

On roll call, the vote was 4 – 0 with all Trustees present voting "Aye". Motion declared carried.

D. Old National Bank Discontinuance of 2 Signature Verification Security Protocol.

Executive Director Miller stated that at the last Board meeting the Board requested that Nadine Johnson, the District's Old National Bank rep, do everything she could to keep the 2 Signature Verification Security Protocol in place. Old National Bank has since agreed to honor NSWRD's request and will continue the 2 Signature Verification Security protocol for the District. Trustee Pierce stated that on behalf of all of the Trustees to express the District's gratitude to Old National Bank for honoring this request since it is very important to the District. There was no action required on this.

Supervisor of Design and Construction Stoltz presented the Engineering Division Report as follows:

- A. Bull Creek S4 Interceptor Sewer Relocation.  
1. Engineering Services Agreement Amendment No. 1

Supervisor of Design and Construction Stoltz stated Amendment No. 1 is for the construction related services by HMG Engineers, Inc. the Consultant on this project. Supervisor of Design and Construction Stoltz stated the total cost of this Amendment is \$64,030.13 and recommended Board approval.

It was moved by Trustee Swarhout and seconded by Trustee Carter to approve the Bull Creek S4 Interceptor Sewer Relocation, Amendment No. 1 at a total cost of \$64,030.13.

On roll call, the vote was 4-0 with all Trustees present voting "Aye". Motion declared carried.

2. Intergovernmental Agreement Between Village of Beach Park and NSWRD.  
3. Agreement Regarding Grant of Temporary Construction Easement to NSWRD.

Supervisor of Design and Construction Stoltz stated that Items 2 and 3 are interrelated and both require approval from the Village of Beach Park. Supervisor of Design and Construction stated that since this is a shared project it was recommended to complete under one contract. The Contractor Campanella and Sons is ready to proceed. The Village of Beach Parks portion will be \$100,000 with 50% at the start of the project and the remaining payment at the end of the

project. This Intergovernmental Agreement goes hand in hand with the Agreement regarding the Grant of Temporary Construction Easement with NSWRD. Supervisor of Design and Construction Stoltz stated the one stipulation of this IDOT project is that the easement premises be restored to the same or better condition than that which existed prior to the beginning of any work. It is recommended to approve both the Intergovernmental Agreement between the Village of Beach Park and NSWRD and the Agreement regarding Grant of Temporary Construction Easement to NSWRD. As stated prior these are both contingent on the approval by the Village of Beach Park. Supervisor of Design and Construction Stoltz stated that Village of Beach Park's meeting is scheduled for tomorrow, March 9, 2023 and if approved the agreements will be finalized and executed by both the NSWRD and Village of Beach Park.

It was moved by Trustee Carter and seconded by Trustee Swarthout to approve Intergovernmental Agreement Between Village of Beach Park and NSWRD and Agreement Regarding Grant of Temporary Construction Easement to NSWRD both contingent on approval of Village of Beach Park.

On roll call, the vote was 4-0 with all Trustees present voting "Aye". Motion declared carried.

B. Lake Bluff Basin Project.

1. Engineering Services Agreement Amendment No. 1, AECOM.

Supervisor of Design and Construction Stoltz stated Amendment No. 1 is due to the contractor IHC Construction changing the foundation design from the specified auger cast piles to micro-piles. Supervisor of Design and Construction Stoltz stated the costs associated with AECOM's review of an agreement with this alternate plan is a total of \$9,075.00 and recommended Board approval of this Amendment No. 1. The costs associated for AECOM will be recouped through the Change Order which will be presented next on the agenda.

It was moved by Trustee Swarthout and seconded by Trustee Carter to approve Lake Bluff Basin Project Engineering Services Agreement Amendment No. 1, AECOM.

On roll call, the vote was 3-1 with Trustee Carter, Swarthout and Drew present voting "Aye". Trustee Young voted "Nay". Motion declared carried.

2. Change Order No. 1, IHC Construction.

Supervisor of Design and Construction Stoltz stated Change Order No. 1 is a deductive change order that recognizes the costs savings realized from the change in foundation design for the Lake Bluff Basin Project. The total cost savings of this Change Order incorporating AECOM's costs is \$596,571.62 and recommended Board approval.

It was moved by Trustee Swarthout and seconded by Trustee Carter to approve Change Order No. 1, IHC Construction in the deductive amount of \$596,571.62.

On roll call, the vote was 4-0 with all Trustees present voting "Aye". Motion declared carried.

Executive Director Miller mentioned that the District had been waiting for an update regarding (ARPA) American Rescue Plan Act which there is grant money available through the County of Lake. Executive Director Miller stated originally there was approximately 45M available for dispersing to municipalities for projects like the Lake Bluff Basin Project but since learned that the County has decided to retain some of that money for other sources. The amount had now been scaled down to approximately 15 to 20M and there are approximately 79 project proposals for this grant money. There has been no information as of yet on the grant awards. Executive Director Miller will keep the Board updated on this.

C. Bids.

1. Waukegan WRF Influent and Overflow Pumping station and Imhoff Primary Access Building HVAC Improvements.

Supervisor of Design and Construction Stoltz stated the Waukegan WRF Influent and Overflow Pumping Station and Imhoff Primary Access Building HVAC Improvements was a rebid. The apparent low bidder was Bee Liner Lean Services, Inc., and the second low bidder was Amber Mechanical Contractors. The Consultant Greeley and Hansen requested qualifications of both low bidders due to the complexity and cost of this project. Bee Liner Lean Services did not provide the items but instead responded they were withdrawing their bid. Amber Mechanical Contractors provided their qualifications. Bee Liner Lean Services withdrew their bid after the time and date designated for the receipt of bids. If NSWRD does not provide consent for the bid withdrawal, forfeiture of the bid security appears warranted. A discussion ensued regarding the options on how to resolve the conflict with awarding this bid. After

several discussions it was decided to award the Waukegan WRF Influent and Overflow Pumping Station and Imhoff Primary Access Building HVAC Improvements to Amber Mechanical Contractors as their bid represents the lowest cost of the responsive and qualified bids.

It was moved by Trustee Carter and seconded by Trustee Swarhout to award the Waukegan WRF Influent and Overflow Pumping Station and Imhoff Primary Access Building HVAC Improvements to Amber Mechanical Contractors in the amount of \$2,255,500.00.

On roll call, the vote was 4-0 with all Trustees present voting "Aye". Motion declared carried.

D. Change Orders.

1. C.O. No.1, FY23 Concrete Repairs at Waukegan Water Reclamation Facility, Berglund Construction Company.

Supervisor of Design and Construction Stoltz stated Change Order No. 1 is for Building 240 at the Waukegan WRF. Supervisor of Design and Construction Stoltz stated Building 240 is where the trucks load and due to the weight of the vehicles and span of the bays a Structural Engineer is being retained to provide recommendations on proper shoring. Also, there is a hole in the floor in Building 020 which needs to be sealed due to a tripping hazard accessing the new Women's locker room. Supervisor of Design and Construction Stoltz stated the cost to perform these two tasks is \$10,579.55 and would be performed by Berglund Construction Company and recommended Board approval.

It was moved by Trustee Carter and seconded by Trustee Young to approve C.O. No. 1, FY23 Concrete Repairs at Waukegan Water Reclamation Facility, Berglund Construction Company, in the amount of \$10,579.55.

On roll call, the vote was 4-0 with all Trustees present voting "Aye". Motion declared carried.

Director of Laboratory and Environmental Compliance Bodden presented the Laboratory and Environmental Compliance Division Report.

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

Director of Laboratory and Environmental Compliance Bodden updated the Board regarding the PE audit and stated a new facility Vantage Specialties is now on the list due to deficient P.E. An initial P.E. meeting has been set for March 10, 2023. Director of Laboratory and Environmental Compliance Bodden stated that Medline is currently moving forward with permitting their deficient P.E. and that the City of Waukegan currently has their IEPA permit requiring signature and the District will follow-up with the City.

B. Phosphorus Permit Limit Progress Update.

Director of Laboratory and Environmental Compliance Bodden provided the Board with a final summary on work and progress towards compliance with the phosphorus permit limit of 1.0 mg/L. Director of Laboratory and Environmental Compliance Bodden described how the process all began with the phosphorus and nitrogen reductions, Illinois nutrient loss reduction strategy for both the in-stream phosphorus and in-stream nitrogen and possible future requirements for both phosphorus and nitrogen. He noted once again that all three NSWRD Water Reclamation Facilities were meeting the required monthly average of 1.0 mg/l. Executive Director Miller commented that the District meeting these requirements is very impressive and wanted to thank all the divisions of the District for their hard work in achieving these limits. Director of Laboratory and Environmental Compliance stated this was his final Phosphorus permit limit progress presentation.

C. Illinois Wastewater Monitoring Network SARS-COV-2 Update.

Director of Laboratory and Environmental Compliance Bodden provided an update on the COVID Wastewater sampling being conducted for the Illinois Department of Public Health through the University of Illinois. Director of Laboratory and Environmental Compliance Bodden stated that the data available shows that COVID was much the same as last month for all three WRF facilities. Director of Laboratory and Environmental Compliance Bodden stated that the influenza data was mostly non-detected since the beginning of the year. All data can be checked directly on-line utilizing the IWSS public dashboard. Director of Laboratory and Environmental Compliance Bodden stated he would only update the Board if something new were to appear.

There was no Operations Division Report.

Director of Technology Services Jackewicz presented the Technology Division Report.

A. C.O. No. 1, District -Wide PLC Modernization Project, Dynamic Motion Control, Inc.

Director of Technology Services Jackewicz stated Change Order No. 1 is due to the reuse of the original PLC swing arms which provide a connection point of field control system wiring to the PLC are exposed to high levels of hydrogen sulfide (H<sub>2</sub>S) which causes corrosion of the panel components resulting in higher levels of failure. It is recommended that the PLC swing arms not be used due to their poor condition and additionally the PLC electronic components are exposed to this environment and it is recommended that conformal coated PLC components be used in place of standard components. Conformal Coating are polymeric films which cover or encapsulate printed circuit assemblies and protect and seal out contaminants and humidity and minimize corrosion. This Change Order will upgrade the new Controllogix PLC to include conformal coated modules and also includes replacement of control signal wiring from the panel to the individual PPLC input/output modules. Director of Technology Services Jackewicz stated that cost of these upgrades for the PLC Modernization project is \$26,572.00 and recommends Board approval.

It was moved by Trustee Carter and seconded by Trustee Young to approve C.O. No. 1, District-Wide PLC Modernization Project, Dynamic Motion Control, Inc., in the amount of \$26,572.00.

On roll call, the vote was 4-0 with all Trustees present voting "Aye". Motion declared carried.

There was no Attorney Report.

President Drew stated before moving to the Executive Session, Other Business would be addressed first.

President Drew presented Other Business as follows:

A. Legislative Report.

John Norris, the District's Government Affairs Representative commented that prior to the start of the meeting he had sent an update from his original legislative report. Mr. Norris touched on SB 1438 related to the IDOT issue of the number of repeated excavations related to roads, highways, tollways and expressways for the installation and maintenance of broadband infrastructure and public utilities in rights of way. Mr. Norris stated that NSWRD and IAWA offered amendments to the bill on February 23, 2023 and that prior to the meeting Mr. Norris had spoken to Senator Ventura and that the language proposed by IAWA and NSWRD is being worked into the amendment. Mr. Norris will keep the Board and Staff updated on this bill. Mr. Norris also touched on HB 3508 PFAS reductions since it affects the NSWRD. Mr. Norris mentioned that an opposition letter should be drafted from the District on this matter. Executive Director Miller stated he would touch base with the legislative representative at IAWA and discuss this. Lastly Mr. Norris touched on SB 1609 Prevailing Wage-Biosolids which is to re-classify the term Bio-Solids. Mr. Norris opinion is this bill will not survive but that Representative Vella's HB 2845 Prevailing Wage-Biosolids bill will. President Drew thanked Mr. Norris for his report.

President Drew presented Executive Session as follows:

A. Personnel.

1. Annual Pay Adjustments – FY24.

It was moved by Trustee Swarhout and seconded by Trustee Young to move to Executive Session to discuss Annual Pay Adjustments – FY24.

On roll call, the vote was 4-0 with all Trustees present voting "Aye". Motion declared carried.

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

On roll call, the following Trustees were present:

Stephen J. Drew, President  
B. Sugar Young, Vice President  
Preston P. Carter  
Thomas Swarhout

Trustee Pierce was present via telephone and observing the meeting.

It was moved by Trustee Young and seconded by Trustee Swarthout to approve a 5.5% increase to the base pay of all non-bargaining unit employees as well as the Executive Director, effective May 1, 2023.

On roll call, the vote was 4-0 with all Trustees present voting "Aye". Motion declared carried.

It was moved by Trustee Swarthout and seconded by Trustee Young to approve that staff negotiate and discuss compensation with the Bargaining Unit.

On roll call, the vote was 4-0 with all Trustees present voting "Aye". Motion declared carried.

It was moved by Trustee Young and seconded by Trustee Swarthout to approve an increase for the Summer Help positions to \$18.00 an hour.

On roll call, the vote was 4-0 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 adjourned until the next regular meeting to be held on Wednesday April 12, 2023 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