

November 9, 2022

Minutes of the Regular Meeting of the Board of Trustees of the North Shore Water Reclamation District held Wednesday, November 9, 2022 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
Rhoda Pierce, Vice President
B. Sugar Young, Treasurer
Preston Carter
Thomas Swarthout

Staff members present were Executive Director Dave Miller, Attorney Greg Jackson, 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.

President Drew asked if there was any Public Comment.

A written request had been submitted by Sonolito Bronson from the City of Zion to record the meeting for archive purposes.

President Drew stated there were three requests for Public Comment and stated each would address the Board separately.

Mayor McKinney from the City of Zion introduced himself and stated that he would like to address the Board regarding the Real Estate Agreement between the City of Zion and the NSWRD. Mayor McKinney gave background on the history of this agreement and is requesting that the agreement which is due to expire on May 1, 2023 be extended for an additional five years until May 1, 2028. Mr. McKinney explained that due to a potential development with Imperien LLC with an estimated plan for a 40M development which would create 500 jobs and revenue for the City of Zion it is important for the City of Zion to have this agreement extended another 5 years. Mayor McKinney stated the urgency is that there is a deadline of December 14, 2022 to commit with Imperien LLC.

Colin Simpson, P.E. from Imperien LLC addressed the Board next and stated that the extension of this real estate contract was critical due to financial markets and several layers of investments plans which would need to be addressed in order for due diligence of this project and also asked the Board to consider the extension of this agreement.

President Drew stated that the District needed more information related to this request before making any decision and that was the reason it was not on the Agenda because the information had not been provided. President Drew stated that the faster the information is provided to the District the faster the District can discuss and come to a decision. Trustee Swarthout also commented that the Board is sympathetic on developments and understands the challenges they are facing and reiterated that the Board would decide once the information requested is supplied.

Dave Knabel, City Administrator from the City of Zion then addressed the Board and asked what information the District is looking for and mentioned that he had met with Executive Director Miller and had stated that the money involved was to be escrowed as part of the Real Estate Agreement. Executive Director Miller asked if the District would receive some commitment of the purchase of this land prior to acting on this extension. Mr. Knabel said he understands that the District is looking for guarantees but noted that the City of Zion is only asking for an extension of the agreement, not any changes to the conditions and terms of this agreement.

Trustee Swarthout once again commented that the Board will do what is in the best interest of the District. President Drew stated that this real estate agreement has been in place for 20 years and that the Board has heard before of potential developments from the City of Zion with no developments happening in those 20 years so it is in the best interest of the District to proceed with caution. President Drew stated the Board would discuss this matter further and reach a decision. There was no further business on this matter.

President Drew presented the Consent Agenda as follows:

- A. Approval of the Minutes of the Meeting held on October 19, 2022.
- B. Consideration of Bills.
Wastewater Treatment Fund \$1,870,484.68
Check No. 193796. Check No. 193797 through 193861 paid at October meeting.
Check No. 193862 through 194038.
- C. Financial Report, September, 2022.
 1. IEPA State Revolving Fund Loan Summary.
- D. Orders to Terminate Service.
- E. Change Order.
 1. C.O. No. 2, Storm Water Retention Basin Underdrain Reroute Project at the Gurnee WRF, Campanella and Sons, Inc.
- 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 5-0 with all Trustees present voting "Aye". Motion declared carried.

There was no President Report, however, President Drew congratulated all Trustees on their re-elections.

There was no Trustee Report.

There was no Management Report.

Executive Director Miller presented the Administration Report as follows:

- A. 2022 Tax Levy Ordinance.

Executive Director Miller gave a brief overview of the 2022 Tax Levy. The increase in the 2022 Tax Levy is determined pursuant to the PTELL formula provided for by Illinois statutes which limits increases to the lesser of the annual increase in CPI or 5.0%. Based upon the annual CPI increase of 7.0% provided by the Illinois Department of Revenue, the District's Tax Levy will increase by 5.0%. Executive Director Miller stated the levy for 2022 is \$14,653,605 and requested Board approval of the 2022 Tax Levy Ordinance.

It was moved by Trustee Carter and seconded by Trustee Swarhout to approve the 2022 Tax Levy Ordinance as presented.

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

TAX LEVY ORDINANCE

Combined Annual Budget and Appropriation Ordinance of the North Shore Water Reclamation District, passed by the Board of Trustees of said District on June 8, 2022.

Combined Annual Budget and Appropriation Ordinance of the North Shore Water Reclamation District, published according to law in the News-Sun on June 11, 2022.

BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE NORTH SHORE WATER RECLAMATION DISTRICT, LAKE COUNTY, ILLINOIS AS FOLLOWS:

Section 1:

That there be and is hereby levied upon all taxable property within the limits of said District subject to taxation for the year 2022 the total sum for the purposes itemized as follows:

WASTEWATER TREATMENT FUND

Unrestricted - Operation and Maintenance	Appropriation	Levy
Waukegan Water Reclamation Facility	4,700,810	1,076,356
Clavey Road Water Reclamation Facility	4,512,660	1,033,275
Gurnee Water Reclamation Facility	5,029,500	1,151,617
Pumping Stations	1,106,100	253,266
Biosolids Recycling Facility	3,680,760	842,793
Electrical Maintenance	1,238,510	0
Landfill Operations	25,680	0
Maintenance Scheduling	1,255,210	0
Laboratory Department	1,221,210	0
Compliance	306,100	0
Information Systems	775,790	0
Process Automation Maintenance	1,138,790	0
Purchasing	544,890	0
Human Resources	186,830	0
Administrative Services	1,039,580	0
Budget Management	312,820	0
Engineering Services	2,217,250	507,689
Design and Construction	1,141,640	0
Board of Trustees	296,430	0
Staff Management	432,620	0
Directors	503,830	0
Legal	115,220	0
Administration Building	154,730	0
Public Relations	44,320	0
Non-Allocated	687,120	0
Subtotal - Unrestricted - O & M	32,668,400	4,864,997

System Expansion Reserve	Appropriation	Levy
Proposed Projects	0	0
Subtotal - System Expansion Reserve	0	0

Capital Additions Reserve	Appropriation	Levy
Proposed Projects	13,193,900	9,788,608
Subtotal - Capital Additions Reserve	13,193,900	9,788,608

Replacement Reserve	Appropriation	Levy
Proposed Projects	21,407,900	0
Subtotal - Replacement Reserve	21,407,900	0

Total - Wastewater Treatment Fund

\$ 67,270,200

\$ 14,653,605

Section 2:

That the Secretary of the North Shore Water Reclamation District is hereby directed to file with the County Clerk of the County of Lake, State of Illinois, a certified copy of this Ordinance within the time limited by law and to certify to the County Clerk of said County, the sum of \$14,653,605 as the amount to be raised by taxation as set forth in this Ordinance for the year 2022.

B. Bid.

1. Waste, Recycling, Grit, Screenings and Scum Removal and Disposal Services.

Executive Director Miller stated that two bids were received for the Waste, Recycling, Grit, Screenings and Scum Removal and Disposal Services. Executive Director Miller stated this bid had been on the agenda last month with neither of the vendors who bid meeting the terms and conditions of the bid specifications. It was recommended at that time to reject the bids, modify the specifications and re-bid. The bid was modified and re-bid with the same two vendors submitting bids. It is recommended by Staff to award the bid to Lake Shore Recycling Systems being the lowest responsive responsible bidder meeting bid specifications.

It was moved by Trustee Carter and seconded by Trustee Swarthout to award the Bid for the Waste, Recycling, Grit, Screenings and Scum Removal and Disposal Services to Lakeshore Recycling Systems in the amount of \$770,208.87 for a 5-year agreement.

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

Director of Engineering and Special Projects Waters presented the Engineering Division Report as follows:

A. Lake Bluff Basin Project.

1. Bid Recommendation.
2. Village of Lake Bluff Ordinance Granting RIO Development Plan and Site Plan Approval for a Sanitary Sewer Pumping Station.
3. Memorandum of Understanding by and Among the Village of Lake Bluff, Lake Bluff Park District and North Shore Water Reclamation District.

Director of Engineering and Special Projects Waters stated that Bids were received but unfortunately items 2 and 3 have not been resolved and it is suggested to table this item to get these items resolved.

It was moved by Trustee Young and seconded by Trustee Swarthout to table the Lake Bluff Basin Project items one through 3 until the December meeting.

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

B. Engineering Services Agreement.

1. F-3 Forcemain Inspection.

Director of Engineering and Special Projects Waters stated this Engineering Services Agreement is for the reinspection and condition assessment of the Waukegan Effluent F-3 Force Main. Director of Engineering and Special Projects Waters stated that the District has contracted Pure Technologies U.S. who uses electromagnetic (EM) inspection and has performed this work every five years for the last 20 years. Executive Director Miller commented that this is a requirement of a Consent Decree to be performed every five years due to an explosion of the District's force main along Ridgeland Avenue in Waukegan. After the inspection is completed, a priority determination is made of the areas which may require immediate attention and the areas that are showing stress and will eventually require attention. Director of Engineering and Special Projects Waters stated he had visited the Pure Technologies booth at the WEFTEC conference and noted they have some advanced technology where they run a fiber optic cable through the pipe and it records real time action. It was noted that more research would be looked into on this for the future. Director of Engineering and Special Projects Waters recommended Board approval of the Engineering Services Agreement for the F-3 Forcemain Inspection with Pure Technologies U.S.

It was moved by Trustee Carter and seconded by Trustee Swarthout to approve the Engineering Services Agreement for the F-3 Forcemain Inspection.

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

C. Bids.

1. Concrete Repairs Waukegan WRF.

Director of Engineering and Special Projects Waters stated this project is to repair the concrete in the Dewatering Building underneath the truck loading bay. Berglund Construction is the lowest responsive responsible bidder in the amount of \$335,000.00 and recommended Board approval. Director of Engineering and Special Projects noted that the District has not worked with Berglund Construction before but contacted references and all responses were positive.

It was moved by Trustee Carter and seconded by Trustee Swarthout to award the Concrete Repairs Waukegan WRF to Berglund Construction in the amount of \$335,000.00.

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

2. Waukegan WRF Influent and Overflow Pumping Station and Imhoff Primary Access Building HVAC Improvements.

Director of Engineering and Special Projects Waters stated this bid is a combination of two capital projects where the scope of the project is to replace the unit heaters, fans and odor control. Only one bid was received in the amount of \$1.6M which is much higher than the estimated budget for this project. Director of Engineering and Special Projects Waters stated it is recommended to reject the bid and re-visit this project and the re-bid.

It was moved by Trustee Young and seconded by Trustee Carter to reject the bid for the Waukegan WRF Influent and Overflow Pumping Station and Imhoff Primary Access Building HVAC Improvements and re-bid.

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

D. Bid Waiver Request.

1. BW #283, Seepex Pump Parts.

Director of Engineering and Special Projects Waters stated this Bid Waiver is to purchase and retain spare parts for the sludge pumps at the BRF. The manufacturer of the parts is Seepex and the sole distributor of these parts is Gasvoda & Associates. Director of Engineering and Special Projects Waters recommends approval of Bid Waiver No. 283.

It was moved by Trustee Swarthout and seconded by Trustee Young to approve Bid Waiver BW-283 for Seepex Pump Parts with Gasvoda & Associates.

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

E. Change Order.

1. C.O. No. 1, W3 Water Line Between Primary Tanks and Aeration Tanks at GWRF, Nissen Excavating, Inc.

Director of Engineering and Special Projects Waters stated C.O. No. 1 is due to a change in the scope of the work. The original scope called for replacing the W3 water line along the south end of the first stage aeration basins. When the Contractor Nissen Excavating started it was discovered that due to the proximity of the existing 48" primary effluent header it would be difficult to install the water line per the plans. Director of Engineering and Special Projects Waters stated the total change in cost is \$5,727.00 and recommended Board approval of C.O. No. 1.

It was moved by Trustee Carter and seconded by Trustee Young to approve C.O. No. 1, Water Line Between Primary Tanks and Aeration Tanks at GWRF, Nissen Excavating, Inc. in the amount of \$5,727.00.

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

F. Construction Engineer Position.

Director of Engineering and Special Projects Waters stated that since January an Engineering Technician position has been open with the District receiving some applicants which have been interviewed. Most of the applicants have been

under-qualified and those qualified were not interested in the position once told what the pay rate is. The second Engineering Technician position was also vacated. In discussions with Staff it was a collective opinion that the Department would be better served by creating a new Construction Engineer position. It would be filled by a degreed engineer with experience in construction project oversight including communicating with contractors, resolving construction issues and managing overall project schedule expectations. Director of Engineering and Special Projects Waters stated this position would replace the two current Engineering Technician positions with the salary range somewhere between our junior and senior engineering positions depending on experience. The Engineering Department would most likely request additional budget for a second similar position next year.

It was moved by Trustee Swarthout and seconded by Trustee Young to approve the Construction Engineer Position.

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

G. Pre-Annexation Agreement.

1. No. 488, Submitted by Egidijus Norkus, for approximately 7.9 acres located in the Village of Gurnee.

Director of Engineering and Special Projects Waters stated Pre-Annexation No. 488 is to provide sewer service to property located West of the intersection of Delany Rd. and Morrison Dr. in the Village of Gurnee and recommended Board approval.

It was moved by Trustee Swarthout and seconded by Trustee Carter to approve Pre-Annexation No. 488, Submitted by Egidijus Norkus, for approximately 7.9 acres located in the Village of Gurnee.

On roll call, the vote was 5-0 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 stated he wanted to welcome John Reuskens, Industrial Environmental Controller who is present today and is a great resource for the Compliance department working with all the industries on PE Audit Compliance. Director of Laboratory and Environmental Compliance Bodden updated the Board regarding the PE audit and stated that PurposeBuilt has sent their permit package to the IEPA.

B. Phosphorus Permit Limit Progress Update.

Director of Laboratory and Environmental Compliance Bodden provided the Board with the monthly update on work and progress towards compliance with the phosphorus permit limit of 1.0 mg/L. Director of Laboratory and Environmental Compliance Bodden commented the limit is effective at the Clavey Road and Gurnee facilities and is forthcoming at Waukegan on March 1, 2023. All three facilities remained successfully below 1.0 mg/L since May using the biological removal systems in conjunction with the back-up chemical systems.

C. Sulfide Control Contract Services.

1. USP Pricing Extension Through March 31, 2023.

Director of Laboratory and Environmental Compliance Bodden provided background on the sulfide control contract and stated the District had signed a one-year agreement with USP Technologies. The one-year contract allowed for evaluation of an alternative chemical solution. Due to labor and raw material shortages, USP was not able to source the chemicals needed for trial until the end of September. The trial of the new product is now in progress and early indication shows the strong viability of the new chemical product. It is recommended to continue the evaluation of this new product throughout another year. USP is eager to continue but reluctant in extending the contract at current costs, citing volatility in pricing for raw materials and deliveries. It would be in the best interest of the District to seek competitive bids on this work. USP has offered to extend their pricing on a short-term basis until such time that a new bid could be awarded and vendor in place. Staff recommends that we extend USP Technologies at these terms. It is also recommended waiving the not-to-exceed clause as continued usage beyond the one-year will exceed the contract amount.

It was moved by Trustee Swarthout and seconded by Trustee Carter to approve the USP Pricing Extension Through March 31, 2023 and Waive the Not-to-Exceed Clause in the contract.

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

D. Technical Services Agreement with NBWW for Water Chemistry Monitoring.

Director of Laboratory and Environmental Compliance Bodden stated this Agreement with NBWW is to provide technical services to assist the NBWW in conducting water chemistry monitoring within the North Branch Chicago River Watershed located in Lake and Cook counties. The cost of this analyses is \$24,055.00 which helps to offset the membership dues paid to the NBWW. Director of Laboratory and Environmental Compliance Bodden recommended approval of this agreement.

It was moved by Trustee Carter and seconded by Trustee Swarthout to approve the Technical Services Agreement with NBWW for Water Chemistry Monitoring in the amount of \$24,055.00

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

E. PE Audit Program Review.

Director of Laboratory and Environmental Compliance Bodden provided a presentation discussing the PE Audit Program. Director of Laboratory and Environmental Compliance Bodden covered the following topics:

- What is PE
- Why is PE Important
- PE Permitting
- PE Compliance Monitoring
- PE Auditing
- PE Corrective Measures
- PE Status of Cited Facilities (2010 – 2021) – 65 Facilities
- PE Fee Breakdown
- How PE Issues have been Resolved
- PE Reduction Measures (37 IUs)
- Unresolved PE & Fees – Industries
- Pfanstiehl PE Deficiency

A discussion ensued regarding the status and future challenges with Pfanstiehl. Executive Director Miller stated the District has been patient and has been working with Pfanstiehl for the last eight years but noted the District is seeking some assurance that their plan as stated is still on track and moving forward.

Director of Operations Filipovich presented the Operations Division Report.

A. 2022 Disinfection Season Update.

Director of Operations Filipovich provided an update on the District’s performance during the annual disinfection season running from May 1st to October 31st to uphold the plant’s final effluent concentration for the Fecal Coliform (Fcoli) under the permit limit. Director of Operations Filipovich was happy to report that all three facilities were perfect his year and remained below the NPDES permit limit of 400 cfu/100mL daily maximum concentration using the UV disinfection systems. Director of Operations Filipovich stated the success is a combined effort by all District departments. The success includes professionalism and experience of plant personnel, expert support from Engineering, IT and Laboratory.

Director of Operations Filipovich updated the Board on a power outage that occurred at the Gurnee WRF on Saturday, November 5, 2022. Director of Operations Filipovich stated that the power went out and that the generators did not start because the system showed that there was power coming in to the feeder. It has not totally been determined as to what caused the outage that occurred. Once power was lost, personnel tried to switch to a different feeder, however, the breaker would not close. Personnel were able to get the spare breaker in and closed to restore power to the plant. Director of Technology Jackewicz explained that there are two different power feeds coming into the plant and it is somewhat complicated to determine where the problem originated. Director of Operations Filipovich commented that the District did not overflow to the basins and that Staff is still evaluating and will determine the issue.

Lastly, Director of Operations Filipovich wanted to introduce the newest employee of the District which is the Robotic Lawn Mower.

There was no Technology Division Report.

There was no Attorney Report.

President Drew presented Other Business as follows:

A. Legislative Report.

John Norris, the District's Government Affairs Representative provided a legislative update. Mr. Norris started by congratulating all the Trustees on their re-elections. Mr. Norris stated there are no current pending bills that negatively affect NSWRD, but he'll continue to monitor PFAS. Mr. Norris commented on the election results and stated that the State of Illinois Executive Branch and Legislative branch remain Democratically controlled. Mr. Norris reported that the IAWA legislative committee now includes an ad hoc committee headed by Executive Director Miller to address Illinois Department of Transportation projects affecting the District. Mr. Norris stated that the 103rd General Assembly will be sworn in January 11, 2023. Lastly, the Village of Lake Bluff proposition to create Wetlands Nature Preserve and Recreational park on the current Lake Bluff Golf Club failed 47% to 53%. President Drew thanked Mr. Norris for his report.

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 December 14, 2022 at 9:30 A.M. at the District Office of the Raymond E. Anderson Complex located in Gurnee, Illinois.

PRESIDENT

SECRETARY