

**Minutes of the Regular Meeting
of the Board of Trustees
Lakes Region Sanitary District
Thursday, January 9, 2020**

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**1. OPEN REGULAR MEETING, CALL TO ORDER, ROLL CALL,
PLEDGE OF ALLEGIANCE**

Mr. Hunter called the meeting to order at 7:02 p.m.

Roll Call: Trustees Present: Mr. J. Kevin Hunter, Mr. Craig Gilsinger;
Absent: Mr. Bruce Shrake

Also Present: District Financial Manager Mr. Gary Bogolin, Interim District
Manager Mr. Peter Kolb, RHMG Engineer Mr. Steve Zamaites; representing Lake
County Public Works Assistant Director Mr. Joel Sensenig

2. PUBLIC COMMENTS

Robert from Tri-State Realty present (later on the agenda)

3. AGENDA AMENDMENTS

None.

**4. APPROVE MINUTES OF DECEMBER 10, 2019 REGULAR BOARD
MEETING**

*Motion made by Mr. Gilsinger, seconded by Mr. Hunter to approve the Minutes
of the December 10, 2019 Regular Board Meeting.*

Roll call to the motion: Ayes: Mr. Hunter, Mr. Gilsinger.

Nays: None. Motion carried.

5. APPROVE PAYMENT OF BILLS FOR THE:

a. OFF-CYCLE PAYMENTS FOR DECEMBER 2019

*Motion made by Mr. Gilsinger, seconded by Mr. Hunter to approve payment of
off-cycle checks from the General Fund for December 2019 in the amount of
\$14,033.84.*

Roll call to the motion: Ayes: Mr. Hunter, Mr. Gilsinger.

Nays: None. Motion carried.

b. GENERAL FUND FOR DECEMBER 2019

*Motion made by Mr. Gilsinger, seconded by Mr. Hunter to confirm payment of
bills from the General Fund for December 2019 in the amount of \$312,316.96.*

Roll call to the motion: Ayes: Mr. Hunter, Mr. Gilsinger.

Nays: None. Motion carried.

6. APPROVE UNAUDITED FINANCIAL REPORTS FOR NOVEMBER, 2019

Mr. Bogolin's reports were included in the Board Packets previously distributed.

Motion made by Mr. Gilsinger, seconded by Mr. Hunter, to approve the unaudited Financial Reports for November 2019.

Roll call to the motion: Ayes: Mr. Hunter, Mr. Gilsinger.

Nays: None. Motion carried.

OLD BUSINESS

7. DISTRICT MANAGERS REPORT

- Robert Elbrecht w/Tri-State Realty, Inc. is here today and is prepared to provide an update on activities regarding the sale of the building. There is an executive session item included later in the agenda to discuss pricing of the building and we can discuss all items at that time.

Robert presented to the Board the steps being taken to market the property and indicated the interest in the building has been very limited, with no one yet taking a walk thru; and was impacted by the holiday season. He suggested adding a second sign at the north end of the property, which the Board concurred. He also recapped other buildings of the same type in the area have been on the market for an average in excess of 190 days. He further suggested a minor price reduction might break the psychological barrier of \$1.2 million.

- Baxter Healthcare activities since last board meeting;
 - December 18, 2019; A joint letter signed by the District, Lake County, and the Village of Round Lake (Sewer Providers) was transmitted to Baxter Healthcare Vice President Arthur Gibson in connection with the 2017 Sewage Disposal Agreement. The letter outlined historical flows transmitted to the NW Regional Sewer System (NWRSS) and reiterated the obligation that Baxter must make additional connection fee payments, likely to exceed \$2,000,000 as a result of actual flows in conformance with the Agreement. The letter did acknowledge that Baxter has made recent "repairs" to their sewage system that are expected to reduce the flows to the NWRSS. In recognition of expected flow reductions, it was agreed that a six-month period, ending April 1, 2020, would be allowed to collect flow data to get a reasonable picture of the actual "Adjusted Basis" as described in the Agreement. Baxter is to provide monthly status reports on all activities and flows.

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- December 28, 2019; An e-mail was sent by Gary Hanline advising that Baxter would be temporarily stopping discharge to the NWRSS on 12/28/19. Low water usage during the holidays contributed to low pond levels. Discharge rates are at about 103gpm. Expected to resume pumping in 10-15 days.
- December 29, 2019; An e-mail was received from Gary Hanline conveying copies of the Lake County Planning Building & Development permit and construction plans for construction of the interceptor/diverter structure that will divert water infiltration to the local creek. Anticipate construction to start mid-January 2020. Also received data on the latest discharge rates and pond levels. It appears that discharge rates in December have dropped significantly.

Mr. Zamaites asked if they explained how they get a variable flow out of constant speed pumps. Mr. Kolb indicated that specific question was not asked. Mr. Zamaites suggested asking them how they are running the pump station with the constant flow pumps; i.e. one of three modes, timed discharge, targeted volume per day or float in the well, which is only a two foot band in the well; but does it really matter when they are to pay for what's being pumped into the system.

- January 6, 2020; E-mail from Gary Hanline alerting us that pumping out of the pond will resumed on 1/7/2020. Initial pump rate to be 125gpm.

Mr. Zamaites asked what was meant by 'resumed'. Mr' Kolb indicated Baxter had stopped pumping after December 28 due to low pond levels and reduced activity due to the holidays and were starting again on January 7. Mr. Hunter noted that this is why the six month period was used to determine the effect of the repairs.

- January 22, 2020; A meeting has been scheduled on this date to review the actual 2019 flows transmitted to the NWRSS and to review ongoing activities of additional corrective measures. A calculation on user fees for 2020 billing will be made based on this data. Participants include Gary Hanline, Jeff Wynveen (Baxter Director, North America, Environment Health and Safety), Larry Thomas (Stanley Consultants), Ryan Kelly Adam Wedoff, Joel Sensenig, Tom Miles, and Peter Kolb.

Mr. Hunter requested that Mr. Zamaites also attend the meeting.

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- As previously discussed LRSD is continuing with the current shared billing arrangement with Lake County until the end of January 2020. All new connection permits will now be processed by the County. There are, however, four (4) legacy projects that will continue to be coordinated by the District for the sake of continuity. The connection fees associated with these permits will be collected by the District, including escrow funds for both engineering review and construction inspection until anticipated completion to May 1, 2020. They include Remington Point North home permits (65); McDonalds/BP (\$73,426.00); Munson Marine (\$87,302.00); and Baxter Healthcare Supplemental Connection (\$2,385,000).

Mr. Bogolin indicated that the Munson Marine and BP/McDonald's permits were purchased on the 8th, as well as the construction escrow being funded; leaving only the remaining 61 Remington Pointe North home permits.

- Steve and Peter attended the NW Technical Advisory Committee mtg on Wednesday December 18, 2019 in RLB. We advised the Committee that this would be our last meeting and to remove our names from the roster. The County has all future responsibilities with respect to operation and maintenance of the LRSD system including preparation of annual CMOM reporting requirements. Of note there was a presentation given by Scott Trotter on the Fox Lake Flow Monitoring Project. The project includes the construction of 13 permanent flow monitoring stations will cost \$529K and construction is scheduled for spring 2020. Real time flow data will be made available to all dischargers in the NWRSS.
- Some dates to keep in mind are as follows:
 - LRSD Board meeting Tuesday February 4, 2020 – 7:00 PM
 - NW Policy Advisory Committee meeting Wednesday March 4, 2020 - 4:00 PM RL Community Room

8. ATTORNEY'S REPORT

Mr. Hunter indicated Mr. Puma had a conflict and was not available to attend this evening.

9. ENGINEER'S REPORT – REVIEW STATUS OF PROJECTS

Mr. Zamaites' report was previously provided – there were no questions.

10. CONSOLIDATION UPDATE

Mr. Sensenig presented a brief update on the progress of the consolidation.

- LCPW is working toward doing the billing for District customers at the end of January. Will work on coordination with LRSD.

12. PRESIDENTS COMMENTS

Mr, Hunter expressed thanks for everyone's involvement in these fluid situations.

Motion made by Mr. Hunter, seconded by Mr. Gilsinger, to recess the Regular Meeting at 7:35 p.m. to enter into executive session to Discuss:

- a. The appointment, employment, compensation, discipline, performance, or dismissal of specific employees pursuant to 5 ILCS 120/2(c)(1)*
- b. The setting of a price for sale or lease of property owned by the public body pursuant to 5 ILCS 120/2(c)(6).*

Roll call to the motion: Ayes: Mr. Hunter, Mr. Gilsinger.

Nays: None. Motion carried.

Entered into executive session at 7:35 p.m.

13. EXECUTIVE SESSION

The regular meeting reconvened at 7:54 p.m.

14. ADJOURN

Motion made by Mr. Gilsinger, seconded by Mr. Hunter, to adjourn the Regular Meeting at 7:55 p.m.

Roll call to the motion: Ayes: Mr. Hunter, Mr. Gilsinger.

Nays: None. Motion carried.

Respectfully submitted,



J. Kevin Hunter
President

Accepted: 02/04/20
Corrected: 02/04/20