Aqua Illinois Advisory Council

Thursday, March 13, 2025

7:00 PM

Attendees:

* Jeena Alex, Advisory Council Member
* Paul Pike, Advisory Council Member
* Paul Zucker, Advisory Council Member
* John Olagunju, Advisory Council Member
* Nancy Gold, Advisory Council Member
* Susan Bauer, Advisory Council Member
* Michael Talbett, Advisory Council Member
* Pam Newton, Village of Hawthorn Woods COO
* David Carter, Aqua Illinois
* Tracy Fullen, Aqua Illinois
* Paul Burris, Aqua Illinois
* Michelle Buffenbarger, Aqua Illinois
* Alan Stark, Aqua Illinois
* Bryce Baker, Aqua Illinois
* Lucas Brush, Aqua Illinois
* Keli Hodges, Aqua Illinois
* Areca Van Mill, Aqua Illinois

**Welcome and Opening Remarks**

* David Carter introduced himself and Aqua leadership. Advisory Council members (ACM) introduced themselves.

**Update**

* David Carter walked through an update forHawthorn Woods, Kildeer and Lake County. He covered system monitoring, emergency response, infrastructure and communications updates particularly in regard to the September 22, 2024, main break and the November 9, 2024, fire incident.
* David Carter discussed the break that occurred on September 22, 2024, which Aqua was able to remedy in 10 hours. He covered the positives of the situation including how Aqua responded to the issue in less than an hour, that they were alerted by the new SCADA monitoring system, water trucks were on standby, and no customers lost water service.
* David Carter outlined the improvements implemented during the break such as clear communication, quick updates to the outage map and website, and concise information surrounding the criteria for a boil water advisory.
* David Carter showed a photo of the pipe break, where the break occurred within the pipes, noting the pipe was not wrapped and then showed the final pipe restored with pipe wrapping.
* David Carter discussed that the results of the pipe evaluation study for both the July 2024 and September 2024 events are expected within the next couple of weeks.
* Aqua Leadership discussed the fire incident on November 9, 2024, and steps taken post fire to ensure the hydrant use did not cause any leaks by bringing out a leak detection service team to evaluate the hydrant and pipes, their evaluation concluded there were no leaks caused using the hydrant.
* Aqua Leadership discussed the main replacement that feeds Spencer Loomis Elementary School will be relocated in 2025.
* Aqua Leadership also explained that one meter to each leg of the distribution mains will be added. This will allow us to rapidly determine where a leak may be occurring.

**Disruption Map: New Features**

* Aqua Leadership walked us through the eportal app, which is available for both Android and Apple devices. She encouraged those who do not yet have it to go ahead and download it to view daily usage, billing and follow the disruption map.
* Aqua Leadership shared that in April there is a plan to roll out some new features, which include the ability for customers to report no water incidences, street leaks and main breaks. This will allow direct notification from our customers; you don’t have to contact the call center to report.
* Aqua Leadership noted in addition to the self-reporting ability, that this summer, another convenient feature of the app will be for customers who are moving in or moving out of their homes. They will be able to schedule an appointment through the app to open or close their account.

**Water Treatment Plant Project**

* Aqua leadership reviewed the construction timeline for the upcoming water treatment plant project. Construction began in July 2021, and it is expected to be completed in Spring 2025, weather permitting and assuming no additional equipment delays.
* Aqua leadership shared the infrastructure investment into the second new water treatment plant which will include a 2,250 square foot building to house the ion exchange water filtration equipment. The project will double the current capacity. The project cost estimate is $3 million invested in construction and just over $5 million for the total project.
* Aqua Leadership updated the current progress noting that the delayed ion exchange filters arrived this week and shared photos of the two vessels being moved into the building. We are still waiting on some equipment for the ion exchange vessels.

**Rate Case Update**

* David Carter provided updates on the ICC decision in the rate request. He reviewed that the ICC issued its final order on November 21, 2024, concerning Aqua Illinois’ rate application, filed on January 2, 2024. The ICC approved $11 million, which is 61% of the original request.
* David Carter discussed the impact of the rate decision, including billing changes and how the base rate has impacted local investment. In the Hawthorn Woods system, the local improvements made by Aqua will enhance system reliability through the construction of the new water treatment plant.

**Open Forum and Discussion**

* ACM asked about the new development in Kemper Ridge subdivision.
  + Aqua Leadership replied there is quite a bit of development in the Hawthorn Wood’s area. They meet regularly with the Village to discuss what they know is coming, and we are keeping that into our forecast ensuring we have capacity.
  + Aqua Leadership added that the Kemper Ridge addition is 200 units and expects the usage to be roughly 70,000 gallons per day. They also noted that we will have our plant in service and operating before Kemper Ridge is completed and the first services are in.
  + David Carter added that the current average usage is 400K gallons a day for average consumption. The new plant will double its capacity.
* ACM member had an additional question asking if the new development was going to have a loop to the Aqua system in Westbury or Wentworth.
  + Aqua Leadership responded that there is a loop to the North and back to the West. She also noted that they met and discussed the plans with the Fire Protection District.
* ACM asked whether Aqua reviews the plans for the proposed development and participate in developing the plans?
  + Aqua Leadership walked through the steps the developer takes to develop the initial plan, showing the water main, location of the main, and what they expect to install. We do a review and comment back also providing them with our standard detailed specs for construction. We will not sign a permit application until the comments are resolved by the developer. An observer will be on site to ensure that the mains are installed per plan and approved by Aqua. The operating permit application will not be signed until we approve the installation. The main cannot be operated until the IEPA approves it for operation.
* ACM asked if it was unusual to have a dead end in a water main, that they were under the impression that you would always want to do some form of a loop.
  + Aqua Leadership responded that it is optimal to have a loop, but it is not required as in this case it is a dead end because of a cul-de-sac and there is nothing to loop it to on the other side. Further noting that running water mains on both sides of the road to is not ideal because you have less people pulling water off that main as well as positioning other utility lines needed for gas, electric, sanitary sewers, storm sewers, and cable within the right of way. Water mains must also be constructed 10 feet away from sanitary sewers horizontally and storm sewers.
* ACM asked where does the plan currently stands today? When do you expect to see any revised plans?
  + Aqua Leadership replied that one of her senior construction coordinators has reviewed the plan and provided comments back. They have met with the fire department and talked through the looping and what the expectations are for looping.
  + Aqua Leadership commented that we have not yet received a revised set of plans back into the office yet. The revisions are on the developer’s time frame; they set the pace for any projects that they do.
  + Aqua Leadership also included that we had to expand our service territory to accommodate that project, as required by the Illinois Commerce Commission (ICC). She explained we have submitted all the documentation to the Illinois Commerce Commission and have responded to a couple of data request, but we do not know when it will be approved, we are probably several months away from getting approval, this process can take up to a full year.
* ACM asked since we serve both Kildeer and Hawthorn Woods, do you have room to put both community names on the Water Tower?
  + David Carter referred to Pamela Newton.
  + Pamela Newton replied that the village trustees have asked for no lettering on the water tower, the water belongs to everybody, we don’t want to put an identifier on the tower.
* ACM member asked about the pipe analysis, was it submitted back in September?
  + David Carter replied, due to delays on our end of getting a new vendor qualified in our system for the study, we were not able to submit until earlier this year, we have been updated that the results will be coming in the next couple of weeks and will convey the results of the study when they become available.
* ACM member asked if the improvement to their system is going to affect us with a price increase?
  + David Carter reiterated that Aqua submitted a rate application with the Illinois Commerce Commission, the same process as electrical utilities, gas utilities in the state utilize for rate making purposes. We submit supporting information for our suggested rate increase which this information is vetted by the Commerce Commission staff. We estimated that we responded to more than 3,000 data requests in the eleven-month period, that the rate case took place. Continuing that this is not just a decision that we make, it is a very thorough review process that takes place with specific criteria set by the Illinois Commerce Commission. The commission issued its final order on November 21, which allowed for approximately 61% of funds requested by Aqua. The money that we received in this rate case really is in recognition of the projects that we have already done, not looking forward.
  + David Carter explained that we have a consolidated rate structure in Illinois, so all our similarly situated rate payers throughout the state pay the same amount. Base charges are the same, things like fire protection rates and usage rates are the same. Differences you will see are in the meter sizes.
* ACM asked what are the billing items added to our bills outside of the base rate?
  + David Carter explained that the operations and maintenance are items that the Illinois Commerce Commission allows to recover outside of a rate case. These include items such as, but not limited to chemicals, labor, and electricity.
  + David Carter also explained that those are dollar for dollar costs, that there is no profit margin allowed on the operation and maintenance costs. We must demonstrate to the ICC what it is costing us for those chemicals and other expendables, noting that the costs of these items have gone up due to inflation.
* ACM member asked if they would be getting Lake Michigan water.
  + Pamela Newton responded that the Mayor of Hawthorn Woods was not going to allow Lake Zurich to use our land for piping water unless we could connect with Lake Michigan water with hydrants, connection valves, and with a reservation of water for Hawthorn Woods.
  + Pamela Newton explained that they were working with Lake Zurich and with Lake County with the Central Lake County Joint Action Water Agency. She did announce that they have received a reservation of Lake Michigan water for Hawthorn Woods in a limited capacity, and that they have eight years to work through the legal semantics of distribution. Aqua is working at the table with the Village.
* ACM asked when it comes to Michigan water versus well water that Aqua provides, are there any differences in costs or procedures for water treatment?
  + David Carter replied that water would likely be more expensive if we used Lake Michigan water, but that pricing has not yet been established by the intermediate agencies including CLCJAWA or Lake County. He went on to say that we would not be treating the water, at least not extensively. There may be a need to chlorinate the water to ensure the level stays high enough during distribution for proper disinfection, but there is a surface water treatment plant close to Lake Michigan which comes from Lake Bluff. They would provide treatment for the water and distribute it through the existing pipework.
* ACM asked what are the additives to the water system and what do we filter out of the water?
  + Aqua leadership answered that we only add sodium hypochlorite to the water as specified by the Illinois Environmental Protection Agency (IEPA). Further explaining that the IEPA required we maintain a chlorine residual in the system, the EPA raised that minimum free residual from a 0.2mgL to a 0.5mgL in 2021. Further noting the regulations require each system to have a residual reach the furthest point of the distribution system to maintain the 0.5mgL as mandated by the IEPA for all systems privately and publicly owned.
  + Aqua Leadership continued that there is not a filtration system in Hawthorn Woods, the ion exchange filters remove calcium and the naturally occurring radium, it is not a physical filter such as what you would have in your home.
* ACM inquired about the taste of the water.
  + Aqua Leadership explained that there is a difference in taste with ground water versus surface water. Groundwater has other minerals and deposits that come from the aquifers.
  + Aqua Leadership also encouraged customers to please call us with any taste complaints so we can assist them to determine if there are any water quality or internal piping issues.
* ACM stated that fluoride has become a political issue in the water, what does Aqua do with fluoride?
  + Aqua Leadership responded that our company is really monitoring closely what the current administration is going to recommend.
  + Aqua Leadership continued to explain that there are groundwater systems that have naturally occurring fluoride, we do not know if we will be required by the EPA to remove fluoride in the future. Currently, we maintain the state minimum regulation of a 0.7mgL level.
* ACM asked about the naturally occurring radium being filtered out with the ion exchange, why do we test out at around the regulation limit of 5pCi/L?
  + Aqua Leadership replied that we meet the regulation of 5pCi/L and we do it by blending the ion filtered water with the bypass water to typically meet a 3pCi/L or 4pCi/L level. Sometimes we will find a pocket of radium released, when that happens, we see the number fluctuate.
  + Aqua further explained that if you run 100% of the water through a filter, it will decrease the pH and become corrosive water.
* ACM asked if their community has any issues with polyfluoroalkyl substances (PFAS)?
  + Aqua Leadership confirmed that we have not detected PFAS in Hawthorn Woods.
  + Aqua Leadership provided additional information after the meeting:
    - Sampled 1/17/25 – no detects.
    - Hawthorn Woods was also part of the Illinois EPA PFAS Statewide Investigation sampled on 3/9/2021 for PFAS and none were detected.
* ACM asked about why their billing went up in January after we had the rate adjustment in December’s bill.
  + Aqua Leadership explained that it is a special bad debt rider for COVID, further explaining that we are in the last reconciliation period.
* Areca Van Mill let the council know that there would be a post meeting survey going out to all who attended the meeting tonight and that the survey would be open through March 21st.
* David Carter apologized for stepping on top of a religious day of observance today, for one of the members who wanted to attend. He asked if in the future, if we’ve picked a day that conflicts with any kind of community event or religious holiday or observance, or any other reason that would have a significant impact on people’s ability to attend, let us know as soon as possible, as we certainly will try to accommodate that.
  + Pamela Newton commented that she talked to the member today and that he appreciated the effort to reach out to him if he wanted to go over any of the related materials and updates.
  + Pamela Newton also commented that she was very appreciative of the presentation, that it was very succinct. She asked if she could share the PowerPoint with the board.
    - Aqua Leadership approved sharing the PowerPoint with the Board.

**Adjournment**