

The following is our study session agenda for July 16, 2024. If there are any changes or additions, please send them to me.

- Meeting between Highland Waterworks Board of Directors and Highland Sanitary District Board of Commissioners for the purpose of discussing the joint purchase and/or continuing lease option of major equipment. MARK K., ALL
- Sanitary District Engineer status updates. DEREK
- Public Works/Sanitary District status updates including any further discussions regarding the Highland Pump Station and the Little Calumet River Commission. MARK K.
- Sanitary District Attorney status report. Update regarding progress in obtaining HSD complete first annual report which was due March 1, 2024 pursuant to the First Amendment to the Sewage Collection and Treatment Agreement. ROBERT

SANITARY COMMISSION DORMANT STUDY SESSION AGENDA

- Pursuant to the First Amendment to the Sewage Collection and Treatment Agreement, after the end year 2026, and after the completion of the Southeast Quadrant Under the District's LTCP, a cost of service study shall be conducted for the purpose of evaluating and incorporating the cost of service for the Southeast Quadrant Projects and any associated POTW upgrades or infrastructure constructed pursuant to District's LTCP completed as of the date of the commencement of the study. Until the cost of service is completed, and after the year 2026, the Customer city's rates shall increase in proportion to the yearly O&M budget established by the District compared to the prior year until such time that an update to the March 14, 2022 cost of service study is conducted and completed. The cost of service study shall be conducted by a third party consultant mutually agreed upon by the parties, the cost of which will be shared on a pro rata basis by the District and its customer communities.

I would suggest that preparation and evaluation for this cost of service provision be commenced far sooner than late in the year 2026 so as to assure that several potential consultants would be available for selection rather than being limited to only a few companies. Additionally, it may be beneficial to the customer cities to avoid long term delays in commencing the aforementioned cost of service study since after 2026, Customer Cities rates will automatically increase in proportion to the yearly O&M budget established by the District compared to the prior year. It should be noted that the first cost of service study completed March 14, 2022 was delayed for almost four years.

