

**New Landing Utility  
Report of Condition  
Prepared for Lost Lake Utility District**

**Water Plant:**

1. It has been our observation that the water treatment plant is functioning as designed. As you are probably aware, the only treatment that the water receives is the addition of chlorine and fluoride. The additional feeding of a poly phosphate would benefit the quality of water being sent out to customers by sequestering of the iron, which is currently present in the water. If this change were to be implemented, an IEPA permit would be required in advance. All sample results since IRWA assumed receivership have been within IEPA regulations and should be relatively easily maintained at the proper levels well into the future.
2. The building itself will need to have repairs made to it in the near future. These repairs would include; roof replacement, replace doors, cleaning and painting interior and exterior, installation of generator transfer switch, installation of alarm system and rodent proofing the building. It should be noted that the door and door frame to the treatment area has recently been replaced.
3. Currently the daily water analyses being completed by the contract operator are being processed with equipment on loan from IRWA. Once IRWA is relieved of its duties as receiver, the lab equipment will need to be returned. Replacement equipment will cost about \$1,000 - \$2,000 depending on model of equipment purchased.

**Water Tower:**

1. The water tower was recently refurbished by Utility Services, Inc., a company that I am very familiar with and comes highly recommended. With regular maintenance, the tower coating should last at least another 10 – 20 years.
2. There is a contract for maintenance that was executed by and between Utility Services and NLU. The outstanding balance on this contract is somewhere around \$280,000.

**Distribution System:**

1. Undersized mains (predominantly on the East Side) are probably the largest expense that will be incurred within the distribution system. These mains will need to be replaced with adequately sized mains and will also need to be permitted through IEPA. I would suggest that as a condition of purchase, a negotiated time line with IEPA be secured beforehand.
2. Water meters throughout the system will need to be replaced. The purchase price for a 3/4" meter and remote reader run about \$65 each. Installation costs would be determined by the district.

3. Overall, the system is in fairly decent shape and should be easily maintained in the future.

### **Billing System:**

1. The current billing system, although adequate, could use an upgrade to make it much more user friendly. I believe the DOS based system does have a Windows based upgrade available at a cost of approximately \$1250. If the budget allows, the unique circumstances of your service area really screams out for a radio read system. I strongly recommend that you consider that type of metering and billing system before any new meters or billing software changes are made.
2. NLU's computer and printer will also need to be replaced in the near future as well.
3. A considerable amount of time should be budgeted for in the first few months to go through all accounts and make corrections and additions. Over several years of neglect, the database seems to be running quite some time behind on actual ownership of undeveloped lots (availability fees).

### **Misc.**

1. Currently a contract operator, Mike Williamson, is being utilized to run the day-to-day operations of the water treatment plant and wastewater treatment facility. Mike is being paid \$500 per month to run the water plant and do all necessary water sampling and \$500 per month to run the wastewater facility. If other requests of his time are made, then they are reimbursed at the rate of \$30 per hour. This hourly rate reflects that no taxes, insurance or other benefits are afforded Mr. Williamson. In addition, Mike is paid a flat fee of \$480 each quarter to read meters. On average, Mike is being paid around \$1,600 per month.
2. Currently, NLU has contracted with the IEPA Lab Testing Fee Program for required testing of its water. This fee runs about \$2600 per year and could be reduced in the future by going to a private lab – in some cases saving 50%. The current contract does not expire until June 30, 2007.
3. To the best of my knowledge, all IEPA required reports and samples for NLU are up to date and in compliance.

### **Wastewater Treatment Plant:**

1. Much needs to be done here! I believe that you are already in possession of previous reports on this facility so I will be brief.
2. The building will need a new roof, furnace, wiring (some has been done already), paint, lab area and records keeping area.
3. One 10 HP pump and motor has been rebuilt along with one blower and motor. Plan on replacing the remaining pumps, motors, controls, blowers, and

some air diffusers. It is also recommended that a generator transfer switch be installed in the event it becomes necessary to supply your own power.

**Collection System:**

1. To the best of my knowledge there are no problems existing within the collection system of NLU.

**Misc.**

1. NPDES permit fees to the IEPA were paid in full at the end of 2006 bringing them up to date. The next permit fee would be in June of 2007 and should be in the amount of \$2500. NLU's WWTP still has several ongoing violations with EPA regulations concerning allowable concentrations. All required Daily Monitoring Reports (DMRs) are being filed monthly and samples are now being collected on a monthly basis.