

Minutes

June 22, 2021- Board Meeting

On June 22, 2021, the Board of Trustees of the Lake County Public Water District convened virtually in a regularly scheduled meeting at the hour of 5:30 p.m. Chairman Gerold Topcik, Trustee Mike Ruchti, Trustee Doug Jaeger, General Manager Don White, and Administrative Assistant/Board Secretary Karen Johnston were physically present at the conference room of the District, 500 –17th Street, Zion, Illinois. Present virtually were: Trustees Mitchell, Monk, Walsh, and Attorney Dan Kucera. Vice-Chairman Moe was absent. Also present virtually was Ms. Cheryden Juergensen, Eder Casella & Co. Chairman Topcik opened the meeting at approximately 5:30 p.m.

Chairman Topcik started the meeting with the following statement: I have determined that an in-person meeting of the board of trustees is impractical and imprudent, due to the Covid-19 pandemic, and that related disaster declarations and orders issued by the governor, therefore this meeting of the board is being conducted by virtual protocol pursuant to authorizations by the governor and Public Act 101-640.

Chairman Topcik proceeded to a roll call:









Present: (6) Mitchell, Monk, Walsh, Ruchti, Jaeger, Topcik

Absent: (1) Moe

Chairman Topcik directed the board's attention to the draft audit in the board's packet, and turned the meeting over to guest speaker, Ms. Cheryden Juergensen of Eder Casella & Co.

Ms. Juergensen first thanked General Manager White and Secretary Johnston for helping the audit go smoothly. She indicated that all materials were ready, and all questions answered promptly. She then presented the auditor's opinion, explaining that it was an unmodified opinion, which means that based on all of testing they were able to obtain reasonable assurance that the financial statements were fairly presented. She indicated that this is best opinion the District could have under accounting standards.

She then went through the audit, reviewing various charts and policies. She indicated that they focused on cash disbursements this year, in particular internal controls. The policies and procedures were reviewed, and they found no issues. The following are the highlights of the audit:

-  The results of operations for the year resulted in an operating income of \$587,809. After considering interest and other income and expense, the net result for the year was \$455,775 of net income.
-  The 2021 demand for water increased 4.29% from 2020 levels to 891,861,000 gallons. The District had delivered 855,169,000 gallons in 2020.
-  The District's net position increased during the year, which ended April 30, 2021 by \$455,775 from the 2020 balance of \$6,967,982 to the 2021 balance of \$7,423,757.
-  Total revenue for 2021 of \$2,417,591 is \$171,392 less than the \$2,588,983 reported in 2020.
-  Renewal and replacement charges decreasing by \$98,938 due to reduced renewal and replacement expenses.
-  Operating revenue decreased due to a grant for \$100,000 that was received in 2020.
-  The 2021 delivery rate calculation is \$1.613 per 1,000 gallons.
-  There is a refund of \$144,830, to be allocated to the customers based on delivered gallons of water actually billed.

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- The amount needed to fully fund the R&R account is \$275,596. After credits for amounts paid in 2020, additional debt service coverage, and the underdrain project allocated for the year, the amount to be contributed by the District's customers is \$267,875.

Ms. Juergensen then took questions. Discussion of this subject followed. Trustee Jaeger made a motion to accept the audit report, which was seconded by Trustee Ruchti. Chairman Topcik asked if any further discussion was desired. There was none. The vote on roll call was: Trustees Mitchell, aye; Monk, aye; Walsh, aye; Ruchti, aye; Jaeger, aye; Topcik, aye. Motion carried. Ms. Juergensen left the meeting at 5:50 p.m.

Chairman Topcik then indicated that he would accept a motion to place the following items on a consent agenda and to accept that consent agenda. Chairman Topcik then asked for a motion to approve the consent agenda, which was made by Trustee Jaeger, and seconded by Trustee Mitchell. Chairman Topcik asked if discussion was desired for those items, as there was none, and upon the vote, the motion was carried unanimously.

- 5) Regular Minutes of May 11, 2021
- 6) Disbursements for June, 2021
- 7) Treasurer's Report for May 31, 2021
- 8) Budget Report for May 31, 2021
- 9) End of month May 31, 2021 Monthly Operation Summation

OPERATIONS & MAINTENANCE ACCOUNT June, 2021 – Disbursements

ACCT. #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
2920	FICA Withholding Taxes (EE Portion)	May-21	2,973.87
2921	Federal Withholding Taxes	May-21	3,834.80
2922	IL Department of Revenue	Monthly Remittance	1,248.20
2923	WI Department of Revenue	Monthly Remittance	593.25
7205	FICA Withholding Taxes (ER Portion)	May-21	2,973.87
7255	Correll Co.	May-21	6,636.16
7211	Commonwealth Edison	Electricity - Mar-21	71.63
7211	Constellation New Energy	Electricity - Mar-21	20,331.48
7212	No. Shore Reclamation	Wastewater Charges	4,499.53
7215	PDC Laboratories	Sample Testing	128.00
7221	Hawkins	Chlorine Shipment	1,567.00
7221	Usalco	Aluminum Sulfate Shipment	6,260.24

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7222	Ace Hardware	Misc. Supplies	35.92
7222	Applied Industrial Technologies	Misc. Supplies	474.74
7222	EMD Millipore	Lab Supplies	2,766.61
7222	Hach	Lab Supplies	1,925.86
7222	Zoro Tools	Misc. Supplies	179.41
7223	Control Tech	Maintenance Supplies	1,668.90
7223	Dorner	Maintenance Supplies	401.03
7223	Vortex Technologies	Maintenance Supplies	4,905.00
7225	Concentric Integration	Time & Material/Annual Support Services	3,799.77
7225	Erickson Designs, C.	Landscaping Maintenance	588.57
7225	Hansen Associates, Inc.	Jun-21 Copier Maintenance	95.00
7225	Klean Korner's Commercial Cleaning	Janitorial Service May-21	500.00
7225	Lakeland Larsen Elevator	Quarterly Elevator Maintenance	339.62
7231	DeLage Landen Financial Services	Jul-21 Copier Lease	124.12
7232	AT&T	Telephone Service	2,732.43
7232	Verizon Wireless	Cellular Phone/Data Service	821.92
7234	Office Depot	Office Supplies	154.16
7234	Quill	Office Supplies	130.27
7235.1	West's Insurance Agency	2021-2022 Facilities Insurance	61,296.00
7235.2	AARP Medical	Medical Insurance for Diane Fragassi	341.25
7235.2	AARP Prescription	Prescription coverage for Diane Fragassi	92.80
7235.2	Blue Cross/Blue Shield	Jul-21 Health Insurance	8,204.27
7235.2	Euclid Managers (Delta Dental)	Jul-21 Dental/Vision	488.98
7235.2	IL Public Risk Fund	3rd Qtr. Workers' Compensation	2,209.00
7235.2	Principal Insurance	Jul-21 Disability/AD&D	599.65
7237	Hungerford Technologies	WebEx Service - Teleconference Meeting	26.00
7241	Eder, Casella & Co.	FY2021 Final Audit - Progress Bill	23,850.00
7241	Hamlin, James	Payroll Fees - May-21	234.02
7242	Kucera, Daniel	Legal Services - May-21	3,217.50
7251	Correll Co.	Investment Services	1,040.00

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FIRST BANKCARD

	Acct. 7225	Maintenance Contract	34.25
	Acct. 7234	Office Supplies	94.50
	Acct. 7236	Transportation	231.99
	Acct. 7238	Dues/Subscriptions	27.72
		Total First Bankcard	388.46
		Grand Total - Operations	\$174,749.29

R&R

ACCT. #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7299	Clark Dietz	Filter Replacement Project	4,050.00
		Grand Total - R&R	\$4,050.00

ORDINANCES/RESOLUTIONS:

Prevailing Wage Ordinance: The Chairman then presented the following Resolution:

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RESOLUTION

WHEREAS, the State of Illinois has enacted the Prevailing Wage Act, 820 ILCS 130/0.01, et seq (1996) ("Act"); and

WEREAS, the Act requires that the Lake County Public Water District ("District") investigate and ascertain the prevailing rate of wages for laborers, workers and mechanics employed in performing construction of public works of the District, all as such terms are defined in the Act;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE LAKE COUNTY PUBLIC WATER DISTRICT AS FOLLOWS:

To the extent and as required by the Act, the general prevailing rate of wages in this locality for laborers, workers and mechanics who become engaged in construction of public works of the District is hereby ascertained to be the same as the prevailing rate of wages for construction work in Lake County area as determined by the Department of Labor of the State of Illinois as of May, 2021, a copy of which determination is attached hereto and incorporated herein. The definition of any terms appearing in this Resolution which are also defined in the Act shall be the same as in the Act.

Nothing contained in this Resolution shall be construed to apply to any work or employment except public works construction of the District to the extent required by the Act.

The General Manager of the District shall publicly post or keep available for inspection by any interested party in the main office of the District this determination.

The District Secretary shall promptly file a certified copy of this Resolution with the Illinois Secretary of State.

The District shall cause to be posted on the District's website notice of the Department of Labor's determination of prevailing wages with a link to the prevailing wage schedule for the applicable locality that is published on the official website of the Department of Labor

The General Manager of Lake County Public Water District shall mail a copy of this determination to any employer, any association of employers and any person or association of employees who have filed with the District their respective names and addresses requesting copies of any determination, stating the particular wage rates and the particular class of workers whose wages will be affected by such rates.



LAKE COUNTY PUBLIC WATER DISTRICT

A handwritten signature in blue ink, appearing to read "Gerold L. Topcik".

Gerold L. Topcik
Chairman, Board of Trustees

A handwritten signature in blue ink, appearing to read "Karen Johnston".
Karen Johnston
Secretary

PRESENTED AND READ: June 22, 2021

APPROVED:

ROLL CALL VOTE:

Trustees voting aye: D. Mitchell; A. Monk; P. Walsh; M. Ruchti; D. Jaeger; G. Topcik

Trustee voting nay: None

Trustees absent: K. Moe

MOTION CARRIED

Trustee Walsh made a motion to accept the prevailing wage ordinance as presented, which was seconded by Trustee Ruchti. Chairman Topcik declared the motion carried on the following roll call vote.

Ayes: (6) Mitchell, Monk, Walsh, Ruchti, Jaeger, Topcik

Nays: (0)

Absent: (1) Moe

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UNFINISHED BUSINESS

- **Filter Underdrain Replacement**– General Manager White stated that a preconstruction meeting had been held on May 20. In attendance were representatives of Clark Dietz, Boller Construction, Drydon Equipment, and Dahme Mechanical. In addition, Concentric Integration to program the backwash sequence.

Boller advised that due to supply chain issues, they estimated delivery date was June 14. They asked General Manager White if he felt comfortable taking a filter out during the high demand season. Due to the forecast of dry weather for the near future, General Manager White and Boller agreed that it would be best to wait until after Labor Day. General Manager White discussed this with Chairman Topcik and Attorney Kucera, who both concurred. General Manager White also indicated that the materials would be stored outside, which was approved by Leopold and Drydon. General Manager White presented a change order and resolution approving the change order to modify the completion dates. Trustee Walsh made a motion to approve the change order delaying the start date until fall and extending the completion date, which was seconded by Trustee Mitchell. Chairman Topcik asked if any further discussion was desired. There was none. The vote on roll call was: Trustees Mitchell, aye; Monk, aye; Walsh, aye; Ruchti, aye; Jaeger, aye; Topcik, aye. Motion carried. Trustee Ruchti then made a motion to approve the change order resolution, which was seconded by Trustee Jaeger. Chairman Topcik asked if any further discussion was desired. There was none. The vote on roll call was: Trustees Mitchell, aye; Monk, aye; Walsh, aye; Ruchti, aye; Jaeger, aye; Topcik, aye. Motion carried.

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RESOLUTION

WHEREAS, the Lake County Public Water District ("District") has entered into a contract dated October 8, 2020, with Boller Construction Company Inc. ("Contractor"); and

WHEREAS, it is proposed that the District approve and authorize change order #2 for the time extension for change to the 360 underdrain, and delaying construction until fall:

1. Change the substantial completion date from March 12, 2021 to December 15, 2021.
2. Change the final completion date from April 16, 2021 to January 5, 2022

NOW, THEREFORE, BE IT RESOLVED that the District finds as follows:

1. That the circumstances which necessitate the change in performance were not reasonably foreseen at the time the contract was signed; and
2. That the change is germane to the original contract as signed; and
3. That the change order is in the best interests of the District and is authorized by law.

BE IT FURTHER RESOLVED that the District hereby approves the attached change order and hereby authorizes and directs the General Manager to execute the attached change order on behalf of the District.

LAKE COUNTY PUBLIC WATER DISTRICT

Gerold Topcik
Chairman, Board of Trustees

(CORPORATE SEAL)

ATTEST:

Karen L. Johnston
Secretary

PRESENTED AND READ: June 22, 2021

ROLL CALL VOTE:
Trustees voting aye:
Trustee voting nay:
Trustees absent:

MOTION CARRIED

- **Approval of Intergovernmental Agreement with Lake County Public Works** – General Manager White stated that the previous month, the board had discussed this issue. Trustee Walsh provided an email to General Manager White with the contact information for Ms. Julie Gray of Lake County Public Works, which

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included what was required to start the process. Ms. Gray advised Trustee Walsh that in keeping with past practice, they would need a formal letter on the District's stationery asking to enter into such an agreement, signed by General Manager White, and outlining the scope of services. General Manager White stated that he had sent the letter, and Ms. Gray advised that it was forwarded to Austin McFarlane, the interim director. General Manager White stated he was awaiting any questions. Discussion of this subject followed.

- **Grant Writing Services** – General Manager White stated that in May the Long Range Planning Committee had suggested that the District hire the services of a grant writer. Attorney Kucera advised that if the District used the criteria outlined in the Procurement Ordinance, section 5 Professional Services Contracts, the District could have an agreement with consultants that the District has previously utilized, without a screening process. General Manager White stated that he contacted three firms discussed at the May board meeting, Clark Dietz, Baxter & Woodman, and Metro Strategies. Baxter & Woodman and Metro Strategies stated they could provide those services, and General Manager White attached proposals with an outline of fees for both. He proceeded to discuss the qualifications, and the pros and cons of each of these firms. Discussion of this subject followed.

NEW BUSINESS

- **New Copier Lease** - General Manager White stated that the copier lease expires on August 22. He included proposals from the current vendor, Hansen & Associates, and Imagetec. He explained that the prices were close, with Imagetec being \$24 lower per month. However, Hansen is much closer and can provide prompt service within an hour. In addition, the machine is the same make as the current machine, as opposed to Imagetec, which would provide a different manufacturer. Discussion of this subject followed. Trustee Jaeger made a motion to approve the proposal for the new copier lease with Hansen & Associates, which was seconded by Trustee Mitchell. Chairman Topcik asked if any further discussion was desired. There was none. The vote on roll call was: Trustees Mitchell, aye; Monk, aye; Walsh, nay; Ruchti, aye; Jaeger, aye; Topcik, aye. Motion carried.

Trustee Ruchti made a motion to move into executive session to discuss security, which was seconded by Trustee Jaeger. The vote on roll call was: Trustees Mitchell, aye; Monk, aye; Walsh, aye; Ruchti, aye; Jaeger, aye; Topcik, aye. Motion carried.

* * * EXECUTIVE SESSION * * *

MISCELLANEOUS

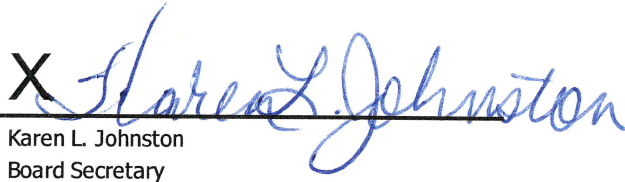
- **Baxter & Woodman Newsletter** – General Manager White discussed the pertinent items in this newsletter. Air wash filters, which will show how this design works, PFAS update and what Illinois is doing, and the lead and copper rule.
- **Great Lakes Lake Levels** – General Manager White stated that the lake is down a foot and half from last year. He indicated this was due in part to the lack of precipitation.
- **Kenosha News – State Shuts Down Utility Work – Somers** – Chairman Topcik discussed this subject. He advised that the article discussed that the project had been started without the proper permits, and Wisconsin DNR had halted the project. Discussion of this subject followed.

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- ➔ **Correll Co. Quarterly Reports** – General Manager White included the quarterly reports from Correll Co. He indicated that the employees were happy, and that the funds were doing well.

Trustee Jaeger made a motion to adjourn, which was seconded by Trustee Ruchti.

X 

Karen L. Johnston
Board Secretary