

Minutes

June 27, 2023– Board Meeting

On June 27, 2023, the Board of Trustees of the Lake County Public Water District met in a regularly scheduled meeting at the hour of 5:30 p.m. in the conference room of the District, 500 –17th Street, Zion, Illinois. Chairman Topcik opened the meeting at approximately 5:30 p.m. Upon the roll being called, Trustees Topcik, Ruchti, Monk, Smith, and Jaeger were present. Trustee Ower was absent. Also present were General Manager Don White, Administrative Assistant/Board Secretary Karen Johnston, and Operations Manager Jeremy Thompson. District Attorney Dan Kucera was present via telephone. Ms. Cheryden Juergensen of Eccezion was present as a guest speaker.

Chairman Topcik stated that Ms. Juergensen of Eccezion was present to present the final audit for fiscal year 2023. He then turned the floor over to Ms. Juergensen.

Ms. Juergensen introduced herself and passed out copies of the audit to the board. She indicated that the records were in good condition, as they have been previously. She stated that there were no errors or misstatements, no unusual journal entries, and no material weaknesses, or deficiencies. 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. 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 \$747,231. After considering interest and other income and expense, the net result for the year was \$747,898 of net income.
- The 2023 demand for water decreased 5.97% from 2022 levels to 887,089,000 gallons. The District had delivered 943,459,000 gallons in 2022.
- The District's net position increased during the year, which ended April 30, 2023 by \$747,898 from the 2022 balance of \$8,030,444 to the 2023 balance of \$8,778,342.
- Total revenue for 2023 of \$2,572,550 is \$35,012 less than the \$2,607,562 reported in 2022.
- Renewal and replacement charges decreased by \$52,570 due to decreased renewal and replacement expenses.
- The 2023 delivery rate calculation is \$1.662 per 1,000 gallons.
- There is a refund of \$55,421, to be allocated to the customers based on delivered gallons of water actually billed.
- The amount needed to fully fund the R&R account is \$154,105. After credits for amounts paid in 2022, additional debt service coverage, and the underdrain project allocated for the year, the amount to be contributed by the District’s customers is \$127,974.

Chairman Topcik asked if anyone had questions. There were none, and Trustee Ruchti made a motion to accept the audit report, which was seconded by Trustee Monk. Chairman Topcik asked if any further discussion was desired. As there was no further discussion, and upon the vote, the motion was carried unanimously.

Trustee Ruchti made a motion to approve the pension contribution of 17% for fiscal year 2024, which was seconded by Trustee Jaeger. Chairman Topcik asked if any further discussion was desired. As there was no further discussion, and upon the vote, the motion was carried unanimously. Ms. Juergensen left the meeting at 5:45 p.m.

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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 Ruchti. Chairman Pro-Tem Ruchti asked if discussion was desired for those items, as there was none, and upon the vote, the motion was carried unanimously.

- 4) Regular & Executive Session Minutes of May 19, 2023
- 5) Disbursements for June, 2023
- 6) Treasurer's Report for May 31, 2023
- 7) Budget Report for May 31, 2023
- 8) End of month May 31, 2023 Monthly Operation Summation

OPERATIONS & MAINTENANCE ACCOUNT June 2023 – Disbursements

ACCT. #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
2920	FICA Withholding Taxes (EE Portion)	May-23	3,688.00
2921	Federal Withholding Taxes	May-23	6,579.57
2922	IL Department of Revenue	Monthly Remittance	1,310.10
2923	WI Department of Revenue	Monthly Remittance	900.79
2925	IDES	23-May	33.58
7205	FICA Withholding Taxes (ER Portion)	May-23	3,688.00
7255	Correll Co.	May-23 Pension	6,552.38
7211	Commonwealth Edison	Electricity - May-23	81.40
7211	Constellation	Electricity - May-23	8,226.24
7211	Dynegy	Electricity - May-23	14,753.85
7215	Pace Analytical Services	Sample Testing	106.50
7215	UPS	Shipping - Lab Equipment	29.82
7221	Hawkins	Chlorine Shipment	4,264.50
7221	Usalco	Aluminum Sulfate	7,961.74
7222	Ace Hardware	Misc. Supplies	280.35
7222	Advocate Occupational Health	Drug Screen/Fit Testing	50.00
7222	Applied Industrial Technologies	Misc. Supplies	605.83
7222	Drydon Equipment	Misc. Supplies	1,111.35

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7222	Grainger Inc., W.W.	Misc. Supplies	305.86
7222	Hach	Lab Supplies	349.50
7222	VWR-Avantor	Misc. Supplies	175.65
7223	Dorner	Maintenance Supplies	4,305.65
7223	Hawkins	Vacuum Regulator	4,183.60
7222	Madison, Jim	Reimbursement for work boots	140.44
7222	McMaster-Carr	Misc. Supplies	105.03
7222	Napa	Misc. Supplies	15.99
7222	Norther Safety	Misc. Supplies	317.21
7222	USA Blue Book	Lab Supplies	442.51
7223	Newark	Maintenance Supplies	1,570.32
7223	ProFlow Pumping	Chlorine Analyzer	6,963.01
7223	Quincy Compressor	Maintenance Supplies	203.41
7223	UPS	Shipping - Equipment Repair	45.91
7223	Vortex	Flow Transmitter & Labor	4,204.39
7225	Concentric Integration	2023-2024 Support Services	4,311.66
7225	Erickson Design, C.	May Landscaping	1,149.87
7225	Evoqua	Maintenance Contract	767.18
7225	Hansen Associates, Inc.	Jul-23 Copier Maintenance	65.00
7225	Lakeland Larsen	Qtrly. Elevator Maintenance	339.62
7231	DeLage Financial	Jul-23 Copier Lease	161.76
7232	AT&T	Telephone Service	1,731.69
7232	Verizon Wireless	Cellular Phone/Data Service	1,193.08
7234	Federal Express	Shipping Charges	18.85
7234	CDW Government	Computer Supplies	48.00
7234	ODP Business Solutions	Office Supplies	101.78
7235.1	West's Insurance	2023-20234 Property/Casualty Ins.	60,740.00
7235	AARP Medical	Medical Insurance for Diane Fragassi	371.25
7235	AARP Prescription	Prescription coverage for Diane Fragassi	113.00
7235	Blue Cross/Blue Shield	Jul-23 Health Insurance	16,337.53
7235	Euclid Managers (Delta Dental)	Jul-23 Dental/Vision	209.61

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7235	IL Public Risk Fund	3rd Qtr. Work Comp	3,320.00
7235	Principal Insurance	Jul-23 Disability/AD&D	976.38
7237	Hungerford Technologies	WebEx Service - Teleconference Meeting	26.00
7239	Security 101	Video Security System - 3rd Qtr.	1,704.00
7241	Eccezion	FY23 Audit Services	25,575.00
7241	Your Payroll Dept.	Payroll Fees - May-23	209.89
7242	Kucera, Daniel	Legal Fees - May-23	5,152.50
7243	Baxter & Woodman	Eng. - Source Water Protection Plan	1,832.50
7251	Correll Co.	Investment Services	1,034.00

FIRST BANKCARD

	Acct. 7222	Misc. Supplies	418.44
	Acct. 7225	Maintenance Contract	39.22
	Acct. 7234	Office Supplies	44.50
	Acct. 7236	Transportation	274.61
	Acct. 7237	Meetings/Seminars	615.31
	Acct. 7238	Dues/Subscriptions	34.00
		Total First Bankcard	1,426.08
		Grand Total - Operations	\$212,468.71

R&R

7300.17	RJ Underground	Chlorine Room Floor Repairs	1619
		Total	1,619.00

ORDINANCES/RESOLUTIONS:

Prevailing Wage Ordinance: Chairman Pro-Tem Ruchti 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

WHEREAS, 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, 2023, 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.

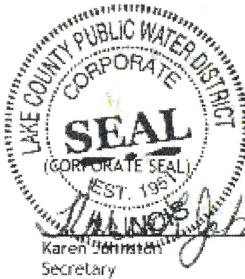
Nothing contained in this Resolution shall be construed to apply to any work or employment except public works construction of the District to the extent required by the Act.

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


Gerold L. Topcik
Chairman, Board of Trustees

PRESENTED AND READ: June 27, 2023

APPROVED:

ROLL CALL VOTE:

Trustees voting aye: G. Ruchti, A. Monk, K. Smith, D. Jaeger, G. Topcik

Trustee voting nay: None

Trustees absent: D. Ower

MOTION CARRIED

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

Ayes: (5) Ruchti, Monk, Smith, Jaeger, Topcik

Nays: (0)

Absent: (3) Ower

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UNFINISHED BUSINESS

- **Grant Writing Services/State Revolving Loan Program** – General Manager White stated this item has been on hold due to contracts issues, which he indicated were currently being discussed. He indicated that he had asked both Baxter & Woodman (B&W), and Clark Dietz (CDI) for updated costs on the generator and roofing projects. He indicated that he had questions for Elisa Bonkowski of B&W, and was awaiting her responses. He stated that he anticipated having this information for the July board meeting. Discussion of this subject followed.
- **Update of application for Professional Services for Completion of Application for Lake County American Rescue Plan Project** – General Manager White stated that he could put this subject to rest, after verifying that the District had not been chosen for this funding. Discussion of this subject followed.
- **Update of Agreement for Billing Arrangement** – General Manager White stated that he had followed up with Ray Roberts of the City of Zion regarding this subject. Mr. Roberts indicated that the document had been forwarded to the City of Zion’s attorney, and once he had received their attorney’s comments, he would forward those comments to General Manager White. General Manager White also stated that the IDNR’s attorneys were reviewing the agreement, and formulating their comments. All comments by both parties would be sent to Attorney Kucera for his review, upon receipt. Discussion of this subject followed.
- **Discussion of Cyber Security** – General Manager White stated that he had spoken with several firms regarding this subject, and had discussed the matter with Concentric, the District’s SCADA support firm. Concentric stated they don’t feel they have the knowledge base to advise on the proposals. General Manager White indicated that he had had meetings with TelDesigns and GRTech. The District’s cyber security needs were discussed, along with management of the cyber security system, email system, and training. These companies provide different services, at differing levels. General Manager White stated he would be comparing them all to find the best fit for the District, and the best pricing. Discussion of this subject followed.
- **Discussion and Approval to obtain bids for repairs & maintenance of manhole servicing Winthrop Harbor and the State of Illinois** – General Manager White stated that after the May board meeting, he had discussed this subject with Attorney Kucera. Attorney Kucera indicated that the District is responsible for maintaining the 12-inch main on the State of Illinois’ property, however, this manhole appears to be on Commonwealth Edison’s property. General Manager White asked this question of Laura Verdon of IDNR, who forwarded it to her legal department for their review. He stated he is still awaiting a response. In the meantime, General Manager White felt that the District should get an updated proposal from Hey & Associates for preparing a specification, including permits. Hey & Associates has expertise in this area. Discussion of this subject followed.

NEW BUSINESS

- **Approval of Tank Industry Consultant’s (TIC) proposal for inspection of onsite 1MG Ground Storage Tank, using ROV (Remotely Operated Vehicle)** – General Manager White stated that he had requested proposals from KTA Tator & Tank Industry Consultants (TIC) for performing an inspection of the ground storage tank. KTA Tator suggested that I use TIC as they are in Indiana versus Pittsburgh, Pennsylvania.

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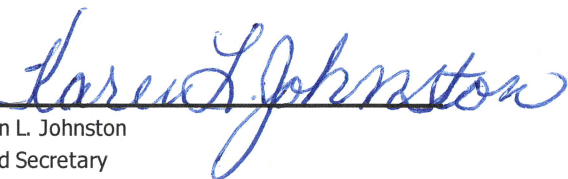
General Manager White indicated that he had contacted TIC for a proposal for doing an inspection with the tank full and out of service using a remotely operated vehicle (ROV) for the inspection on the wet interior. In addition, TIC suggested that the District have a man in a rubber raft inspect the roof purlins (roof supports) since these are the most susceptible to corrosion, and the ROV cannot be used. General Manager White indicated that once he receives a proposal, he would forward it to Attorney Kucera for his review. Discussion of this subject followed.

- **Elevated Tank Routine Inspection** – Operations Manager Thompson stated that he and Operator Madison had performed an inspection of the elevated tank. He provided his findings, stating that some minor maintenance was required. He also stated that some minor rusting was found on the catwalk railings and purlins. He stated that were able to perform the maintenance, and that they would install a new vent screen, once a time was coordinated for work. Discussion of this subject followed.
- **Seal Coating the Plant and Low Lift Station Driveways** –Operations Manager Thompson stated that he had obtained proposals from three firms to perform seal coating on the plant and low lift station driveways. After reviewing the quotes, and discussing them with General Manager White, it was decided to award the job to Cicchini Asphalt with the lowest price of \$4,780.00. Operations Manager Thompson contacted Cicchini and advised them to proceed. Discussion of this subject followed.

MISCELLANEOUS

- **Correll Quarterly Reports** – General Manager White provided the quarterly reports from Correll Co., the District’s investment firm. The reports indicate the performance of the funds. Discussion of this subject followed.
- **Wall Street Journal Article – “Coastal Town Brings Mass Litigation—and an ‘Existential Threat’—to Chemical Giants”** – This article was concerning PFAS and the chemical manufacturers of PFAS. General Manager White indicated the EPA comment period regarding regulations ended the previous month, and the AWWA’s comments regarding this subject. Discussion of this subject followed.
- **Power Bulk Solids Article – “3 Chemical Companies to Pay Over \$1 Billion for PFAS in US Waterways”** – This article also discussed PFAS. Discussion of this subject followed.

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

X 
Karen L. Johnston
Board Secretary