

Minutes

February 13, 2024- Board Meeting

On February 13, 2024, 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, Monk, Ower, Smith, and Jaeger were present. Trustee Ruchti was absent. Trustee Latif arrived at 5:55 p.m. Also present were General Manager Don White, Operations Manager Jeremy Thompson, and Administrative Assistant/Board Secretary Karen Johnston. District Attorney Dan Kucera was present via telephone.

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 Ower, and seconded by Trustee Monk. Chairman Topcik asked if discussion was desired for those items, as there was none, and upon the vote, the motion was carried unanimously.

- 4) Regular Session Minutes of January 9, 16, 23, and 24, 2024. Executive session minutes of January 9, 23, and 24, 2024
- 5) Disbursements for February 13, 2024
- 6) Treasurer’s Report for January 31, 2024
- 7) Budget Report for January 31, 2024
- 8) End of month January 31, 2024 Monthly Operation Summation

OPERATIONS & MAINTENANCE ACCOUNT February 2024 – Disbursements

ACCT. #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
2920	FICA Withholding Taxes (EE Portion)	Jan-24	3,631.11
2921	Federal Withholding Taxes	Jan-24	5,534.60
2922	IL Department of Revenue	Monthly Remittance	1,404.24
2923	WI Department of Revenue	Monthly Remittance	723.49
7205	FICA Withholding Taxes (ER Portion)	Jan-24	3,631.11
2925	IDES	Jan-24 Unemployment	397.50
7255	Correll Co.	Jan-24 Pension	6,383.76
7211	Commonwealth Edison	Electricity - Jan-24	109.96
7211	Dynegy Energy Services	Electricity - Jan-24	21,399.82
7215	Pace Analytical Services	Sample Testing	200.00
7221	Hawkins	Chlorine Shipment	2,136.50
7222	Ace Hardware	Misc. Supplies	136.94
7222	Allied Instrumentation	Misc. Supplies	59.11
7222	Amazon Capital Services	Misc. Supplies	134.38
7222	Applied Industrial Technologies	Misc. Supplies	720.90
7222	Cintas	First Aid Supplies	65.34

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ACCT. #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7222	Grainger, WW.	Misc. Supplies	124.02
7222	Northern Safety & Industrial	Misc. Supplies	162.46
7223	Core & Main	Maintenance Supplies	46.33
7223	Dorner Valves & Automation	Maintenance Supplies	748.05
7223	Erickson Design, C.	Snowplowing	805.00
7223	Newark Corporation	Maintenance & Repairs	1,621.46
7223	Novaspect	Maintenance & Repairs	187.23
7225	Concentric Integration	T&M Support Services/Contract Support	3,929.13
7225	Hansen Associates, Inc.	Mar-24 Copier Maintenance	65.00
7225	NIR Roof Care	2024 Annual Roof Care Plan	1,416.00
7231	DeLage Financial	Mar-24 Copier Lease	161.76
7232	AT&T	Telephone Service	828.33
7232	AT&T - Internet2126.50	Telephone Service	(1,322.55)
7232	Verizon Wireless	Cellular Phone/Data Service	450.20
7234	Federal Express	Shipping Charges	53.09
7235	AARP Medical	Medical Insurance for Diane Fragassi	371.25
7235	AARP Prescription	Prescription coverage for Diane Fragassi	100.70
7235	Blue Cross/Blue Shield	Mar-24 Health Insurance	13,515.11
7235	Euclid Managers (Delta Dental)	Mar-24 Dental/Vision	662.01
7235	Ingoglia, Mario	Deductible Reimbursement	525.76
7235	Madison, Jim	Deductible Reimbursement	489.79
7235	Principal Insurance	Mar-24 Disability/AD&D	814.61
7239	Security 101	Qtly. Service Plan	1,704.00
7241	Your Payroll Dept.	Payroll Fees - Jan-24	425.39
7242	Kucera, Daniel	Legal Fees - Jan-24	2,025.00
7243	Baxter & Woodman	Prof. Services - IEPA Loan Assistance	5,380.00
7243	Clark Dietz, Inc.	Consulting Eng. Prof. Services	982.50
7251	Correll Co.	Investment Services 3rd Qtr.	1,428.00
		Grand Total - Operations	\$84,368.39

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FIRST BANKCARD

	Acct. 7222	Misc. Supplies	172.07
	Acct. 7223	Maintenance Supplies	339.34
	Acct. 7225	Maintenance Contract	39.22
	Acct. 7234	Office Supplies	152.36
	Acct. 7236	Transportation	125.81
	Acct. 7237	Meetings/Seminars	566.22
	Acct. 7238	Dues/Subscriptions	34.00
		Total First Bankcard	1,429.02
		Grand Total - Operations	\$85,797.41

R&R

ACCT. #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7300.23	Clark Dietz	Prof. Serv. - Low Lift Pump #2 VFD Replacement	1,000.00
7300.24	Municipal Well & Pump	Low Lift Pump #2 - Pump & Motor Repair	5,010.00
7300.24	Dreisilker Electric Motors	Rebuilt Low Lift Pump #2 Motor	7,104.00
		Grand Total - R&R	\$13,114.00

For the benefit of the newer board members, Chairman Topcik explained that three committees were appointed annually. Those committees are the Nominations Committee, the Salary Committee, and the Employer/Employee Relations Committee. The following committees were appointed and their respective functions were explained in the report included in the board packet from Chairman Topcik. Discussion of this subject followed.

Nominations Committee:

Trustees: Mike Ruchti, Chairperson
Doug Ower

Salary Committee:

Trustees: Douglas Jaeger, Chairperson
Suriyya Latif

Employer/Employee Relations Committee:

Trustees: Amos Monk, Chairperson
Kristine Smith

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UNFINISHED BUSINESS

- **Grant Writing Services/State Revolving Loan Program** – General Manager White stated that he had corresponded with Elisa Bonkowski and Mike Foley of Baxter and Woodman regarding the progress of the loan application. Ms. Bonkowski advised that they are still working on the application and will be asking for more information from the District. He further stated that he had received an email on February 9 asking for a review of the items on the project list. He indicated that he would collaborate with Operations Manager Thompson and update that list. He also stated that he did not feel that the loan would be finalized until 2025 or 2026. Discussion of this subject followed.
- **Update of Agreement for Billing Arrangement** – General Manager White reported that he inquired with IDNR employees Laura Verden and Kelly Allen about the status of the agreement's signature. Mr. Bill Jarvis, the organization's employment and labor law counsel subsequently contacted General Manager White. Mr. Jarvis inquired about the intent of the agreement and seemed unsatisfied with its informality. He informed General Manager White of his intention to draft an alternative version of the agreement. Following this, General Manager White contacted the District's attorney, Mr. Dan Kucera, and discussed the situation with him. Attorney Kucera confirmed receipt of an amended agreement from Kelly Allen and expressed his opinion that the revised agreement was superfluous, as it contained extraneous language and no pertinent additions. Kelly Allen's cover letter told the District to sign the amended agreement and forward it to Zion for signature. Discussion of this subject followed.
- **Update of Repairs & Maintenance of Manhole Servicing Winthrop Harbor and the State of Illinois** – General Manager White reviewed this issue with the board and advised he had contacted Ms. Kelly Allen of the IDNR on this issue and also discussed it with Mr. Jarvis, who he had spoken with regarding the billing arrangement. Mr. Jarvis stated that he would contact the IDNR real estate group to discuss purchasing the property from Commonwealth Edison on which the manhole is situated. General Manager White feels that Mr. Jarvis is attempting to shift the responsibility for manhole stabilization from the State to the District. He discussed with Mr. Jarvis that this situation has been going on for ten months, with no response from Mr. Jarvis. General Manager White also discussed this matter with Mr. Dale Brokamp, an engineer with the IDNR, who specializes in this type of work. However, despite sending him an email the previous week, he failed to respond to the inquiry. General Manager White stated that the subject is once again in limbo. Trustee Latif arrived at 5:55 p.m.

General Manager White went on to discuss the matter in depth with Attorney Kucera. Attorney Kucera discussed the issue with the board and stated that upon examination of the facts that the manhole is at risk because of the erosion of the streambank, and at issue is maintenance of the streambank. He also reminded the board that this issue, too, has been ongoing for the past ten months, and feels that there is nothing positive about further delay. He also suggested that the District make a demand on the State to act to stabilize the streambank so as to protect the manhole, sooner rather than later. Chairman Topcik requested that Attorney Kucera draft such a letter. Discussion of this subject followed.

- **Update of Clark Dietz Preparation of Bid Documents for Replacement of Low Lift Pump #2 Variable Frequency Drive (VFD)** – General Manager White stated that he had been in contact with Mr. Tom Foley of Clark Dietz on regarding the status of specifications for this project. Mr. Foley advised that they are reviewing some aspects of the specifications as updated measurements are needed. Mr. Foley expects the draft to be

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completed by the end of the week. General Manager White advised that the District will be able to solicit bids once the specification has been received. He further stated that this could be accomplished prior to the next board meeting if the specification has been finalized. Discussion of this subject followed.

- **Update of Low Lift Pump #2 Pump & Motor Repair** – Operations Manager Thompson stated Dreisilker has completed the repairs on Low Lift Pump #2 motor and will be shipping the motor to Municipal Well & Pump’s shop in Wisconsin. Municipal Well & Pump is still waiting on parts to complete Low Lift Pump #2 pump repair. Once they are finished, the District will coordinate the delivery and installation of the completed pump and motor. Discussion of this subject followed.

- **Update on Transfer Pump #1 Rebuild** – Operations Manager Thompson advised the board that Jim Shanely of Illinois Pump informed the District that the parts for the pump repair have been temporarily delayed, but he expects the pump to be operational within two weeks. Illinois Pump was able to utilize the spare bowl assembly that the District had in stock to help lower the cost of the repair. Mr. Shanely was asked to provide a quote to repair the old pump bowl assembly as well, to utilize it in future pump repairs.

NEW BUSINESS

- **Approval of resolution amending meeting date for June 2024, FY2025 meeting** – General Manager White contacted Ms. Cheryden Juergensen with Eccezion inquiring about the FY2024 Final Audit engagement letter. As the District presents the final audit report at their June board meeting, General Manager White advised Ms. Juergensen of that date. She informed General Manager White that due to a company retreat, her organization would be unable to present it on that date. General Manager White reminded the board that the audit needed to be finalized for delivery to the District’s customers by June 30, by contract. After discussing this issue the board felt that the meeting date needed to be changed. Trustee Latif made a motion to change the meeting date from June 18, 2024 to June 25, 2024, which was seconded by Trustee Smith. Chairman Topcik asked if any further discussion was desired. As there was no further discussion, and upon a roll call vote, the motion was carried as follows:

Ayes: (6) A. Monk; D. Ower; K. Smith, S. Latif; D. Jaeger; G. Topcik

Nays: (0)

Absent: (1) M. Ruchti

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RESOLUTION

WHEREAS, the Lake County Public Water District ("District") Board of Trustees shall hold regular monthly meetings on the second Tuesday of each month at the hour of 5:30 P.M. in the conference room at the District's Filtration Plant located at 500 -17th Street, Zion, Illinois,

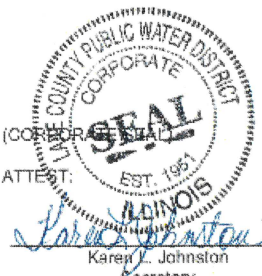

WHEREAS, the Board of Trustees desires to move the regularly scheduled Board of Trustees Meeting from Tuesday, June 18, 2024 to Tuesday, June 25, 2024

THEREFORE, Be it resolved by the Board of Trustees for the Lake County Public Water District, that the regularly scheduled Board of Trustees meeting to be held on Tuesday, June 18, 2024 be moved to Tuesday, June 25, 2024.

LAKE COUNTY PUBLIC WATER DISTRICT


Gerald Topcik
Chairman, Board of Trustees

ATTEST:



Karen Johnston
Secretary

PRESENTED AND READ: February 13, 2024

ROLL CALL VOTE:
Trustees voting aye: A. Monk; D. Ower; K. Smith; S. Latif; D. Jaeger; G. Topcik
Trustee voting nay: None
Trustees absent: M. Ruchti

MOTION CARRIED

- **Approval of Ecezion Engagement Letter for FY2024 Final Audit** – General Manager White included a copy of the FY2024 Final Audit engagement letter from Ecezion for the board’s review. He informed the board that the price for the audit had risen from \$25,575 to \$28,325. The price for the FY2024 includes the additional fee of \$425 for supplemental charts and graphs, and \$1,500 for GASB 96, a new subscription based, required reporting requirement relating to uniform accounting and financial reporting requirements. Trustee Jaeger made a motion to accept the FY2024 Final Audit engagement letter, 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.

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- **End of Year Projections for availability & R&R charges, and update on Facilities Cost Estimate** – General Manager White stated that he did not yet have the facilities cost estimate but was using a 5% estimate for projection purposes. He provided his end of year projections for the availability and R&R charges. He provided charts for those charges. He explained that the availability charges are simply the charges for the principal and interest on the outstanding bond issue, and those numbers are fixed, and are not dependent on water sales. He reviewed the R&R charges which are dependent on the facilities costs estimate, which he reminded the board, he did not yet have, and the R&R funds spent during the fiscal year. Based on his estimate, the R&R charges will decrease. Discussion of this subject followed.
- **Estimated refund and estimated water rate for FY2024** – General Manager White provided the estimated refund and water rate for the coming fiscal year. He stated that the current estimate for the District’s customer’s refunds shows that there will be no refund, and there will be a charge. This is the result of a number of factors, including escalating expense costs due to inflation, declining water sales, and depreciation. As to the water rate, the estimated expenses are higher than FY2023. The current estimated water rate will be \$2.0457. Discussion of this subject followed.
- **Draft Budget** – General Manager White reviewed the line items for the proposed budget for fiscal year 2025, explaining where he was increasing or decreasing certain items. He reminded the board that this was the first draft and would be discussed further next month. Discussion of this subject followed.
- **Approval of travel and attendance expenses to Watercon Conference by Operations Manager** – Operations Manager Thompson presented a memo to the board requesting they approve his travel expenses to attend 2024 Water Con. He stated that it would be held April 15–17, 2024 at the Peoria Civic Center. Watercon is Illinois' Total Water Conference that brings together utilities, industry suppliers, consultants, manufacturers, and regulators to share information through exhibits, education, and networking events. Trustee Jager made a motion to approve the estimated expenses for Operations Manager Thompson to attend the 2024 Watercon, which was seconded by Trustee Smith. Chairman Topcik asked if any further discussion was desired. As there was no further discussion, and upon the vote, the motion was carried unanimously.

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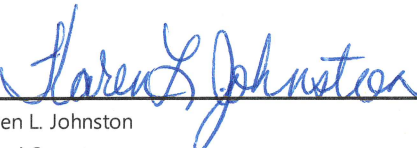
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MISCELLANEOUS

➤ **Review CRG Search Recommendations for General Manager Position. Approval as necessary to extend employment offer.** –Chairman Topcik stated that he had been provided with information from the District’s search firm, CRG Search, and suggested that the board go into executive session to discuss this information. Trustee Jaeger made a motion to move into executive session to discuss personnel matters, which was seconded by Trustee Ower. Chairman Topcik asked if any further discussion was desired. As there was no further discussion, and upon the vote, the motion was carried unanimously.

* * * EXECUTIVE SESSION * * *

Upon leaving executive session, Trustee Jaeger made a motion to adjourn the meeting until February 27, 2024, which was seconded by Trustee Monk. Upon the vote, the motion was carried unanimously.

X 

Karen L. Johnston
Board Secretary