

Minutes

May 14, 2024– Board Meeting

On May 14, 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. Chair Pro Tem Ruchti opened the meeting at approximately 5:30 p.m. Upon the roll being called, Trustees Ruchti, Monk, Ower, Smith, Latif, Jaeger, and newly appointed trustee Terri Ewert were present. Also present were General Manager Don White, Operations Manager Jeremy Thompson, Administrative Assistant/Board Secretary Karen Johnston, and Mr. Brent Jones of West’s Insurance Agency. District Attorney Dan Kucera was present via telephone. Mr. Jerry Topcik was present as a member of the public.

Chair Pro Tem Ruchti started the meeting by introducing new board member, Ms. Terri Ewert. He then asked the board to turn to the Nominations Committee Report for fiscal year 2025 in their board packet. Chair Pro Tem Ruchti proceeded to read the report of that committee of which he indicated he had been the Chair and Trustee Doug Ower was the Vice-Chair. The nominations suggested by the committee were as follows:

Chair, Board of Trustees	Michael Ruchti	District Secretary	Karen Johnston
Vice-Chair	Doug Ower	Operations Manager	Jeremy Thompson
District General Manager	Don White	District Attorney	Dan Kucera
District Treasurer	Don White	District Engineer	Clark Dietz

Chair Pro Tem Ruchti asked for a motion to approve the nominations as presented. Trustee Smith made a motion to accept the nominations as presented, which was seconded by Trustee Latif. Chair Pro Tem Ruchti asked if any further discussion was desired. Trustee Monk requested that the Chair Pro Tem refrain from nominating himself, but he was amenable to the nomination. The motion was recommended for amendment by Trustee Ower. Trustee Smith then moved to amend the motion, which was seconded by Trustee Latif. Chair Pro Tem Ruchti inquired whether there was any additional discussion that was desired. As there was no further discussion, and upon the following roll call vote, the motion was carried unanimously.

Ayes: (7) Monk; Ower; Ewert; Smith; Latif; Jaeger; Ruchti
Nays: (0)
Absent: (0)

Trustee Monk felt that the previous motion was incomplete and made a motion to nominate Trustee Ruchti as Board Chair, which was seconded by Trustee Jaeger. Chair Pro Tem Ruchti asked if any further discussion was desired. As there was no further discussion, and upon the following roll call vote, the motion was carried unanimously.

Ayes: (7) Monk; Ower; Ewert; Smith; Latif; Jaeger; Ruchti
Nays: (0)
Absent: (0)

Chair Pro Tem Ruchti then asked the board to refer to the resolution approving the nominations and asked that a motion be made to approve the resolution. Trustee Ower made a motion to approve the resolution, which was seconded by Trustee Monk. Chair Pro Tem Ruchti asked if any further discussion was desired. As there was no further discussion, and upon the following roll call vote, the motion was carried unanimously.


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RESOLUTION

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE LAKE COUNTY PUBLIC WATER DISTRICT that:

1. The compensation to be paid to each of the Trustees for the fiscal year beginning May 1, 2024 shall be in the total amount of \$1,200.00, payable in equal monthly installments.
2. MICHAEL B. RUCHTI be and is hereby elected Chairman of the Board of Trustees for the fiscal year beginning May 1, 2024.
3. DOUGLAS J. OWER be and is hereby elected the Vice-Chairman of the Board of Trustees for the fiscal year beginning May 1, 2024.
4. DONALD J. WHITE be and is hereby elected Treasurer for the fiscal year beginning May 1, 2024. In performance of duties of Treasurer, he shall receive no compensation.
5. DONALD J. WHITE be and is hereby elected Pension Fund Trustee of the District for the fiscal year beginning May 1, 2024. In performance of duties of Pension Fund Trustee, he shall receive no compensation.
6. DONALD J. WHITE be and is hereby elected General Manager for the fiscal year beginning May 1, 2024 and thereafter until a successor is elected. The Board determines that compensation shall be determined by the Board. His compensation as General Manager shall be determined by the Board of Trustees.
7. JEREMY THOMPSON be and is hereby elected Operations Manager of the District for the fiscal year beginning May 1, 2024. His compensation as Operations Manager shall be determined by the Board of Trustees.
8. KAREN L. JOHNSTON be and is hereby elected Secretary of the Board for the fiscal year beginning May 1, 2024 and thereafter until a successor is elected. In performance of duties of Secretary, she shall receive no compensation.
9. DAN KUCERA be and is hereby appointed Attorney for the District for the fiscal year beginning May 1, 2024 and thereafter until his successor is appointed; and that the duties as attorney shall be to supervise the legal affairs of the District; and that the compensation to be paid to the attorney shall be on a reasonable basis.
10. CLARK DIETZ, INC. be and are hereby appointed as an Engineer for the District for the fiscal year beginning May 1, 2024; and that the duties of Clark Dietz shall be to handle the certain engineering affairs of the District as determined by the Board; and that the compensation to be paid to Clark Dietz shall be on a reasonable basis.

(CORPORATE SEAL)  **LAKE COUNTY PUBLIC WATER DISTRICT**


Michael B. Ruchti
Chairman Pro Tem, Board of Trustees

ATTEST: 
Karen L. Johnston
Secretary

PRESENTED AND READ: May 14, 2024
APPROVED:
ROLL CALL VOTE:
Trustees voting aye: A. Monk; D. Ower; T. Ewert; K. Smith; S. Latif; D. Jaeger; M. Ruchti
Trustee voting nay: None
Trustees absent: None
MOTION CARRIED

Ayes: (7) Monk; Ower; Ewert; Smith; Latif; Jaeger; Ruchti
Nays: (0)
Absent: (0)

Chair Ruchti asked Mr. Jerry Topcik to join him and read the following resolution and presented Mr. Topcik with a plaque for his years of service.

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RESOLUTION

WHEREAS, Gerold L. Topcik has served with distinction as Chairman of the Lake County Public Water district for nineteen years, from May 2005 until May 2024; and

WHEREAS, Gerold L. Topcik, has demonstrated outstanding leadership of the District, a strong personal commitment to the District's goals, valued and unselfish participation in the conduct of the District's affairs, wise counsel and guidance, and unselfish dedication to the District enabling it to provide high quality service at a reasonable cost.

BE IT RESOLVED, by the Board of Trustees of the Lake County Public Water District that they hereby thank Gerold L. Topcik for his service to the District as Chairman and express their appreciation for his hard work and perseverance.

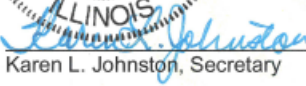
BE IT FURTHER RESOLVED, that this Resolution be spread upon the minutes of the meeting and that a signed copy hereof be presented to Gerold L. Topcik in appreciation for his long and faithful service to the District as its Chairman.

Lake County Public Water District



Michael B. Ruchti
Chairman, Board of Trustees




Karen L. Johnston, Secretary

PRESENTED AND READ: May 14, 2024
PASSED AND APPROVED:

ROLL CALL VOTE

Trustees voting aye: A. Monk; D. Ower; T. Ewert; K. Smith; S. Latif; D. Jaeger; M. Ruchti
Trustees voting nay: None
Trustees absent: None
Trustees abstaining: None

Chair Ruchti turned the floor over to Mr. Brent Jones of West's Insurance Agency, to present the facilities insurance renewal. Mr. Jones provided a proposal for the board, and General Manager White included that in the board packet. Mr. Jones started by giving a brief overview of the current market conditions in commercial insurance, indicating that it had been tumultuous as a result of natural disasters across the country. He stated he had seen a standard rate increase of 25% in property rates. However, the renewal quote he received from Chubb for the District was only 5.5%, which included a 3% value increase, and he considers this a very favorable renewal. He advised the board that West's had solicited quotations from carriers other than the current companies, and that those companies could not compare with Chubb. In regard to the general liability, the premium is calculated based on the revenue of the District, and on staff payroll. He advised the board that with a higher payroll, lower revenue, and slightly higher rate, the premium increased approximately 22%.

As there were newer board members, Mr. Jones reviewed the coverage limits and provided an explanation of each coverage's protections. General Manager White had inquired of Mr. Jones whether it would be prudent to increase the bond amount on the Public Officials bond for trustees who sign checks. Mr. Jones had provided a quote for that additional coverage that would be \$150.00. Trustee Ower made a motion to accept the

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2024-2025 facilities insurance renewal with the increased bond limit, which was seconded by Trustee Smith. Chair Ruchti asked if any further discussion was desired. As there was no further discussion, and upon the vote, the motion was carried unanimously.

Chair Ruchti asked that the board refer to General Manager White’s memo in the board packet regarding modifying the personnel budget item. General Manager White informed the board that the budget required amendment before the disbursements could be approved. According to General Manager White, the board had received an application for his position that requested a higher salary than the amount he had allocated. He wanted to guarantee that there was sufficient budgetary space in the event that the board chose to pursue this route. General Manager White asked that the board approve the increase in the budget item. Trustee Jaeger made a motion to approve the increased personnel budget item of \$850,000, 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.

Chair Ruchti then suggested that no consent agenda be used as the reports in the board packet represented the final reports for fiscal year 2024, and that the board discusses all report items individually.

- 4) Regular & Executive Session Minutes of April 9, 2024. Chair Ruchti asked if there were any comments. As there were none, Trustee Jaeger made a motion to approve the regular and executive session minutes, which was seconded by Trustee Monk. Chair Ruchti asked if any further discussion was desired. As there was no further discussion, and upon the vote, the motion was carried unanimously.
- 5) Disbursements for May, 2024. Chair Ruchti asked if there were any comments. As there were none, Trustee Monk made a motion to approve the disbursements, which was seconded by Trustee Smith. Chair Ruchti asked if any further discussion was desired. As there was no further discussion, and upon the vote, the motion was carried unanimously.
- 6) Treasurer’s Report for April 30, 2024. Chair Ruchti asked if there were any comments. As there were none, Trustee Latif made a motion to approve the Treasurer’s report, which was seconded by Trustee Jaeger. Chair Ruchti asked if any further discussion was desired. As there was no further discussion, and upon the vote, the motion was carried unanimously.
- 7) Budget Report for April 30, 2024. Chair Ruchti asked if there were any comments. As there were none, Trustee Jaeger made a motion to approve the budget report, which was seconded by Trustee Ower. Chair Ruchti asked if any further discussion was desired. As there was no further discussion, and upon the vote, the motion was carried unanimously.
- 8) End of month April 30, 2024 Monthly Operation Summation. Operations Manager Thompson explained the report to the board. Chair Ruchti then asked if there were any comments. As there were none, Trustee Smith made a motion to approve the Monthly Operation Summation report, which was seconded by Trustee Jaeger. Chair Ruchti 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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OPERATIONS & MAINTENANCE ACCOUNT May 2024 – Disbursements

ACCT .#	VENDOR NAME	DESCRIPTION	AMOUNT DUE
2920	FICA Withholding Taxes (EE Portion)	Apr-24	3,521.66
2921	Federal Withholding Taxes	Apr-24	5,316.22
2922	IL Department of Revenue	Monthly Remittance	1,314.77
2923	WI Department of Revenue	Monthly Remittance	747.45
7205	FICA Withholding Taxes (ER Portion)	Apr-24	3,521.66
7255	Correll Co.	Mar-24 Pension	17,193.15
7211	Commonwealth Edison	Electricity - Mar-24	87.21
7211	Dynegy	Electricity - Mar-24	41,337.71
7215	Pace Analytical Services	Sample Testing	1,539.00
7221	Hawkins	Chlorine Shipment	2,128.00
7222	Ace Hardware	Misc. Supplies	145.90
7222	Amazon Capital Services	Misc. Supplies	223.96
7222	CCP Industries	Misc. Supplies	520.46
7222	Drydon Equipment	Misc. Supplies	489.16
7222	EMD Millipore Sigma	Lab Supplies	1,713.40
7222	Grainger, WW.	Misc. Supplies	415.32
7222	Hach	Lab Supplies	1,183.94
7222	Idexx	Lab Supplies	3,949.80
7225	Concentric Integration	T&M Support Services/Contract Support	2,382.08
7225	Hansen Associates, Inc.	Jun-24 Copier Maintenance	65.00
7231	DeLage Financial	Jun-24 Copier Lease	161.76
7232	AT&T	Telephone Service	1,320.48
7232	AT&T - Voiceover IP	Telephone Service	(337.73)
7232	Verizon Wireless	Cellular Phone/Data Service	755.17
7234	Amazon Capital Services	Office/Computer Supplies	34.11
7234	Amazon Capital Services	Office Supplies	227.97
7234	ODP Business Solutions	Office Supplies	103.91
7234	UPS	Shipping Charges	19.72
7235	AARP - Health	Medical Insurance for Diane Fragassi	371.25

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7235	AARP - Prescription	Prescription coverage for Diane Fragassi	100.70
7235	Blue Cross/Blue Shield	Jun-24 Health Insurance	14,874.65
7235	Euclid Managers (Delta Dental)	Jun-24 Dental/Vision	662.01
7235	Ingoglia, Mario	Deductible Reimbursement	6,909.68
7235	Madison, Jim	Deductible Reimbursement	4,073.68
7235	Principal Insurance	Jun-24 Disability/AD&D	1,033.78
7235	West's Insurance Agency	2024-2025 Facilities Insurance	64,096.00
7236	Madison, Jim	Mileage Reimbursement	42.88
7236	Thompson, Jeremy	Mileage Reimbursement	314.90
7236	Pintescu, Ioan	Mileage Reimbursement	20.10
7237	Thompson, Jeremy	Watercon 20234 Expenses	80.93
7238	Chicago Tribune Digital	Subscription	6.08
7239	Security 101	Video Security System Qtrly Maint. Contract	1,704.00
7241	Your Payroll Dept.	Payroll Fees - Mar-24	231.39
7242	Kucera, Daniel	Legal Fees - Mar-24	4,050.00
7243	Baxter & Woodman	Prof. Services - IEPA Loan Assistance	11,127.98
7243	Clark Dietz, Inc.	Consulting Eng. Prof. Services	185.00
7251	Correll Co.	Investment Services	1,493.00
		Grand Total - Operations	\$201,459.25

FIRST BANKCARD

	Acct. 7225	Maintenance Contract	39.22
	Acct. 7234	Office Supplies	29.99
	Acct. 7236	Transportation	174.94
	Acct. 7237	Meetings/Seminars	541.53
	Acct. 7251	Miscellaneous	229.99
		Total First Bankcard	1,015.67
		Grand Total - Operations	\$202,474.92

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R&R			
ACCT .#	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7300.2 3	Clark Dietz	Prof. Serv. - Low Lift Pump #2 VFD Replacement	2,500.00
7300.2 4	Municipal Well & Pump	Low Lift Pump #2 - Pump Repair	27,520.00
Grand Total - R&R			\$30,020.00

UNFINISHED BUSINESS

- **Grant Writing Services/State Revolving Loan Program** – General Manager White stated that Mike Foley, of Baxter & Woodman, forwarded a draft copy to General Manager White and Operations Manager Thompson for review. General Manager White and Operations Manager Thompson identified the necessary revisions and forwarded the comments to Mr. Foley for his review. Mr. Foley will forward the documentation to the IEPA for review after the revisions have been completed and approved. At present, the evaluation process is expected to take approximately six months. Mike anticipates that the application process will start in December. Discussion of subject followed.
- **Bid Results for Low Lift Pump #2 Variable Frequency Drive (VFD) Replacement** – General Manager White reminded the board that he had reported that no proposals had been received for this project at the May board meeting. However, Krause Electric and Crescent Electric were still interested in the project and had submitted proposals, Krause for installation, and Crescent for providing the VFD. He further stated that Tom Foley of Clark Dietz had reviewed the proposals and advised General Manager White of several changes that should be made to the proposals. General Manager White contacted both Krause and Crescent and asked them to make the appropriate changes. General Manager White reported that Krause agreed to the changes and would revise their proposal. Crescent Electric stated that they need to contact their supplier to verify that the pricing would remain the same. General Manager White indicated that he was still waiting to hear from Crescent. He further stated that if the pricing for the variable frequency drive falls at or below the bid threshold, he would sign both proposals. Discussion of this subject followed.
- **End of Year Projections for availability & R&R charges, and update on Facilities Cost Estimate** – General Manager White provided the updated facilities cost estimate. He clarified that Mr. Tom Foley of Clark Dietz revised the estimate by factoring in the value from the previous year and an inflationary percentage, with the new estimate being \$37,849,000, a 3.1% increase from FY2023. General Manager White advised that he used this number in the calculations of the projections for the Computation of Availability and Repair and Replacement Charges for the coming fiscal year. As previously explained, the availability charges remain the same as they are based on the Water Revenue Bond issue, and each customer’s water allocation. In regard to the Repair and Replacement charges, General Manager White indicated that he estimated that there would be a total of approximately \$75,576 in total for the District’s customers. He further stated that the board needed to approve the facilities cost estimate for fiscal year 2025. Trustee Jaeger made a motion to accept the Clark Dietz’ facility cost estimate of \$37,849,000 which was seconded by Trustee Smith. Chair Ruchti asked if any further discussion was desired. As there was no further discussion, and upon the vote,

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the motion was carried unanimously. General Manager White proceeded to discuss the Availability Charges and the balance of the chart. Discussion of this subject followed.

- **Clark Dietz (CDI) Proposal for Consulting Engineer Services** – General Manager White advised the board that they needed to approve the proposal for the consulting engineering services that evening. He provided a copy of two proposals from Clark Dietz (CDI). Both proposals were for consulting services, including the facilities cost estimate. The first proposal uses the previous format of a percentage increase for the facilities cost estimate. The second proposal is for CDI conducting an in depth analysis of the District’s facilities to obtain a replacement cost estimate. General Manager White provided an example of what an in depth analysis entails, by means of a copy of the study done in 2016. Discussion of this subject followed. Trustee Ower made a motion to approve the consulting engineering service agreement with the in depth analysis, which was seconded by Trustee Smith. Chair Ruchti asked if any further discussion was desired. As there was no further discussion, and upon the vote, the motion was carried unanimously.
- **Estimated Revenue Delivery Requirement and Estimated Water Rate for FY2025** – General Manager White provided the projected Revenue Delivery Requirement charges for the coming fiscal year. He reminded the board that this is typically a refund, however, increased costs resulted in higher expenditures; therefore, a charge is expected for fiscal year 2025.

General Manager White moved on to a discussion of the estimated water rate for fiscal year 2025. The estimated expenses from FY2024 are higher than FY2023. The current estimated water rate will be \$2.1125/1,000 gallons, which is approximately 45.05 cents higher than fiscal year 2024. Discussion of this subject followed.

- **Bond Principal & Interest Payment** – General Manager White indicated that the bond payment had been made April 26 for \$880,000.00 for principal and an interest payment of \$30,765.55. The confirmation for that payment is attached.
- **Ground Storage Tank Stone** – Operations Manager Thompson stated that during their October inspection, Tank Industry Consultants (TIC) advised that the area surrounding the ground storage tank be regraded so that, as recommended by the AWWA, the top of the foundation projects a minimum of six inches above grade. This also ensures that proper drainage occurs away from the foundation.

C. Erickson Designs submitted the lowest proposal for the project, however they had to adjust their quote to account for prevailing wages. This increased their proposal from \$4,238.94 to \$9,342.95, which is still lower than the other two contractors’ quotes. The District is currently coordinating with C. Erickson Designs to schedule this project.

NEW BUSINESS

- **Approval of Concentric Support Services Agreement for FY 2025** – General Manager White attached a copy of the fiscal year 2025 service agreement from Concentric Integration. He clarified that they are responsible for the SCADA and hardware support of the facility and reviewed the scope of the agreement. Furthermore, General Manager White had previously informed the board that three of the computer servers needed replacement. He declared that he had allocated funds in the budget for these products. Discussion of this

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subject followed. Trustee Jaeger made a motion to approve the Concentric Support Services Agreement for fiscal year 2025, which was seconded by Trustee Ewert. Chair Ruchti asked if any further discussion was desired. As there was no further discussion, and upon the vote, the motion was carried unanimously.

- **Approval for Bidding Brickwork Tuckpointing at Low Lift Pump Station** – General Manager White stated that the operators had informed him that the brickwork of east wall of the low lift pump station had substantial deterioration. General Manager White included pictures in the board packet. He stated that upon seeing the conditions of the wall, he had solicited proposals from two contractors. However, they did not respond. He then stated that he had contacted four additional firms, two of which had submitted proposals. He was awaiting a response from one of the contractors regarding inquiries he had regarding their proposal. He informed the board that he would be required to solicit bids for this project if the proposals he had requested were not modified as he had requested. Discussion of this subject followed. Trustee Jaeger made a motion to approve General Manager White soliciting bids for this project, if necessary, which was seconded by Trustee Smith. Chair Ruchti asked if any further discussion was desired. As there was no further discussion, and upon the vote, the motion was carried unanimously.

- **M. Approval of Revision to Sec. 501 Safety of the Employee Handbook** – Attorney Kucera provided an update to Sec. 501 Safety, of the Employee Handbook. He stated that General Manager White felt there was a need for a more explicit policy regarding the reporting of workplace injuries. The revision clarifies that employees need to report all injuries immediately. Discussion of this subject followed. Trustee Latif made a motion to accept the revision to Section 501 of the Employee Handbook, which was seconded by Trustee Monk. Chair Ruchti asked if any further discussion was desired. As there was no further discussion, and upon the vote, the motion was carried unanimously.

MISCELLANEOUS

- **Financial Status Report – May – 1979 & History of the Lake County Public Water District** – Chair Ruchti felt that this information was interesting and would be beneficial to the new members of the board.

- **Review CRG Search Recommendations for General Manager Position. Approval as necessary to extend employment offer.** –Chair Ruchti wanted to discuss an update with the District’s search firm regarding the general manager position. Trustee Jaeger made a motion to move into executive session to discuss personnel matters, which was seconded by Trustee Ower, and upon the vote, the motion was carried unanimously.

* * * EXECUTIVE SESSION * * *

- **Statement from the American Water Works - Association on EPA’s final PFAS rule PFAS Article** – General Manager White provided the board with an article regarding the EPA’s FINAL PFAS rule. He discussed limits and testing for PFAS. He indicated that the District would be compliant with the methods regulated by the IEPA. Discussion of this subject followed.

- **Legislative Advisory - Introduced Cybersecurity Legislation** – General Manager White included a legislative advisory that discussed the formation of the Water Risk and Resilience Organization to oversee cybersecurity in the water sector. He discussed this subject with the board advising them that Concentric Integration keeps

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the District's firewall up to date, uses virus software and multi-authentication protocols. Discussion of this subject followed.

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