

Minutes

April 8, 2025- Board Meeting

On April 11, 2025, 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 Ruchti opened the meeting at approximately 5:30 p.m. Upon the roll being called, Trustees Ower, Ewert, Smith, and Jaeger were present. Trustees Monk and Latif were absent. Also present were General Manager Jeremy Thompson, and Administrative Assistant/Board Secretary Karen Johnston. District Attorney Dan Kucera was present via telephone.

Chair Ruchti then indicated that he would accept a motion to place the following items on a consent agenda and to accept that consent agenda. Trustee Ower made a motion to accept and use the consent agenda, which was seconded by Trustee Jaeger. Chair Ruchti asked if further discussion was desired. As there was no further discussion, and upon the vote, the motion was carried unanimously.

- 4) Approval of Regular Session Minutes of March 11, 2025
- 5) Disbursements for April 2025
- 6) Treasurer's Report for March 31, 2025
- 7) Budget Report for March 31, 2025
- 8) End of month March 31, 2025 Monthly Operation Summation

OPERATIONS & MAINTENANCE ACCOUNT **April 2025 – Disbursements**

ACCT. #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
2920	FICA Withholding Taxes (EE Portion)	Feb-25	4,260.97
2921	Federal Withholding Taxes	Feb-25	7,146.69
2922	IL Department of Revenue	Monthly Remittance	1,629.39
2923	WI Department of Revenue	Monthly Remittance	936.50
2925	IL DES	Feb-25	165.88
7205	FICA Withholding Taxes (ER Portion)	Feb-25	4,260.97
7255	Correll Co.	Feb-25 Pension	9,574.90
7211	Commonwealth Edison	Electricity - Feb-25	88.61
7211	Dynegy	Electricity - Feb-25	23,309.77
7215	Pace Analytical Services	Sample Testing	1,283.00
7221	Hawkins	Chlorine Shipment	2,185.60
7221	Usalco	Aluminum Sulfate Shipment	8,268.96
7222	Ace Hardware	Misc. Supplies	186.03
7222	Amazon Capital Services	Misc. Supplies	38.38
7222	Applied Industrial Technologies	Misc. Supplies	1,341.84
7222	Cintas	First Aid Supplies	65.19
7222	Hach Company	Lab Supplies	85.09

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7222	Idexx	Lab Supplies	1,867.70
7222	McMaster-Carr	Misc. Supplies	60.45
7222	NAPA	Misc. Supplies	3.69
7223	Air Con	Maintenance & Repairs	1,865.76
7223	Core & Main	Maintenance - Meter Recalibration/New Meter	5,940.03
7223	Erickson, C. Designs	Snowplowing	965.00
7223	NIR Roof Care	Roof Repairs	3,575.00
7223	Zion, City of	Elevator Inspection	110.00
7225	Concentric Integration	Support Services	6,486.90
7225	Hansen Associates, Inc.	Apr-25 Copier Maintenance	65.00
7225	Lakeland/Larsen Elevator Corporation	Annual Pressure Test	235.00
7231	DeLage Financial	Apr-25 Copier Lease	161.76
7232	AT&T	Telephone Service	865.50
7232	Verizon Wireless	Cellular Phone/Data Service	699.34
7234	Amazon Capital Services	Office Supplies	382.55
7234	FedEx	Shipping Charges	27.08
7235	AARP - Health	Medical Insurance for Diane Fragassi	400.08
7235	AARP - Prescription	Prescription coverage for Diane Fragassi	89.20
7235	Blue Cross/Blue Shield	Apr-25 Health Insurance	14,405.86
7235	EM Benefits(Delta Dental)	Apr-25 Dental/Vision	662.01
7235	IL Public Risk	2nd Qtr. 2025 Work Comp	4,431.00
7235	Principal Insurance	Apr-25 Disability/AD&D	1,041.13
7235	Thompson, Jeremy	Deductible Reimbursement	469.91
7235	White, Don	Deductible Reimbursement - 2024 & 2025	7,440.04
7238	Illinois Municipal League	2025 Subscription Renewal	30.00
7241	Your Payroll Dept.	Payroll Fees - Feb-25	229.02
7242	Kucera, Daniel	Legal Fees - Feb-25	3,240.00
7243	Clark Dietz	Engineering Services - Facilities Cost Estimate	9,698.75
7251	Correll Co.	Investment Services	1,069.00
7251	Daily Herald	Truck Bid Advertisement	147.20
		Total	\$131,491.73

FIRST BANKCARD

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	Acct. 7222	Misc. Supplies	59.99
	Acct. 7225	Service Contracts	41.97
	Acct. 7234	Office Supplies	149.97
	Acct. 7236	Transportation	148.34
	Acct. 7237	Meetings/Seminars	433.89
		Total First Bankcard	834.16
		Grand Total - Operations	\$132,325.89

R&R

ACCT. #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7300.33	Dahme Mechanical Contractors	Replacement of (1) 18" Butterfly Valve	16,777.00
		Total	\$ 16,777.00

COMMITTEE REPORTS

Chair Ruchti advised that there were no reports of the committees this evening.

UNFINISHED BUSINESS

- ➔ **Update of Loan Application for funding from the IEPA Public Water Supply Loan Program (PWSLP)** – General Manager Thompson stated that Elisa Bonkowski of Baxter & Woodman (B&W) sent the "Ordinance authorizing Lake County Public Water District to borrow funds from the Public Water Supply Loan Program". It was originally thought that this document would have to be published in a local newspaper publication, but Ms. Bonkowski subsequently advised that it did not. It did, however, require board approval. The ordinance was sent to Attorney Kucera for his comments. Discussion of this subject followed.

General Manager Thompson then advised that he received the roof specifications from Tom Foley from Clark Dietz, and he forwarded them to Baxter & Woodman. He reported that B&W has advised that they anticipate having the funds reserved in July 2025. Discussion of this subject followed.

Trustee Ower made a motion to approve the Borrowing Ordinance 25-01, which was seconded by Trustee Smith. Chair Ruchti asked if further discussion was desired. As there was no further discussion, and upon the following roll call vote, the motion was carried unanimously.

Ayes: (5) D. Ower; T. Ewert; K. Smith; S. Latif; D. Jaeger; M. Ruchti
Nays: (0)
Absent: (1) A. Monk

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ORDINANCE NUMBER 25-01

ORDINANCE AUTHORIZING THE LAKE COUNTY PUBLIC WATER DISTRICT TO BORROW FUNDS FROM THE PUBLIC WATER SUPPLY LOAN PROGRAM

WHEREAS, the Lake County Public Water District of Lake County, Illinois (the "District" operates its public water supply system ("the System") and in accordance with the provisions of Illinois Public Water District Act, 70 ILCS 3705/1 (the "Public Water District Act") and the Local Government Debt Reform Act, 30 ILCS 350/1 (the "Debt Reform Act" and, together with the Public Water District Act, the "Acts"), and

WHEREAS, the Board of Trustees of the Lake County Public Water District ("the Corporate Authorities") have determined that it is advisable, necessary, and in the best interests of public health, safety, and welfare to improve the System, including water treatment plant and raw water pump station generator replacements and roof replacement, together with any land or rights in land and all electrical, mechanical or other services necessary, useful or advisable to the construction and installation (the "Project"), all in accordance with the plans and specifications prepared by consulting engineers of the District, which Project has a useful life of 20 years; and

WHEREAS, the estimated cost of construction and installation of the Project, including engineering, legal, financial, and other related expenses is \$1,600,000, and there are insufficient funds on hand and lawfully available to pay these costs; and

WHEREAS, the loan shall bear an interest rate as defined by 35 Ill. Adm. Code 662, which does not exceed the maximum rate authorized by the Bond Authorization Act, as amended, 30 ILCS 305.0.01 et seq., at the time of the issuance of the loan; and

WHEREAS, the principal and interest payment shall be payable semi-annually, and the loan shall mature in 30 years, which is within the period of useful life of the Project; and

WHEREAS, the costs are expected to be paid for with a loan to the District from the Public Water Supply Loan Program through the Illinois Environmental Protection Agency, the loan to be repaid from revenues of the System and the loan is authorized to be accepted at this time pursuant to the Acts; and

WHEREAS, in accordance with the provisions of the Act, the District is authorized to borrow funds from the Public Water Supply Loan Program in the aggregate principal amount of \$1,600,000 to provide funds to pay the costs of the Project;

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WHEREAS, the loan to the District shall be made pursuant to a Loan Agreement, including certain terms and conditions, between the District and the Illinois Environmental Protection Agency;

NOW THEREFORE, be it ordained by the Corporate Authorities of the Lake County Public Water District as follows:

SECTION 1. INCORPORATION OF PREAMBLES

The Corporate Authorities hereby find that the recitals contained in the preambles are true and correct, and incorporate them into this Ordinance by this reference.

SECTION 2. DETERMINATION TO BORROW FUNDS

It is necessary and in the best interests of the District to construct the Project for the public health, safety, and welfare, in accordance with the plans and specifications, as described; that the System continues to be operated in accordance with the provision of the Acts; and that for the purpose of constructing the Project, it is hereby authorized that funds be borrowed by the District in an aggregate principal amount (which can include construction period interest financed over the term of the loan) not to exceed \$1,600,000.

SECTION 3. NO REFERENDUM REQUIRED

The Loan Agreement will be evidenced by revenue bonds to be issued by the District pursuant to Section 16 of the Public Water District Act. The Public Water District Act does not require that the question of the issuance of said revenue bonds of the District be submitted to the voters of the District at a referendum prior to the issuance of said revenue bonds. Furthermore, the Public Water District Act does not require the publication of this ordinance and notice and does not provide a right of petition to the voters of the District prior to the issuance of said revenue bonds.

SECTION 4. ADDITIONAL ORDINANCES

In conjunction with the execution of the Loan Agreement authorized hereunder, the Corporate Authorities may adopt additional ordinances or proceedings supplementing or amending this Ordinance providing for entering into the Loan Agreement with the Illinois Environmental Protection Agency, providing for the issuance of the revenue bonds described in Section 3 hereof, prescribing all the details of the Loan Agreement, and providing for the collection, segregation, and distribution of the revenues of the System, so long as the maximum amount of the Loan Agreement as set forth in this Ordinance is not exceeded and there is no material change in the

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Project or purposes described herein. Any additional ordinances or proceedings shall, in all instances, become effective in accordance with the Act or other applicable law. This Ordinance, together with such additional ordinances or proceedings, shall constitute complete authority for entering into the Loan Agreement under applicable law.

However, notwithstanding the above, the District may not adopt additional ordinances or amendments that provide for any substantive or material change in the scope and intent of this Ordinance, including but not limited to interest rate, preference, or priority of any other ordinance with this Ordinance, parity of any other ordinance with this Ordinance, or otherwise alter or impair the obligation of the District to pay the principal and interest due to the Public Water Supply Loan Program without the written consent of the Illinois Environmental Protection Agency.

SECTION 5. LOAN NOT INDEBTEDNESS OF THE DISTRICT

Repayment of the loan to the Illinois Environmental Protection Agency by the District pursuant to this Ordinance is to be solely from the revenue derived from revenues of the System, and the loan does not constitute an indebtedness of the District within the meaning of any constitutional or statutory limitation.

SECTION 6. APPLICATION FOR LOAN

The Board Chair is hereby authorized to apply to the Illinois Environmental Protection Agency for a loan through the Public Water Supply Loan Program, in accordance with the loan requirements set out in 35 Ill. Adm. Code 662.

SECTION 7. ACCEPTANCE OF LOAN AGREEMENT

The Corporate Authorities hereby authorize acceptance of the offer of a loan through the Public Water Supply Loan Program, including all terms and conditions of the Loan Agreement as well as all special conditions contained therein and made a part thereof by reference. The Corporate Authorities further agree that the loan funds awarded shall be used solely for the purposes of the project as approved by the Illinois Environmental Protection Agency in accordance with the terms and conditions of the Loan Agreement.

SECTION 8. OUTSTANDING BONDS

The District has outstanding bonds, payable from revenues of the system, that are senior to the loan authorized by this Ordinance, and the District establishes an account, coverage, and

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reserves equivalent to the account(s), coverage(s) and reserve(s) as the senior lien holders in accordance with 35 Ill. Adm. Code 662.350(a)(9)(C)(PWS).

SECTION 9. AUTHORIZATION OF BOARD CHAIR TO EXECUTE LOAN AGREEMENT

The Board Chair is hereby authorized and directed to execute the Loan Agreement with the Illinois Environmental Protection Agency. The Corporate Authorities may authorize by resolution a person other than the Board Chair for the sole purpose of authorizing or executing any documents associated with payment requests or reimbursements from the Illinois Environmental Protection Agency in connection with this loan.

SECTION 10. SEVERABILITY

If any section, paragraph, clause, or provision of this Ordinance is held invalid, the invalidity of such section, paragraph, clause, or provision shall not affect any of the other provisions of this Ordinance.

SECTION 11. REPEALER

All ordinances, resolutions, or orders, or parts thereof, which conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed.

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PASSED by the Board of Trustees
On March 11, 2025
Approved March 11, 2025


Michael B. Ruchti
Board Chair, Lake County Public Water District
Lake County, Illinois

AYES: (6) D. Ower, T. Ewert, K. Smith, S. Latif, D. Jaeger, M. Ruchti
NAYS: (0)
ABSENT: (1) A. Monk

RECORDED in the Lake County Public Water District Records on: March 11, 2025

ATTEST:

Karen L. Thompson
District Secretary
Lake County Public Water District

- ➔ **Discussion of Nimec Electrical Contract and Approval of Resolution ratifying electrical contract with Nimec.** – General Manager Thompson informed the board that the electrical bidding,

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which was originally scheduled to occur the previous week, was postponed until yesterday as a result of market volatility. He stated that the District's best interests were served by signing the three-year contract after examining the proposed rates. Last month, the board granted General Manager Thompson the authority to execute the contract at the rate that he thought was most appropriate. A copy of the resolution that ratified this authorization was included in the board packet. Trustee Ower made a motion to approve the resolution ratifying the contract, which was seconded by Trustee Ewert. Chair Ruchti asked if further discussion was desired. As there was no further discussion, and upon the roll call vote, the motion was carried unanimously.

RESOLUTION

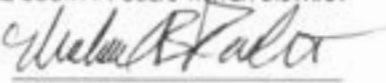
WHEREAS, by Resolution adopted by the Board of Trustees of the District February 11, 2025, the District authorized the General Manager to execute a contract for electric service requirements of the District with the lowest cost electricity provider identified as a result of the Northern Illinois Municipal Collaborative ("NIMEC") 2025 bidding process; and

WHEREAS, as a result of the NIMEC 2025 bidding process, the General Manager executed an Electric Services Agreement dated March 11, 2025 with Direct Energy Business, LLC, the lowest cost electricity provider, for a three-year term, a copy of which Agreement is attached hereto.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE DISTRICT that the Electric Services Agreement attached hereto be and hereby is ratified and approved.

LAKE COUNTY PUBLIC WATER DISTRICT

(CORPORATE SEAL)



Michael B. Ruchti
Chair, Board of Trustees



PRESENTED AND READ: March 11, 2025
PASSED AND APPROVED: March 11, 2025

ROLL CALL VOTE:

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

MOTION CARRIED

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- ➔ **End of Year Projections for availability & R&R charges, and update on Facilities Cost Estimate** – General Manager Thompson stated that Tom Foley of Clark Dietz had provided the updated facilities cost estimate for fiscal year 2026. The estimate shows an increase of 6.5% from fiscal year 2025. This estimate was slightly higher than General Manager Thompson's estimate of 5%. He indicated that based on this facilities cost estimate, the District's customers would be charged approximately \$14,812 per month for the R&R account. He further 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 attached chart and each customer's portion of the charges and the calculation. Discussion of this subject followed.

- ➔ **Estimated refund and estimated water rate for FY2026** - General Manager Thompson provided the estimated Revenue Delivery Requirement charges for the coming fiscal year. He stated that this, as with last year, is a charge rather than a refund, but the charge is lower than last year.

General Manager Thompson moved on to a discussion of the estimated water rate for fiscal year 2026. The estimated expenses are higher than FY2025. The current estimated water rate will be \$2.2790/1,000 gallons, which is approximately 22 cents higher than fiscal year 2025. Discussion of this subject followed.

- ➔ **Draft Budget** - General Manager Thompson stated that the draft budget is largely unchanged, however, the electricity line item was increased to reflect the new rates. In addition, legal was decreased, while engineering was increased. Discussion of this subject followed.
- ➔ **Wintrust Banking Information** – Chair Ruchti indicated that the Wintrust Banking Group still needed to provide the maintenance fee rates. Discussion of this subject followed.

➔ NEW BUSINESS

- ➔ **Review of health insurance renewal proposals and approval of health insurance program for fiscal year 2026** – Chair Ruchti indicated that this item had been discussed previously in the meeting and asked the board if the consensus was to renew as presented. Trustee Ewert made a motion to accept the current health insurance proposal, including dental, vision, and disability, which was seconded by Trustee Jaeger. Chair Ruchti asked if further discussion was desired. As there was no further discussion, and upon the vote, the motion was carried unanimously. Discussion of this subject followed.
- ➔ **Approval of possible Eight Amendment to Winthrop Harbor Water Supply Contract, and First Amendment to Illinois Department of Natural Resources Water Supply contract, amending contract renewal from 10 to 20-year terms** – General Manager Thompson included amendments to both the Winthrop Harbor and IDNR contracts in the board packet. The intent of the amendments is to amend the renewal contracts for 20-years rather than 10-years in order to align with the State Revolving Loan fund that the District is currently seeking. Discussion of this subject followed. Trustee Smith made a motion to approve the contract amendments, which was seconded by Trustee Jaeger. Chair Ruchti asked if further discussion was desired. As there was no further discussion, and upon the roll call vote, the motion was carried unanimously.

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Ayes: (5) D. Ower; T. Ewert; K. Smith; S. Latif; D. Jaeger; M. Ruchti
Nays: (0)
Absent: (1) A. Monk

➔ **2025 Truck Bid** – General Manager Thompson reported that the bid advertisement for this item was published on April 1, 2025 in the Daily Herald. The bids were received and opened on April 11, at the District offices. General Manager Thompson included the bid tabulation which showed Gillespie Ford as the lowest responsible bidder with the snowplow package. Discussion of this subject followed. Trustee Smith made a motion to purchase the 2025 Ford truck from Gillespie Ford for \$63,089.71 which includes the snowplow package and the trade in of the District's current vehicle. The motion was seconded by Trustee Ower. Chair Ruchti asked if there was further discussion. As there was none, the motion was passed unanimously.

➔ **Attorney** – Attorney Kucera advised the board he has decided to retire and will serve his term until April 30, 2025.

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

X

Karen L. Johnston
Board Secretary