



**Board of Directors Meeting Minutes
June 27, 2018**

A regular meeting of the Board of Directors of the Central Lake County Joint Action Water Agency was convened by Chairman Hill at 6:02 p.m., on June 27, 2018 at the Paul M. Neal Water Treatment Facility, 200 Rockland Road, Lake Bluff, Illinois. Present at the meeting were: Alternate Director Vogel, Grayslake Director Kovarik, Gurnee; Director O’Hara, Lake Bluff; Director McDonald, Lake Villa; Werfel, Lake County; Director Marturano, Lindenhurst; Director Lentz, Mundelein; Director MacGillis, Round Lake; Director Hill, Round Lake Beach; Director Knight, Wauconda; and, Director Henley, Volo.

Absent were representatives from Libertyville and Round Lake Consortium.

Also present at the meeting were Executive Director Darrell W. Blenniss, Jr.; Project Manager Jeff White; Amrou Atassi, CDM Smith; and, Agency Attorney Stewart Diamond, Ancel Glink et al.

Public Hearing

A public hearing was convened by Chairman Hill at 6:03 p.m. relating to Appropriation Ordinance 18-01.

Mr. Blenniss summarized Ordinance 18-01, An Ordinance Making Appropriations for Corporate Purposes and Containing Budget Information for the Fiscal Year Beginning May 1, 2018 and Ending April 30, 2019, for the Central Lake County Joint Action Water Agency.

There being no comments or questions, the hearing was closed at 6:04 p.m.

Public Comment

None.

Omnibus Agenda Items

A motion was made by Director Kovarik and seconded by Director MacGillis to ratify the following omnibus agenda items from the Non-meeting Bulletin - May 2018:

Invoices & Charges: Consultant Services & Construction Contracts :

None.

Invoices & Charges: Routine Operating Expenditures: \$2,499,564.08

Invoices Paid	Operating & Capital Expenses	\$2,200,792.50
Payroll	Prior Month Payroll	\$221,392.20

IMRF	Pension Payments	\$35,295.77
Health Insurance	UnitedHealthcare & VSP	\$42,083.61

North Group Expenses: \$714,896.22

•	CDM Smith	90045091	NG - Detailed Design	\$15,263.35
•	CDM Smith	90044937	NG - Easement Services	\$7,138.42
•	CDM Smith	90044792	NG - BP1A - Construction Services	\$7,774.33
•	CDM Smith	90044786	NG - BP2 - Construction Services	\$13,412.81
•	CDM Smith	90044973	NG - BP4 - Construction Services	\$66,983.72
•	CDM Smith	90044939	NG - BP3 - Construction Services	\$16,008.17
•	Trine Construction Corp	PA - #6	NG - BP4 - Construction Contract	\$596,089.75

West Group Expenses: \$2,043,286.68

•	CDM Smith	90044613	WG - Preliminary Eng. Services	\$10,401.48
•	CDM Smith	90044620	WG - Detailed Design Services	\$71,169.75
•	CDM Smith	90044631	WG - BP1 - Construction Services	\$64,033.70
•	Joel Kennedy Contracting Corp.	PA - #4	WG - BP4 - Construction Contract	\$1,897,681.75

Upon roll call vote, the motion was unanimously passed.

Approval of Minutes

A motion was made by Director MacGillis and seconded by Director O'Hara to approve the April 2018 regular meeting minutes, the April 2018 Executive Session meeting minutes, and the May 2018 special-called meeting minutes of the Board of Directors as presented. Upon voice vote, the motion was passed.

Treasurer's Reports - April & May 2018:

Executive Director Blennis outlined the Treasurer's Reports for April and May 2018.

A motion was then made by Director Kovarik and seconded by Director Marturano to approve the Treasurer’s Reports for April and May 2018 as presented. Upon roll call vote, the motion was passed.

Report and Action on Executive Committee Items

Mr. Blenniss stated that he would be presenting the Executive Committee’s report and recommendations in Mr. Ellis’ absence.

A. Recommendation on Payment of Bills:

i. Items for Pre-Approval & ii. Bill Summary Sheet – Ratification of Previously Paid Expenses

Mr. Blenniss outlined the Executive Committee’s unanimous recommendation for approval on the following items which require Pre-Approval of payment by the Board of Directors:

- CDM Smith 90044934 Centrifuge Replacement Project \$12,264.16

Mr. Blenniss the outlined the Executive Committee’s unanimous recommendation on the following items which had been previously disbursed in the month of May and require ratification by the Board of Directors:

- Invoices Paid Operating & Capital Expenses \$462,097.99
- Payroll Prior Month Payroll \$324,460.05
- IMRF Pension Payments \$51,162.50
- Health Insurance UHC, Healthiest You, EM & VSP \$43,608.59

A motion was then made by Director MacGillis and seconded by Director Kovarik to approve the above items for payment and ratify previously paid expenses as outlined. Upon roll call vote, the motion was unanimously passed.

B. Recommendation on Cyber Liability Insurance:

Mr. Blenniss introduced Mr. West of West’s Insurance. Mr. West explained that during the Agency’s recent insurance renewal processing April 2018, the current carrier, Chubb, notified West’s that the network intrusion/liability coverages were being dropped from the base coverage. He stated that unfortunately this was not included as part of the renewal process. Mr. West then outlined two quotes as received by West’s for Cyber Liability Coverage for the Agency as shown below:

Base Coverage	Beazley Insurance	BCS Insurance
Cyber Liability Insurance Premium	\$4,395	\$2,661
Deductible	\$5,000	\$2,500

Mr. West noted that West’s Insurance is recommending binding coverage with Beazley Insurance at the base premium level of \$4,395.

Mr. Blenniss stated that the Executive Committee unanimously recommended that the Board of Directors bind coverage with Beazley and increase the cyber deception limit to \$250,000 for an additional premium of \$622.

A motion was then made by Director Henley and seconded by Director Werfel to bind coverage with Beazley and increase the cyber deception limit to \$250,000 for an additional premium of \$622. Upon roll call vote, the motion was unanimously passed.

Mr. West departed the meeting at this time.

C. Recommendation on IPRF Pooling Agreement:

Mr. Blenniss stated that an updated IPRF Pooling agreement had been distributed to the Board of Directors for their review. He stated the approval of the new Agreement was required in order to continue participation in the program.

Mr. Blenniss noted that the Executive Committee unanimously recommended that the Board of Directors approve the IPRF Pooling Agreement as presented.

A motion was then made by Director O’Hara and seconded by Director Kovarik to approve the IPRF Pooling Agreement as presented. Upon roll call vote, the motion was unanimously passed.

D. Recommendation on Prevailing Wage Ordinance 18-01:

Mr. Blenniss explained that the Agency is required annually to pass an ordinance establishing prevailing wages. He then explained that the numbers used to establish these wages have consistently been taken from the Illinois Department of Labor’s prevailing wage list for Lake County in June of the corresponding year.

Mr. Blenniss then stated the Executive Committee’s unanimous recommendation that the Board of Directors adopt Ordinance 18-01 as presented.

A motion was then made by Director Kovarik and seconded by Director MacGillis to adopt Ordinance 18-01 as presented - An Ordinance Adopting Prevailing Wage Rates to be Paid to Laborers, Mechanics,

and Other Workers Performing Construction and Public Works for the Central Lake County Joint Action Water Agency. Upon roll call vote, the motion unanimously passed.

E. Recommendation on Appropriations Ordinance 18-02:

Mr. Blenniss summarized Ordinance 18-02, An Ordinance Making Appropriations for Corporate Purposes and Containing Budget Information for the Fiscal Year Beginning May 1, 2018 and Ending April 30, 2019, for the Central Lake County Joint Action Water Agency, for the Board of Directors.

Mr. Blenniss then stated that the Executive Committee unanimously recommended approval of Ordinance 18-02 as presented.

A motion was made by Alternate Director Vogel and seconded by Director Marturano to adopt Ordinance 18-02 as presented, An Ordinance Making Appropriations for Corporate Purposes and Containing Budget Information for the Fiscal Year Beginning May 1, 2018 and Ending April 30, 2019, for the Central Lake County Joint Action Water Agency, as presented. Upon roll call vote, the motion unanimously passed.

Report & Action on North Group Membership Expansion Technical Committee Items:

Mr. Atassi updated the Board of Directors on the status of the North Group Membership Expansion Project.

Approval of North Group Expenses:

Mr. Blenniss outlined the June 2018 recommendation of the North Group Technical Committee to authorize payments totaling \$3,136,498.61 as outlined below:

- CDM NG Detail Design Services \$9,409.63
- CDM NG-BP1A Construction Services \$727.95
- CDM NG-BP2 Construction Services \$7,208.63
- CDM NG-BP3 Construction Services \$70,856.60
- CDM NG-BP4 Construction Services \$76,733.52
- Campanella NG-BP2 Construction \$59,771.95
- JKCC NG-BP3 Construction \$1,859,765.54
- Trine NG-BP4 Construction \$1,052,024.79

Mr. Blenniss stated that the North Group Technical Committee recommended authorizing payments as outlined above.

A motion was then made by Director O'Hara and seconded by Director MacGillis to authorize payments as outlined above. Upon roll call vote the motion was unanimously passed.

North Group Design Engineering Reimbursement Request:

Mr. Blenniss stated that the North Group SSA paid for all up-front design fees associated with NG Bid Package Number 03 and that Under IEPA loan L175358, the Agency had received reimbursement for these costs. He noted that the Agency will transfer the \$1,109,733.00 for design fees, to the North Group SSA.

A motion was then made by Director MacGillis and seconded by Director Kovarik to reimburse the SSA as outlined above. Upon roll call vote, the motion was unanimously passed.

Bid Package #2 – Change Order #4 – Resolution 18-12 North Group Expansion Project & Bid Package #4 – Change Order #4 – Resolution 18-13 – North Group Expansion Project

Mr. Blenniss outlined Resolution No. 18-12 for the Board of Directors. He stated that the North Group Expansion Project Bid Package #2 is and complete and the balancing change order for the project results in a credit of \$7,550.41. He stated that the details of the Change Order and Resolution No. 18-12 had been provided for the Board of Directors' review.

Mr. Blenniss then outlined Resolution No. 18-13 for the Board of Directors, stating that this change order is necessary due to unforeseen conditions related to the depth of the existing Lake Villa force-main and resulting conflicts with the initial layout and design of the Agency's transmission main. Mr. Blenniss noted that the amount of this change order is \$20,186.88. He stated that the details of the Change Order and Resolution No. 18-13 had been provided for the Board of Directors' review.

A motion was then made by Director Kovarik and seconded by Director Knight to approve both Resolution No. 18-12 and Resolution No. 18-13 as presented. Upon roll call vote, the motion was unanimously approved.

Report & Action on West Group Membership Expansion Technical Committee Items:

Mr. Atassi updated the Board of Directors on the status of the West Group Membership Expansion Project.

Approval of West Group Expenses:

Mr. Blenniss outlined the June 2018 recommendation of the West Group Technical Committee to authorize payments as outlined below:

- CDM WG PER Phase Services \$4,537.73

- CDM WG Detail Design Services \$33,588.20
- CDM WG - BP#1 Construction Services \$34,500.02
- CDM WG - BP#4 Construction Services \$9,692.92
- JKCC WG - BP#1 Construction \$507,297.25

Mr. Blenniss then indicated that the West Group Technical Committee recommended authorizing payments as outlined above.

A motion was then made by Director Henley and seconded by Director Kovarik to authorize payments as to CDM Smith and JKCC as outlined above. Upon roll call vote the motion was unanimously passed.

Bid Package #5 Notice of Intent to Award & Bid Package #5 Construction Inspection Services:

Mr. Blenniss summarized the bid results for the West Group Expansion Project - Bid Package #5. He stated that Bid Package #5 is for the delivery structures that serve as the metering and transition point from the Agency's system to the Members' systems.

Mr. Blenniss then explained that the bid amount includes a delivery structure for Round Lake and that item will be paid for from their funds (not by the West Group). He noted that this would provide Round Lake with a second delivery structure of a different transmission main and would improve their system redundancy. Mr. Blenniss then noted that he would now be working with Round Lake on an Intergovernmental Agreement.

Mr. Blenniss stated that Joel Kennedy Contracting Corporation was the contractor for the delivery structures for the North Group Expansion Project and performed well. He then explained that funding for this project will be from the IEPA revolving loan fund and the process to access these funds is to issue the Notice of Intent to Award; and, that the IEPA will review the application and issue the final loan agreement, at that time the Notice of Award will be issued. Mr. Blenniss noted that no further action will be required by the Board of Directors if the IEPA funding is approved.

Mr. Blenniss then outlined the scope of services and fee from CDM Smith to provide construction phase services for West Group Bid Package #5. He noted that the scope is consistent with the level of effort provided to the North Group for similar work and that CDM Smith is contracting directly with Round Lake for all the work associated with their delivery structure.

A motion was then made by Director O'Hara and seconded by Director Marturano to issue the Notice of Intent to Award the West Group Expansion Project - Bid Package #5 to Joel Kennedy Contracting Corporation in the amount of \$1,836,800.00; and to approve the proposal for construction phase services with CDM Smith for West Group Bid Package #5 in the amount of \$242,944. Upon roll call vote the motion was unanimously passed.

Old Business

None.

New Business

A. Mundelein – Temporary Water Service

Mr. Blenniss explained that the Village of Mundelein is requesting authorization for water temporary service to unincorporated territory pursuant to Section 308 of the Water Purchase & Sale Contract. He stated that the area in question currently occupies a restaurant (Crossroads Restaurant) and that the property’s water well is in poor condition. Mr. Blenniss then stated that the Village has requested the property annex to receive permanent water service and other Village services.

Mr. Blenniss then explained that while the annexation process is proceeding, the Village would like permission to serve the property on a temporary basis should the well fail and that he recommends a twelve-month temporary approval. He noted that due to time constraints, this item was not reviewed by the Executive Committee.

A motion was then made by Director Vogel and seconded by Alternate Director Lucassen to authorize temporary water service outside of the Village limits by the Village of Mundelein to 20915 Park Ave, Mundelein, IL 60060 for a period twelve months. Upon roll call vote, the motion was unanimously passed.

Report of the Chair

None.

Report of the Executive Director

Water Sales:

Mr. Blenniss gave an update on water sales to the Board of Directors

Executive Session & Action on Executive Session Items:

A. Approval of Executive Session Minutes of April 18, 2018

This item was approved under “Approval of Minutes” earlier in the meeting.

Adjournment

There being no further business before the Board of Directors, a motion to adjourn the meeting was made by Director MacGillis and seconded by Director Werfel; and, upon voice vote, the motion was unanimously approved. The meeting was adjourned by at 6:41 p.m.

Respectfully submitted,

Tracy Hall, Deputy Secretary