



Central Lake County Joint Action Water Agency
Board of Directors Meeting Minutes
October 24, 2018

A regular meeting of the Board of Directors of the Central Lake County Joint Action Water Agency was convened by Chairman Hill at 6:01 p.m., on October 24, 2018, at the Paul M. Neal Water Treatment Facility, 200 Rockland Road, Lake Bluff, Illinois. Present at the meeting were: Alternate Director Shawn Vogel, Alternate Director Balmes, Gurnee; Director O’Hara, Lake Bluff; Alternate Director Harms, Lake Villa; Werfel, Lake County; Director Weppler, Libertyville; Director Marturano, Lindenhurst; Director Lentz, Mundelein; Director MacGillis, Round Lake; Director Hill, Round Lake Beach; Alternate Director Lucassen; Director Knight, Wauconda; and, Director Henley, Volo.

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.

It was noted that in the absence of Executive Committee Chairman Mike Ellis, that Mr. Blenniss would be delivering the recommendations of the Executive Committee to the Board of Directors.

Public Comment

None.

Omnibus Agenda Items – Non-Meeting Month Bulletin – September 2018

A motion was made by Alternate Director Lucassen and seconded by Director Lentz to ratify the following omnibus agenda items from the Non-meeting Bulletin - September 2018:

- Invoices & Charges: Routine Operating Expenditures: \$2,952,952.01
- North Group Expenses: \$903,607.23
- North Group Design Reimbursement Request: \$30,824.00
- West Group Expenses: \$351,118.61
- West Group Design Reimbursement Request: \$829,472.00

Upon roll call vote, the motion was unanimously passed.

Approval of Minutes

A motion was made by Director Henley and seconded by Director MacGillis to approve the August 2018 regular meeting minutes of the Board of Directors as presented. Upon voice vote, the motion was passed.



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Treasurer’s Reports - August & September 2018:

Executive Director Blenniss outlined the Treasurer’s Reports for August and September 2018.

A motion was then made by Director MacGillis and seconded by Director Marturano to approve the Treasurer’s Reports for August and September as presented. Upon roll call vote, the motion was passed.

Report and Action on Executive Committee Items

A. Recommendation on Payment of Bills:

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

Mr. Blenniss then 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 90055755 Centrifuge Replacement Project \$3,518.59
- Carollo Engineers 167783 Continuing Services \$5,857.39

Mr. Blenniss then outlined the following items which had been previously disbursed in the month of September and require ratification by the Board of Directors. He noted that these items were also unanimously recommended for approval by the Executive Committee:

- Invoices Paid Operating & Capital Expenses \$2,730,965.22
- Payroll Prior Month Payroll \$215,405.25
- IMRF Pension Payments \$34,027.91
- Health Insurance UHC, Healthiest You, EM & VSP \$47,812.80

A motion was then made by Director Balmes and seconded by Director Knight 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 FYE 2018 Comprehensive Annual Financial Report (Audit):

Mr. Blenniss introduced Ms. Cherydan Juergensen of Eder Casella to the Board of Directors. Ms. Juergensen outlined the FYE 2018 CAFR; summarizing Revenues, Expenditures, Debt Service and Investments. She also outlined the Board Communication letter for the Board of Directors.



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Ms. Juergensen thanked Agency staff, as well as Lauterbach & Amen staff for their assistance during the Audit; and, noted that as in past years, the Agency had again received a non-qualified audit. She indicated that all bond requirements had been met.

Ms. Juergensen then outlined the Report on Internal Controls for the Committee and noted that no deficiencies were found.

Mr. Blenniss noted that hard copies of the FYE 2018 Audit were available upon request.

Mr. Blenniss stated that the Executive Committee unanimously recommended that the Board of Directors approve the FYE 2018 Comprehensive Annual Financial Report as presented.

A motion was then made by Director Henley and seconded by Director MacGillis to approve the FYE 2018 Comprehensive Annual Financial Report as presented. Upon roll call vote, the motion was unanimously passed.

C. Recommendation on Bond Record Keeping Compliance:

Mr. Blenniss reminded the Board of Directors that the Agency adopted a Bond Record Keeping Compliance Policy late in 2012 at the recommendation of Agency Bond Counsel, Chapman & Cutler. He explained that one of the requirements is for the Bond Compliance Officer to issue an annual report on compliance. Mr. Blenniss noted the Report had been distributed to the Board of Directors for their review.

Mr. Blenniss noted that the Executive Committee unanimously recommended that the Board of Directors accept the 2018 Bond Record Keeping Compliance Report as presented.

A motion was then made by Alternate Director Vogel and seconded by Director Werfel to accept the 2018 Bond Record Keeping Compliance Report as presented. Upon roll call vote, the motion was unanimously passed.

D. Recommendation on West Group Connection Fee Payment & Schedule:

Mr. Blenniss outlined payment schedules from the Villages of Volo and Wauconda for their connection fee obligations under the West Group Admissions Agreement for the Board of Directors. He noted that Section 4.6 of the Agreement allows for some options on payment of these fees. He summarized the as shown below:

- Agency will issue bonds at certain intervals related to maximum day pumpage or certain dates.
- Pay up front and get a discount.
- A payment plan agreed to at a later date.



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Mr. Blenniss then explained that the proposed payment plan is in conformance with the Agreement and would allow for a planned collection schedule that would significantly aid the Agency in planning expenditures related to these funds and furthermore help the West Group Members prepare an appropriate revenue plan. He noted that interest was factored into the total amounts for the connection fees as these funds would likely be paid out over time, versus in a lump sum arrangement. Mr. Blenniss then noted that the Agency will earn interest earnings against these funds, as the targeted use of these funds is spread out over the next 20-30 years.

Mr. Blenniss answered a few questions from the Directors on the methodology used in calculating the present value versus the future value of the payments. Mr. Blenniss stated that the Executive Committee unanimously recommended that the Board of Directors approve the proposed payment plan method as presented.

There was a consensus by the Board of Directors that this payment schedule is in conformance with the Admissions Agreement and to utilize this payment plan method as presented.

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 October 2018 recommendation of the North Group Technical Committee to authorize payments totaling \$1,449,822.48 as outlined below:

● CDM Smith	NG Detail Design	\$1,322.01
● CDM Smith	NG Easement Services	\$40,362.65
● CDM Smith	NG BP2 Construction Services	\$3,647.18
● CDM Smith	NG BP3 Construction Services	\$79,769.97
● CDM Smith	NG BP4 Construction Services	\$61,685.58
● JKCC	NG BP3 Construction	\$1,080,317.93
● Trine	NG BP4 Construction	\$182,717.16

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



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A motion was then made by Alternate Director Balmes and seconded by Alternate Director Harmes to authorize payments as outlined above. Upon roll call vote the motion was unanimously passed.

Resolution 18-18 Change Order #2 for Bid Package #3:

Mr. Blenniss outlined Resolution 18-18, a change order #2 to the North Group Expansion Project - Bid Package #3. He noted that this Change Order will increase the contract price by \$32,200.

Mr. Blenniss noted that with this change order, the Project is still below the original contract price.

A motion was then made by Director Marturano and seconded by Alternate Director Balmes to approve Resolution 18-18 as presented. Upon roll call vote, the motion was unanimously passed.

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 October 2018 recommendation of the West Group Technical Committee to authorize payments as outlined below:

● CDM	WG Detail Design	\$23,455.20
● CDM	WG BP1 Construction Services	\$30,175.53
● CDM	WG BP2 Construction Services	\$21,375.34
● CDM	WG BP4 Construction Services	\$32,154.73
● JKCC	WG BP1 Construction	\$239,415.80

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 Knight to authorize payments to CDM Smith and JKCC as outlined above. Upon roll call vote the motion was unanimously passed.



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Resolution 18-19 Change Order #1 for Bid Package #1:

Mr. Blenness outlined Resolution 18-19, Change Order #1 to the North Group Expansion Project - Bid Package #1. He noted that this Change Order will reduce the contract price by \$28,106.75.

A motion was then made by Director Werfel and seconded by Director MacGillis to approve Resolution 18-19 as presented. Upon roll call vote, the motion was unanimously passed.

Old Business

None.

New Business

None.

Report of the Chair

None.

Report of the Executive Director

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

The Board of Directors discussed a proposed new Agency logo. Members of the Board of Directors requested that the logo be distributed to their staff members who deal with public communications for review and input.

Executive Session & Action on Executive Session Items:

None.

Adjournment

There being no further business before the Board of Directors, a motion to adjourn the meeting was made by Director Wepler and seconded by Alternate Director Balmes; and, upon voice vote, the motion was unanimously approved. The meeting was adjourned by at 6:39 p.m.

Respectfully submitted,

Tracy Hall, Deputy Secretary