



**Central Lake County Joint Action Water Agency**  
**Executive Committee Meeting Minutes**  
**October 11, 2018**

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A regular meeting of the Executive Committee of the Central Lake County Joint Action Water Agency was convened by Mr. Ellis at 8:30 a.m. on October 11, 2018, at the Paul M. Neal Water Treatment Facility, 200 Rockland Road, Lake Bluff, Illinois. Present at the time were Mike Ellis, Grayslake; Pat Muetz, Gurnee; Jeff Hansen, Lake Bluff; Karl Warwick, Lake Villa; Paul Kendzior, Libertyville; Clay Johnson, Lindenhurst; Steve Shields, Round Lake; David Kilbane, Round Lake Beach; Mike May, Volo; and, Kevin Timony, Wauconda.

Absent were representatives from Lake County, Mundelein, and Round Lake Consortium.

Also present at the meeting were Darrell W. Blenniss, Jr., Executive Director; Director of Operations William J. Soucie; Jeff White, Project Manager; Tracy Hall, Recording Secretary; Cheri Graefen, Lauterbach & Amen; and, Cherydan Juergensen, Eder Casella.

***Minutes***

A motion was made by Mr. Muetz to approve minutes of the August 2018 regular meeting of the Executive Committee as presented. The motion was seconded by Mr. Timony; and, upon voice vote, the motion was unanimously passed.

***Review of Bills***

The Executive Committee reviewed bills that require pre-approval as shown below:

- |   |                   |          |                                |            |
|---|-------------------|----------|--------------------------------|------------|
| ● | CDM Smith         | 90055755 | Centrifuge Replacement Project | \$3,518.59 |
| ● | Carollo Engineers | 167783   | Continuing Services            | \$5,857.39 |

The Executive Committee then reviewed the following items which had been previously disbursed in the previous month and require ratification by the Board of Directors:

- |   |                  |                              |                |
|---|------------------|------------------------------|----------------|
| ● | 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 & VS | \$47,812.80    |

A motion was then made by Mr. May and seconded by Mr. Kendzior to recommend that the Board of Directors approve payment and ratify previously paid items as outlined above. Upon voice vote, the motion was unanimously passed.

### ***New Business***

#### **A. Approval of FYE 2018 Comprehensive Annual Financial Report (Audit):**

Mr. Blenniss introduced Ms. Cherydan Juergensen of Eder Casella to the Executive Committee. Ms. Juergensen presented the FYE 2018 Comprehensive Annual Financial Report (CAFR) to the Committee.

Ms. Juergensen outlined the FYE 2018 CAFR; summarizing Revenues, Expenditures, Debt Service and Investments. She also outlined the Board Communication letter for the Committee.

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.

There was then a consensus amongst the Committee to recommend that the Board of Directors accept the FYE 2018 CAFR as presented.

#### **B. Recommendation on FYE 2020 Budget Calendar & Process:**

Mr. Ellis outlined the FYE 2020 Budget Calendar and Process for the Committee.

Mr. Blenniss then stated that it is good practice to adopt these items prior to the budget process, as they drive many of the deadlines and items during the process.

A motion was then made by Mr. Timony and seconded by Mr. Warwick to recommend that the Board of Directors approve the Budget Calendar and Process for FYE 2020 as presented. Upon voice vote, the motion was unanimously passed.

#### **C. Bond Record Compliance:**

Mr. Blenniss reminded the Committee 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 Committee for review.

A motion was then made by Mr. Kendzior and seconded by Mr. May to recommend that the Board of Directors accept the 2018 Bond Record Keeping Compliance Report as presented. Upon voice vote, the motion was unanimously passed.

**D. 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. 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.

Mr. Blenniss then stated 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.

A motion was then made by Mr. Kendzior and seconded by Mr. Warwick to recommend that the Board of Directors approve the proposed payment plan method as presented. Upon voice vote, the motion was unanimously passed.

***Old Business***

*None*

***Report of the Executive Director***

Mr. Blenniss stated that Water Sales were 6.2% below forecast for the month but the annual projections should still be close to the budget.

Mr. Blenniss reviewed a proposed new Agency logo with the Committee. There was a consensus to refer the proposed new logo to the Board of Directors for approval.

***Report of the North and West Membership Expansion Committees***

Mr. Amrou Atassi updated the Committee on the status of the North and West Group Expansion projects.

***Executive Session & Action on Executive Session Items***

*None.*

***Adjournment***

There being no further business, a motion was made by Mr. Warwick and seconded by Mr. May to adjourn the meeting at 8:56 a.m. On a voice vote, the motion was unanimously passed and the meeting was adjourned.

Respectfully Submitted,

Tracy Hall

Recording Secretary