



Lost Lake Utility District

Regular Meeting Minutes

404 Lake Court, Dixon IL at 6:00 PM

August 15, 2023

Trustees Present: Cheri Kemp, Chair; Hal Warren, Vice Chair; Joe Bajko, Trustee; Ray Ford, Trustee; Anne Harms, Trustee; Laura Lauzon, Trustee; Rick Reardon, Trustee

Staff Present: Beth Caudill, Office Manager; Julie Peters, Treasurer; Chad Judd, Certified Operator

Absent: None

- I. **Call to Order and Roll Call:** Cheri Kemp called the meeting to order at 6:00 pm.
- II. **Pledge of Allegiance**
- III. **Approval of the Agenda:** Joe made a motion to approve the agenda, and Hal seconded the motion. The motion was approved by unanimous vote. [08-15-23-1]
- IV. **Guest/Public Opinion**
- V. **Approval of the July 16, 2023 Special Meeting Minutes:** Joe made a motion to approve the July 16, 2023 Special Meeting Minutes and Laura seconded the motion. The motion was approved by unanimous vote. [08-15-23-2]

Approval of the July 18, 2023 Regular Meeting Minutes: Joe made a motion to approve the July 18, 2023 Regular Meeting Minutes and Cheri seconded the motion. The motion was approved by unanimous vote. [08-15-23-3]

- VI. **Treasurer's Report:** Julie provided financial reports to the Board and read into the record the report for period ending July 31, 2023.

Operating Account: beginning balance \$167,695.21; receipts \$20,717.14; expenditures \$51,846.48; ending balance \$136,565.87. *Project Fund:* beginning balance \$3,529.57; receipts \$17,750.17; ending balance \$21,279.74.

Debt Service Bond Fund: beginning balance \$184,506.87; receipts \$226.07; expenditures \$8,590.05; ending balance \$176,142.89. *Money Market Fund:* beginning balance \$72,545.98; receipts \$167.55; ending balance \$72,713.53. *Equipment Replacement Fund:* beginning balance \$13,552.49; receipts \$17.26; ending balance \$13,569.75. *IMRF Fund:* beginning balance \$10,413.60; receipts \$301.77; expenditures \$3,566.12; ending balance \$7,149.25.

The Project Fund looks higher for July due to the bank mistakenly depositing funds into the wrong account. This will be corrected on August financials. Funds remaining in our Central Bank line of credit can be used toward our water tower painting and deposited in a CD or Money Market account. Anne, Julie, and Cheri will determine the best option for these funds. Our audit and comptroller report will be completed on time.

Rick made a motion to accept the Treasurer's Report and Hal seconded the motion. The motion was approved by unanimous roll-call vote. [08-15-23-4]

- VII. **Office Manager's Report**

- **Billing Month:** August bills sent out totaled \$95,918.07.
- **A/R Aging Accounts:** 10 lots were turned over to Ogle County the end of July due to nonpayment of taxes. This resulted in Bad Debt of \$10,921.96 that was written off the end of July. Past due accounts currently total \$36,116.59. A detailed report was provided to the Board. 12 of our past due accounts are metered homes. Since our Ordinance is not clear on when to shut off water due to nonpayment, the Board chose that at 15 days past due a letter will be sent with a notice to shut off in 30 days from the date of the letter.

VIII. Old Business

- **Water System Update:** Hydrant flushing has begun and will be completed this week. Main break today on Vermillion Lane. Water system inspection next Thursday.
- **Water Tower Painting:** Darin Clarke from Maguire Iron presented additional details regarding payment options for painting the water tower and an ongoing maintenance plan. The maintenance plan can be added at any time, but pricing is determined based on inspection and the last time the water tower was painted. The provided quote includes “Lost Lake” painted on one side of the water tower. The 4-year payment plan with the maintenance plan is as follows:

Year 1	Visual Inspection	\$5,000
Year 2	Paint Interior & Exterior, Repairs	\$99,692
Year 3	Visual Inspection	\$99,692
Year 4	Visual Inspection	\$99,692
Year 5	Clean Out / ROV	\$99,692
Year 6	Visual Inspection	\$20,810

Following years cost will be for the maintenance plan at the same cost as year 6 plus a maximum 5% increase. All maintenance, repairs, and future paintings are included in this cost as long as the maintenance program remains in place. This plan can be terminated at any time, but the Board is hopeful that future Boards will keep this asset management plan in place. The annual maintenance fee makes it much easier to budget for our water tower.

Rick made a motion to approve the Maguire Iron contract to paint the water tower with a 4-year payment plan and the maintenance plan, and Hal seconded the motion. The motion was approved unanimously by roll-call vote. [08-15-23-5]

- **WWTP Update:** An engineering agreement based on IEPA requirements is being drawn up with Chamlin. Our ammonia levels are still too high, and the IEPA is requiring adjustments to be made to bring us into compliance. Renovations could be 6 figures, depending on where the aeration needs to take place. Chamlin and the IEPA will help us apply for a low-interest loan to cover costs. Chamlin’s project plan is not to exceed \$20,000 plus 6-8% of the project cost. The EPA loan can include the cost of sand filter #2 replacement. Cheri and Hal will need to sign the engineering agreement.

Laura made a motion to approve Chamlin’s Agreement for Engineering Services and Hal seconded the motion. The motion was approved unanimously by roll-call vote. [08-15-23-6]

- **Budget Committee Update:** A first draft has been prepared. The Committee will be sure to include 100% of the first year water tower cost in the 2024 budget and additional annual costs in future budgets.
- **Homestead Rate Committee Update:** Work continues developing a spreadsheet that reflects all parcels and our current billing. Joe feels that per our ordinance, a homestead exemption is already allowed, meaning that a home and additional lots that are combined into one parcel would be free of availability fees. Ogle County said that once lots are combined to one parcel, this cannot be undone without going through the same process with Ogle County. The Committee will be looking at the bottom line and a variety of fee structures to meet our expenditures. We need a clear definition of “lot” and “parcel” in our ordinance, and Cheri will check with our attorney for guidance on these definitions. She will also be asking the attorney about a possible tax levy, special assessments, and a possible rental contract for DC Computer’s equipment on our water tower. The Committee should have information to review at next month’s meeting.

IX. New Business

- X. **Adjournment:** Laura made a motion to adjourn the meeting at 7:36 pm and Joe seconded the motion. The motion was approved by unanimous vote. [08-15-23-7]

The next Regular Meeting will be held on September 19, 2023 at 6:00 PM.

August 15, 2023 Motion List

08-15-23-1 Approval of the Agenda: Joe made a motion to approve the agenda, and Hal seconded the motion. The motion was approved by unanimous vote. [08-15-23-1]

08-15-23-2 Approval of the July 16, 2023 Special Meeting Minutes: Joe made a motion to approve the July 16, 2023 Special Meeting Minutes and Laura seconded the motion. The motion was approved by unanimous vote. [08-15-23-2]

08-15-23-3 Approval of the July 18, 2023 Regular Meeting Minutes: Joe made a motion to approve the July 18, 2023 Regular Meeting Minutes and Cheri seconded the motion. The motion was approved by unanimous vote. [08-15-23-3]

08-15-23-4 Treasurer's Report: Rick made a motion to accept the Treasurer's Report and Hal seconded the motion. The motion was approved by unanimous roll-call vote. [08-15-23-4]

08-15-23-5 Water Tower Painting: Rick made a motion to approve the Maguire Iron contract to paint the water tower with a 4-year payment plan and the maintenance plan, and Hal seconded the motion. The motion was approved unanimously by roll-call vote. [08-15-23-5]

08-15-23-6 Waste Water Treatment: Laura made a motion to approve Chamlin's Agreement for Engineering Services and Hal seconded the motion. The motion was approved unanimously by roll-call vote. [08-15-23-6]

08-15-23-7 Adjournment: Laura made a motion to adjourn the meeting at 7:36 pm and Joe seconded the motion. The motion was approved by unanimous vote. [08-15-23-7]