



Lost Lake Utility District

Regular Meeting Minutes

404 Lake Court, Dixon IL at 6:00 PM

December 17, 2024

Trustees Present: Rick Reardon, Vice Chair; Amy Spelde, Trustee; Linda Repesh, Trustee; Judy Plum, Trustee; Don Merry, Trustee

Staff Present: Beth Caudill, Office Manager; Julie Peters, Treasurer; Eric Thomas, Operator

Absent: Anne Harms, Chair

I. Call to Order and Roll Call: Rick Reardon called the meeting to order at 6:00 pm.

II. Pledge of Allegiance

III. Approval of the Agenda: Judy motioned to approve the agenda and Linda seconded the motion. The motion was approved by unanimous vote. [12-17-24-1]

IV. Guest/Public Opinion: Basement flooding concern.

V. Approval of November 19, 2024 Regular Meeting Minutes: Amy motioned to approve the November 19, 2024 Regular Meeting Minutes and Judy seconded the motion. The motion was approved by unanimous vote. [12-17-24-2]

VI. Reports

- **Treasurer's Report:** Financial reports were provided to the Board and read into the record for period ending November 30, 2024. We are required to have 1.25 times the amount of the following year's loan payments on hand for our bond debt service in order to be compliant with our IEPA loans. The Sauk Valley Bank High Interest Savings balance will be going toward our first water tower maintenance payment.
 - *Operating Account:* beginning balance \$175,570.16; receipts \$22,658.32; expenditures \$41,727.86; ending balance \$156,500.62. *Project Fund:* beginning balance \$145,088.40; receipts \$6,156.31; ending balance \$151,244.71. *Debt Service Bond Fund:* beginning balance \$246,882.43; receipts \$17,548.22; expenditures \$160,607.08; ending balance \$103,823.57. *Sauk Valley CD (formerly Money Market Fund):* beginning balance \$75,841.17; receipts \$287.28; ending balance \$76,128.45. *Equipment Replacement Fund:* beginning balance \$16,863.62; receipts \$18.02; ending balance \$16,881.64. *IMRF Fund:* beginning balance \$15,083.69; receipts \$831.22; expenditures \$1,294.86; ending balance \$14,620.05. *Sauk Valley Bank High Interest Savings (formerly Bank of Amboy CD):* beginning balance \$77,274.69; receipts \$248.87; Ending Balance \$77,523.56.
 - Don motioned to approve the November, 2024 Treasurers Report and Amy seconded the motion. The motion was approved by unanimous roll call vote. [12-17-24-3]
- **President's Report:** Due to the lack of board orientation, Rick encouraged board members to review the operator's guide that Cheri created. The document has been emailed to all board members.
- **Office Manager's Report:**
 - **Past Due Accounts:** 58 accounts are past due totaling \$63,850.04. The majority of these accounts are vacant lot owners, and we continue to chase debt for availability fees.
 - **Emergency Notifications:** Working on an upgrade to Blackboard Connect, our emergency notification platform, that allows Customers to login to their own portal to update contact information at their convenience. Hoping to roll out this program early next year with the meter upgrade options.
 - **Meter Upgrades:** RVS, our billing software, updates are completed. 6 new cellular meters have been installed. BEACON training is scheduled for Wednesday, January 22nd: operator training to begin at 9am and admin training to begin around 1pm. Board members are welcome to attend, but not a quorum.
 - **Holiday Office Hours:** The office will be closed 12/24, 12/25, 12/31, & 1/1.

- **Properties Listing:** The county assessor provided a list of all property owners within our District that will be used to compare with our billing system, ensuring that all property owners are being billed properly.
- **Rate Changes:** Our billing system will need to be updated with the new rates prior to the February billing. All publications listing rates will also need to be updated.
- **Operator’s Report (Water & Wastewater Systems):**
 - Sledge hauled on 11/20
 - Quill on well 10 fixed
 - Chlorine delivery received
 - 6 new meters installed
 - Sand filter 2 was turned off by Chad due to pooling, but was turned back on this past Spring. So far there are no issues, but will continue to monitor.
 - Truck maintenance scheduled
 - Well 9’s sample reflected bacteria contamination, but retest was clear. Will continue to monitor.

VII. Old Business

- **Chamlin WWTP IEPA Requirements Project:** IEPA is asking for a single audit if we borrow more than \$750,000. This requirement may be able to be waived, and if not, we can borrow \$749,000 instead of \$797,000 to avoid the extensive cost of a single audit.
- **Water Tower Maintenance:** Eric is working with Test Inc to get the proper quote from Putnam. More information will be available at the next meeting.

VIII. New Business

- **Approve Ordinance 06-2024 Borrowing Ordinance:** Amy motioned to approve the Borrowing Ordinance for the required WWTP improvements and Rick seconded the motion. The motion was approved by unanimous roll call vote. [12-17-24-4]

WATER POLLUTION CONTROL LOAN PROGRAM ORDINANCE AUTHORIZING LOAN AGREEMENT. ORDINANCE NUMBER 06-2024.

AN ORDINANCE authorizing the Lost Lake Utility District, to borrow funds from the Water Pollution Control Loan Program

WHEREAS, the Lost Lake Utility District operates its sewerage system (“the System”) and in accordance with the provisions of 70 ILCS 3705/0.01 *et seq.* and the Local Government Debt Reform Act, 30 ILCS 350/1 (collectively, “the Act”), and

WHEREAS, the Chair and Board of Trustees of the Lost Lake Utility 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 the following: wastewater treatment plan improvements to reduce ammonia in the effluent and provide increased treatment volume, 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 Lost Lake Utility District; which Project has a useful life of twenty (20) years; and

WHEREAS, the estimated cost of construction and installation of the Project, including engineering, legal, financial and other related expenses is \$797,620.00, 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 365, 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 twenty (20) 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 Lost Lake Utility District from the Water Pollution Control 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 Act; and

WHEREAS, in accordance with the provisions of the Act, the Lost Lake Utility District is authorized to borrow funds from the Water Pollution Control Loan Program in the aggregate principal amount of \$797,620.00 to provide funds to pay the costs of the Project;

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

NOW THEREFORE, be it ordained by the Corporate Authorities of the Lost Lake Utility 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 Lost Lake Utility 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

provisions of the Illinois Environmental Protection Act, 415 ILCS 5/1 et seq.; and that for the purpose of constructing the Project, it is hereby authorized that funds be borrowed by the Lost Lake Utility District in an aggregate principal amount (which can include construction period interest financed over the term of the loan) not to exceed \$797,620.00.

SECTION 3. ADDITIONAL ORDINANCES

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, 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 project or purposes described herein. Any additional ordinances or proceedings shall in all instances become effective in accordance with the Act or other applicable laws. 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 Lost Lake Utility District may not adopt additional ordinances or amendments which 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 Lost Lake Utility District to pay the principal and interest due to the Water Pollution Control Loan Program without the written consent of the Illinois Environmental Protection Agency.

SECTION 4. LOAN NOT INDEBTEDNESS OF LOST LAKE UTILITY DISTRICT

Repayment of the loan to the Illinois Environmental Protection Agency by the Lost Lake Utility 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 Lost Lake Utility District within the meaning of any constitutional or statutory limitation.

SECTION 5. APPLICATION FOR LOAN

The Chair is hereby authorized to make application to the Illinois Environmental Protection Agency for a loan through the Water Pollution Control Loan Program, in accordance with the loan requirements set out in 35 Ill. Adm. Code 365.

SECTION 6. ACCEPTANCE OF LOAN AGREEMENT

The Corporate Authorities hereby authorize acceptance of the offer of a loan through the Water Pollution Control 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 7. OUTSTANDING BONDS

The Lost Lake Utility District has outstanding bonds that are payable from revenues of the system but the outstanding bonds are not senior to, but on parity with, the loan authorized by this Ordinance.

SECTION 8. AUTHORIZATION OF CHAIR TO EXECUTE LOAN AGREEMENT

The 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 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 9. 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 10. 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.

- **Approve Resolution for Loan Document Signatures:** Amy motioned to approve Resolution 05-2024 for Loan Document signatures and Rick seconded the motion. The motion was approved by unanimous roll call vote. [12-17-24-5]

A RESOLUTION AUTHORIZING A REPRESENTATIVE TO SIGN LOAN DOCUMENTS FOR WASTEWATER TREATMENT PLANT IMPROVEMENTS L176939 FOR THE LOST LAKE UTILITY DISTRICT OF OGLE COUNTY, ILLINOIS. RESOLUTION NO. 05-2024

Whereas, application provisions for loans from the Water Pollution Control Revolving Fund for construction of sewage treatment works require that the Board of Trustees of the Lost Lake Utility District of Ogle County, Illinois authorize a representative to sign the loan application forms and supporting documents: therefore, be it resolved by the Board of Trustees of the Lost Lake Utility District of Ogle County, Illinois that Anne Harms is hereby authorized to sign all loan application forms and documents.

- IX. Executive Session employee matters - citation no. 5ILCS 120/2 (C):** Amy motioned to dismiss to Executive Session and Rick seconded the motion. The motion was approved by unanimous vote. [12-17-24-6]
- X. Announcements:** Merry Christmas!
- XI. Adjournment:** Linda motioned to adjourn the meeting at 6:51 pm and Don seconded the motion. The motion was approved by unanimous vote. [12-17-24-7]

The next Regular Meeting will be held on January 21, 2025 at 6:00 PM.

December 17, 2024 Motion List

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Adjournment: Linda motioned to adjourn the meeting at 6:51 pm and Don seconded the motion. The motion was approved by unanimous vote. [12-17-24-7]