

# Minutes

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## *August 10, 2010 – Board Meeting*

On August 10, 2010, the Board of Trustees of the Lake County Public Water District met in a regularly scheduled meeting at the hour of 5:30 p.m. in the conference room of the District, 500 – 17th Street, Zion, Illinois. Chairman Topcik opened the meeting at approximately 5:50 p.m. Upon the roll being called, Trustees Jaeger, Ruchti, Monk, Moe, and Topcik were present. Trustee Hill was absent. Trustee Mitchell arrived at 5:50 p.m. Also present were General Manager Albrecht, Operations Manager White, District Attorney Dan Kucera, District Secretary Karen Johnston, Mr. Bret Hancock, Maxim Construction, Mr. Brian Hopkins, Maxim Construction, Jon Meyer, CDM, and Jere Lapish, marine consultant.

Chairman Topcik indicated that the meeting would start with the guest speakers. He stated that there was a letter from Mr. Bret Hancock, Vice-President of Maxim Construction, included in the board's packet. The letter was in response to the District's letter of July 14, 2010, assessing liquidated damages, per contract, for Maxim failing to meet the substantial completion date. Chairman Topcik turned the floor over to Mr. Hancock who proceeded to discuss Maxim's reasons for failing to meet the date of substantial completion, and his opinion why the District should not assess liquidated damages. He stated that the main reason for the delay was due to the pump manufacturer, Fairbanks-Morse, not providing the pumps in a timely fashion. The discussion then moved on to the painting and insulation of the tank, and delays caused by the temperature that was necessary for the performance of this work. Final completion and time extensions were discussed as well. A discussion of this entire subject followed including Mr. Hancock taking questions from the board. Mr. Hancock and Mr. Hopkins left the meeting at 6:00 p.m. following these discussions.

General Manager Albrecht asked Mr. Jon Meyer with CDM for his comments regarding the previous discussions. He discussed the pump issues with the board. The painting of the tank was also discussed. Mr. Meyer left the meeting at 6:10 pm.

Chairman Topcik indicated that Mr. Jere Lapish, the District's marine consultant was present to discuss the stone placement along the intake pipe. General Manager Albrecht started the conversation with an overview of the current issues surrounding the pipe. He indicated that the District had solicited bids for inspection and placement of rock along the intake pipe. Based on Mr. Lapish calculations, which were included in a memo in the board packet, the amount of stone previously indicated would not be an adequate amount for the job. He then turned the floor over to Mr. Lapish who started his discussion with a brief history of stone placement along the intake pipe. He proceeded to discuss the cause for the increase in the stone, and took questions from the board. Trustee Jaeger made a motion to approve an addendum to the contract of \$9,700, with authorization for the general manager to allow additional expenditures, not to exceed \$15,000, if further problems arise, which was seconded by Trustee Mitchell and unanimously approved.

Mr. Lapish also suggested that the District hire a qualified diver to inspect the pipe next spring.

Chairman Topcik requested that items 3, 5, 6, 7 (July Minutes, Treasurers Report, Budget and MOS Report) be placed on a consent agenda and that the August Disbursements should be reviewed separately. Trustee Monk made a motion to place those items on the consent agenda and also made a motion to approve the consent agenda; both items were seconded by Trustee Mitchell and unanimously approved.

General Manager Albrecht stated that the disbursements includes a payout request from Maxim Construction, as well as a deduction in the amount of \$9,100 representing the liquidated damages the District, by contract, is allowed to assess against Maxim Construction for failing to achieve *final* completion thirteen days before the board meeting. General Manager Albrecht stated Maxim was not done yet and there would be more

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liquidated damages. General Manager Albrecht indicated that he had included a memo in the board packet explaining the calculation of the pay request. A discussion of the subject followed. Trustee Ruchti made a motion to assess the liquidated damages for \$9,100, which was seconded by Trustee Monk and unanimously carried. Trustee Jaeger then made a motion to approve the August disbursements, which was seconded by Trustee Mitchell and unanimously approved.

### OPERATIONS & MAINTENANCE ACCOUNT August, 2010 – Disbursements

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
2920	FICA Withholding Taxes (EE Portion)	Jul-10	2,819.05
2921	Federal Withholding Taxes	Jul-10	5,957.52
2922	IL Department of Revenue	Monthly Remittance	911.05
2923	WI Department of Revenue	Monthly Remittance	466.28
7205	FICA Withholding Taxes (ER Portion)	Jul-10	2,818.75
7211	Commonwealth Edison	Electricity	16.20
7211	Integrys	Electricity	15,848.77
7215	McHenry Analytical	Sample Testing - 7/12/10	206.50
7215	North Shore Sanitary District	2nd Quarter 2010 Mandatory Lab Test	120.00
7221	Hydrite	Chlorine Shipment	781.00
7221	Nalco	Nalclear Shipment	4,834.42
7221	Usalco	Aluminum Sulfate Shipment	5,086.29
7222	Grainger	Misc. supplies	211.98
7222	Hach	Lab supplies	427.56
7222	Millipore	Lab supplies	1,361.86
7222	Siemens	Misc. supplies	349.00
7222	VWR International	Misc. supplies	140.16
7223	Air Con	Repair air dryer	258.00
7223	Control Tech	Electro-Pneumatic Positioner	878.72
7223	National Pump & Compressor	Pneumatech CFM Dryer	1,837.40
7225	K. Erickson Designs	July Maintenance	230.00
7225	Klean Korner	Janitorial Services	565.00

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7232	Cimco Communications	Telephone service	1,530.55
7232	Verizon Wireless	Cellular Phone Service	242.53
7234	Quill	Office Supplies	33.88
7234	Reliable	Office Supplies	282.46
7234	Staples	Office Supplies	104.11
7235.2	AARP Medical	Medical Insurance for P & D Fragassi	401.84
7235.2	AARP Prescription	Prescription coverage for P&D Fragassi	74.20
7235.2	Humana Choice Care	Monthly Med/Dent Premium	4,811.83
7235.2	Secketa, Nick	Deductible Reimbursement	953.96
7236	Zion Auto Parts	Misc. parts	12.28
7239	Bull's-Eye Boring, Inc.	Move Concrete Blocks	275.00
7241	James Hamlin & Co.	July Payroll Service Fees	266.71
7242	Daniel J. Kucera	General Legal Services	3,277.70
7251	Sun-Times Media	Advertisement	84.80
7251	Zee Medical	First Aid Supplies	74.90
	<b>First Bankcard</b>		
	Acct. #7222	Supplies	57.28
	Acct. #7223	Maintenance/Repairs	622.93
	Acct. #7234	Office Supplies	322.38
	Acct. #7236	Transportation	112.40
	Acct. #7237	Meetings	206.63
	Acct. #7238	Subscriptions/Publications	309.50
	<b>TOTAL</b>		<b>\$60,183.38</b>

## CONSTRUCTION FUND EXPENDITURES

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7266	CDM	Plant upgrade to 6.5 mgd	11,114.90
7266	Maxim	Plant upgrade to 6.5 mgd - Payout #16	160,043.76
7266	Maxim - Liquidated Damages	Liquidated Damages	(9,100.00)

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7268	Baxter & Woodman	SCADA System Improvements	64.50
7269	Bullseye Contractors	Chlorine Gas Scrubber Project	31,885.20
7272	Huff & Huff	Streambank Stabilization	1,205.50
	Total		<u>\$195,213.86</u>

## R&R FUND EXPENDITURES

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7270	White, Dennis	Intake Pipe Project	804.17
	Total		<u>\$804.17</u>

## OLD BUSINESS:

- **Plant Upgrade to 6.5 mgd Project** – General Manager Albrecht again discussed with the board the liquidated damages for Maxim Construction. Also he noted that the retainage now was reduced from 10% to 5% as per the contract.
- **Kellogg Creek:** - General Manager Albrecht stated that the District has a meeting set for the following Thursday to go over the project for bidding. Included in the packet was the latest cost estimate of \$97,000. General Manager Albrecht indicated that tree removal was included in the estimate for \$20,000, and would probably be subbed out to a separate contractor. Last year Operations Manager White received an estimate from Becker Landscaping for \$9,500. Becker would not be able to hold this price; however, General Manager Albrecht felt that a new price would be approximately \$10,500 to \$11,000. General Manager Albrecht felt that if the District pulled this item out of the contract and found their own contractor it could result in substantial savings. Trustee Ruchti made a motion to award a contract not to exceed \$11,000 for tree removal to an outside contractor, which was seconded by Trustee Jaeger and unanimously approved. A discussion of this project followed. General Manager Albrecht indicated that verbal approval had been given by Ron Colangelo, Director of Public Works, for the City of Zion to remove whatever trees are necessary for this project.
- **Chlorine Scrubber** – General Manager Albrecht included a portion of the payout request from Clark Dietz for Bullseye Contractors for work performed thus far on this project. He also indicated that the first progress meeting for this project had been held. The contractor is awaiting arrival of the scrubber unit to complete this project. It is anticipated that it will arrive sometime in October. Discussion of this project followed.
- **North West Lake Michigan Planning Group:** - General Manager Albrecht included two items in the board packet regarding this group. One was a positive letter from the president of

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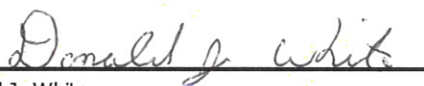
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Volo; the other was a negative news article regarding the Village of Antioch. General Manager Albrecht stated that as of the previous day there was no word regarding the water allocations for the group. Chairman Topcik indicated that he had attended the last meeting for this group, and that Barbara Adams had made the changes to the draft MOU requested by the District's attorney, Mr. Dan Kucera. However, some members of the planning group indicated that they felt further changes would need to be made to the MOU.

Further discussion of the group and this meeting followed.

With no further business to discuss, Trustee Mitchell made a motion to adjourn, which was seconded by Trustee Ruchti and unanimously approved.

X 

Donald J. White  
Secretary