

Minutes

February 8, 2011- Board Meeting

On February 8, 2011, 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 5:30 p.m. Upon the roll being called, Trustees Mitchell, Ruchti, Moe, Monk, Jaeger, and Topcik were present. Trustee Hill was absent. Also present were General Manager Albrecht, Operations Manager White, District Attorney Dan Kucera, and District Secretary Karen Johnston. Mr. Bret Hancock, Mr. Daniel Sjong, and Mr. Brian Hopkins, all of Maxim Construction, were present as guest speakers.

Chairman Topcik indicated that Mr. Hancock, as a guest speaker, would speak first on the subject of the plant upgrade project. The board introduced themselves and Mr. Hancock proceeded with his presentation.

Mr. Hancock stated that he came to discuss the project, the final completion date, and liquidated damages. The first item he discussed was the transfer and raw water pumps provided by Fairbanks Morse. He indicated that approximately halfway through the submittal process it became clear that pumps specified would not perform as necessary. Fairbanks Morse agreed to provide an alternate 75 hp pump at no additional cost. Mr. Hancock questioned why the engineer specified a 60 hp motor when it would not meet the specifications. He also questioned why Fairbanks Morse would absorb the additional costs. He felt that this affected Maxim's construction schedule. The next item Mr. Hancock mentioned was the solids contact clarifier equipment. He stated that the equipment was supplied by Westech, and the design was based on a Graver unit. This consumed more time, as the equipment was different and required almost a redesign. He also discussed the insulation system on the outside of the tank. Because of weather restrictions related to the foam, they were delayed until the temperature and humidity levels were favorable. Mr. Hancock stated that Maxim had done the best they could under the circumstances, and that several of the items were out of their control. Chairman Topcik questioned whether Maxim had requested an extension. Mr. Hancock indicated that Maxim had "reserved" their right to request an extension. He said they had sent a letter to CDM the previous Monday advising CDM that Maxim felt they had reached final completion. As no one had seen the letter requesting final completion, Mr. Hancock provided the board members with copies. After reviewing the letter, Chairman Topcik asked if the board had questions. A discussion of final completion, punch lists, time extensions, rusting of the new tank, and liquidated damages followed. Chairman Topcik advised the Maxim people that the board would take their opinions under advisement. Mr. Hancock, Mr. Hopkins, and Mr. Sjong left the meeting at 6:20 p.m.

Chairman Topcik requested a motion to place items three through seven on the Consent Agenda. Trustee Jaeger made a motion to place items three through seven on the consent agenda, which was seconded by Trustee Mitchell and unanimously approved. Following this action, on a motion by Trustee Jaeger, seconded by Trustee Mitchell, and unanimously carried the consent agenda was approved and the above items three (3), four (4), five (5), six (6), and seven (7) were placed on file.

OPERATIONS & MAINTENANCE ACCOUNT FEBRUARY 2011 – DISBURSEMENTS

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
2920	FICA Withholding Taxes (EE Portion)	Jan-11	2,098.79
2921	Federal Withholding Taxes	Jan-11	5,989.35

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ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
2922	IL Department of Revenue	Monthly Remittance	918.71
2923	WI Department of Revenue	Monthly Remittance	425.66
7205	FICA Withholding Taxes (ER Portion)	Jan-11	2,845.75
7211	Commonwealth Edison	Electricity	16.16
7211	IntegrYS	Electricity	17,593.74
7215	McHenry Analytical	Sample Testing	27.50
7215	North Shore Sanitary	Sample Testing	120.00
7215	Waukegan, City of	Sample Testing	8.75
7221	Hydrite	Chlorine Shipment	811.00
7221	Usalco	Aluminum Sulfate Shipment	5,482.43
7222	Ace Hardware	Misc. supplies	10.99
7222	Grainger	Misc. supplies	608.85
7222	Griswold Industries	Misc. supplies	334.28
7222	Hach Company	Misc. supplies	224.72
7222	Olson Oil	Fuel for generator	615.88
7222	Siemens Water Technologies	Misc. supplies	366.00
7222	Zion Auto Parts	Misc. supplies	13.20
7223	K. Erickson Designs	Snowplowing	3,737.50
7225	Klean KornerS	Monthly Janitorial Services	565.00
7232	Cimco Communications	Telephone service	1,307.77
7232	Verizon Wireless	Cellular Phone Service	242.91
7234	Quill	Office Supplies	127.24
7234	Staples	Office Supplies	32.98
7234	United Parcel Service	Shipping Charges	1.12
7235.2	AARP Medical	Medical Insurance for P & D Fragassi	414.20
7235.2	AARP Prescription	Prescription coverage for P&D Fragassi	61.20
7235.2	Humana Choice Care	Monthly Med/Dent Premium	4,811.83
7235.2	Sun Life Financial	Disability Insurance	1,260.55

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ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7238	Zion Chamber of Commerce	Annual Membership Dues	60.00
7241	James Hamlin & Co.	Payroll Service Fees	164.35
7242	Daniel J. Kucera	General Legal Services	1,438.85
7251	Correll Co.	Investment Service Fee	212.00
	TOTAL		\$52,949.26

CONSTRUCTION FUND EXPENDITURES

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7266	CDM	Plant Upgrade to 6.5 mgd	7,768.86
7269	Clark Dietz	Chlorine Scrubber SCADA Integration	1,607.35
	Total		\$9,376.21

COMMITTEE APPOINTMENTS:

Chairman Topcik included a memo regarding his appointments to the Nominating, Salary, and Long Range Planning Committees. They are as follows:

Nominations Committee:

Trustees: Richard Moe, Chairperson
Doug Jaeger

Salary Committee:

Trustees: Amos Monk, Chairperson
Michael Ruchti

Long Range Planning:

Trustees: Al Hill or Jerry Topcik, Chairperson
Dorothy Mitchell

Chairman Topcik then asked if there were any questions regarding the appointments. As there were none, the subject was closed.

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OLD BUSINESS:

- ***Plant Upgrade to 6.5 mgd Project*** – General Manager Albrecht indicated that he was not aware Maxim had submitted a letter requesting final completion. He stated that although it was a good sign, it did not necessarily mean that CDM or the District agrees. He also indicated that both he and Operations Manager White feel there are still some outstanding items. A discussion of final completion followed. The board also discussed Maxim's opinion that they had reserved the right for a time extension. Attorney Kucera reviewed the points Mr. Hancock addressed with the board. No resolution was reached on liquidated damages. Trustee Jaeger made a motion to hold the meeting open until Wednesday, February 23, 2011 at 6:15 p.m., which was seconded by Trustee Mitchell and unanimously approved.
- ***Kellogg Creek:*** – General Manager Albrecht stated that the District has advertised for bids. Huff & Huff is still making changes to the final plans and specifications. He indicated that he hoped to have recommendations for the board by their March 2011 board meeting. He also stated that the project should go very quickly, approximately 30 days, plus planting.
- ***Chlorine Scrubber*** – General Manager Albrecht stated this project is basically complete. The District owes Bullseye money, but they had not submitted another pay request as of the date of the board meeting. In addition, CDI needs to provide the District with as constructed drawings.
- ***North West Lake Michigan Planning Group:*** – General Manager Albrecht stated that both he and Chairman Topcik had attended the last meeting of group. Chairman Topcik stated that the meeting was fairly upbeat. The group reviewed the allocations of the various communities. Attorney Kucera indicated that he had still not received the revised MOU from Barbara Adams, attorney for the group. The board then discussed the subject fully.
- ***Intake Pipe Project Update*** – General Manager Albrecht discussed the costs incurred from rock placement along the intake since 1995. He indicated that he was not sure they would ever stop. He also stated that the State of Illinois should participate in these costs. Chairman Topcik stated he felt the District should explore this with the State. General Manager Albrecht also indicated that the State was looking at a project along the shore. A meeting had been set with Todd from the Department of Natural Resources. The board proceeded to discuss this subject. Trustee Jaeger made a motion to charge the intake costs to the Operations & Maintenance account, which was seconded by Trustee Ruchti and unanimously approved.
- ***Solids Contact Unit (North Unit) #2*** – General Manager Albrecht stated that this project was bid on January 20, 2011. There was a base bid for painting and repairs, and an alternate bid that included replacing the existing steel dome with a fiberglass dome. Dixon Engineering prepared the bid specifications. A bid tab was included in the board packet. Tecorp was the apparent lower bidder on both the base and alternate bids. There were other five bidders that were significantly higher. Dixon has determined that Tecorp is a viable bidder and that they will perform the work for their bid amount. Therefore, General Manager Albrecht recommended that the board award this contract to Tecorp for either the base or alternate bid. A discussion of the project followed. Trustee Jaeger made a motion to award the

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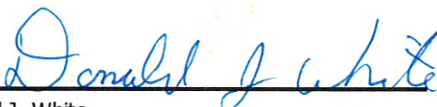
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contract to Tecorp for their alternate bid that includes the fiberglass dome, which was seconded by Trustee Mitchell. Trustees Mitchell, Monk, Jaeger, and Topcik all voted aye; Trustees Ruchti and Moe voted nay. The motion carried.

NEW BUSINESS:

- **Proposed O&M Budget for Fiscal Year 2012** – General Manager Albrecht included a proposed budget for the coming fiscal year 2012 in the board packet; however, it could be amended to include the expense of rock placement along the intake. He indicated that it need not be approved that evening, but a budget should be approved no later than the April board meeting. A discussion of the proposed budget followed.
- **Audit Proposal** – General Manager Albrecht included a proposal from Mr. M. David Cain of Milburn Cain & Co. for audit services. The proposal was for an amount not to exceed \$18,500. Trustee Jaeger made a motion to accept the audit proposal, which was seconded by Trustee Monk and unanimously carried.
- **Snow Storm** – General Manager Albrecht included a memo in the board packet regarding the recent snowstorm. Operations Manager White informed the board that the operators had done a very good job of keeping the plant going during the storm. He also outlined new procedures in the event of another snow emergency. A discussion of the storm followed.

There was no further business to discuss and the meeting will close and reconvene on Wednesday, February 23, 2011.

X 

Donald J. White
Board Secretary