

Minutes

March 8, 2011- Board Meeting

On March 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 Moe, Monk, Jaeger, and Topcik were present. Trustee Hill was absent. Trustee Mitchell arrived at 5:45 p.m. Trustee Ruchti arrived at 5:55 p.m. Also present were General Manager Albrecht, Operations Manager White, and District Secretary Karen Johnston.

Chairman Topcik requested a motion to place items two through six on the Consent Agenda. Trustee Moe made a motion to place items two through six on the consent agenda, which was seconded by Trustee Monk 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 two (2), three (3), four (4), five (5) and six (6) were placed on file.

OPERATIONS & MAINTENANCE ACCOUNT MARCH 2011 – DISBURSEMENTS

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
2920	FICA Withholding Taxes (EE Portion)	Feb-11	2,052.17
2921	Federal Withholding Taxes	Feb-11	5,843.81
2922	IL Department of Revenue	Monthly Remittance	1,966.30
2923	WI Department of Revenue	Monthly Remittance	417.10
7205	FICA Withholding Taxes (ER Portion)	Feb-11	2,778.57
7211	Integritys	Electricity	15,262.81
7212	North Shore Sanitary District	Wastewater Charges	1,624.44
7215	McHenry Analytical	Sample Testing	277.50
7221	Hydrite	Chlorine Shipment	811.00
7221	Usalco	Aluminum Sulfate Shipment	5,680.91
7222	Ace Hardware	Misc. supplies	22.97
7222	Grainger	Misc. supplies	280.76
7222	Olson Oil	Fuel for generator	427.29
7222	Siemens Water Technologies	Misc. supplies	166.00
7223	SKF	Vibration Testing	690.00
7223	Tyco Valves & Controls	Valve Replacement	2,285.00
7223	Vortex Technologies	On site calibration	750.00

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7225	Lakeland Larsen	Elevator Maintenance	318.64
7225	Klean Korner	Monthly Janitorial Services	565.00
7231	Gordon Flesch Co.	Monthly Copier Lease	274.00
7232	Cimco Communications	Telephone service	1,307.60
7232	Verizon Wireless	Cellular Phone Service	243.60
7235.2	AARP Medical	Medical Insurance for Diane Fragassi	207.10
7235.2	AARP Prescription	Prescription coverage for Diane Fragassi	30.60
7235.2	Humana Choice Care	Monthly Med/Dent Premium	4,811.83
7235.2	Illinois Public Risk Fund	Workers' Compensation - 2nd Qtr.	4,057.00
7235.2	Secketa, Nick	Deductible Reimbursement	188.69
7237	Albrecht, Al	Refund for meeting	70.00
7238	Illinois Municipal League	Annual Membership Dues	30.00
7241	James Hamlin & Co.	Payroll Service Fees	273.46
7242	Daniel J. Kucera	General Legal Services	3,687.70
7243	Applied Technologies	Engineering Fees	870.00
7251	Sun Times Media	Advertisement	136.00
7251	Correll Co.	Quarterly investment services	330.00
7251	Tony's House of Creations	Flowers for P. Fragassi Funeral	108.00

FIRST BANKCARD			
	Acct. #7222	Misc. supplies	9.62
	Acct. #7223	Maintenance & Repairs	792.68
	Acct. #7234	Office Supplies/Postage	15.99
	Acct. #7236	Transportation	119.73
	Acct. #7237	Meetings	332.29
	Acct. #7238	Dues/Publications	81.50
	TOTAL		\$60,197.66

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CONSTRUCTION FUND EXPENDITURES

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7269	Maxim Construction	Return of liquidated damages	21,600.00
7272	Huff & Huff	Streambank Stabilization	2,237.77
	Total		\$23,837.77

OLD BUSINESS:

- ➔ **Plant Upgrade to 6.5 mgd Project** – General Manager Albrecht included a copy of a letter that he wrote to Maxim, with a copy to CDM, after the reconvened February board meeting outlining the Board’s position regarding liquidated damages. He also included a copy of an email from Jon Meyer of CDM, requesting that Maxim put together a pay estimate, to which Brian Hopkins of Maxim suggested that CDM should put together the pay estimate. General Manager Albrecht indicated that he agreed with the dollar amounts shown in the email. He reviewed what was voted upon at the reconvened February board meeting; withholding liquidated damages for \$45,000, and an additional \$3,000 to cover the items that were not yet completed. The board proceeded to discuss this project. Dorothy Mitchell arrived at 5:45 p.m.
- ➔ **Kellogg Creek:** – General Manager Albrecht stated that there was a bid opening for this project at the District on March 3, 2011. Four bids were received and General Manager Albrecht attached a copy of the bid tabulation. The apparent low bidder was Coperhaver Construction, out of Gilberts, Illinois, with a bid of \$96,896. Neither Huff & Huff nor Randy Stowe had ever worked with this contractor, but they did their due diligence and recommended them for this project. Further discussion of this subject followed. General Manager Albrecht stated that this project should take less than a month to complete. Trustee Moe made a motion to accept the bid amount of \$96,896 and to award the contract to Coperhaver Construction, which was seconded by Trustee Mitchell and unanimously carried.
- ➔ **Chlorine Scrubber** – General Manager Albrecht stated this project is not yet complete. The District owes Bullseye money, however Bullseye need to provide the District with lien waivers, which apparently they are having trouble obtaining. Trustee Ruchti arrived at 5:55 p.m.
- ➔ **North West Lake Michigan Planning Group:** – General Manager Albrecht stated that Attorney Kucera advised him that in principle the District has a final MOU from Barbara Adams, attorney for the group, although a final written copy has not yet been prepared. General Manager Albrecht also indicated that Chairman Topcik had attended the last meeting of group. He asked if Chairman Topcik would like to speak on the subject. Chairman

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Topcik stated that the mayors had met for a policy meeting. They discussed financial issues, as well as member issues. The board then discussed the subject fully.

- ➔ **Intake Pipe Project Update** – General Manager Albrecht stated that the District has a request for a proposal for the inspection of the pipe. He that he should have a recommendation by the April Board meeting. The board discussed the possibility of having representative JoAnn Osmond present at one of their board meetings to discuss the impact of the North Point Marina on the District’s intake pipe. A discussion of this followed.
- ➔ **Proposed O&M Budget for Fiscal Year 2012** – General Manager Albrecht included a revised copy of the proposed budget that had been discussed at the February 8, 2011 board meeting. He stated that he had made two changes. One was adding a new line items for expenses related to the intake pipe. The other was for the increase in health insurance for the employee’s of the District, as indicated by Mr. Ed Shultis of West’s Insurance. He indicated that a budget should be approved no later than the April board meeting. A discussion of the proposed budget followed, with the board agreeing that they would vote on it at the April board meeting.
- ➔ **R & R** – General Manager Albrecht stated that the District, by contract, needed to hire an independent engineer to review the replacement cost of the District’s facilities. He directed the board’s attention to his memo, and a letter from John Boldt of CDI, which valued the replacement cost of all District facilities at \$20,942,000. Mr. Boldt’s letter indicated that this value had increased by 14.92 percent, as a result of the new facilities that came on line during the past year and an increase in the cost for this type of construction. A discussion of the valuation of the District’s facilities followed. General Manager Albrecht stated that he would like the Board’s approval for the new funding level for the R&R account of \$1,396,000, which reflects the changes per Mr. Boldt’s valuation. Trustee Jaeger made a motion to approve the amount of \$1,396,000 for the new R&R funding level, which was seconded by Trustee Ruchti and unanimously approved.

NEW BUSINESS:

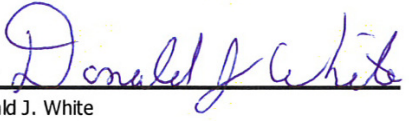
- ➔ **District Vehicles** – Trustee Mitchell stated that in light of the recent snow storm, the District should consider purchasing a four-wheel drive truck and possibly an all-terrain vehicle. General Manager Albrecht indicated that he would like to get bids for a new truck in June or July. Operations Manager White stated that he would look into possible alternatives for all-terrain vehicles and provide information to the board at their next board meeting.
- ➔ **Federal EPA** – General Manager Albrecht stated that he had been asked on the behalf of the District to fill out a survey for this group relative to amounts anticipated to be spent on new and replacement facilities between now and 2030.
- ➔ **Land Survey** – The board discussed the possibility of contracting a firm to provide a land survey of the District’s property. Trustee Ruchti felt that it was not necessary at this time. Operations Manager White stated he would look for the most current drawing of the property. A discussion of this subject followed.

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- ✿ **Landscape Proposal** – Ken Erickson, of K. Erickson Designs, the current firm that provides landscaping services for the District, provided Operations Manager White with a proposal for additional work. The proposal was for \$18,000, but included several options which could reduce the price. The board discussed the subject and decided not to award a contract for this proposal. General Manager Albrecht then suggested some additional landscaping up to \$5,000. The board discussed the matter further.

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

X 
Donald J. White
Secretary