

Minutes

May 10, 2011 – Board Meeting

On May 10, 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 Jaeger, Ruchti, Mitchell, Moe, and Topcik were present. Trustees Monk and Hill were absent. Also present were General Manager Albrecht, Operations Manager Don White, and District Secretary Karen Johnston, and District Attorney Dan Kucera. Mr. Brad West from West’s Insurance was present as a guest speaker.

Chairman Topcik stated that the first order of business was a presentation of the insurance policy renewal recommendations effective June 1, 2011, by Mr. Brad West of West’s Insurance. General Manager Albrecht stated that a copy of Mr. West’s letter outlining the insurance renewal was in the board packet. Mr. West started his presentation by reviewing the coverages currently carried by the District. He then discussed the values carried on the policies as well as the amount of the deductibles. He stated that the blanket property limit had increased to a new limit of \$18,037,000, based on limits recommended in the letter from the engineering firm of Clark Dietz, Inc. These limits reflected the construction of the new tank and the SCADA system upgrade. Amos Monk arrived at 5:40 p.m. Mr. West recommended increasing the loss of income coverage as it had not been increased for many years. Mr. West took questions from the board. A discussion of the coverages followed. Mr. West stated that this new policy period would start a new three-year rate guarantee. Trustee Jaeger made a motion to accept the base proposal of \$62,199, along with the option to increase the loss of income coverage from \$2,050,000 to \$3,000,000 for an additional \$646, which was seconded by Trustee Mitchell and unanimously approved. Mr. West then left the meeting.

Trustee Jaeger stated in consideration of the end of the fiscal year, he would like to dispense with the consent agenda. Chairman Topcik then moved on to the reports individually.

- ➔ **MINUTES:** Chairman Topcik stated that the minutes in the board packet included the minutes for the April 12, 2011 meeting. He asked for questions regarding the minutes. As there were no questions, Trustee Mitchell made a motion to approve the minutes of April 12, 2011, which was seconded by Trustee Ruchti and unanimously approved.
- ➔ **DISBURSEMENTS:** Chairman Topcik asked for questions regarding the disbursements. As there were no questions, Trustee Ruchti made a motion to accept the list of disbursements as indicated, which was seconded by Trustee Jaeger and unanimously approved.

OPERATIONS & MAINTENANCE ACCOUNT May, 2011 – Disbursements

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
2920	FICA Withholding Taxes (EE Portion)	Apr-11	3,252.56
2921	Federal Withholding Taxes	Apr-11	9,025.66
2922	IL Department of Revenue	Monthly Remittance	2,241.87
2923	WI Department of Revenue	Monthly Remittance	591.71

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2925	IL Dept. of Employment Security	Apr-11	26.85
7205	FICA Withholding Taxes (ER Portion)	Apr-11	4,403.88
7211	Commonwealth Edison	Electricity	16.20
7211	Integrus	Electricity	14,608.91
7215	McHenry Analytical	Sample Testing	103.00
7221	Hydrite	Chlorine Shipment	811.00
7221	Nalco	Polymer	4,834.42
7221	Usalco	Aluminum Sulfate Shipment	5,916.18
7222	Ace Hardware	Misc. supplies	55.11
7222	Drydon Equipment	Vacuum Regulator	2,584.47
7222	Grainger	Misc. supplies	414.09
7222	Hach	Misc. supplies	508.09
7223	Dahme Mechanical Industries	Valve Replacement	6,975.00
7225	K. Erickson Designs	Landscape Maintenance	890.00
7225	Klean Korers	Monthly Janitorial Services	565.00
7231	Gordon Flesch Co.	Monthly Copier Lease	548.00
7232	Cimco Communications	Telephone service	1,306.88
7232	Verizon Wireless	Cellular Phone Service	231.82
7234	FedEx	Shipping Charges	70.37
7234	Gordon Flesch Co.	Shipping Charges for toner	28.78
7235.1	West's Insurance Agency	Public Official Bond Renewal	1,661.00
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	5,206.00
7235.2	Illinois Public Risk	3rd Quarterly Work Comp Payment	4,057.00
7235.2	White, Don	Deductible Reimbursement	127.91
7236	Pintescu, Ioan	Travel Reimbursement	15.81
7236	White, Don	Travel Reimbursement for Conference	19.89
7236	Secketa, Nick	Travel Reimbursement	15.30
7236	Thompson, Jeremy	Travel Reimbursement	16.32
7241	James Hamlin & Co.	Payroll Fees - 04/13 to 05/10	209.61

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7242	Daniel J. Kucera	General Legal Services	1,125.00
7243	Applied Technologies	Engineering Fees	2,030.00
7251	Filterfresh	Coffee Service	267.56
7251	Sun-Times Media	Truck Bid Advertisement	24.00
FIRST BANKCARD			
	Acct. 7222	Misc. supplies	267.61
	Acct. 7223	Maintenance & Repairs	210.71
	Acct. 7234	Office Supplies	114.73
	Acct. 7236	Transportation	147.37
	Acct. 7237	Meetings	229.82
	Acct. 7251	Miscellaneous	76.71
	TOTAL		\$75,022.95

CONSTRUCTION FUND EXPENDITURES

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7266	CDM	Plant Upgrade to 6.5 mgd	5,450.48
7272	Huff & Huff	Streambank Stabilization	1,918.13
	Total		\$7,368.61

- Treasurers Report:** Chairman Topcik asked for comments on the treasurer’s report. A discussion of this report, including the new banking situation followed. Trustee Jaeger made a motion to approve the Treasurers’ Report for April, which was seconded by Trustee Mitchell and unanimously approved.
- Budget Report:** Chairman Topcik moved on to the Budget Report and a discussion of individual line items followed. Trustee Ruchti made a motion to accept the budget report for April 2010, which was seconded by Trustee Mitchell and unanimously approved.
- MOS:** General Manager Albrecht commented on the Monthly Operation Summary Report for April 2011. After discussion of the MOS, Trustee Jaeger made a motion to accept this report, which was seconded by Trustee Ruchti and unanimously approved.
- Committee Reports:** Chairman Topcik requested the report of the Salary Committee, Trustee Monk and Ruchti. Trustee Ruchti made a motion to go into executive session to discuss salary issues, which was seconded by Trustee Monk and unanimously approved.

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* * * * EXECUTIVE SESSION * * * *

Upon leaving executive session, Trustee Moe made a motion to approve a salary increase of 2.85%, and an \$8,500 bonus in recognition of the fine management provided to the District during the previous fiscal year for General Manager Albrecht, which was seconded by Trustee Ruchti and unanimously approved.

OLD BUSINESS:

- ➔ **North West Lake Michigan Planning Group:** General Manager stated that this group has split into two parts, the operating group and the policy group. He indicated that there was a technical meeting the week before and that the group discussed budgets and went over material previously discussed. He indicated that the group discussed the forms the unit could take and a handout that compared the entities was sent to Attorney Kucera. Attorney Kucera indicated that it was okay, but a few points were missing. A discussion of this subject followed.
- ➔ **Kellogg Creek:** General Manager Albrecht stated that the contractor had called the previous week, and the project would be put off until the following Monday, due to the rain. General Manager Albrecht also indicated that the contractor advised the project should take about three weeks. A discussion of this project followed.
- ➔ **Chlorine Scrubber Project:** General Manager stated that Attorney Kucera would discuss this project. Attorney Kucera discussed the status of Bullseye Contractors and the mechanics lien as it affects the District. He indicated that the District could take control of the project without the engineer at this point. A discussion of this project followed.
- ➔ **Plant Upgrade to 6.5 mgd Project:** General Manager stated that another month had passed without anything happening on this project. Maxim has not signed change order #3 accepting that the District will withhold \$45,000 in liquidated damages. He also stated that the District still owes approximately \$200,000 on this contract. There is still some work to be performed, which Maxim was supposed to have done by April 23. The board discussed this situation and decided that if the work was still not done before the next board meeting, they would like to send a letter advising them that the Board would take action. A full discussion of this project followed.
- ➔ **Raw Water Creek Crossing** – General Manager Albrecht stated that he received a report from ATI regarding this project. He included the layout and a cost estimate of the project. Engineering would be over and above this cost. He indicated that if the construction estimate was correct, this would be a \$100,000 project. A discussion of this project followed.

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- **R&R Projects Table** – General Manager Albrecht stated that both he and Operations Manager White met and identified five projects and put cost estimates with them.
 - **Solids Contact Unit #2** – This will probably have to come out of the R&R account.
 - **Solids Contact Unit #1** – This will have to be done sometime. It has not been surveyed or costed out, but General Manager Albrecht does not expect it to be any less than Solids Contact Unit #2.
 - **1 mg Ground Storage Tank** – The outside is good; inside needs a fair amount of work based on report provided by Dixon Engineering.
 - **3 mg Stand Pipe** – General Manager Albrecht stated that the inside of this tank will be inspected. Estimate based on the 1 mg.
 - **Second Raw Water Creek Crossing** – Discussed above.
 - **Other Possible Projects** – Intake Rock Placement, Roofing Repairs, and Security based projects.

A discussion of these projects followed.

NEW BUSINESS

- **Intake Pipe Inspection** – Operations Manager White indicated that Carl Chase of Chase Diving would inspect the pipe the next day providing the weather holds out. He would hope to have a report and bid spec ready for the June board meeting. A discussion of this subject followed. On a related subject, General Manager Albrecht indicated that Representative JoAnn Osmond would be available in June, but in light of the audit felt that a meeting should be set for another time. The board felt that they could come either earlier or set a separate time. General Manager Albrecht indicated that he would try to set an appointment with her for the Board's July 12, 2011 meeting.
- **Solids Contact Unit #2** – Operations Manager White indicated that the contractor had been on site for the last week and half, performing blasting. The fiberglass dome will still have to be installed in the fall. A discussion of this project followed.
- **Survey** – Operations Manager White provided a survey that we currently have, but is incomplete. He was asked to obtain a price for locating the corners, which he did from Howard Surveying. The cost would be \$1,200 to \$1,500 to finish that part of the survey. A

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discussion of this survey followed. Trustee Jaeger made a motion to have a boundary survey performed which was seconded by Trustee Mitchell and unanimously approved.

➔ **SCADA Service Agreement** – Operations Manager White provided a SCADA Service Contract in the board packet, which he reviewed with the board. A discussion of the contract followed. Trustee Jaeger made a motion to adopt the SCADA service agreement, which was seconded by Trustee Mitchell and unanimously approved.

➔ **Truck Bids** – Operations Manager White stated that last month he placed an advertisement for bids for a new truck as agreed upon at the previous board meeting. However, no one provided him with bids at the bid opening. He felt that this was due to the current models no longer being available just as the bid advertisement was placed. He suggested that the District wait until the fall when the new models come out to obtain bids. After discussing this subject, the board agreed this would be the best course of action.

➔ **Board Appointments** – General Manager Albrecht included a list of terms for the current board members. A discussion of this subject followed.

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- 👉 **Copier Proposal** – General Manager Albrecht indicated that the lease on the District’s copier was over. A proposal for several new models was included in the board packet. A discussion of this subject followed. Trustee Mitchell made a motion to lease a new copier, as proposed, which was seconded by Trustee Moe and unanimously approved.

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

X

Donald J. White
Board Secretary