

Minutes

April 10, 2012 – Board Meeting

On April 10, 2012, 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, Monk, Ruchti, and Topcik were present. Trustees Moe and Mitchell were absent. Also present were General Manager Albrecht, Operations Manager Don White, Attorney for the District Dan Kucera and District Secretary Karen Johnston. In addition, present as guest speakers were Mr. Ed Shultis and Mr. Jason Koperny from West's Insurance Agency.

Chairman Topcik introduced guest speakers Mr. Ed Shultis and Mr. Jason Koperny who were present at the meeting to discuss the employee health insurance renewal package, effective May 1, 2012. Mr. Shultis is retiring and Mr. Koperny will be the representative between the District and Humana Insurance. Mr. Shultis included a letter in the board packet discussing the renewal. He stated that this is a very good renewal. Originally it came in at 4.6%. Mr. Shultis stated he then asked Humana if they could provide a better quotation and received an additional 2% rate reduction. Discussion of this subject followed. Dick Moe arrived at 5:50 p.m. Chairman Topcik asked for a motion to renew the health insurance and Trustee Monk made a motion to renew the health insurance as presented by Mr. Shultis, which had no coverage, limit, or deductible changes from the previous year. Trustee Jaeger seconded the motion, which was unanimously carried. Mr. Shultis and Mr. Koperny left the meeting at 5:55 p.m.

Trustee Moe requested that the March 2012 Treasurers' Report be discussed separately. Trustee Moe expressed some concern regarding the accounts receivable aging status for the City of Zion. He drew attention to the fact that they are 90 days past due. General Manager Albrecht indicated that he discussed the matter with Barbara Fitz-Henley the acting finance director with the City of Zion, who informed him that a check would be mailed the next day. That check was received after the first of the month. Ms. Fitz-Henley also indicated that another check would be issued on April 20, 2012. Discussion of this subject followed and Trustee Ruchti requested that the trustees be kept apprised of the situation. Trustee Moe then made a motion to accept the March 2012 Treasurers' Report, which was seconded by Trustee Jaeger and unanimously approved.

Chairman Topcik stated that he would accept a motion to place the minutes of March 13, 2012, the April 2012 Disbursements, the March 2012 Budget Report, and the March 2012, Monthly Operation Summary on a consent agenda and to accept that consent agenda. The motion was made by Trustee Jaeger, seconded by Trustee Monk, and unanimously carried.

OPERATIONS & MAINTENANCE ACCOUNT April, 2012 – Disbursements

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
2920	FICA Withholding Taxes (EE Portion)	Mar-12	3,108.15
2921	Federal Withholding Taxes	Mar-12	9,269.22
2922	IL Department of Revenue	Monthly Remittance	2,008.55
2923	WI Department of Revenue	Monthly Remittance	672.11
2925	IL Unemployment	Monthly Remittance	77.03
7205	FICA Withholding Taxes (ER Portion)	Mar-12	4,208.42

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7211	Commonwealth Edison	Electricity	17.97
7211	Integritys	Electricity	14,756.32
7212	North Shore Sanitary District	Wastewater charges	3,030.38
7215	McHenry Analytical	Sample Testing	93.00
7221	Hydrite	Chlorine shipment	866.00
7222	Ace Hardware	Misc. supplies	52.87
7222	Applied Industrial Tech.	Misc. supplies	299.52
7222	Lake County Door	Misc. supplies	136.00
7222	McMaster-Carr	Misc. supplies	192.56
7222	Safety Supply Illinois	Misc. supplies	66.70
7223	Indusoft, Inc.	Operator Workstation Upgrade	3,114.00
7223	HD Supply	Meter	3,700.00
7225	Baxter & Woodman	SCADA Support Service Contract	2,275.00
7225	K. Erickson Designs	Landscaping Maintenance	475.00
7225	Klean Korner	Janitorial Service	565.00
7231	GFC Leasing	Monthly Copier Lease	290.00
7232	Cimco Communications	Telephone Service	1,320.49
7232	Verizon Wireless	Cellular Phone Service	214.31
7234	Federal Express	Shipping Charges	23.17
7234	Quill	Office Supplies	239.59
7234	UPS	Shipping Charges	43.63
7235.2	AARP Medical	Medical Insurance for Diane Fragassi	218.00
7235.2	AARP Prescription	Prescription coverage for Diane Fragassi	34.20
7235.2	Humana Choice Care	Monthly Med/Dent Premium	5,019.27
7235.2	Illinois Public Risk	Work Comp Final Audit	16.00
7235.2	Sun Life Financial	Disability Insurance	1,481.29
7236	Secketa, Nick	Travel Reimbursement Apr-12	126.54
7236	White, Don	Travel Reimbursement Apr-12	313.63
7241	James Hamlin & Co.	Payroll Fees - 03/14-04/10	206.43
7242	Daniel J. Kucera	General Legal Services	1,949.90

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FIRST BANKCARD		
Acct. #7234	Office Supplies/Postage	677.92
Acct. #7236	Transportation	193.54
Acct. #7237	Meetings	527.27
Acct. #7238	Subscriptions	37.00
TOTAL		\$61,915.98

CONSTRUCTION FUND EXPENDITURES

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
2955	Deutsche Bank	Principal portion of bond payment	250,000.00
7421	Deutsche Bank	Interest portion of bond payment	93,303.13
7273	Deutsche Bank	Annual Admin. Fee - Revenue Bonds	350.00
7274	Dixon Engineering	1 MG Reservoir Specs	2,650.00
	Total		\$346,303.13

Nominating Committee – Chairman Topcik asked if any of the committees had reports. Trustee Jaeger presented his report for the Nominating Committee. He included a copy of that report in the board packet. Trustee Jaeger indicated some concern over wording of titles and after discussion with the board, the nominating committee report was changed to drop the word “District” from all titles and Chairperson and Vice Chairperson should be changed to Chairman and Vice Chairman. Trustee Monk made a motion to accept the nominations as outlined in the report with the change in titles, recommending the following officer positions, and adoption of the following resolution. Gerold L. Topcik, Board Chairman, Douglas A. Jaeger, Vice Chairman, Arlyn E. Albrecht, General Manager/Treasurer, and Donald J. White, Board Secretary. They also recommended Daniel Kucera as the Attorney for the District. This motion was seconded by Trustee Ruchti. A roll call vote was called with Trustees Topcik, Monk, Ruchti, Moe, and Jaeger voting aye, no nays. Trustee Mitchell was absent. A resolution was included in the board packet as follows:

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RESOLUTION

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE LAKE COUNTY PUBLIC WATER DISTRICT that:

1. The compensation to be paid to each of the Trustees for the fiscal year beginning May 1, 2012 shall be in the total amount of \$1,000.00, payable in equal monthly installments.
2. GEROLD TOPCIK be and is hereby elected Chairman of the Board of Trustees for the fiscal year beginning May 1, 2012.
3. DOUGLAS A. JAEGER be and is hereby elected the Vice-Chairman of the Board of Trustees for the fiscal year beginning May 1, 2012.
4. ARLYN E. ALBRECHT be and is hereby elected Treasurer of the District for the fiscal year beginning May 1, 2012. Further, ARLYN E. ALBRECHT be and is hereby appointed General Manager for the District for the fiscal year beginning May 1, 2012 and thereafter until a successor is appointed. Compensation shall be as determined by the Board.
5. DONALD J. WHITE be and is hereby elected Secretary of the Board for the fiscal year beginning May 1, 2012 and thereafter until a successor is elected. Further, DONALD J. WHITE be and is hereby appointed Operations Manager for the District for the fiscal year beginning May 1, 2012 and thereafter until a successor is appointed. The Board determines that compensation shall be determined by the General Manager.
6. DAN KUCERA be and is hereby appointed Attorney for the District for the fiscal year beginning May 1, 2012 and thereafter until his successor is appointed; and that the duties as attorney shall be to supervise the legal affairs of the District; and that the compensation to be paid to the attorney shall be on a reasonable basis.

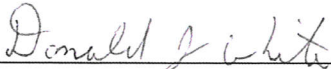
LAKE COUNTY PUBLIC WATER DISTRICT

(CORPORATE SEAL)



Gerold Topcik
Chairman, Board of Trustees

ATTEST:



Donald J. White
District Secretary

PRESENTED AND READ: April 10, 2012

APPROVED:

ROLL CALL VOTE:

Trustees voting aye: Topcik, Monk, Ruchti, Moe, Jaeger
Trustee voting nay: _____
Trustees absent: Mitchell

MOTION CARRIED

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Long Range Planning Committee – No report at this time.

Salary Committee - Trustee Ruchti made a motion to go into executive session to discuss salary issues, which was seconded by Trustee Monk and unanimously approved.

*** * * * EXECUTIVE SESSION * * * ***

Upon leaving executive session, Trustee Ruchti made a motion to approve a salary increase of 3%, and an \$8,000 bonus for General Manager Albrecht, which was seconded by Trustee Moe and unanimously approved.

OLD BUSINESS:

- **North West Lake Michigan Planning Group:** - General Manager Albrecht stated that he had attended the technical meeting of this group on the previous Thursday. He indicated that much of it was a rehash of previous meetings. General Manager Albrecht included a cost summary study regarding obtaining water from Waukegan. Discussion of the Waukegan proposal and costs followed. General Manager Albrecht also indicated that the MOU would be expiring soon and that the technical committee is recommending to the policy committee that it be extended for two months. Discussion of this subject followed.
- **Intake Pipeline Project:** - General Manager Albrecht stated the contract had been received from Carl Chase of Chase Commercial Diving to inspect the District's intake pipe, and that he would perform this work once Dennis White is available. General Manager Albrecht also stated that the bents have been constructed and that this would be an \$18,000 expenditure which will be booked in fiscal year 2012. Discussion of the subject followed.
- **North Solids Contact Unit** – General Manager Albrecht stated that liquidated damages will start again as of May 1, 2012. So far Tecorp has not responded, nor have they been back to finish their work. Evidently Tecorp's foam insulation subcontractor states that it is still too cold to do their work. Discussion of this subject followed.
- **Proposed O&M Budget** - General Manager Albrecht stated that some additional changes had been made to the proposed O&M budget. The majority of the increase is relative to the increase in the intake pipe maintenance line item. Discussion of the budget followed. Trustee Jaeger made a motion to accept the proposed O&M budget for fiscal year 2013, which was seconded by Trustee Moe and unanimously approved.
- **Stainless Steel Rusting** – Operations Manager White enclosed pricing from two vendors. Discussion of the proposals followed. Operations Manager White discussed the pickling/pacification process and the painting options as well. Discussion of the strengths and weaknesses of both processes followed. Operations Manager White also discussed the relocation of the chlorination system. He stated that CDM would perform the work necessary for the permit process, if this option is chosen. Discussion of this subject followed. Operations Manager White stated that he would contact the subject firms to get more information regarding the pickling/pacification process and advise the board next month.

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- **Electrical Contracts** – Attorney Kucera stated that the board approved the new electrical supply contract last month. As it was not on the agenda for approval, they would need to ratify their vote. Trustee Jaeger made a motion to accept the electrical contract as approved at the March 2012 meeting, which was seconded by Trustee Moe and unanimously approved.
- **Rights of Way and Land Acquisition** – Attorney Kucera stated that he had contacted the attorney for the Department of Natural Resources (DNR) regarding the rights-of-way and that she is agreeable to having Attorney Kucera prepare a draft for the easements and develop the legal descriptions. Discussion of this subject followed.

NEW BUSINESS:

- **Facilities Insurance** – General Manager Albrecht included a memo in the board packet regarding having Leech Bridges quote on the District's property and casualty insurance. General Manager Albrecht and Karen Johnston met with Mr. Mike Best and Mr. Jim Leech of that organization. They advised they would like the opportunity to provide a quotation and present it at the May 2012 board meeting. Discussion of this subject followed. Due to timing issues the board suggested that the District allow them the opportunity to provide a quotation next year. It was also suggested that General Manager Albrecht find a consulting firm to review the District's insurance needs.
- **Correll** – General Manager Albrecht stated that he and the staff had met with Mr. Ken Schlott of Correll Company, the firm that manages the pension/profit sharing plan for the District. Mr. Schlott advised that by direction of the federal government, Correll Company must provide a statement of investment policy. This form needs to be signed by the trustee of the plan and the board chairman. General Manager Albrecht stated that it needs to be approved at the May board meeting. General Manager Albrecht also provided copies to the interested board members to read at their leisure, as the document is quite lengthy.
- **CCR (Consumer Confidence Report)** Operations Manager White enclosed a copy of the CCR in the board packet. He stated that this report is due every April 1. The report details that the District has met all mandated criteria. He also stated that there had been no violations. The report was hand delivered to the District's customers on March 27. Discussion of this subject followed.
- **Trustee Bonds** - Attorney Kucera stated that the Water District Act has a provision that indicates that the trustees of the District must furnish a bond in the amount determined by the county. Historically the District has maintained public official bonds for those trustees in a position to sign checks. He suggested that the District obtain a public officials bond for the other trustees in the amount of \$10,000 to comply with the spirit of the statute. Trustee Ruchti made a motion to obtain public official bonds on the trustees, which was seconded by Trustee Jaeger and unanimously carried.

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- ➔ **Bond Payment**– General Manager Albrecht stated that at the end of the month, the principal and one-half years interest would be due. He indicated that Karen Johnston would wire the money to the bank before that date.

With no further business to discuss, Trustee Jaeger made a motion to adjourn the meeting, which was seconded by Trustee Monk and unanimously approved.

X 

Donald J. White
Board Secretary