

Minutes

November 8, 2011 – Board Meeting

On November 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, Moe, Ruchti, and Topcik were present. Trustees Monk, Jaeger, and Hill were absent. Also present were General Manager Albrecht, Operations Manager White, District Attorney Kucera, District Secretary Karen Johnston, and guest speaker Mr. Brad West, West's Insurance Agency.

Chairman Topcik indicated that Mr. West would speak first regarding workers' compensation insurance. Mr. West provided the board with a written proposal and proceeded with his oral presentation of that proposal. He indicated that the workers' compensation insurance would be expiring December 15, 2011. The District is currently insured with the Illinois Public Risk Fund (IPRF) and had been for the past few years. Mr. West explained the premium computation, which is based on annual estimated payroll figures provided by the District. The renewal premium is \$16,230, which is a 5% increase, but still 38% lower than the National Council on Compensation Insurance rates. Last year the IPRF issued a grant to the District for \$1,100 and will have \$1,200 new in grant money available in June 2012. Mr. West stated that he hoped the renewal met with the board's approval and that they would authorize him to renew the policy. After discussion of the subject, Chairman Topcik asked for a motion to approve the renewal of the workers' compensation, which was made by Trustee Ruchti, seconded by Trustee Mitchell, and carried unanimously. Mr. West left the meeting.

Chairman Topcik stated that he would accept a motion to place the following items on a consent agenda and to accept that consent agenda. These motions were made by Trustee Mitchell, seconded by Trustee Moe, and unanimously carried.

- 3) All Minutes
- 4) Disbursements for November, 2011
- 5) End of month October, 2011 Treasurer's Report
- 6) End of month October, 2011 Budget Report
- 7) End of month October, 2011 Monthly Operation Summation

OPERATIONS & MAINTENANCE ACCOUNT November, 2011 – Disbursements

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
2920	FICA Withholding Taxes (EE Portion)	Oct-11	2,117.51
2921	Federal Withholding Taxes	Oct-11	6,324.17
2922	IL Department of Revenue	Monthly Remittance	1,376.87
2923	WI Department of Revenue	Monthly Remittance	438.96
7205	FICA Withholding Taxes (ER Portion)	Oct-11	2,867.10

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7211	Commonwealth Edison	Electricity	18.03
7211	Integrus	Electricity	12,363.56
7215	McHenry Analytical	Sample Testing	80.50
7221	Hydrite	Chlorine Shipment	866.00
7221	Usalco	Alum Shipment	6,090.85
7222	Ace Hardware	Misc. supplies	46.97
7222	E.S.I. Power Hydraulics	Misc. supplies	172.91
7222	Lube Oils	Oil for maintenance	546.90
7222	McMaster-Carr	Misc. supplies	220.71
7222	W.W. Grainger	Misc. supplies	164.08
7222	Smith Ecological	Misc. supplies	1,380.81
7222	Zion Auto Parts	Misc. supplies	103.67
7223	Air Con	Maintenance on air conditioning	348.00
7223	Illinois Process Equipment	Sump Pump	1,326.81
7223	National Pump	Belts	69.31
7223	Precision Roofing	Roof Repairs	425.00
7223	SKF Reliability	Bimonthly vibration test	690.00
7223	Tnemec Company	Paint	122.10
7225	K. Erickson Designs	Landscaping Maintenance	453.90
7225	Klean Korner	Janitorial Service	565.00
7231	GFC Leasing	Monthly Copier Lease	290.00
7232	Cimco Communications	Telephone service	1,307.75
7232	Verizon Wireless	Cellular Phone Service	232.10
7234	Quill	Office Supplies	304.59
7234	Reliable	Office Supplies	325.57
7235.2	AARP Medical	Medical Insurance for Diane Fragassi	207.10
7235.2	AARP Prescription	Prescription coverage for Diane Fragassi	30.60
7235.2	Cincinnati Insurance Co.	Annual Life Insurance	433.00
7235.2	Humana Choice Care	Monthly Med/Dent Premium	5,019.27
7235.2	Sun-Life Financial	Disability Insurance - 3rd Qtr.	1,685.94
7238	WaterISAC	Water Security Network Renewal 2012	200.00

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7241	James Hamlin & Co.	Payroll Fees - 10/12 to 11/08	133.90
7242	Daniel J. Kucera	General Legal Services	1,080.00
7247	White, Dennis	Intake inspection and stone placement	3,569.00
7251	Correll Co.	Invest service for period ending 09/30/11	209.00
7251	Pronto Signs & Engraving	Sign for new truck	110.00
	TOTAL		\$54,317.54

CONSTRUCTION FUND EXPENDITURES

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7266	Maxim Construction	Pay application No. 18 - Final	135,318.60
	Total		<u>\$135,318.60</u>

Old Business:

- **Plant Upgrade to 6.5 mgd Project** – General Manager Albrecht stated that it was determined that the District still owed Maxim \$135,318.61, which was on the list of disbursements to be approved at this meeting. He indicated that the paperwork was effectively in order and the District was in a position to pay them. He indicated that there was an outstanding lien waiver from Bane Nelson, the contractor for the welding of the tank. It was being held up due to a difference between Maxim and Bane Nelson., however, Maxim has given the District a full release. Attorney Kucera indicated that there had been no lien against the District and thus, no impediment to pay Maxim. General Manager Albrecht stated that with the approval of this payment, the project was finished.
- **Chlorine Scrubber** – General Manager Albrecht indicated that he had included a memo regarding the lien for this project in the board packet. He stated that he was not sure how it would be resolved at this time. He also indicated that there was a time limit for spending the bond proceeds, of which the remaining monies for this project are a part. A discussion of the bond proceeds followed.
- **Kellogg Creek:** - General Manager Albrecht stated that the check for Copenhaver’s final payment had been released. It was being held subject to as built drawings. He stated that the District knows essentially where everything is located and will wait until next spring to identify trees.
- **North West Lake Michigan Planning Group:** - General Manager Albrecht indicated that he had attended the technical group meeting of this group the previous Thursday. He indicated that there was a great deal of discussion, but little action. General Manager Albrecht indicated that the various communities seemed to be waiting for the studies and reports from the different entities involved and no real decisions would be made until those communities could process that information. Discussion of this meeting followed.

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- **Intake Pipeline Project:** Operations Manager White stated that he and General Manager Albrecht had met with Jere Lapish, the District's consultant on the project, regarding placement of stone around the intake pipe. The consensus was that a diver should inspect the rock placement, which had not yet occurred due to scheduling conflicts with Edward Gillen Co. Operations Manager White and General Manager Albrecht discussed work force issues involved with this type of work. Also discussed was the gravity of the sand situation surrounding the intake pipe. Trustee Ruchti broached the subject of redundancy, which was discussed by the board. Further discussion of the project followed.
- **North Solids Contact Unit** – Operations Manager White stated that this project is moving slowly, and is not completed at this time. He indicated that the substantial completion date was November 4 and that liquidated damages were being accrued since November 5. He also stated that he had not received a revised schedule from Dixon. Painting was being done, but was not completed yet. He stated that the outside temperature needed to be 45 to 50 degrees to do the insulation on the fiberglass dome. Discussion of the project followed.
- **Stainless Steel Rusting** – Operations Manager White included a copy of a memo from CDM in the board packet. He stated that Len Rago of CDM had come up with a preliminary solution from his perspective regarding the rusting problem. Much of this involved chlorine levels. Operations Manager White proceeded to explain the plan to the board, with discussion of the various issues involved. Attorney Kucera stated that the District should wait to see what CDM has to say before continuing negotiations. Discussion of this subject followed.
- **Verizon Wireless Antenna Installation** – The board had asked at last month's meeting that Attorney Kucera review the contract with Zion regarding any costs incurred by the District caused by the antenna installation. Operations Manager White explained that to determine if any damage to the paint had been done by the installation of the antenna, the tank would have to be drained. Discussion of this process followed. Attorney Kucera advised that costs be recorded separately for these repairs. Discussion of this subject followed with the understanding that Operations Manager White would wait and see what has occurred on the next tank draw down.
- **Electrical Contracts** – Operations Manager White discussed this coop's agreement as mentioned in the October board meeting. He has been in contact with this coop and they are going out for bids. Operations Manager White discussed the dates of the District's membership and his intent to watch the pricing. Discussion of this subject followed.

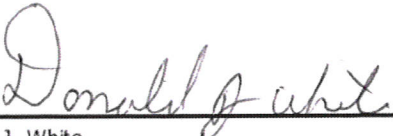
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New Business:

- **Antioch Water Supply** – General Manager Albrecht stated that he had included a memo in the board packet with preliminary costs of producing water to provide to Antioch. He indicated that he and Chairman Topcik had met with Mr. Jim Keim of the Village of Antioch who was appreciative of the District's efforts. Discussion of this subject followed.
- **Emergency Divers** – Operations Manager White stated that in light of the previous intake situation, it was prudent to have an emergency diver available in the event of an emergency. He discussed what types of emergency situations could arise and what firms would be available. After reviewing several options he indicated a desire to have a contract with Veolia on call. Discussion of this subject followed, with Operations Manager White indicating that he would have further information at the next board meeting.
- **Standard & Poors-** General Manager Albrecht stated that he had had a telephone conversation with a representative of Standard & Poors, regarding reevaluation of the District's credit rating. He indicated that when the revenue bond issue had been sold, he had gone through this process. It had helped raise the District's rating which saved approximately \$270,000 over the life of the bond issue. Discussion of the subject followed.

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

X 

Donald J. White
Board Secretary