

# Minutes

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## *October 9, 2012 – Board Meeting*

On October 9, 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 5:45 p.m. Upon the roll being called, Trustees Moe, Ruchti, Jaeger, and Topcik were present. Trustees Mitchell and Monk were absent. Also present were General Manager Albrecht, Operations Manager White, District Attorney Kucera, and District Secretary Karen Johnston.

Chairman Topcik stated that he would accept a motion to place the following items on a consent agenda and to accept that consent agenda. It was requested that the disbursements be pulled from the consent agenda for discussion. Chairman Topcik then stated he would accept a motion to place items 2, 4, 5, and 6 on a consent agenda. Trustee Ruchti made the motion to place those items on the consent agenda and to accept the consent agenda. The motion was seconded by Trustee Jaeger, and unanimously carried.

- 2) All Minutes
- 3) Disbursements for October, 2012
- 4) End of month September, 2012 Treasurer's Report
- 5) End of month September, 2012 Budget Report
- 6) End of month September, 2012 Monthly Operation Summation

General Manager Albrecht indicated that the disbursements list showed the final pay estimate from Big Lake Marine for work on the District's intake pipe, in the amount of \$52,094.50. He stated that the project would be discussed later on the agenda. He also stated that the pay request included \$1,500 in liquidated damages, which brings the total liquidated damages to \$4,500, as last month's pay request included \$3,000 in liquidated damages. He asked the board to consider returning some, if not all, of the liquidated damages. He stated that the contractor's original bid was significantly lower than all the others, that there had been no positive change orders, and that there had been weather issues. The board discussed this subject and agreed to discuss if further in the meeting.

The board went on to discuss the payment to Tecorp on the list of disbursements. General Manager Albrecht indicated that the District is withholding \$66,000 in liquidated damages, which the board decided to retain. The amount still owed to this contractor is \$50,371.50. He stated that there was still some paperwork to complete, and he would suggest waiting to give the check to Tecorp until that paperwork has been received. Discussion of this subject followed with Trustee Ruchti making a motion to remove the payment to Tecorp from the list of disbursements, with Trustee Jaeger seconding the motion, which was unanimously approved.

General Manager Albrecht then advised the board that the interest payment on the revenue bonds was due November 1, 2012. He stated that the payment would be made prior to the end of the month.

General Manager Albrecht discussed the payment to Era Valdivia for the 1MG tank painting project. He advised that a portion of this payment used the remaining monies from the construction fund account. The remainder of the payment was made out of the R&R fund.

Further discussion of the disbursements followed. Trustee Jaeger made a motion to accept the disbursement list as modified, which was seconded by Trustee Moe and unanimously approved.

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## OPERATIONS & MAINTENANCE ACCOUNT October, 2012 – Disbursements

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
2920	FICA Withholding Taxes (EE Portion)	Sep-12	2,226.44
2921	Federal Withholding Taxes	Sep-12	6,576.24
2922	IL Department of Revenue	Monthly Remittance	1,438.72
2923	WI Department of Revenue	Monthly Remittance	454.13
7205	FICA Withholding Taxes (ER Portion)	Sep-12	3,014.59
7211	ComEd	Electricity	16.82
7211	Integrus	Electricity	12,416.29
7212	North Shore Sanitary District	Wastewater Charges	1,787.01
7215	McHenry Analytical	Sample Testing	315.00
7221	Hydrite	Chlorine shipment	866.00
7221	Usalco	Aluminum Sulfate Shipment	12,210.86
7222	Ace Hardware	Misc. supplies	115.51
7222	W.W. Grainger	Misc. supplies	351.33
7222	Lake County Pipe & Supply	Misc. supplies	494.16
7222	USA Blue Book	Misc. supplies	526.50
7223	Applied Industrial Tech	Oil for low lift pumps	293.33
7223	Drydon Equipment	Chlorine Analyzer/Misc. supplies	6,371.40
7223	Emerson Network Power	Battery Backup	1,505.25
7223	HD Supply	Flanges, bolts, nuts	1,993.70
7223	Lakeland Larsen	Maintenance on elevator	18.00
7223	Saf-T-Flo	Chemical Injector	1,559.91
7223	Waukegan Roofing	Roof repairs	540.00
7225	Baxter & Woodman	Support Services Control Contract	2,378.75
7225	K. Erickson Designs	Landscape Maintenance	475.00
7225	Klean Korner	Janitorial Service	565.00
7231	GFC Leasing	Copier Lease	297.00
7232	Cimco	Telephone Service	1,383.36

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ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7232	Verizon Wireless	Cellular Phone Service	206.42
7234	CDW	Office Supplies	401.56
7234	UPS	Shipping Charges	15.98
7235.2	AARP Medical	Medical Insurance for Diane Fragassi	224.25
7235.2	AARP Prescription	Prescription coverage for Diane Fragassi	34.20
7235.2	Humana Choice Care	Monthly Med/Dent Premium	5,128.22
7235.2	Sun Life Financial	4th Qtr. 2012 Disability	1,501.00
7241	James Hamlin & Co.	Payroll Fees - 09/12/12-10/08/12	184.62
7242	Daniel J. Kucera	General Legal Services	3,417.40
7247	Big Lake Marine	Intake Pipe Project - Final Payment	55,094.50
7251	Aramark Refreshment	Coffee Service	163.39

### FIRST BANKCARD

	Acct. #7222	Misc. Supplies	729.04
	Acct. #7234	Offices Supplies/Postage	484.80
	Acct. #7236	Transportation	213.88
	Acct. #7237	Meetings/Seminars	201.45
	<b>TOTAL</b>		<b>\$128,191.01</b>

### R&R FUND EXPENDITURES

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7275	Dixon Engineering	IMG Reservoir Tank Painting	10,648.40
7275	Era Valdivia	IMG Reservoir Tank Painting - Partial Pay#1	70,411.09
	<b>Total</b>		<b>\$81,059.49</b>

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## CONSTRUCTION FUND EXPENDITURES

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7274	Tecorp	No. Solids Contact - Final Payment	50,371.50
7275	Era Valdivia	IMG Reservoir Tank Painting - Partial Pay#1	57,906.41
	Total		<u>\$108,277.91</u>

## REVENUE BOND INTEREST EXPENDITURE

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7421	Deutsche Bank	Bond Payment	88,303.13
	Total		<u>\$88,303.13</u>

➤ **North West Lake Michigan Planning Group:** - General Manager Albrecht included a cost summary chart from Applied Technologies which outlines why the various communities are interested in obtaining Lake Michigan drinking water from the CLCJAWA. He explained that this alternative is more cost effective as this entity already has pipe and treatment capacity. He went on to state that he did not attend the latest technical meeting, and Chairman Topcik did not attend the latest policy meeting. Neither could see any benefit in doing so. General Manager Albrecht indicated that he would contact the Village of Antioch regarding their interest in having the District provided drinking water to that community. Further discussion of the group followed.

➤ **Intake Pipeline Project:** General Manager Albrecht asked the board if they would like to return any of the \$4,500 in liquidated damages. He reviewed the issues that kept the contractor from finishing within the contracted period. Included in the board packet was a letter from Dave Kadinger, of Big Lake Marine, stating his reasons for delay on the project, with weather conditions being the primary cause. Discussion of this project followed. Trustee Jaeger made a motion to waive \$3,000 of the liquidated damages due to nature, which was seconded by Trustee Moe and unanimously approved.

➤ **North Solids Contact Unit** – The board continued their discussion of this project with no further action.

➤ **Stainless Steel Rusting** – Operations Manager White included a memo regarding this subject in the board packet. He stated that the EPA had issued a permit for the relocation of the chlorination system. He then reviewed the progress of the project. He indicated that plumbing the feed system and chlorine analyzer were being performed by the District's operators, and that work should be completed within the next few weeks. He indicated that he was still waiting to hear from Westech regarding their portion of the project. He has also been in touch with

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CDM regarding this subject. Operations Manager White also stated that the District's contact at CDM-Smith, Mr. Len Rago, had recently resigned. He indicated that Jon Meyer and Jim Urek would be the District's contacts at CDM-Smith. Further discussion of this subject followed.

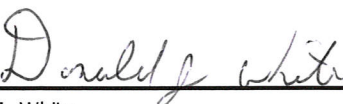
➔ **1 MG Tank Painting** – Operations Manager White included a memo regarding this project. He stated in the memo that a change order was requested by Dixon Engineering for the replacement of an additional 25 purlins. The contract with Era Valdivia was for five purlins. During the course of the work being performed the need for the additional purlins was discovered. To delay approval of this work until the board meeting would have held up the project substantially. Operations Manager White discussed the issue with Chairman Topcik and Attorney Kucera, and it was agreed to use the emergency procurement ordinance. Operations Manager White requested that the board officially accept the change order. Trustee Ruchti made a motion confirming that an emergency situation existed until September 24, 2012, and confirmed a change order in the amount of \$15,000 for the additional purlins from the District's contractor, Era Valdivia, via the District's engineer, Dixon Engineering, arose from that emergency situation. This motion was seconded by Trustee Jaeger and unanimously approved.

➔ **Rights of Way** – Attorney Kucera reviewed the information on this subject. He was advised by the State of Illinois that they need more detail. He stated that he had sent that information out in late September and has not yet heard anything back from them. Discussion of this subject followed.

➔ **Facility Plan Schedule** – General Manager Albrecht included a revised copy of the facility plan schedule. He indicated that the major project he and Operations Manager White had discussed were repairs to Solids Contact Unit #1. He asked the board for comments, and reiterated that this schedule is a work in progress. Discussion of the subject followed.

➔ **Trustee Travel Expense Reimbursement** – Chairman Topcik asked Attorney Kucera to look into reimbursement for travel expenses for the trustees. He indicated that the employee handbook does not currently address reimbursement to the trustees for travel expenses. The tax deduction aspect was discussed. Discussion of this subject followed. Attorney Kucera advised that he could develop a separate policy and would draft a simple reference to the handbook at the next board meeting.

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

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Donald J. White  
Board Secretary