

Minutes

August 13, 2013 – Board Meeting

On August 13, 2013, 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 Topcik, Fischer, Moe, and Jaeger were present. Trustees Mitchell, Monk, and Ruchti were absent. Also present were General Manager Al Albrecht, Operations Manager Don White, District Attorney Dan 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. Trustee Moe requested that the disbursements be pulled from the consent agenda for discussion. Chairman Topcik then requested that the following items be placed on a consent agenda and disbursements be discussed separately. Trustee Jaeger made a motion to place the following items on the consent agenda and approve that consent agenda, which was seconded by Trustee Fischer, and unanimously carried.

- Minutes of July 9, 2013
- End of month July, 2013 Treasurer's Report
- End of month July, 2013 Budget Report
- End of month July, 2013 Monthly Operation Summation

The board proceeded to discuss the disbursements. Trustee Moe requested further information on the maintenance and repairs items. Operations Manager White explained the use for these items. Trustee Monk then arrived at 5:40 p.m. Trustee Moe made a motion to approve the August 2013 disbursements, which was seconded by Trustee Jaeger, and unanimously approved.

OPERATIONS & MAINTENANCE ACCOUNT August, 2013 – Disbursements

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
2920	FICA Withholding Taxes (EE Portion)	Jul-13	3,061.63
2921	Federal Withholding Taxes	Jul-13	6,389.43
2922	IL Department of Revenue	Monthly Remittance	1,434.60
2923	WI Department of Revenue	Monthly Remittance	497.72
7205	FICA Withholding Taxes (ER Portion)	Jul-13	3,061.63
7211	Commonwealth Edison	Electricity	16.55
7211	Integrus	Electricity	11,260.48
7215	McHenry Analytical	Sample Testing	77.50
7221	Hydrite	Chlorine Shipment	866.00
7221	Usalco	Aluminum Sulfate Shipment	6,223.65
7222	Ace Hardware	Misc. supplies	164.56

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ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7222	Chesterton, AW	Misc. supplies	562.60
7222	Daigger	Misc. supplies	203.57
7222	Grainger, W.W.	Misc. Supplies	602.55
7222	Hach	Lab Supplies	564.82
7222	Menards	Misc. supplies	26.50
7222	Siemens Water Technologies	Misc. supplies	485.00
7223	Baxter & Woodman	1756 ENBT Repair	1,608.75
7223	Drydon Equipment	Maintenance Parts	1,642.21
7223	HD Supply Waterworks	6" Omni T2 Measuring Chamber	3,815.94
7223	Henderson & Son, J.J.	Maintenance Repairs	1,992.50
7223	Newark	Maintenance Parts	79.14
7223	Quincy Compressor	Maintenance Parts	145.45
7225	Baxter & Woodman	2013-14 Support Contract - 1st Billing	3,500.00
7225	K. Erickson Designs	Landscape Maintenance	475.00
7225	Klean Korner	Janitorial Service	565.00
7225	Maintenance Assistant, Inc.	Monthly Maintenance	19.00
7231	GFC Leasing	Copier Lease	307.00
7232	Cimco	Telephone Service	2,073.91
7232	Verizon Wireless	Cellular Phone Service	266.45
7234	Amazon	Camera	232.96
7234	Stamps.com	Postage Service	24.99
7234	Symantec	Software	394.42
7234	UPS	Shipping Charges	24.16
7234	USPS	Postage	50.00
7234	Yahoo	Email Subscription	19.99
7235.1	West's Insurance Agency	Public Officials Bond - C. Fischer	100.00
7235.2	AARP Medical	Medical Insurance for Diane Fragassi	232.75
7235.2	AARP Prescription	Prescription coverage for Diane Fragassi	35.10
7235.2	Euclid Managers (Delta Dental)	Dental Insurance	541.61
7235.2	Humana Choice Care	Monthly Medical Premium	5,053.83

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ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7235.2	Secketa, Nick	Ins. Deductible Reimbursement	851.58
7236	Clark	Fuel for truck	100.00
7236	Pintescu, Ioan	Travel Reimbursement	17.52
7236	Secketa, Nick	Travel Reimbursement	12.43
7237	Jewel	Food/Supplies for meeting	51.89
7237	Roma	Food for meeting	120.00
7239	Graybar	Security Camera	795.20
7241	Hamlin, James	Payroll Fees - 07/10/13-08/13/13	186.03
7242	Kucera, Daniel J.	General Legal Services	2,574.90
7251	Correll Co.	Investment advisory service fee	347.00
7251	Tony's House of Creations	Flowers	115.00
7251	Zee Medical	First Aid Supplies	63.95
	TOTAL		\$63,934.45

OLD BUSINESS:

- **Intake Pipe and Permit Update** – General Manager Albrecht directed the board’s attention to two emails addressed to Operations Manager White regarding the status of the District’s application for a permit to perform work on the District’s intake pipe in Lake Michigan. General Manager Albrecht indicated that the District had just gone through a 30-day review, which ended on July 26, 2013. He also indicated that this is a three-prong permitting process involving the Illinois Department of Natural Resources (IDNR), Illinois Environmental Protection Agency (IEPA), and the Corps of Engineers (COE). The attached emails are from Melyssa Navis at the COE. She indicated that the District must undergo an additional public comment period, separate from the IDNR. She stated that there are two permitting options, a 30-day period and a 10-day period. The 10-day period has additional constraints associated with it. General Manager Albrecht indicated that time was running out for the contracted work for this year and that Operations Manager White is attempting to contact the appropriate parties to get more concrete answers regarding the need for an additional review period. Discussion of this subject followed. Trustee Mitchell arrived at 5:45.
- **Solids Contact Unit #1** – General Manager Albrecht stated that Dixon Engineering was the consultant on the Solids Contact Unit #2 project. He indicated that they had had limited experience with the fiberglass cover which showed on this project. General Manager Albrecht stated that he was aware of another consultant, Tank Industry Consultants (TIC),

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who perform the same type of work. They have completed a study of the repair work that needs to be completed on Solids Control Unit #1. This includes a fiberglass cover in the specifications. They are, however, located in Indiana, with an office in Bolingbrook. General Manager Albrecht indicated that they did a decent job with the report and he feels that they could put together the specifications for this project. He also stated that the District would like them to provide resident observers to oversee the work; however, travel time and costs could be an issue. The staff is presently negotiating pricing with them, as well as looking into other consultants. Discussion of this subject followed.

- **Solids Contact Unit #2** – Operations Manager White indicated that there was not much new information regarding this project. However, he did state that the District would wait until spring to re-inspect the bubbles in the paint. Dixon was satisfied with the repairs, but the operators found additional problems. The staff believes that the costs associated with removing incorrectly applied paint is covered by a maintenance bond, and are trying to get that verified. Discussion of this subject followed.
- **Solids Contact Unit #3** – Westech was out in July and removed the rust from four test spots. Operations Manager White proceeded to describe the process and the results. He indicated that the District would need to wait four to eight months for the results, and that he would not like make any recommendations until that period was done. Operations Manager White also provided photos for informational purposes. Discussion of this subject followed.
- **Phone Service** – Operations Manager White stated that the District's contract with Cimco expired last month. He indicated that Cimco was willing to renew the contract, but not with the current infrastructure. He explained the issues involved with the current cable system as well as the proposed new fiber optic solution. He further explained the contractual matters involved in obtaining a quote from AT&T. Operations Manager White contacted Attorney Kucera regarding the possibility of signing a contract with AT&T in order for them to provide the District with a quote. Attorney Kucera explained the legal situation of the contract, stated that there was no guarantee that there could be problems later, however, as it was the only way to get a price agreed that it was okay to sign. Trustee Jaeger made a motion to authorize executing the contact with AT&T subject to the District's Attorney's approval of the contract before it is issued; in reliance upon AT&T's representation that the District can cancel the contract if the price for the line from the driveway to the building is not within the budget that the District has provided, which was seconded by Trustee Moe and unanimously approved.

➤ **.NEW BUSINESS:**

- **Employee and Immigration Law** – General Manager Albrecht stated that Attorney Kucera made him aware of an Employee and Immigration Law. The government wants to make sure that everyone has the appropriate paperwork to prove their ability to work legally in the US. The law indicates that if the paperwork is in order, a potential candidate may not be ruled out if they are not U.S. citizens. The District's employee handbook currently states that the District will only hire U.S. citizens. General Manager Albrecht suggested the sentence making this statement be stricken from the handbook. Discussion of this subject

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followed. Trustee Monk made a motion to strike that sentence which was seconded by Trustee Fisher and unanimously approved.

- **Trustee Mitchell Anniversary** – Chairman Topcik presented a certificate to Trustee Mitchell on the 20th anniversary of serving on the Lake County Public Water District Board of Trustees. Trustee Ruchti arrived at 6:20 p.m.
- **Zion Water Rates** – General Manager Albrecht discussed his memo regarding the newspaper article about Zion and their water rates with the District. He discussed how Zion charges their customers and how it relates to the District. The board discussed the various components that go into the cost of delivering water to the customers of Zion. He also stated that the District's customers received audits and there had been no feedback regarding the audit. Discussion of this subject followed.
- **New Bond Registrar Agreement** - Attorney Kucera stated that the bond registrar that handles the payments for the District's Revenue bonds is currently Deutsche Bank. The District received a letter stating that they had sold their business to U.S. Bank. The letter came with a draft contract for the District to sign to transfer the District's business to that firm. Attorney Kucera stated that he had reviewed the proposed contract, and has some issues with it. He stated that he had contacted the reference person and advised him of concerns of portions of the contract. They responded to Attorney Kucera telling him that the entire matter had been forwarded to their counsel for review. Attorney Kucera has not heard anything yet. He stated that nothing could take place without the consent of the District. He does not recommend doing anything yet.
- **New Ethics Legislation** – Attorney Kucera advised the board of a new piece of legislation that was on the Governor's desk. The legislation applies to anyone appointed by the Chairman of a county to a board of a local government entity. This would apply to the Lake County Public Water District Board of Trustees. It provides that the Board shall abide by the ethics law applicable to Lake County, and their ethics policies. The Board shall also be subject to the jurisdiction of the County's Office of Ethics, or Ethics Officer, if there is one, or Inspector General, if there is one. Attorney Kucera will advise if the law is signed, and if so, has requested Administrative Assistant Johnston to pursue the County and find out what ethics rules or policies they may have.
- **Rep. JoAnn Osmond Retirement** – General Manager Albrecht advised the board that Representative JoAnn Osmond, who is the representative for the District is retiring. She will be on duty until the end of 2014. He stated that she was a good friend to the District.
- **Wauconda's Review of Lake Michigan Water** – General Manager Albrecht included an article regarding Wauconda's pursuit of Lake Michigan drinking water. This article states that the Wauconda mayor is trying to get better pricing. It will be interesting to see how this plays out.

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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

Donald J. White
Board Secretary