

Minutes

February 14, 2014 – Board Meeting

On February 11, 2014, 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 Moe, Monk, Fischer, Jaeger, and Topcik were present. Trustee Mitchell arrived at 5:40 p.m. and Trustee Ruchti arrived at 5:50. Also present were General Manager Albrecht, Operations Manager White, Administrative Assistant Johnston, and District Attorney Kucera.

Chairman Topcik stated that he would accept a motion to place the following items on a consent agenda and to accept that consent agenda. However, he asked that the minutes be removed as it appeared there was an error. The minutes stated that Trustee Monk was absent, but did attend the meeting. Chairman Topcik indicated that minutes would be withdrawn and requested that items 5, 6, 7, and 8 be placed on a consent agenda and that consent agenda be approved. Trustee Jaeger made that motion, which was seconded by Trustee Fischer and unanimously carried. It was determined that Trustee Monk was at the meeting Trustee Jaeger made a motion to amend the minutes of January 14, 2014 to show Trustee Monk's presence and accept the minutes, which was seconded by Trustee Monk, and unanimously carried

- 4) Minutes of January 14, 2014
- 5) Disbursements for February, 2014
- 6) End of month January, 2014 Treasurer's Report
- 7) End of month January, 2014 Budget Report
- 8) End of month January, 2014 Monthly Operation Summation

OPERATIONS & MAINTENANCE ACCOUNT February, 2014 – Disbursements

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
2920	FICA Withholding Taxes (EE Portion)	Jan-14	4,638.89
2921	Federal Withholding Taxes	Jan-14	9,793.62
2922	IL Department of Revenue	Monthly Remittance	2,185.70
2923	WI Department of Revenue	Monthly Remittance	790.37
2925	Illinois Unemployment	Monthly Remittance	318.00
7205	FICA Withholding Taxes (ER Portion)	Jan-14	4,638.89
7211	Commonwealth Edison	Electricity	18.93
7211	Integrus	Electricity	11,120.39
7215	McHenry Analytical	Sample Testing	302.50
7221	Hydrite	Chlorine Shipment	766.00
7221	Nalco	Nalclear	365.77

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7221	Usalco	Aluminum Sulfate	6,280.85
7222	Ace Hardware	Misc. Supplies	39.96
7222	Applied Industrial Technologies	Lubricant	329.58
7222	Evoqua Water Technologies	Lab Supplies	485.00
7222	Hach	Lab Supplies	187.27
7223	Erickson Designs, K.	Snowplowing	1,215.00
7223	HD Supply Waterworks	Estimate to test and recalibrate meters	1,607.00
7223	Krause Electrical Contractors	Labor & material to install disconnect	8,393.22
7223	Lakeland Larsen Elevator Corp.	Pressure test on elevator	210.00
7223	Peterson Plumbing, Ernie	Repaired drain from heat unit	296.50
7225	Gordon Flesch Company	Maintenance Charge	3.97
7225	Klean Korner	Janitorial Service	565.00
7231	GFC Leasing	Copier Lease	307.00
7232	B&B Networks	SV8100 Telephone System - 50% Deposit	3,364.12
7232	Cimco	Telephone Service	1,844.41
7232	DH Wireless Solutions	Data Equipment	1,912.56
7232	Verizon Wireless	Cellular Phone Service	295.47
7234	Dell	Laptop	667.10
7234	Reliable	Office Supplies	510.17
7235.2	AARP Medical	Medical Insurance for Diane Fragassi	232.75
7235.2	AARP Prescription	Prescription coverage for Diane Fragassi	36.90
7235.2	Euclid Managers (Delta Dental)	Dental Insurance	541.61
7235.2	Humana Choice Care	Monthly Medical Premium	5,053.83
7235.2	Illinois Public Risk Fund	Work Comp Audit	2,063.00
7235.2	Thompson, Jeremy	Insurance Reimbursement	1,772.52
7235.2	White, Don	Insurance Reimbursement	85.58
7236	Thompson, Jeremy	Travel Reimbursement	64.03
7236	Zion Auto Parts	Vehicle maintenance	27.76
7239	Graybar	Security Camera	7,409.16
7241	Hamlin, James	Payroll Fees - 01/15/13-02/11/14	118.25
7242	Kucera, Daniel J.	General Legal Services	2,205.00
7247	Atkinson Fishery	Winter Intake Inspection	3,850.00

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7251	Correll Co.	Investment advisory service fee	886.00
7251	Sun Times Media	Legal Notice Publishing	65.60

FIRST BANKCARD			
Acct. #7223	Maintenance Supplies		2,707.55
Acct. #7225	Maintenance Service Contracts		19.00
Acct. #7234	Offices Supplies/Postage		416.20
Acct. #7236	Transportation		268.15
Acct. #7237	Meetings/Seminars		104.25
Acct. #7238	Dues/Subscriptions		9.99
TOTAL			\$91,314.78

R&R FUND EXPENDITURES

CCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7274	Dixon Engineering	No. Solids Contact Unit - Warranty Repair Inspection 1-3	2,025.00
7277	Tank Industry Consultants	Professional Services	1,175.00
	Total		\$3,200.00

Old Business:

- **Intake Pipeline Project:** General Manager Albrecht indicated that there the District still had not received the permit for this project. He proceeded to discuss the sample testing procedures and stated that he was hopeful the work could still be performed this summer. He also stated that Big Lake Marine was willing to hold their contract open if the District is willing to award later this spring or summer. Discussion of this subject followed.
- **Solids Contact Unit #1** –General Manager Albrecht stated that progress was being made on this project. The specifications have been prepared and the project was advertised for bids the previous week, with a bid opening date of March 5, 2014. General Manager Albrecht hoped to provide the board with the bid results at the March board meeting. Discussion of this subject followed.
- **Proposed Budget** – General Manager Albrecht included a draft of the proposed annual budget in the board packet. He stated that Chairman Topcik would like to include an income stream in this year's budget. General Manager Albrecht discussed the projects that need to be performed during the coming fiscal year and their impact on the rates. General Manager

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Albrecht discussed possible funding sources with the Board, including a possible small bond issue. He reminded the Board that a budget must be approved by May 1. Discussion of these subjects followed.

- **Solids Contact Unit #2** - Operations Manager White stated that he had been in contact with Tecorp, the contractor on the project, to schedule when they would come out and make the necessary repairs on this unit. He stated that they had not been responsive. Operations Manager White has been advised through Dixon Engineering that Tecorp intends to make the repairs. However, Operations Manager White has not heard back and continues to follow up. Discussion of this subject followed.
- **Telephone Service** –Operations Manager White advised that the new system is scheduled to be installed March 3. He stated that much of the work has been done, and anticipates the going online with new internet service in early March. Discussion of this subject followed.

New Business:

- **Audit Proposal** - –General Manager Albrecht included a copy of the audit proposal from Milburn Cain & Co. in the board packet, along with a copy of the audit engagement letter from that firm. He stated that the cost had increased from \$19,500 last year to \$20,000 for this year. General Manager Albrecht suggested that the board approve this proposal. Trustee Ruchti made a motion to accept Milburn Cain & Co.'s audit proposal, which was seconded by Trustee Mitchell and unanimously approved.
- **Maximum Funding Level** – General Manager Albrecht stated that the District, by contract, needed to hire an independent engineer to review the replacement cost of the District's facilities and determine a new R&R account level. Frank Tiefert of Applied Technologies, Inc. (ATI), has provided this service to the District for the past several years, and his letter for this year is included in the board packet. Per his report, the replacement cost values of the District's facilities are valued at \$22,532,000. Therefore, the upper value of the R&R account should be increased by 2.45 % to \$1,502,000, or 1/15th of the replacement value. General Manager Albrecht will provide a letter to the board with a breakdown to explain how the funding level for the R&R account was determined from this report. He asked that the board approve this level. Trustee Jaeger made a motion to accept the upper funding level for the R&R account to \$1,502,000, which was seconded by Trustee Moe and unanimously approved.
- **Change Order Procedure** – Attorney Kucera stated that the prevailing wage act was amended effective January 1, 2014. The impact to the District is that records will need to be kept for five rather than three years. He researched change orders and suggests a board resolution be issued whenever there is a change order. He has provided a model for the District's use. Discussion of this subject followed.
- **Email** – Attorney Kucera reminded the board that email from one trustee to another could possibly run afoul of the open meetings act. He wants the board to be cognizant of whom they email on District business.

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- **Rusting Issue** – Trustee Jaeger made a motion to move into executive session to discuss potential litigation regarding the clarifier rusting issue, which was seconded by Trustee Mitchell and unanimously approved.

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

The trustees moved out of executive session.

- **News Articles** – Chairman Topcik discussed a news article regarding a grant made to the Illinois Beach State Park for shoreline stabilization. Also discussed was an article on the icing of the Kenosha intake pipes.

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

X Donald J. White

Donald J. White
Board Secretary