

Minutes

April 14, 2015- Board Meeting

On April 14, 2015, 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, Mitchell, Fischer, Moe, and Jaeger were present. Trustees Ruchti and Moe arrived at 5:40 p.m. Also present were Acting General Manager White, Consultant Arlyn Albrecht, District Attorney Kucera, and Administrative Assistant 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 Jaeger made that motion, which was seconded by Trustee Monk and unanimously carried.

- 4) Minutes of March 10, 2015 and Executive Minutes of March 10, 2015
- 5) Disbursements for April, 2015
- 6) End of month March, 2015 Treasurer's Report
- 7) End of month March, 2015 Budget Report
- 8) End of month March, 2015 Monthly Operation Summation

OPERATIONS & MAINTENANCE ACCOUNT April, 2015 – Disbursements

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
2920	FICA Withholding Taxes (EE Portion)	Mar-15	2,706.10
2921	Federal Withholding Taxes	Mar-15	4,148.94
2922	IL Department of Revenue	Monthly Remittance	1,045.19
2923	WI Department of Revenue	Monthly Remittance	476.92
2925	IL Unemployment	Monthly Remittance	31.12
7205	FICA Withholding Taxes (ER Portion)	Mar-15	2,706.10
7211	Commonwealth Edison	Electricity	22.48
7211	Integrays	Electricity	13,802.04
7212	No. Shore Water Reclamation	Wastewater Charges	2,922.22
7215	McHenry Analytical	Sample Testing	77.50
7221	Hydrite	Chlorine Shipment	891.00
7221	Mosaic	Fluorosilicic Acid	8,761.78
7222	Ace Hardware	Misc. Supplies	23.97
7222	Applied Industrial Technologies	Maintenance Oils	361.99

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ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7222	Hach	Lab Supplies	142.69
7222	Olson Service	Fuel for generator	808.71
7223	Allan Integrated Control Systems	Calibration - pressure transmitters	1,830.00
7223	K. Erickson Designs	Snowplowing	335.00
7223	Graybar	Maintenance Supplies	2,544.00
7223	HD Supply	Maintenance Supplies	1,400.00
7223	Lakeland/Larsen Elevator	Elevator Modifications	590.00
7223	Reladyne	Maintenance Oils	190.13
7223	Vortex Technologies	Calibration of flow monitors	830.00
7225	Gordon Flesch	Maintenance Charge	13.80
7225	Klean Korner	Janitorial Services	565.00
7232	AT&T	Telephone Service	1,197.34
7231	GFC Leasing	Copier Lease	318.00
7234	GoFlo, Inc.	Web Hosting & Maintenance	380.00
7234	Reliable	Office Supplies	241.18
7232	Verizon Wireless	Cellular Phone Service	554.67
7235.2	AARP Medical	Medical Insurance for Diane Fragassi	273.00
7235.2	AARP Prescription	Prescription coverage for Diane Fragassi	51.20
7235.2	Euclid Managers (Delta Dental)	Dental Insurance	557.88
7235.2	Humana Choice Care	Monthly Medical Premium	6,292.73
7235.2	Sun Life Financial	Disability Insurance	1,779.43
7236	Pintescu, Ioan	Travel Reimbursement	35.65
7236	White, Don	Travel Reimbursement	305.33
7237	White, Don	Meeting charges reimbursement	50.74
7238	Zion Chamber of Commerce	2015 Membership	60.00
7241	Hamlin, James	Payroll Fees - 02/11/15-03/10/15	303.29
7242	Kucera, Daniel J.	General Legal Services	4,388.80
7242	Trobe, Babowice & Associates	Litigation Legal Services	230.50

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ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7243	Applied Technologies	District Facilities Analysis	462.00
7243	Clark Dietz	Professional Services - Tube Settlers	2,051.00
7247	HDR Engineering	Professional Services	6,900.00
7247	Chicago Tribune Media Group	Advertisement for bid of intake	48.00
7251	Zion, City of	Elevator Inspection	75.00
	Total		\$73,782.42

BOND & INTEREST EXPENSES

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
2955	US Bank	Principal portion of bond payment	275,000.00
7421	US Bank	Interest portion of bond payment	77,803.13
7273	US Bank	Annual administration fee	350.00
	Total		\$353,153.13

Chairman Topcik asked if any of the committees had reports at this time. Trustee Fischer, Chairman of the Nominating committee, presented that committee's report with the following recommendations: Chairperson – Gerold Topcik; Vice-Chairperson – Douglas Jaeger; District Secretary – Karen Johnston, with the contingency that a bond can be secured, if not then duties would remain with Donald White; Acting General Manager – Donald White; Operations Manager – Donald White; Consultant – Arlyn Albrecht; District Treasurer – Arlyn Albrecht; Retirement Fund Trustee – Arlyn Albrecht; District Attorney – Daniel Kucera. Trustee Monk made a motion to close the nominations, which was seconded by Trustee Moe, and unanimously approved. Trustee Moe made a motion to accept the appointments of the nominating committee as presented, which was seconded by Trustee Jaeger, and unanimously approved. Trustee Monk, Chairman of the Long-Range Planning committee stated that his committee did not see any changes for long-range planning. Trustee Moe, Chairman of the Salary Committee, made a motion to move into executive session to discuss personnel issues, which was seconded by Trustee Jaeger, and unanimously approved.

* * * EXECUTIVE SESSION * * *

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Upon exiting executive session, Trustee Moe made a motion to accept the Salary Committee's recommendations that the salary and wage levels for fiscal year 2016 remain the same as fiscal year 2015, with an increase of 2% to be paid into the employee retirement accounts. The retirement fund payments are to be made quarterly rather than annually, which was seconded by Trustee Jaeger. Trustees Topcik, Mitchell, Monk, Fischer, Moe, and Jaeger all voted aye; Trustee Ruchti voted nay.

OLD BUSINESS

- **Intake Pipe** – Acting General Manager White stated that at last month's board meeting, he requested authorization to request bids for this project, which was approved. Bids were solicited, and a bid opening took place on April 9, 2015, at the District offices. Big Lake Marine was low bidder at \$248,460, with Luedtke Engineering second, at \$270,300. A copy of the bid tabulation was included in the board packet. Acting General Manager White proceeded to discuss funding for this project, requesting that it be financed through the R&R account, until or if a bond issue is approved. He then proceeded to review the bid tabulation with the board. Discussion of this subject followed. Trustee Ruchti made a motion to accept the bid of Big Lake Marine at \$248,460, which was seconded by Trustee Jaeger, and unanimously approved.
- **Bond Issue** – Acting General Manager White included a memo stating that he had been talking with Mr. Steve Trout of Wintrust Bank regarding the possible bond issue. Acting General Manager White indicated that Mr. Trout had requested information, including audits, and project descriptions, which was provided. Mr. Trout indicated that he is now compiling a package of financials to present to his board. Acting General Manager White indicated that based on his conversations with Mr. Trout, the possible bond issue could be ready in late May or early June for approval by the board. Discussion of this issue followed. Acting General Manager White also included a memo regarding the timeline of notice to the City of Zion. Per the District's contract with the City of Zion, the District is required to give 90-day notice of its intent to sell bonds. The City of Zion then has 30 days to respond. Acting General Manager White stated that a letter to the City of Zion had been drafted requesting that they waive both the 90-day notice and 30-day response time. Discussion of this subject followed.
- **Grants** – Acting General Manager White stated that he had met with Seema Wadia of Metro Strategies to discuss possible grants for the District's projects. She was gathering information for this purpose, and advised that she knew of no available grant monies directly available, but that she would research other possibilities. Discussion of this subject followed.
- **Proposed O&M Budget** – Acting General Manager White included another copy of the proposed O&M budget for the next fiscal year. He reviewed the various line items, including the personnel and pension items. Discussion of this subject followed. Trustee Jaeger made

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a motion to accept the proposed budget as presented, \$2,241,140, which was seconded by Trustee Mitchell, and unanimously approved.

- **Maximum Funding Level** – Consultant Albrecht stated that the board had discussed this issue last month. At that time it was discussed whether the bents for the intake pipeline should be included as part of the replacement cost of the plant. The board discussed this issue, with Chairman Topcik stating that he felt the bents should not be included. Discussion of this subject followed. Trustee Fischer made a motion to exclude the bents from the replacement cost value, and approve the maximum funding level of \$1,502,000, which was seconded by Trustee Ruchti. Trustees Topcik, Mitchell, Monk, Fischer, Ruchti, and Moe all voted aye. Trustee Jaeger voted nay.

- **Medical Insurance** - Acting General Manager White stated that quotes were submitted to the board at the March board meeting. At that time, Humana provided the District with 1% rate relief, but did not have the formalized rates. Acting General Manager White now presented those rates, as well as the renewal dental rates. He advised the board that it was his opinion that Humana and Delta Dental provided the best programs. Trustee Mitchell made a motion to renew the insurance programs with Humana and Delta Dental, however, the employees should be advised of the costs of insurance, which was seconded by Trustee Monk, and unanimously approved.

- **SCU #2** - Acting General Manager White included a memo regarding this project, as an update. He indicated that KTA-Tator had submitted their specifications, which he had reviewed and sent back with additional comments. He indicated that this project is moving forward. Discussion of this subject followed.

Trustee Ruchti made a motion to move into executive session to discuss potential litigation, which was seconded by Trustee Jaeger and unanimously approved.

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

The trustees moved out of executive session.

New Business

- **Bank Signatory Resolution** -- Acting General Manager White stated that several of the District's Certificate of Deposit had matured while Consultant/Treasurer Albrecht was out ill. As he was the only signatory on these accounts, it was felt that additional signers should be added. Trustee Mitchell made a motion to add Gerold Topcik and Douglas Jaeger as additional signatories on the District's accounts with the Wintrust group, which was seconded by Trustee Ruchti, and unanimously approved.

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- **Miscellaneous-** Acting General Manager White stated that the District's operators had maintained compliance for 2014 with the Illinois Department of Health for fluoride levels. An award was presented in March.

Acting General Manager White mentioned an article included in the board packet from the Zion-Benton News, which mentioned the District concerning the City of Zion's expenses. Discussion of this subject followed.

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

X

Donald J. White
Board Secretary