

Minutes

November 10, 2015- Board Meeting

On November 10, 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. Trustee Monk arrived at 5:35 p.m., and Trustee Ruchti arrived at 6:20 p.m. Also present were Acting General Manager Don White, Consultant/Treasurer Arlyn Albrecht, Administrative Assistant/Board Secretary Karen Johnston, and District Attorney Dan 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. Trustee Fischer made that motion, which was seconded by Trustee Moe and unanimously carried.

- 4) Minutes and Executive Minutes of October 13, 2015
- 5) Disbursements for November, 2015
- 6) Treasurer’s Report for October 31, 2015
- 7) End of month October 31, 2015 Budget Report
- 8) End of month October 31, 2015 Monthly Operation Summation

Chairman Topcik asked if any of the ad hoc committees had reports to present to the board. Trustee Fischer indicated that he did not have a report, but was working with Secretary Johnston to compile information.

OPERATIONS & MAINTENANCE ACCOUNT November, 2015 – Disbursements

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
2920	FICA Withholding Taxes (EE Portion)	Oct-15	2,701.50
2921	Federal Withholding Taxes	Oct-15	4,141.70
2922	IL Department of Revenue	Monthly Remittance	1,047.51
2923	WI Department of Revenue	Monthly Remittance	468.82
7205	FICA Withholding Taxes (ER Portion)	Oct-15	2,701.50
7211	Commonwealth Edison	Electricity - Oct-15/Modem - 09/24-10/23	76.92
7211	Dynegy Energy Systems	Electricity - 09/14/15-10/13/15	8,896.46
7212	No. Shore Reclamation District	Wastewater Charges	6,748.86
7215	McHenry Analytical	Sample Testing	77.50
7221	Hydrite	Chlorine Shipment	891.00
7221	Nalco	Nalclear	4,834.42
7222	Ace Hardware	Misc. Supplies	4.49
7222	Applied Industrial Technologies	Lubricant - Misc. Supplies	364.56

Minutes

November 10, 2015- Board Meeting

7222	Grainger	Misc. Supplies	22.20
7222	Hach Company	Lab Supplies	324.41
7223	Line-A-Lot	Crack filling of parking lot	1,916.00
7223	Quincy Compressor	Filter Oils	94.48
7223	Reladyne	Maintenance Oils	223.00
7223	Smith Ecological Systems	Maintenance Supplies	1,511.34
7223	Zion Auto Parts	Oil Filters/Brake Hardware Kit	159.43
7225	Baxter & Woodman	WIN 911/Symantec Maintenance Contracts	683.51
7225	Klean Korner	Janitorial Services	565.00
7231	GFC Leasing	Copier Lease - Dec.	330.00
7232	AT&T	Telephone Service - 9/8/15-10/7/15	1,584.28
7232	Verizon Wireless	Cellular Phone/Data Service - 9/17-10/16	653.15
7234	Federal Express	Shipping Charges	18.18
7234	Office Depot	Office Supplies	372.52
7235.2	AARP Medical	Medical Insurance for Diane Fragassi	273.00
7235.2	AARP Prescription	Prescription coverage for Diane Fragassi	51.20
7235.2	Cincinnati Insurance	Life Insurance	433.00
7235.2	Euclid Managers (Delta Dental)	Dental Insurance	557.88
7235.2	Humana Choice Care	Monthly Medical Premium	6,059.36
7238	AWWA	2016 Membership	330.00
7238	WaterISAC	2016 Membership	499.00
7241	Hamlin, James	Payroll Fees - 10/14/15-11/10/15	181.75
7242	Kucera, Daniel J.	General Legal Services	4,522.50
7242	Trobe, Babowice & Assoc.	Litigation Legal Fees	7,231.50
7247	Chase Commercial Diving	Intake Video Inspection	800.00
7255	Correll Co.	2nd Qtr. Profit Sharing	15,456.88

FIRST BANKCARD

	Acct. 7223	Maintenance & Repairs	298.21
	Acct. 7225	Maintenance Service Contracts	19.00
	Acct. 7234	Office Supplies	74.99

Minutes

November 10, 2015- Board Meeting

	Acct. 7236	Transportation	136.94
	Acct. 7237	Meetings/Seminars	150.28
	Acct. 7238	Dues/Subscriptions	49.00
	Acct. 7251	Miscellaneous	94.95
		Total First Bankcard	823.37
		Grand Total - Operations	\$78,632.18

R&R FUND EXPENDITURES

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7279	HD Supply	10" OMNI T2 Meter	9,276.00
7281	LAI, Ltd.	Variable Frequency Drive (VFD)	13,448.00
7282	Campanella & Sons	Remove & replace valve	6,272.34
	Total		\$28,996.34

OLD BUSINESS

- **Bond Issue** - Acting General Manager White indicated that he had included an informational memo in the board packet regarding the bond interest payment. He indicated that this payment was made prior to the November 1, 2015 due date. The funding for this payment came from three sources: the District's bond & interest sinking account, the escrow account with Bank of New York, and funds on deposit with US Bank from the previous bond issue. He stated that the next payment would be a principal and interest payment, due May 1, 2016 for \$411, 125. He stated his concern that the District could be short the funds to make this payment due to the state budget impasse. Discussion of this subject followed.
- **Intake Project** - Acting General Manager White stated that the District needed to start working on the bid specifications for the installation of twenty (20) bents. He included a memo discussing the cost of manufacturing the bents. He indicated that the District could include the cost of manufacturing in the contractor's bid, but at a higher cost. He went on to discuss whether it would be more cost effective for the District to purchase the bents directly. However, as the cost would exceed the \$20,000 limit for purchases, the District would have to solicit bids for the bents. Discussion of this subject followed. Trustee Jaeger made a motion to solicit bids for 20 pipe collars for use in fiscal year 2017, which was seconded by Trustee Fischer, and unanimously approved.

Minutes

November 10, 2015– Board Meeting

- **Grants** - Acting General Manager White indicated that he had spoken with Sharon Pepin, of Community Funding and Planning Services, Inc., one of the District's grant consultants, regarding the IEMA grant. She advised that IEMA needed further information and wanted to set up a conference call between Acting General Manager White, Ms. Pepin, and IEMA. Acting General Manager White advised that the conference call had yet to take place.
- **Ground Storage Tank & 2nd Warranty Inspection** - Acting General Manager White reviewed this ongoing subject. He stated that he had been in contact with Era Valdivia Contractors, and his contact continued to avoid setting a date to start and complete the warranty repair work. Acting General Manager White stated that upon the advice of Attorney Kucera, he had sent a certified letter with return receipt requested, to Era Valdivia Contractors, requesting a timeline for the project. As of this date, no response had been received and Acting General Manager White stated that Attorney Kucera suggested wording indicating that the District might exercise their available legal remedies. Acting General Manager White asked the board how they would like him to proceed if Era Valdivia does not respond. Discussion of this subject followed, with the board requesting that Attorney Kucera write a letter to Era Valdivia Contractors regarding this matter.
- **SCU #1 Coating & Insulation Inspection** – Acting General Manager White stated that he had still not heard from Mr. Terry Crowder, the original contractor that applied the coating on this unit, regarding the status of his report. Acting General Manager White also contacted Ms. Nancy Hochmuth of Volatile Free, who advised she also had not had a return call from Mr. Crowder. She advised Acting General Manager White that she would request bids for this project to have the work done in the spring. Attorney Kucera stated that the District needs a firmer contract with Volatile Free for the work to ascertain that the work will proceed in the spring. Discussion of this subject followed.
- **Right of Ways** - Acting General Manager White's memo stated that this subject had been temporarily put on hold as the District is dealing with various litigation issues. However, Attorney Kucera had been in contact with the State of Illinois, and the District has received a revised proposed license to grant ingress and egress routes along the park. He indicated that he had discussed this with Acting General Manager White, and Acting General Manager White had several issues that he needed to discuss directly with the state's attorney. Attorney Kucera indicated that he thought these issues could be worked out, but would need some negotiation. Discussion of this subject followed.
- **Workers' Compensation Renewal**– Acting General Manager White indicated that he was hoping to have Mr. Brad West, of West's Insurance Agency, present with the renewal proposal for the workers' compensation for 2016, however, Mr. West advised Secretary Johnston that he would not have the quote until the December board meeting. Acting General Manager White included a written proposal from Mr. West for the 2016 Workers' Compensation renewal. Per previous information provided by Mr. West, the rates have gone down 6%. Discussion of this subject followed.

Minutes

November 10, 2015– Board Meeting

- **Receivable Issues** - Acting General Manager White included a memo regarding the accounts receivable issue with the State of Illinois and the North Point Marina, due to the state budget impasse. He reviewed the status of the invoices since July 2015. The board had previously suggested that a finance charge be assessed on the overdue invoices. Acting General Manager White included copies of the letter sent to the state advising this, and a copy of their response. Trustee Jaeger made a motion to authorize Acting General Manager White to charge 1-1/2% on the late invoices, which was seconded by Trustee Mitchell, and unanimously approved.

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

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

The trustees moved out of executive session. Trustee Mitchell made a motion to reject Dixon Engineering's offer, and bring them in as defendants in the litigation regarding SCU #2, which was seconded by Trustee Ruchti, and unanimously approved.

- **Variable Frequency Drive** - Acting General Manager White advised the board that the Variable Frequency Drive #2 (VFD) had failed in July 2015. The new unit arrived in October, and was installed the previous week. He stated that it was now operational. However, he wanted the board to be aware that the high lift pump #1 VFD is also 18 years old, and there are no replacement parts available for this unit. He advised that the District would need to go out for bid in April 2016, with a new unit to be installed in fiscal year 2017. Discussion of this subject followed.
- **Transitional Review** – Acting General Manager White indicated that the operators oversaw the installation of the new VFD.
- **Holiday Dinner** - Acting General Manager White reminded the board that the Holiday Dinner would take place after next month's board meeting. He advised that spouses are welcome, however, the cost for those dinners were the responsibility of the board members.

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

X

Karen Johnston
Board Secretary

