

Minutes

January 12, 2016- Board Meeting

On January 12, 2016, the Board of Trustees of the Lake County Public Water District met in a regularly scheduled meeting at the hour of 4:30 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 and Monk arrived at 5:40 p.m. Trustee Ruchti arrived at 6:55. Also present were Acting General Manager Don White, Consultant/Treasurer Arlyn Albrecht, and Administrative Assistant/Board Secretary Karen Johnston. District Attorney Dan Kucera was present via telephone.

Chairman Topcik opened the meeting with a moment of silence to recognize the loss of Consultant/Treasurer Albrecht's son, Kenneth, who passed away in December.

Chairman Topcik then indicated 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 not be included on the consent agenda. Trustee Fischer made a motion to place the following items on the consent agenda and approve the consent agenda, which was seconded by Trustee Jaeger and unanimously carried.

- 4) Minutes and Executive Minutes of December 31, 2015
- 6) Treasurer's Report for December 31, 2015
- 7) End of month December 31, 2015 Budget Report
- 8) End of month December 31, 2015 Monthly Operation Summation

OPERATIONS & MAINTENANCE ACCOUNT January, 2016 – Disbursements

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
2920	FICA Withholding Taxes (EE Portion)	Dec-15	3,697.52
2921	Federal Withholding Taxes	Dec-15	7,986.85
2922	IL Department of Revenue	Monthly Remittance	2,066.24
2923	WI Department of Revenue	Monthly Remittance	720.80
7205	FICA Withholding Taxes (ER Portion)	Dec-15	3,697.52
7211	Commonwealth Edison	Electricity - Dec-15/Modem	47.31
7211	Commonwealth Edison	Dec-15 Electricity	20.79
7211	Dynegy Energy Systems	Electricity - Dec-15	11,302.28
7212	No. Shore Water Reclamation Dist.	Wastewater Charges	3,589.65
7215	McHenry Analytical	Sample Testing	90.00
7221	Hydrite	Chlorine Shipment	891.00
7251	Cintas	First Aid Supply	58.69
23	Zion Auto Parts	Maintenance Parts	90.68
7225	Gordon Flesch Company	Maintenance charge	6.99

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7225	Klean Korner	Janitorial Services	565.00
7231	GFC Leasing	Copier Lease - Jan	330.00
7232	AT&T	Telephone Service - Dec-15	1,275.38
7232	Verizon Wireless	Cellular Phone/Data Service - 11/16-12/16	554.70
7234	FedEx	Shipping Charges	31.90
7235.2	AARP Medical	Medical Insurance for Diane Fragassi	273.00
7235.2	AARP Prescription	Prescription coverage for Diane Fragassi	71.40
7235.2	Euclid Managers (Delta Dental)	Dental Insurance	557.88
7235.2	Humana Choice Care	Monthly Medical Premium	6,059.36
7235.2	Sun Life Financial	Disability Insurance	1,927.93
7235.2	White, Don	Deductible Reimbursement	348.36
7238	Lake County Lakeshore Chamber	2016 Membership Dues	60.00
7238	Water Research Foundation	Water Research Foundation Program	1,090.00
7241	Hamlin, James	Payroll Fees - 12/09/15-1/12/16	243.11
7242	Kucera, Daniel J.	General Legal Services	3,532.50
7242	Trobe, Babowice & Assoc.	Litigation Legal Fees	4,256.54
7243	Clark Dietz	Professional Services - SCU #1	2,430.00
7251	Aramark Refreshment	Coffee Service	167.36
7251	Chicago Tribune	Bid & Legal Advertisement	92.00

FIRST BANKCARD

	Acct. 7222	Misc. Supplies	2.66
	Acct. 7225	Maintenance Service Contracts	38.00
	Acct. 7234	Office Supplies	131.89
	Acct. 7236	Transportation	150.89
	Acct. 7237	Meetings/Seminars	805.81
	Acct. 7251	Miscellaneous	117.98
		Total First Bankcard	1,247.23
		Grand Total - Operations	\$59,379.97

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R&R FUND EXPENDITURES

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7281	Krause Electric	VFD Replacement	9,231.13
	Acct. 7237	Total	9,231.13

Trustee Moe asked Acting General Manager White whether the phone bill had decreased since moving from Cimco to AT&T. Acting General Manager White indicated that it had. The wastewater charges were also discussed. Acting General Manager White indicated that these charges had increased as the previous samples had more solids in the samples. Trustee Moe also inquired as to the Water Research Foundation charge. Acting General Manager White stated that this was an annual membership fee for that organization. Finally, the variable frequency drive charge was discussed. Trustee Moe made a motion to approve the disbursements for January 2016, which was seconded by Trustee Jaeger, and unanimously approved.

Chairman Topcik asked if any of the ad hoc committees had reports to present to the board. Trustee Fischer provided a spreadsheet to discuss expenses. Trustee Fischer indicated that he had prepared the spreadsheet and report with the help of Acting General Manager White and Administrative Assistant Johnston. Trustee Fischer stated that the task was to examine cash flow into the District. He prepared the spreadsheet and report using financial reports from this fiscal year, to date, and the consumer price index to extrapolate the remaining months of the fiscal year. Discussion of this subject followed. Chairman Topcik asked that Trustee Fischer continue to follow this issue.

OLD BUSINESS

- **Intake Project** - Acting General Manager White reviewed that the bid for the manufacturing of the twenty pipe collars had been rejected in December, and the board authorized rebidding the project for January. That bid occurred on January 11, 2016. Three bids were received, with AMS Mechanical Systems being the apparent low bidder at \$79,597. Acting General Manager White asked for the board's approval of that bid, subject to John Callan's (engineer) approval. Trustee Mitchell made a motion to accept AMS Mechanical's bid of \$79,597 for the manufacturing of twenty pipe collars, which was seconded by Trustee Jaeger, and unanimously approved.
- **Grants** - Acting General Manager White reviewed with the board, that after the conference call with Ms. Sharon Pepin (the District's grant writer), and Mr. Rusty Tanton of IEMA to discuss this subject, Mr. Tanton requested a revised report, which Acting General Manager White provided. Mr. Tanton was in the process of reviewing this information and was determining if any grant monies were available. Discussion of this subject followed.
- **Ground Storage Tank & 2nd Warranty Repairs** - Acting General Manager White reviewed the status of this project. He indicated that after Era Valdivia putting off the warranty repairs, he brought in Attorney Kucera on the matter. Acting General Manager White

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advised that Era Valdivia would be out in April 2016 to perform the warranty work. Discussion of this subject followed.

- **SCU #1 Warranty Work** – Acting General Manager White indicated that he had received a letter from Volatile Free stating they were looking for a contractor to repair the cracks in the coating of this unit. He also indicated that they did not provide a timeline. Attorney Kucera provided Acting General Manager White with a draft for his review, which Attorney Kucera will send to Volatile Free’s attorney upon Acting General Manager White’s approval. Acting General Manager White will report next month. Discussion of this subject followed.
- **Right of Ways** - Acting General Manager White stated that he had found information regarding a law effective January 2016 concerning vacating the IDNR right of ways. He indicated that the law had been sponsored by State Senator Pamela Althoff, and that it was of particular interest to the District, as this had been an ongoing pursuit. Chairman Topcik included a copy of a letter in the board packet to various state officials including Senator Althoff, requesting that the State of Illinois does not sign away the right of ways from the District. Discussion of this subject followed.
- **Receivable Issues** - Acting General Manager White updated the board regarding the lack of payment from the North Point Marina and the State of Illinois. He advised that the District had received two checks from the Marina, one for July and one for August. Discussion of this subject followed.
- **Technical Review Committee Meeting** - Acting General Manager White stated Campanella & Sons had installed a manhole to facilitate the meter testing, but that a tapping saddle was still needed. Once that work is done and Mr. Ron Colangelo from the City of Zion had approved of ME Simpson to do the testing, the meter testing could take place. Discussion of this subject followed.

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

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

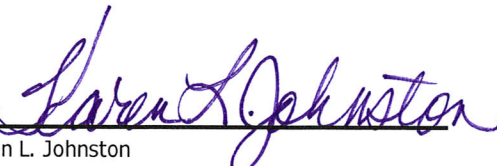
- **Low Lift Pump Station** - Acting General Manager White stated that the recent storms had washed out some of the stone around the low lift pump station, exposing a manhole for the chlorination lines of intake pipeline and a communication cable. It also exposed part of a concrete cylinder supporting a corner post for the low lift pump station. The right of ways is of concern regarding this issue. Acting General Manager White stated that he had been in contact with Mr. Brad Semel of the IDNR, regarding the protection of the low lift building. Mr. Semel is trying to organize a meeting with various conservation groups. Discussion of this subject followed.

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- **Electrical Pricing** - Acting General Manager White stated that even though the District has fixed electrical pricing, a tariff has been levied of approximately three to four percent. He indicated that this would not affect the current fiscal year budget, but would have an effect on next fiscal year. Discussion of this subject followed.
- **Fiscal Year 2017 Proposed Budget** - Acting General Manager White included his first draft of the proposed budget for fiscal year 2017. He indicated that this is rough as it is his first draft. He reviewed the line items. Discussion of this subject followed.
- **Illinois Public Act 097-0084**- Acting General Manager White indicated that in keeping with the referenced public act, the District would provide the requested information as in previous years. A memo was included in the board packet outlining the requested information. In addition, the county had requested some additional information, and that information was attached to the memo. This information would be sent to the county by the end of January. Discussion of this subject followed.
- **Hydrant Repair** - Acting General Manager White included a memo in the board packet, outlining the repair of a leaking fire hydrant on the 12-inch main that runs from 17th Street to 7th Street. He indicated that the main supplies water to both the North Point Marina and the Village of Winthrop Harbor, but that it is owned by the State of Illinois. By contract, the District is responsible for half of the cost of the maintenance. He indicated that during this repair Campanella & Sons, who performed the work, placed some of the excavated material on a portion of the nature preserve. As a result, there could be additional costs for restoration of the damaged area, depending on how the various conservation parties wish to proceed. Discussion of this subject followed.
- **Miscellaneous** - Acting General Manager White stated that the City of Zion had experienced a major main break on Kenosha Road. Ioan Pintescu, the operator on call, received the call from the SCADA system, and called the police. The appropriate person from the City of Zion could not immediately locate the break, resulting in the loss of several million gallons of water. It also resulted in a boil order from the City of Zion and the Village of Winthrop Harbor. 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 Jaeger and unanimously approved.

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Karen L. Johnston
Board Secretary