

Minutes

May 10, 2016- Board Meeting

On May 10, 2016, 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, Ruchti, Moe, and Jaeger were present. Trustees Monk was absent. Also present were Acting General Manager Don White and Administrative Assistant/Board Secretary Karen Johnston. Present via telephone was District Attorney Dan Kucera. Mr. Brad West and Mr. Brent Jones of West's Insurance were present as guest speakers.

Chairman Topcik stated that the first order of business was a presentation of the insurance policy renewal recommendations effective June 1, 2016, by Mr. Brent Jones and Mr. Brad West of West's Insurance. A proposal outlining the insurance renewal was in the board packet. Mr. Jones proceeded to advise the board that the District was entering the third year of a three-year rate guarantee with One Beacon Insurance. He also advised the board that the overall premium had decreased by approximately 20%, due to the reclassification of Acting General Manger from operations to clerical. He stated that the renewal premium would be \$53,839, down from \$72,559 in 2015. He proceeded to review the coverages and limits. The blanket property coverage increased from \$12,764,000 to \$13,610,001, per the annual valuation performed by the District's engineering consultant. All coverages remained the same, with no proposed changes by West's Insurance. Discussion of this subject followed. Trustee Jaeger then made a motion to accept West's Insurance renewal proposal of \$57,839 for the facilities insurance for 2016, which was seconded by Trustee Ruchti, and unanimously approved.

Chairman Topcik then suggested that no consent agenda be used, and that the board discuss all report items individually.

- Minutes - Chairman Topcik asked if any discussion was desired. There was none and Trustee Fischer made a motion to approve the regular and executive session minutes of April 12, 2016, which was seconded by Trustee Mitchell and unanimously approved.
- Disbursements - Chairman Topcik asked if any discussion was desired. There was none and Trustee Ruchti made a motion to approve the disbursements, which was seconded by Trustee Jaeger and unanimously approved.
- Treasurer's Report - Chairman Topcik reviewed the report with the board, and asked if any discussion was desired. There was none. Trustee Mitchell made a motion to approve the treasurer's report, which was seconded by Trustee Ruchti and unanimously approved.
- Budget - Chairman Topcik asked if any discussion was desired. Legal fees and service contracts were discussed. Trustee Jaeger made a motion to approve the budget, which was seconded by Trustee Fischer and unanimously approved.

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- MOS - Chairman Topcik passed out a trend analysis that he prepared regarding water usage. The report and subject were discussed. Trustee Ruchti made a motion to approve the MOS report, which was seconded by Trustee Mitchell and unanimously approved.

OPERATIONS & MAINTENANCE ACCOUNT May, 2016 - Disbursements

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
2920	FICA Withholding Taxes (EE Portion)	Apr-16	2,766.09
2921	Federal Withholding Taxes	Apr-16	4,463.75
2922	IL Department of Revenue	Monthly Remittance	1,082.48
2923	WI Department of Revenue	Monthly Remittance	460.71
7205	FICA Withholding Taxes (ER Portion)	Apr-16	2,766.09
7205	Il. Dept. of Unemployment	Apr-16	5.41
7211	Commonwealth Edison	Electricity - Apr-16	68.30
7211	Dynegy Energy Systems	Electricity - Apr-16	10,263.98
7215	McHenry Analytical	Sample Testing	1,062.50
7222	Uline	Misc. Supplies	38.91
7222	USA Blue Book	Misc. Supplies	126.11
7223	Graybar Electric	Maintenance Supplies	465.31
7223	RG Industries	Breaker for motor control center	7,576.69
7223	Simpson, M.E.	Meter Testing	3,700.00
7223	Zion Auto Parts	Maintenance Supplies	18.49
7225	Baxter & Woodman	2016-2017 Support Services	6,300.00
7225	Gordon Flesch	Maintenance Charge	22.47
7225	Klean Korner	Janitorial Service	565.00
7231	GFC Leasing	Copier Lease - Jun-16	330.00
7232	AT&T	Telephone Service - Apr-16	1,281.47
7232	Verizon Wireless	Cellular Phone/Data Service - Apr-16	558.45
7234	Federal Express	Shipping Charges	57.00
7234	Office Depot	Office Supplies	33.44

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7235.2	AARP Medical	Medical Insurance for Diane Fragassi	284.75
7235.2	AARP Prescription	Prescription coverage for Diane Fragassi	61.30
7235.2	Blue Cross/Blue Shield	Jun-16 Health Insurance	6, 212.06
7235.2	Euclid Managers (Delta Dental)	Dental Insurance	239.18
7241	Hamlin, James	Payroll Fees - 05/11/16-06/21/16	195.33
7242	Kucera, Daniel J.	General Legal Services	4,839.90
7242	Trobe, Babowice & Assoc.	Litigation Legal Fees	6,921.00
7251	Aramark	Coffee Service	182.55
7251	Correll Co.	Investment Advisory Services	637.00

FIRST BANKCARD

	Acct. 7222	Misc. Supplies	3.62
	Acct. 7234	Office Supplies	659.89
	Acct. 7236	Transportation	67.00
	Acct. 7237	Meetings/Seminars	153.52
		Total First Bankcard	884.03
		Grand Total - Operations	\$64,469.75

CONSTRUCTION FUNDS

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7280	AIT	Engineer Certification - Intake - through 03/16	349.77
7280	Chase Commercial Diving Service	FY17 - Intake Pipe Bid - Item I	3,000.00
		Total	\$3,349.77

Chairman Topcik asked if any committees had reports to present, which they did not. The nominating committee presented and approved their nominations at the April board meeting, the results of which are encompassed in the following trustee compensation/officer appointment resolution. Chairman Topcik proceeded to read the resolution, which Trustee Mitchell made a motion to accept, and Trustee Fischer seconded. Upon a roll call vote, Trustees Mitchell, Fischer, Ruchti, Moe, Jaeger, and Topcik all voted aye, and no nays. Trustee Monk was absent.

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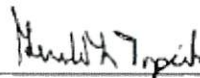
RESOLUTION

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE LAKE COUNTY PUBLIC WATER DISTRICT that:

1. The compensation to be paid to each of the Trustees for the fiscal year beginning May 1, 2016 shall be in the total amount of \$1,200.00, payable in equal monthly installments.
2. GEROLD TOPCIK be and is hereby elected Chairman of the Board of Trustees for the fiscal year beginning May 1, 2016.
3. DOUGLAS A. JAEGER be and is hereby elected the Vice-Chairman of the Board of Trustees for the fiscal year beginning May 1, 2016.
4. DONALD J. WHITE be and is hereby elected Interim Treasurer for the fiscal year beginning May 1, 2016.
5. DONALD J. WHITE be and is hereby elected Pension Fund Trustee of the District for the fiscal year beginning May 1, 2016.
6. DONALD J. WHITE be and is hereby elected General Manager for the fiscal year beginning May 1, 2016 and thereafter until a successor is elected. The Board determines that compensation shall be determined by the Board.
7. KAREN L. JOHNSTON be and is hereby elected Secretary of the Board for the fiscal year beginning May 1, 2016 and thereafter until a successor is elected.
8. DAN KUCERA be and is hereby appointed Attorney for the District for the fiscal year beginning May 1, 2016 and thereafter until his successor is appointed; and that the duties as attorney shall be to supervise the legal affairs of the District; and that the compensation to be paid to the attorney shall be on a reasonable basis.
9. CLARK DIETZ, INC. be and are hereby appointed as an Engineer for the District for the fiscal year beginning May 1, 2016; and that the duties of Clark Dietz shall be to handle the certain engineering affairs of the District as determined by the Board; and that the compensation to be paid to Clark Dietz shall be on a reasonable basis.

(CORPORATE SEAL)

LAKE COUNTY PUBLIC WATER DISTRICT



Gerold Topcik
Chairman, Board of Trustees

ATTEST:



Karen L. Johnston
District Secretary

PRESENTED AND READ: May 10, 2016

APPROVED:

ROLL CALL VOTE:

Trustees voting aye: G. Topcik; D. Mitchell; C. Fischer; M. Rucht; R. Moe; D. Jaeger
Trustee voting nay: None
Trustees absent: A. Monk

MOTION CARRIED

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OLD BUSINESS

- **Intake Project** - General Manager White stated that he is requesting two change orders for this project. He indicated that the board had approved the manufacturing of five additional pipe collars with AMS Mechanical, at the April board meeting. At that time there had not been a set price for the additional trucking costs to the staging area of Michels Foundation in Milwaukee. AMS Mechanical has now provided that cost, which is \$1,200.00. Trustee Fischer made a motion to approve a change order with AMS Mechanical for \$1,200.00 to provide the trucking of the additional pipe collars, which was seconded by Trustee Mitchell, and unanimously approved.

General Manager White proceeded to ask the board for a change order with Michels Foundation for the items approved at the April board meeting, which included additional insurance, furnishing ten additional H-piles, installation of five additional bent systems, videotaping of five installed bents, and the deduction of the trucking of the bents, totaling \$165,174.00. The change order also included extending the contract by 40 days for the approved five additional bents, but keeping the liquidated damages per the original contract. General Manager White went on to discuss the dive inspection which revealed that additional RR5 stone may be needed for extra stabilization near the first riser. He asked the board for approval to add the RR5 stone, if necessary. Trustee Jaeger made a motion to approve the change order for the above items, including RR5 stone for approximately \$74,000 if needed, which was seconded by Trustee Fischer, and unanimously approved.

- **SCU #1** -General Manager White discussed the rehabilitation of Solids Contact Unit #1 with the board. He indicated that Clark Dietz had provided the District with a proposal, which had been reviewed by Attorney Kucera, who had some changes that Clark Dietz had not yet made. General Manager White then reviewed the proposal with the board. He stated that he had requested that KTA-Tator be included as the painting consultant under the Clark Dietz contract for consolidation purposes. Discussion of this subject followed. Trustee Jaeger made a motion to approve the design/build contract with Clark Dietz, subject to Attorney Kucera's changes, which was seconded by Trustee Mitchell, and unanimously approved.
- **Right of Ways** -General Manager White indicated that the District had received the agreement to use the emergency ingress/egress.

He further stated that the status of the right of way for the redundant raw transmission main is still undetermined.

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

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

Trustee Ruchti made a motion to issue a 30-day notice letter to the State of Illinois, stating the District's intent to shut off the water for non-payment, which was seconded by Trustee Mitchell, and unanimously approved.

Regarding Solids Contact Unit #2, Trustee Mitchell made a motion to reject Dixon Engineering's counter offer to pay \$5,155.50, which was seconded by Trustee Ruchti, and unanimously approved.

Regarding Solids Contact Unit #3, Trustee Fischer made a motion to accept the final release agreement and authorize Chairman Topcik to sign the agreement, which was seconded by Trustee Mitchell, and unanimously approved.

➔ **Low Lift Pump Station** - General Manager White updated the board on the status of the permit application for the revetment work at the low lift pump station. He indicated that the Army Corps of Engineers had requested further information, and attached a copy of their letter. The Army Corps has requested that the District hire a consultant to delineate the project site. General Manager White requested that the board approve a proposal from Hey & Associates to do this work. Discussion of this subject followed. Trustee Mitchell made a motion to approve the Hey & Associate proposal for \$3,500.00 for the delineation work, which was seconded by Trustee Jaeger, and unanimously approved.

● **Long Range Planning** - General Manager White stated that he was waiting on pricing for various projects and would have more detail the following month. Discussion of this subject followed.

● **Finished Water Meter Testing** -General White stated that he had received the results of the finished water meter testing from M.E. Simpson. He indicated that the District's finished water meter was testing low. He proceeded to review the process by which the District measures the finished water. He stated that the report had been sent to Mr. Ron Colangelo of the City of Zion, but had had no response. Discussion of this subject followed.

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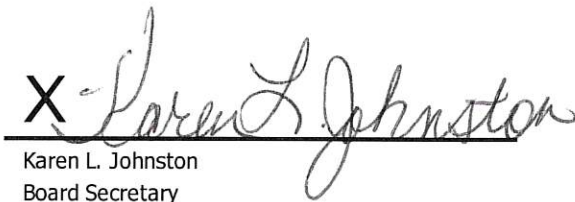
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NEW BUSINESS

- **Employee Handbook Revisions** - General Manager White included several proposed changes to the employee handbook covering insurance deductibles, cell phone usage, and pension contributions. After reviewing the proposed changes with the board, it was recommended the wording be changed as follows:
- Insurance deductible reimbursement - The proposed changes, with the addition of the words “annually” and “calendar year”.
 - Cell Phone Usage - Change cell phone to electronic devices
 - Pension Contributions- Change the wording to make clear that contributions are made quarterly and that the amount is determined after the end of the fiscal year.

The completed changes will be included in the June 2016 board meeting packet.

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

X 
Karen L. Johnston
Board Secretary