

# Minutes

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## *May 9, 2017- Board Meeting*

On May 9, 2017, 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, Monk, Ruchti, Moe, and Jaeger were present. Trustee Mitchell arrived at 5:50. Also present were General Manager Don White and Administrative Assistant/Board Secretary Karen Johnston, and District Attorney Dan Kucera.

Chairman Topcik stated that the first order of business was a presentation of the insurance policy renewal recommendations effective June 1, 2017, by Mr. Brent Jones 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 second year of a three-year rate guarantee (Secretary Johnston subsequently was advised by West's Insurance that this is actually the third year of the three-year rate guarantee) with One Beacon Insurance. He also advised the board that the overall premium had increased by approximately 10%. The premium increase came from an increase in property values, based on the engineering study performed for the District by Clark Dietz, including the costs of the intake bents, and increased payroll figures, which is the basis for the general liability. He advised that the renewal premium would be \$64,210, up from \$57,839 2016. He proceeded to review the coverages and limits. The blanket property coverage increased from \$13,610,001 to \$16,078,001. All coverages remained the same, with no proposed changes by West's Insurance, with the exception of deleting Trustee Fischer, who recently resigned. Discussion of the insurance renewal followed with Mr. Jones answering questions from the board. Mr. Jones left the meeting at 6:00 p.m.

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

- 4) Minutes – Chairman Topcik asked if any discussion was desired. There was none and Trustee Monk made a motion to approve the regular and executive session minutes of April 11, 2017, which was seconded by Trustee Jaeger. Chairman Topcik asked if any further discussion was desired. As there was no further discussion, the motion was carried unanimously.
- 5) Disbursements – Chairman Topcik asked if any discussion was desired. General Manager White asked the board to turn to the Construction disbursements. He advised that the payout for J.J. Henderson for the Solids Contact Unit #1 rehabilitation project was on the list, and that they would be approving that payout. He proceeded to review the pay request, advising the board that it was in order. There were no questions, and Trustee Jaeger made a motion to approve the disbursements, which was seconded by Trustee Monk. Chairman Topcik asked if any further discussion was desired. As there was no further discussion, the motion was carried unanimously.
- 6) Treasurer's Report – Chairman Topcik reviewed the report with the board, and asked if any discussion was desired. General Manager White advised that the report reflected receivables from the District's customers, including outstanding amounts owed by the North Point Marina for restoration fees, as well as late charges from the State of Illinois and the North Point Marina. General Manager White also discussed the balances in the various bank accounts. Trustee Jaeger made a motion to approve the treasurer's report, which was seconded by Trustee Moe. Chairman Topcik asked if any further discussion was desired. As there was no further discussion, the motion was carried unanimously.

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- 7) Budget – Chairman Topcik asked if any discussion was desired. None was. Trustee Jaeger made a motion to approve the budget, which was seconded by Trustee Moe. Chairman Topcik asked if any further discussion was desired. As there was no further discussion, the motion was carried unanimously.
- 8) MOS – Chairman Topcik asked if any discussion was desired. General Manager White advised that finished water was up 5%, and discussed the various reasons for that increase. Trustee Moe made a motion to approve the MOS report, which was seconded by Trustee Jaeger. Chairman Topcik asked if any further discussion was desired. As there was no further discussion, the motion was carried unanimously.

Trustee Moe inquired about the receivables for the North Point Marina. General Manager White advised that the number shown on the treasurer’s report included outstanding late fees and the restoration fee charged for the hydrant repairs. Discussion of this subject followed. Trustee Moe made a motion to accept the treasurer’s report, which was seconded by Trustee Jaeger. Chairman Topcik asked if any further discussion was desired. As there was no further discussion, the motion was carried unanimously.

### OPERATIONS & MAINTENANCE ACCOUNT April, 2017 – Disbursements

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
2920	FICA Withholding Taxes (EE Portion)	Apr-17	2,311.98
2921	Federal Withholding Taxes	Apr-17	3,439.56
2922	IL Department of Revenue	Monthly Remittance	685.55
2923	WI Department of Revenue	Monthly Remittance	474.10
7205	FICA Withholding Taxes (ER Portion)	Apr-17	2,311.98
7205	IL. Dept. Employment Security	Apr-17	5.08
7211	Commonwealth Edison	Electricity - Apr-17	67.89
7211	Dynegy Energy Systems	Electricity - Apr-17	11,859.59
7215	Eurofins Eaton Analytical	Sample Testing	395.00
7215	McHenry Analytical	Sample Testing	1,197.50
7221	Hydrite	Chlorine Shipment	891.00
7222	Ace Hardware	Misc. Supplies	8.98
7222	Hach	Lab Supplies	5,377.29
7222	McMaster-Carr	Misc. Supplies	348.76
7222	USA Blue Book	Misc. Supplies	140.28
7222	Xylem Water Solutions U.S.A.	Misc. Supplies	216.21
7223	Dorner	Check valve Marina Pit & Valve maintenance	3,652.92



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7223	Reladyne	Maintenance Oils	225.40
7223	Waukegan Roofing	Roof Repairs	983.00
7225	Baxter & Woodman	2017-18 Support Services	8,475.00
7225	Hansen Associates	Jun-17 Copier Service Agreement	95.00
7225	Klean Korner	Janitorial Service	565.00
7231	DeLage Landen Financial Services	Jun-17 Copier Lease	124.12
7232	AT&T	Telephone Service - Apr-17	1,245.01
7232	Verizon Wireless	Cellular Phone/Data Service	565.90
7234	B&B Networks	Re-record phone message	47.50
7234	Baxter & Woodman	Computer Server	4,260.00
7234	Federal Express	Shipping Charges	72.46
7234	GoFlo	Web Hosting & Maintenance	420.00
7235.2	AARP Medical	Medical Insurance for Diane Fragassi	71.00
7235.2	AARP Prescription	Prescription coverage for Diane Fragassi	284.75
7235.2	Blue Cross/Blue Shield	May-Jun-17 Health Insurance	8,252.64
7235.2	Euclid Managers (Delta Dental)	Apr-17 Dental Insurance	494.14
7235.2	Humana	Apr-17 Vision/AD&D	100.29
7235.2	Johnston, Karen	Deductible Reimbursement	3,738.30
7235.2	White, Don	Deductible Reimbursement	3,303.89
7236	Pintescu, Ioan	Travel Reimbursement	72.76
7241	Hamlin, James	Payroll Fees - Apr-17	193.94
7242	Kucera, Daniel	General Legal Services Apr-17	2,362.50
7243	Clark Dietz	Raw Water Transmission Main Study	1,875.00
7245	Baillie, Anthony	Reimbursement for Operator License Test	125.00
7255	Correll Company	4th Qtr. FY17 Pension/Profit Sharing	12,954.23

## **FIRST BANKCARD**

	Acct. 7222	Misc. Supplies	66.82
	Acct. 7223	Maintenance & Repairs	468.75
	Acct. 7225	Maintenance Service Contracts	19.00
	Acct. 7232	Telephone	60.04
	Acct. 7234	Office Supplies	24.99
	Acct. 7236	Transportation	68.70

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	Acct. 7237	Meetings/Seminars	363.72
	Acct. 7251	Miscellaneous	100.00
		<b>Total First Bankcard</b>	1,172.02
		<b>Grand Total - Operations</b>	<b>\$70,508.29</b>

### R&R FUNDS

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7290	Clark Dietz	Zion Generator Replacement	820.00
		<b>Total</b>	<b>\$820.00</b>

### CONSTRUCTION FUNDS

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7280	Morrison Construction	Mfg. 17 pipe collar w/pile boxes	58,150.00
7283	J.J. Henderson & Son, Inc.	SCU #1 Rehab - Payout #1	289,409.31
		<b>Total</b>	<b>\$347,559.31</b>

Chairman Topcik asked if any committees had reports to present, which they did not. He stated that he would call an end to the ad hoc committees for the time being.

Chairman Topcik then asked for reports from the nominations, salary, and long range planning committees. The long range planning committee had nothing new to discuss. The salary committee did indicate that they had a report to discuss, but would like to wait for Trustee Mitchell to arrive and then go into executive session. Trustee Mitchell arrived at 5:50.

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 Monk seconded. Chairman Topcik asked if further discussion was desired. As there was none, Chairman Topcik initiated a roll call vote. Trustees Mitchell, Monk, Ruchti, Moe, Jaeger, and Topcik all voted aye, and no nays. The motion was carried.



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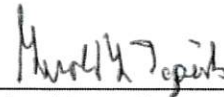
## RESOLUTION

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, 2017 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, 2017.
3. DOUGLAS A. JAEGER be and is hereby elected the Vice-Chairman of the Board of Trustees for the fiscal year beginning May 1, 2017.
4. DONALD J. WHITE be and is hereby elected Treasurer for the fiscal year beginning May 1, 2017. In performance of duties of Treasurer, he shall receive no compensation.
5. DONALD J. WHITE be and is hereby elected Pension Fund Trustee of the District for the fiscal year beginning May 1, 2017. In performance of duties of Pension Fund Trustee, he shall receive no compensation.
6. DONALD J. WHITE be and is hereby elected General Manager for the fiscal year beginning May 1, 2017 and thereafter until a successor is elected. The Board determines that compensation shall be determined by the Board. His compensation as General Manager shall be determined by the Board of Trustees.
7. KAREN L. JOHNSTON be and is hereby elected Secretary of the Board for the fiscal year beginning May 1, 2017 and thereafter until a successor is elected. In performance of duties of Secretary, she shall receive no compensation.
8. DAN KUCERA be and is hereby appointed Attorney for the District for the fiscal year beginning May 1, 2017 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, 2017; 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  
Secretary

PRESENTED AND READ: May 9, 2017

APPROVED:

ROLL CALL VOTE:

Trustees voting aye: G. Topcik; D. Mitchell; A. Monk; M. Ruchti; R. Moe; D. Jaeger

Trustee voting nay: None

Trustees absent: None

MOTION CARRIED

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4) Trustee Ruchti made a motion to enter executive session to discuss the report of the salary committee, which was seconded by Trustee Monk. Chairman Topcik asked if any further discussion was desired. As there was no further discussion, the motion was carried unanimously.

\* \* \* EXECUTIVE SESSION \* \* \*

Upon leaving executive session, Trustee Mitchell made a motion to approve a straight \$10,000 salary increase for General Manager White, in consideration of additional duties, which was seconded by Trustee Jaeger. Chairman Topcik asked if any further discussion was desired. As there was no further discussion, the motion was carried unanimously.

## UNFINISHED BUSINESS

➤ **Intake Project** - General Manager White advised the board that Morrison has completed the manufacturing of the bents. Michels Foundations picked them up from Morrison on May 1. They are at Michels Foundations, where they are waiting to be installed. The approximate time to start is Mid-June, and General Manager White will give notice to proceed the second week of June. Discussion of this subject followed.

➤ **Rehabilitation Solids Contact Unit #1**- General Manager White advised that the painters had completed the removal of the insulation, primed the outside of the unit, and were now working inside the unit. He anticipated that the steel would be repaired in the next few weeks.

General Manager White further stated that he held a progress meeting on April 26 attended by Andrew Sielck, J.J. Henderson, Tom Foley, Clark Dietz, Tim Johnes, the painting contractor, and himself. The status of the project was discussed. Tim Johnes asked for approval of a change order to apply additional primer. General Manager White stated that KTA Tator does not feel that it is necessary, so General Manager White will not ask for this change order. Andrew discussed the status of the submittals. Currently, the fiberglass dome is onsite, and will not be a hindrance to this project. The project should be done by the end of June.

5) General Manager White went on to discuss J.J. Henderson's first pay request, for \$289,409, which was approved by the engineers, and General Manager White agreed. In addition, at the April board meeting, the board approved a proposal for insulating panels and foam roof for Solids Contact Unit #2. A change order for that work is attached; along with a resolution, authorizing the change order was included in the board packet. Discussion of this subject followed. Trustee Jaeger made a motion approving the resolution for change order one with J.J. Henderson, which was seconded by Trustee Monk. Chairman Topcik asked if further discussion was desired. As there was none, Chairman Topcik initiated a roll call vote. A roll call vote was taken as follows:



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Trustee Topcik	Aye	Trustee Mitchell	Aye
Trustee Monk	Aye	Trustee Ruchti	Aye
Trustee Moe	Aye	Trustee Jaeger	Aye

No nays; no abstainers; no absences. Motion carried.

- **Approval of Change Orders by General Manager** – General Manager White stated that as the board meeting only once a month, it could lead to problems during construction projects that need approval of change orders. He indicated that frequently there are time constraints with these projects. He stated that he was asking for authority for now and for future contracts to approve \$10,000 or below change orders if they arise before a board meeting would occur. Discussion of this subject followed. Trustee Jaeger made a motion to give the General Manager authority to implement change orders for under \$10,000, which was seconded by Trustee Mitchell. Chairman Topcik asked if any further discussion was desired. As there was no further discussion, the motion was carried unanimously.
- **Zion Pump Station Generator** – General Manager White stated that Clark Dietz had been in touch with General Manager White regarding the costs for the placement of the new Zion Pump Station Generator. The thought was to place the unit outside; however, this option will be more expensive. General Manager White discussed this with Ron Colangelo of Zion. He asked General Manager White what the R&R charges would be before he made a decision.
- **Solids Contact Unit #2** – General Manager White stated there was nothing new to report regarding this issue.
- **Right of Ways- Redundant Raw Water Main** - General Manager White state that Tom Foley of Clark Dietz is in the process of gathering information on the possible routes for the above project. His report will give the pros and cons of each of the three routes that are being evaluated. General Manager White anticipated having more information next month. Discussion of this subject followed.
- **Projections** – General Manager White included several updated reports showing the latest estimated computation of the availability charge including or excluding the bents in the maximum funding level for the R&R account. He reviewed the charts and indicated that he felt his numbers would be close to the final audit figures. He further stated that if the numbers are accurate, perhaps Zion might want to use the money from the refund to offset the costs of moving the generator to the outside. Discussion of this subject followed. General Manager White discussed changing the structure of the R&R charge from nine months to twelve months. Attorney Kucera indicated that a special addendum would be required, and that he would draft something to allow for a change in these items.
- **Health Insurance Benefits** – General Manager White stated that he discussed the change in the District's health insurance plan with Jason Koperny of West's

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Insurance and Tom Danielewicz of Correll Company. Both felt strongly that a Section 125 Plan was necessary. General Manager White explained the Section 125 Plan to the board. General Manager White contacted a firm to set up that plan for the District. This company has provided the District with boilerplate documents, and Attorney Kucera has made suggestions for changes to those documents. In addition, Attorney Kucera stated that there should be an addendum for the employees to sign accepting or not accepting the plan. Discussion of this subject followed. Trustee Jaeger made a motion for Chairman Topcik to sign the plan documents for this plan upon Attorney Kucera's changes, which was seconded by Trustee Ruchti. Chairman Topcik asked if any further discussion was desired. As there was no further discussion, the motion was carried unanimously.

## NEW BUSINESS

- **Low Lift Pump Station** – General Manager White stated that last year the Army Corps of Engineers felt that this project could be performed under Section 14 Emergency Repair. However, their funding has not yet been released, but may be by the end of May. He has contacted Melyssa Nevis to see what she needs to get going on the project. Discussion of this subject followed.
- **Intake Pipe Survey** – General Manager White stated that the Long Range Planning Committee had inquired about a way to monitor the intake pipe for movement. He stated that he had received two quotes, one from Affiliated Researchers, LLC, and the other from American Surveying & Engineering, P.C., which were attached. General Manager White felt that the one from American was vague, and Affiliated was more in depth. General Manager White reviewed the proposals, and discussion of this subject followed.
- **2017-2018 Facilities Insurance** – Chairman Topcik reminded the board that this subject had been presented at the beginning of the meeting, and asked for a motion to approve the renewal of the facilities insurance. Trustee Jaeger made a motion to approve the 2017-2018 Facilities Insurance as presented, which was seconded by Trustee Monk. Chairman Topcik asked if any further discussion was desired. As there was no further discussion, the motion was carried unanimously.
- **New Legislation** – Attorney Kucera presented information on the Illinois General Assembly Bill 1451. This creates the small wireless utilities deployment act, which would provide that units of local government could not prohibit regulate or charge for the location of cell phone facilities, antennas on water towers. This could be of interest because of the District's responsibilities regarding the Zion water storage facilities, and includes some zoning limitation. ILAWWA is attempting to get is members to oppose due to the impact.



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- **ISAWWA** – General Manager White included a legislative report from the Illinois Section of AWWA regarding legislation relating to the water industry, including the legislation mentioned by Attorney Kucera. Discussion of this subject followed. Attorney Kucera left at 8:45 p.m.

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