

Minutes

February 13, 2018– Board Meeting

On February 13, 2018, 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, Walsh, Ruchti, Moe, and Jaeger were present. Trustees Mitchell and Ruchti arrived at 5:40 p.m. Trustee Monk was absent Also present were General Manager Don White and Administrative Assistant/Board Secretary Karen Johnston. District Attorney Dan Kucera was present via telephone.

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 Jaeger made a motion to place the following items on the consent agenda and approve the consent agenda, which was seconded by Trustee Walsh. Chairman Topcik asked if any further discussion was desired. As there was no further discussion, and upon the vote, the motion was carried unanimously.

- 4) Minutes of January 9, 2018
- 5) Treasurer’s Report for January 31, 2018
- 6) End of month January 31, 2018 Budget Report
- 7) End of month January 31, 2018 Monthly Operation Summation

OPERATIONS & MAINTENANCE ACCOUNT February, 2018 – Disbursements

ACCT. #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
2720	FICA Withholding Taxes (EE Portion)	Jan-18	5,585.02
2921	Federal Withholding Taxes	Jan-18	8,698.37
2922	IL Department of Revenue	Monthly Remittance	1,507.42
2923	WI Department of Revenue	Monthly Remittance	654.88
7205	FICA Withholding Taxes (ER Portion)	Jan-18	5,585.02
7211	Commonwealth Edison	Electricity - Jan-18	74.27
7211	Dynegy Energy Systems	Electricity - Jan-18	15,308.47
7212	No. Shore Water Reclamation Dist.	Wastewater charges	1,976.48
7215	Eurofins Eaton Analytical	Sample Testing	395.00
7215	No. Shore Water Reclamation Dist.	Sample Testing	148.00
7215	PDC Laboratories	Sample Testing	92.50
7221	Hydrite	Chlorine Shipment	1,782.00
7222	Ace Hardware	Misc. Supplies	94.47
7222	Hach	Lab Supplies	541.46
7222	Zion Auto Parts	Misc. Supplies	9.99
7223	Cummins Npower	Maintenance Supplies	128.87
7223	Erickson, C. Design Landscape	Snowplowing	1,198.13

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7223	Graybar	Maintenance Supplies	3,568.80
7223	Metropolitan Industries, Inc.	Maintenance Supplies	878.98
7223	Pumping Solutions	Membrane Cap for Chlorine Sensor	928.66
7225	Hansen Associates	Mar-18 Copier Service Agreement	95.00
7225	Klean Korner	Janitorial Service	565.00
7231	DeLage Landen Financial Services	Mar-18 Copier Lease	124.12
7232	AT&T	Telephone Service - Jan-18	1,249.32
7232	Verizon Wireless	Cellular Phone/Data Service	569.29
7234	Office Depot	Office Supplies	115.46
7235.2	AARP Medical	Medical Insurance for Diane Fragassi	301.00
7235.2	AARP Prescription	Prescription coverage for Diane Fragassi	81.80
7235.2	Blue Cross/Blue Shield	Mar-18 Health Insurance	7,000.63
7235.2	Euclid Managers (Delta Dental)	Mar-18 Dental Insurance	494.14
7235.2	Humana	Mar-18 Vision Insurance	108.09
7238	Lake County's Lakeshore Chamber	2018 Membership Dues	75.00
7241	Eder, Casella & Co.	Accounting Services - Dec-17	318.00
7241	Hamlin, James	Payroll Fees - Dec-17	323.69
7242	Kucera, Daniel	General Legal Services Dec-17	4,225.00
7243	Clark Dietz	Facilities Cost Estimate	145.00
7251	Chicago Tribune	Meeting Date Resolution Publication	48.80
7251	Correll Co.	Investment advisory service fee	850.00
7251	Tony's House of Creations	Flowers	108.00
7255	Correll Co.	3rd Qtr. FY18 Pension	18,209.94

FIRST BANKCARD

	Acct. 7222	Misc. Supplies	530.79
	Acct. 7232	Telephone Expense	64.73
	Acct. 7234	Office Supplies	105.35
	Acct. 7236	Transportation	132.04
	Acct. 7237	Meetings/Seminars	572.97
		Total First Bankcard	1,405.88
		Grand Total - Operations	\$61,266.52

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CONSTRUCTION FUNDS

ACCT. #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7283	Clark Dietz	Solids Contact Unit #1 - Prof. Services	9,955.00
7283	Henderson, J.J.	Solids Contact Unit #1 - Payout	11,536.80
		Grand Total - Operations	\$21,491.80

UNFINISHED BUSINESS

- ➔ **Intake Project** – General Manager White stated that at the January board meeting, the board approved a change order extending the contract on this project to July 1, 2018, including liquidated damages for \$2,400 for a period of 24 days. General Manager White advised that both the District and Michels Corporation had signed the change order; therefore, the final bent should be installed no later than July 1, 2018. Discussion of this subject followed.
- ➔ **Solids Contact Unit #1- Rehab Project** - General Manager White stated the board had given the painting contractor on this project a two-week notice. He indicated that the painting contractor had finished and that KTA-Tator inspected the project, and approved the work. He further stated that amendment number five to the Clark Dietz contract for an extra two weeks of KTA-Tator's and Clark Dietz' time was included in the board packet. The cost for this amendment is \$15,239.65.

General Manager White requested that the board approve amendment number five. Trustee Ruchti and Mitchell arrived at 5:40 p.m. Discussion of this subject followed. Trustee Walsh made a motion to accept amendment number five as presented, which was seconded by Trustee Jaeger. Chairman Topcik asked if any further discussion was desired. As there was no further discussion, and upon the vote, the motion was carried unanimously.

General Manager White then asked the board to approve the change order and resolution included in the board packet to recoup the costs of the investment that the District has with KTA-Tator, and additional engineering corresponding to the extra ten weeks in the amount of \$71,049.45. This amount has been subtracted from J. J. Henderson's pay request of \$82,586.25, making the amount to be approved on the disbursements, \$11,536.80. Trustee Walsh made a motion to accept the change order and resolution reducing the contract amount with J.J. Henderson by \$71,049.45, which was seconded by Trustee Jaeger. Chairman Topcik asked if any further discussion was desired. There was no further discussion, and the board proceeded to a roll call vote and the motion was carried unanimously.

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RESOLUTION

WHEREAS, the Lake County Public Water District ("District") has entered into a contract dated January 12th, 2017 with Joseph J. Henderson & Son, Inc. ("Contractor"); and

WHEREAS, it is proposed that the District approve and authorize change order #6 **crediting** the costs caused by defective and rejected coating work for Solids Contact Unit #1 for a **credit** of Seventy One Thousand Forty Nine Dollars and forty five cents (\$71,049.45).

NOW, THEREFORE, BE IT RESOLVED that the District finds as follows:

1. That the circumstances which necessitate the change in performance were not reasonably foreseen at the time the contract was signed; and
2. That the change is germane to the original contract as signed; and
3. That the change order is in the best interests of the District and is authorized by law.

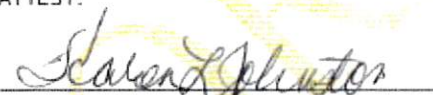
BE IT FURTHER RESOLVED that the District hereby approves the attached change order and hereby authorizes and directs the General Manager to execute the attached change order on behalf of the District.

LAKE COUNTY PUBLIC WATER DISTRICT


Gerold Topcik
Chairman, Board of Trustees

(CORPORATE SEAL)

ATTEST:


Karen L. Johnston
Secretary

PRESENTED AND READ: February 13, 2018

ROLL CALL VOTE:

Trustees voting aye:
Trustee voting nay:
Trustees absent:

MOTION CARRIED

Ayes: (6) Mitchell, Walsh, Ruchti, Moe, Jaeger, Topcik
Nays: (0)
Absent: (1) Monk

- ➔ **Zion Pump Station Generator** – General Manager White stated that there was preconstruction meeting regarding this project on February 1, 2018. In attendance were Ron Colangelo, Ray Roberts (City of Zion), Tom Foley, Paul Zouski (Clark Dietz), Chris Certa (Krause Electric), and Jeremy Thompson, Don White (Water District). Topics of the meeting were scheduling, building permit, access hours, payment procedures, submittals, coordinating of cranes, and power outage scheduling. General Manager White indicated

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that Mr. Colangelo inquired whether there would be a resident engineer on the job. General Manager White advised he would come back to this subject.

General Manager White advised that the start date had been delayed due to weather. He anticipated the final completion date was March 14, 2018, but this could be extended by change order, if need be.

In addition, General Manager White advised that he had an offer from Mr. Clinton Bunch of United Equipment Services to purchase the old generator, which would need board approval. Included in the board packet was a bill of sale written by Attorney Kucera. Trustee Walsh made a motion to approve the sale of the old Zion Pump Station Generator via the bill of sale, which was seconded by Trustee Mitchell. Chairman Topcik asked if any further discussion was desired. As there was no further discussion, and upon the vote, the motion was carried unanimously.

At this point, General Manager White returned to the topic of adding two more visits by Clark Dietz as resident engineer. He indicated that he had discussed the topic with Ron Colangelo and Ray Roberts of the City of Zion. General Manager White indicated that Mr. Roberts felt that the building department inspections would be sufficient. Discussion of this subject followed. Discussion of possible addition site visits also followed, but was tabled.

General Manager White stated that Trustee Walsh wished to discuss some issues, and referred the board to Trustee Walsh' handout. Trustee Walsh' handout discussed the costs of this project and the engineering costs.

- ***Right of Ways- Redundant Raw Water Main*** – General Manager White stated that he had received an email from Pat Brannan of IDNR stating that the IDNR would prefer that the District use the 17th Street route rather than the District's requested route. General Manager White included drawings and photos showing the District's preferred routes. Discussion of this subject followed. General Manager White advised that he would work on a response.
- ***Low Lift Pump Station Revetment*** – General Manager White stated that he had contacted James Casey of INDR Water Resources about the status of their permit. Mr. Casey advised that he is waiting for the IEPA and IDNR/Division of Ecosystems and Environment for their approval on the project. Once these are received, he will issue the water resources permit. Until the above permit is received, the Army Corps will not issue their permit. Discussion of this subject followed.
- ***Video Security System Update*** – General Manager White stated that he and Operator Thompson had researched equipment for comparison on this project. While performing this comparison, they felt that they had come up with a better option. General Manager White contacted Stanley Security to discuss possible options and solutions. He indicated that once he had their proposal, he would have a better idea of the cost for the project. Discussion of this subject followed.
- ***Facilities Cost Update*** – General Manager White presented the Clark Dietz updated facilities cost estimate, prepared by Tom Foley. General Manager White explained the process that Tom Foley used to prepare the updated figures. General Manager White explained that the

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maximum funding level for the R&R account is based on the facilities costs. He further explained that he had included two estimates, with and without the bents. This was to show the effect of the bents on the calculation of the R&R charges.

- **Draft Budget** – General Manager White reviewed the line items for the proposed budget for fiscal year 2019, explaining where he was increasing or decreasing certain items. Discussion of this subject followed.

NEW BUSINESS

- **Audit Proposal** – General Manager White included a proposal from Eder, Casella & Co. to perform the annual fiscal audit. This firm bought the District's previous auditing firm, Milburn Cain & Co. who had performed the District's annual fiscal audit for over 10 years. General Manager White indicated that this year the engagement letter included a three-year commitment. The letter had been reviewed and approved by Attorney Kucera and Chairman Topcik. General Manager White stated that if the board approved the proposal the fees would be FY 2018 - \$21,650, an increase of \$650 from FY2017; FY 2019 - \$22,300; and FY 2020 - \$22,950. Discussion of this subject followed. Trustee Walsh made a motion to accept the Eder, Casella & Co. proposal, which was seconded by Trustee Ruchti. Chairman Topcik asked if any further discussion was desired. As there was no further discussion, and upon the vote, the motion was carried unanimously.
- **End of Year Projections** – General Manager White included his projections for where the District would be at the end of the current fiscal year. He reminded the board that these were just estimates as there were still several months left in the current fiscal year. He discussed the possible refund on the R&R charges, which is what occurred the previous fiscal year. He explained that those charges were used to offset the debt service charges. Discussion of this subject followed. He also reviewed the estimated water rate for the coming fiscal year and explained that the rate would probably be lower than last year. Discussion of this subject followed.
- **Watercon 2018** - General Manager White stated that he would like to attend the annual Watercon Conference. He stated that, per state law, he needed approval of his expenses. He included a cost breakdown for the board's informational purposes. Trustee Walsh made a motion to approve General Manager White's expenses per his memo, which was seconded by Trustee Ruchti. Chairman Topcik asked if any further discussion was desired. As there was no further discussion, and upon the vote, the motion was carried unanimously.
- **Sexual Harassment Policy** – Attorney Kucera prepared a memo, and a resolution adopting a sexual harassment policy for the District. He explained this was per new legislation by the Illinois General Assembly. Attorney Kucera reviewed the policy with the board. Discussion of this subject followed. Trustee Ruchti made a motion to adopt the sexual harassment policy, which was seconded by Trustee Walsh. Chairman Topcik asked if any further discussion was desired. There was no further discussion, and the board proceeded to a roll call vote and the motion was carried unanimously.

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RESOLUTION

WHEREAS, the Illinois General Assembly has enacted Public Act 100-0554 ("Act"), pursuant to which each unit of local government is required to adopt by ordinance or resolution a policy to prohibit sexual harassment; and

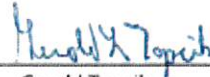
WHEREAS, the District desires to bring its present sexual harassment policy in conformity with the Act.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The Policy Prohibiting Sexual Harassment attached hereto is hereby adopted.
2. To the extent that this Resolution and the Policy attached hereto conflicts with any other policy of the District, the terms of this Resolution and the Policy attached hereto shall supersede the terms of the other policy, except where the terms of the other policy are more strict than those of the Policy attached to this Resolution.
3. The Policy attached hereto shall be in full force and effect upon its passage and approval.

BE IT FURTHER RESOLVED that the District hereby approves the attached change order and hereby authorizes and directs the General Manager to execute the attached change order on behalf of the District.

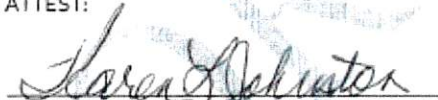
LAKE COUNTY PUBLIC WATER DISTRICT



Gerold Topcik
Chairman, Board of Trustees

(CORPORATE SEAL)

ATTEST:



Karen L. Johnston
Secretary

PRESENTED AND READ: February 13, 2018

ROLL CALL VOTE:

Trustees voting aye:
Trustee voting nay:
Trustees absent:

MOTION CARRIED

Ayes: (6) Mitchell, Walsh, Ruchti, Moe, Jaeger, Topcik

Nays: (0)

Absent: (1) Monk

MISCELLANEOUS

- **3MG Reservoir Inspection** – General Manager White stated that he had a proposal for the inspection of the 3MG standpipe. He stated that as it was under \$20,000, he did not need approval, but wanted to advise the board that it would be out of service for approximately one week. Discussion of this subject followed.

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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