

Minutes

March 13, 2018- Board Meeting

On March 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, Monk, Walsh, Moe, and Jaeger were present. Trustees Mitchell and Ruchti were absent. Also present were General Manager Don White and Administrative Assistant/Board Secretary Karen Johnston. District Attorney Dan Kucera was present via telephone. Mr. Jason Koperny of West's Insurance was present as a guest speaker.

Chairman Topcik stated that Mr. Jason Koperny of West's Insurance Agency was present as a guest speaker to discuss the May 1, 2018 health insurance renewal. Mr. Koperny included a spreadsheet for the board with a breakdown of the renewal coverages offered by Blue Cross/Blue Shield, the District's current carrier. He stated that there was a slight premium increase this year, .78%. He further stated that there were some changes within the program. The individual deductible has changed from \$6,000, to \$7,350, and the family deductible has changed from \$12,700 to \$14,700. In addition, the out-of-pocket amounts changed to match the deductible amounts. He indicated that all Blue Cross/Blue Shield deductibles changed, regardless of plan. Mr. Koperny further stated that the drug tier now included a sixth tier and reviewed those changes. Discussion of this subject followed.

Mr. Koperny discussed the dental coverage with Delta Dental. He stated that the rates are locked in for another year. Mr. Koperny went on to discuss the life insurance and vision coverage. He stated that the District currently had a combination life insurance/vision policy with Humana. However, Jason indicated that for a lower cost the life insurance could be added to the Blue Cross/Blue Shield policy. The vision could be added to the Delta Dental policy for a lower premium and better coverage. Discussion of this subject followed. Trustee Walsh made a motion to accept the Blue Cross/Blue Shield and Delta Dental renewal policies for the health and dental insurance, to move the life insurance to Blue Cross/Blue Shield, and to move the vision to Delta Dental as proposed, 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. Mr. Koperny left the meeting at 5:40 p.m.

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 Monk made a motion to place the following items on the consent agenda and approve the consent agenda, 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.

- 4) Minutes of February 13, 2018
- 5) Disbursements of March 2018.
- 6) Treasurer's Report for February 28, 2018
- 7) End of month February 28, 2018 Budget Report
- 8) End of month February 28, 2018 Monthly Operation Summation

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OPERATIONS & MAINTENANCE ACCOUNT March, 2018 – Disbursements

ACCT. #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
2920	FICA Withholding Taxes (EE Portion)	Feb-18	2,569.36
2921	Federal Withholding Taxes	Feb-18	3,668.11
2922	IL Department of Revenue	Monthly Remittance	1,064.35
2923	WI Department of Revenue	Monthly Remittance	490.77
7205	FICA Withholding Taxes (ER Portion)	Feb-18	2,569.36
7205	IL Unemployment	Feb-18	114.39
7211	Commonwealth Edison	Electricity - Feb-18	128.77
7211	Dynegy Energy Systems	Electricity - Feb-18	15,068.13
7215	Eurofins Eaton Analytical	Sample Testing	395.00
7215	PDC Laboratories	Sample Testing	92.50
7221	Usalco	Aluminum Sulfate	6,362.56
7222	Ace Hardware	Misc. Supplies	95.23
7222	Aramark Refreshment Services	Coffee Service	424.76
7222	Cintas	First Aid Supplies	83.97
7222	EMD Millipore	Lab Supplies	1,590.01
7222	Hach	Lab Supplies	771.51
7223	Cummins Npower	Maintenance Supplies	2,198.88
7223	Grainger, W.W.	Maintenance Supplies	212.58
7223	Graver Water Systems	Maintenance Parts	1,577.46
7223	Hach	Turbidity Meter Repair	907.25
7223	Lakeland Larsen Elevator	Annual Elevator Pressure Test	210.00
7223	Vortex Technologies	Meter calibration	830.00
7225	Hansen Associates	Apr-18 Copier Service Agreement	95.00
7225	Klean Korner	Janitorial Service	565.00
7225	Lakeland Larsen Elevator	2nd Qtr. Elevator Maintenance	328.84
7231	DeLage Landen Financial Services	Apr-18 Copier Lease	124.12
7232	AT&T	Telephone Service - Feb-18	1,424.81
7232	Verizon Wireless	Cellular Phone/Data Service	569.27
7234	Federal Express	Shipping Charges	105.31

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34	Office Depot	Office Supplies	225.08
7235.2	AARP Medical	Medical Insurance for Diane Fragassi	301.00
7235.2	AARP Prescription	Prescription coverage for Diane Fragassi	81.00
7235.2	Baillie, Anthony	Deductible Reimbursement	2,328.05
7235.2	Blue Cross/Blue Shield	Apr-18 Health Insurance	7,000.63
7235.2	Euclid Managers (Delta Dental)	Apr-18 Dental Insurance	494.14
7235.2	Humana	Apr-18 Vision Insurance	108.09
7235.2	IL Public Risk	2nd Qtr. Work Comp	2,299.00
7238	Chicago Tribune	2018 Digital Renewal	19.95
7238	Ill. Municipal League	2018 Subscription	30.00
7241	Hamlin, James	Payroll Fees - Feb-18	195.77
7242	Kucera, Daniel	General Legal Services Jan-18	5,985.00
7242	Trobe, Babowice, & Assoc.	Solids Contact Unit #2 - Litigation	91.50
7243	Clark Dietz	Facilities Cost Estimate	815.00
7251	Correll Co.	Quarterly Services for period ended 01/31/18	638.25
7251	Zion, City of	Elevator Inspection	100.00

FIRST BANKCARD

	Acct. 7222	Misc. Supplies	4.37
	Acct. 7223	Maintenance & Repairs	2,120.80
	Acct. 7225	Service Contracts	38.00
	Acct. 7232	Telephone Expense	65.44
	Acct. 7234	Office Supplies	796.27
	Acct. 7236	Transportation	217.53
	Acct. 7237	Meetings/Seminars	222.82
		Total First Bankcard	3,465.23
		Grand Total - Operations	\$68,814.99

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CONSTRUCTION FUNDS

ACCT. #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7283	Clark Dietz	Solids Contact Unit #1 - Prof. Services	62,552.30
7283	Henderson, J.J.	Solids Contact Unit #1 - Payout	4,431.60
		Grand Total - Operations	\$66,983.90

Chairman Topcik appointed the following committees, per his letter included in the board meeting:

Nominations Committee:

Trustees: Amos Monk, Chairperson
Richard Moe

Salary Committee:

Trustees: Douglas Jaeger, Chairperson
Dorothy Mitchell

Long Range Planning:

Trustees: Michael Ruchti, Chairperson
Patrick Walsh

UNFINISHED BUSINESS

- **Solids Contact Unit #1 –Rehabilitation Project** – General Manager White stated that J. J. Henderson had rebutted and rejected the change order approved by the board at the previous board meeting, and had Attorney Kucera outline the factors that went in to that decision. Attorney Kucera reviewed the issues regarding the change order, which decreased the contract amount. Attorney Kucera explained that there are claims made by both parties (the District and J.J. Henderson). He explained the process for claims and indicated that the next step would be a discussion among the parties. Discussion of this subject followed.
- Concerning the same project, but on a different subject, General Manager White stated that at the December board meeting, a change order had been presented to the board regarding the replacement of the overflow pipe and elbow to the wall. Henderson did not execute the change order, as there were no funds for painting. Henderson would like to have a change order for changing the vertical pipe, and were waiting for pricing for the elbow and wall painting. General Manager White stated that in order to have Henderson start working and try to get the project complete, we need to approve the change order for replacing the vertical pipe and hope that the elbow does not need repair. If the elbow does need repair, we have to wait until next month, hopefully by which time they will have a price from a painter for painting the elbow and the penetration through the wall. Discussion of this subject followed. Trustee Jaeger made a motion to approve the resolution and change order for the cutting and removal of the existing vertical section of overflow pipe and installation of new overflow pipe, which was seconded by Trustee Monk. Chairman Topcik asked if any

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further discussion was desired. As there was no further discussion, the board proceeded to a roll call vote and the motion was carried as follows:

Ayes: (4) Monk, Moe, Jaeger Topcik

Nays: (1) Walsh

Absent: (2) Mitchell, Ruchti

The resolution follows:

RESOLUTION

WHEREAS, the Lake County Public Water District ("District") has entered into a contract dated January 13th, 2017 with Joseph J. Henderson & Son, Inc. ("Contractor"); and

WHEREAS, it is proposed that the District approve and authorize revised change order #5, for the cutting and removal of the existing overflow pipe 10" above existing elbow, and installation of new PVC overflow, for pipe, for an increase of \$9,944.66.

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: March 13, 2018

ROLL CALL VOTE:

Trustees voting aye: A. Monk; R. Moe; D. Jaeger; G. Topcik
Trustee voting nay: P. Walsh
Trustees absent: D. Mitchell; M. Ruchti

MOTION CARRIED

- **Zion Pump Station Generator** – General Manager White stated that Krause Electric had a locate performed for internal pipes, sump pumps, drains, etc., and nothing was found to impede the start of this project. Krause is in the progress of getting the excavation done to pour the concrete forms. General Manager White is hopeful that this project will be done by the end of April, but is still awaiting a schedule. Discussion of this subject followed.
- **Right of Ways- Redundant Raw Water Main** – General Manager White stated that he had contacted the both of the underground boring contractors suggested by Trustee Walsh, R.J. Underground and R.A. Mancini. General Manager White stated that he had provided them with route information for the proposed pipeline. Richey from R.J. Underground advised

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General Manager White that he would be providing an estimate based on the information provided by General Manager White. Rick from R.A. Mancini advised General Manager White that he would review the drawing and would contact him for a date to view the site to provide an estimate. Discussion of this subject followed.

- **Low Lift Pump Station Revetment** – General Manager White passed out pictures of the low lift pump station. He stated that the District had received the Army Corps permit for repairs, but was still waiting for the IDNR Water Resources permit. Once that permit has been received, the IEPA and Ecosystems will issue their permit. General Manager White stated that he would like approval from the board for an addendum to the contract with Shabica & Associates for preparing the scope of work, etc. He was also asking for board approval for Clark Dietz to provide the standard bid documents incorporating the scope of work by Shabica & Associates. Trustee Walsh made a motion to approve the addendum to the Shabica & Associates contract for \$3,800 for writing the technical specifications, which was seconded by Trustee Jaeger. Chairman Topcik asked if any further discussion was desired. The board proceeded to discuss the project, and upon the vote, the motion was carried unanimously.
- **Video Security System Update** – Trustee Walsh made a motion to enter executive session to discuss District security issues, which was seconded by Trustee Moe. Chairman Topcik asked if any further discussion was desired. As there was no further discussion, and upon the vote, the motion was carried unanimously.

* * * EXECUTIVE SESSION * * *

- **Availability Charges/R&R Projections Update** – General Manager White attached projections for these charges using the updated facilities cost with the bents. One projection includes the costs of the Zion Pump House generator, and one excludes those costs. General Manager White reviewed how the inclusion or exclusion of those costs has an impact on the R&R charges. Discussion of this subject followed.
- **End of Year Projections** – General Manager White included estimates for the water rate and the amount due/refund. He indicated that these are estimates as there are still two months of expenses left to account for in the fiscal year. Based on the current estimated projections of expenses and estimated water sold for the current fiscal year, it appears there will be a refund to the District's customers this year. Again, as last year, this seems to be correlated to less depreciation and lower expenses for the current fiscal year. In addition, based on these calculations, the water rate would be lower by four to five cents. Discussion of this subject followed.
- **Draft Budget** – General Manager White included another draft budget, along with line item discussion points. He reviewed the line items, focusing on those that had changed from last month. He indicated that phone charges would be increased due to new technology that required updates to equipment. In addition, the security line item would be increased due to the evening's previous conversation. General Manager White indicated that the budget needed to be approved by the April board meeting, and that he would resubmit the budget next month. Discussion of this subject followed.

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NEW BUSINESS

- **Emergency Procurement Procedure Update-** General Manager White included a report regarding the replacement of the standby pump at the Zion Pump House. The report described the failure of the standby pump, and the need to replace the pump, using the emergency procurement procedure. A resolution was included in the board packet outlining what occurred, and why the new pump needed to be purchased. Trustee Walsh made a motion to approve the resolution confirming the actions of the general manager and chairman, which was seconded by Trustee Monk. Chairman Topcik asked if any further discussion was desired. As there was no further discussion, the board proceeded to a roll call vote and the motion was carried as follows:

Ayes: (5) Monk, Walsh, Moe, Jaeger Topcik

Nays: (0)

Absent: (2) Mitchell, Ruchti

The resolution follows:

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RESOLUTION

WHEREAS, the District owns and maintains two high side pumps at the Zion Pump Station to pump water to the elevated storage tank, one pump being of larger capacity and the other of smaller capacity; and

WHEREAS, the larger pump regularly is in service, while the smaller pump is maintained in reserve as standby in the event that the larger pump should fail or additional pumping capacity is required; and

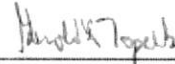
WHEREAS, when the smaller pump was placed in service recently for exercise, it failed due to extensive damage which will cause substantial cost to repair; and

WHEREAS, because the smaller pump failure has left the District without standby for the larger pump, the General Manager determined that an emergency situation exists within the meaning of Chapter 4, Section 1, of the District Procurement Procedures Ordinance; and, with co-execution by the Vice Chairman, he proceeded to order a new pump of capacity comparable to the larger pump to provide standby when installation is completed.

NOW, -THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. It is declared that the failure of the subject smaller pump has caused an emergency situation within the meaning of Chapter 4, Section 1, of the District Procurement Procedures Ordinance.
2. The actions taken by the General Manager and Chairman hereby are confirmed.
3. The estimated end date of the emergency situation is by April 30, 2018.


LAKE COUNTY PUBLIC WATER DISTRICT



Gerold Topcik
Chairman, Board of Trustees

(CORPORATE SEAL)

ATTEST:


Karen L. Johnston
Secretary

PRESENTED AND READ: March 13, 2018

ROLL CALL VOTE:

Trustees voting aye:
Trustee voting nay:
Trustees absent:

MOTION CARRIED

- ➔ **Consulting Engineer Services Agreement** – General Manager White stated that he had asked Clark Dietz for a Consulting Engineers Services agreement, which was included in the board packet. He indicated that it did not need to be voted on until next month, but wanted the board to have it for review. He indicated that Clark Dietz had been the District's consulting engineer for the last several years, and that he was satisfied with their work. Discussion of this subject followed.

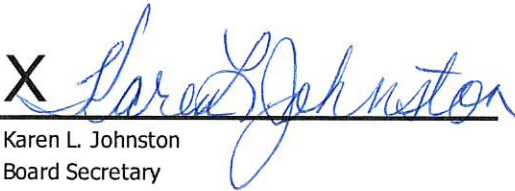
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➔ **New Legislation** – Attorney Kucera indicated that SB3080 is of interest in the water industry. He stated that it is an Illinois legislation. It has not yet passed, but is a bill that will do three things:

- 1) Require every community water system to perform a cost of service study every five years.
- 2) Require every community water service utility to create a plan to remove known lead service lines within ten-year period, whether those lines were on public property or private property.
- 3) Require every community water service utility to create and implement an asset management plan designed to inspect, maintain, repair, and renew the entire infrastructure of that utility. In addition, every three years it would have to report to IEPA as to its success in implementing this plan. The Illinois Section of AWWA has testified against this bill. It is still before the senate. Discussion of this subject followed.

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

X 

Karen L. Johnston
Board Secretary