

Minutes

May 14, 2019- Board Meeting

On May 14, 2019, 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, Administrative Assistant/Board Secretary Karen Johnston, and District Attorney Dan Kucera. Brad West from West’s Insurance Agency was present as a guest speaker.

Chairman Topcik introduced the guest speaker, Brad West of West’s Insurance Agency to present the facilities insurance renewal program. Mr. West started by advising the board that he was retiring in October and thanked the board for allowing him and West’s Insurance to service the District for the past few decades. He provided the board with a proposal outlining the insurance renewal. He advised the board that the overall premium had increased by approximately 1.2%. The proposed renewal premium is \$63,759, up from \$62,968 in 2018. He proceeded to review the coverages and limits. The blanket property coverage increased from \$16,638,001 to \$17,730,000. All coverages remained the same, with no proposed changes by West’s Insurance. Discussion of the insurance renewal followed with Mr. West answering questions from the board. The subject of flood insurance in relation to the low lift pump station was discussed. Mr. West stated that he would provide a quote for this coverage. Mr. West thanked the board and 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) Regular Minutes & Executive Session Minutes of April 9, 2019 – Chairman Topcik asked if any discussion was desired. There was none and Trustee Jaeger made a motion to approve the regular and executive session minutes of April 9, 2019, which was seconded by Trustee Walsh. 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. Trustee Walsh 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.

ACCT. #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
2920	FICA Withholding Taxes (EE Portion)	Apr-19	2,600.28
2921	Federal Withholding Taxes	Apr-19	3,731.52
2922	IL Department of Revenue	Monthly Remittance	1,056.35
2923	WI Department of Revenue	Monthly Remittance	535.55
7205	FICA Withholding Taxes (ER Portion)	Apr-19	2,600.28
2925	IL Department of Revenue	Apr-19	47.95
7255	Correll Co.	Pension - Apr-19	5,772.14
7211	Commonwealth Edison	Electricity - Apr-19	99.33
7211	Dynegy	Electricity - Apr-19	10,895.84
7215	PDC Laboratories	Sample Testing	107.50

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	Hawkins, Inc.	Chlorine Shipment	764.50
7221	Nalco	Nalclear Shipment	5,077.88
7222	Ace Hardware	Miscellaneous Supplies	363.90
7222	CCP Industries	Miscellaneous Supplies	599.17
7222	CDW Government	Computers/Monitors	4,995.42
7222	Cintas	First Aid Supplies	61.08
7222	EMD Millipore Corporation	Lab Supplies	393.43
7222	Midwest Water Group	Lab Supplies	1,498.88
7222	Zion Auto Parts	Miscellaneous Supplies	71.48
7223	Concentric Integration	Sola Power Supply	603.00
7223	Core & Main	Meter Calibration	2,983.68
7223	Dahme Mechanical Industries	16" Water Main Sample Tap Installation	1,784.00
7223	DH Wireless Solutions	Maintenance Supplies	49.16
7223	Erickson Design, C.	Snowplowing Apr-19	225.00
7223	Graybar	Maintenance Supplies	107.52
	Lake Shore Environmental Solutions	Asbestos Abatement	5,565.00
7223	Quincy Compressor	Maintenance Supplies	47.85
7223	Real Time Environmental	Air Sampling & Analysis - Asbestos Removal	1,000.00
7223	Tank Industry Consultants	3MG Tank Inspection	7,540.00
7225	Evoqua	Maintenance Contract	499.96
7225	Hansen Associates, Inc.	Jun-19 Copier Maintenance	95.00
7225	Klean Korner	Apr-19 Janitorial Services	565.00
7231	DeLage Landen Financial Services	Jun-19 Copier Lease	124.12
7232	AT&T	Telephone Service - Apr-19	2,390.04
7232	Verizon Wireless	Cellular Phone/Data Service	625.80
7234	Quill	Office Supplies	103.96
7235.1	West's Insurance	Public Officials Bond	1,500.00
7235.2	AARP Medical	Medical Insurance for Diane Fragassi	74.40
7235.2	AARP Prescription	Prescription coverage for Diane Fragassi	314.25
7235.2	Blue Cross/Blue Shield	Jun-19 Health Insurance	7,487.32
7235.2	Euclid Managers (Delta Dental)	Jun-19 Dental/Vision	488.98

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5.2	Johnston, Karen	Insurance Deductible Reimbursement	340.00
7235.2	Principal Insurance	Disability/AD&D	560.34
7235.2	Thompson, Jeremy	Insurance Deductible Reimbursement	4,108.00
7241	Hamlin, James	Payroll Fees - Apr-19	209.50
7242	Kucera, Daniel	Legal Services Apr-19	4,387.50
7243	Clark Dietz	Professional Services	300.00
7245	Baillie, Anthony	Tuition	566.99
7251	Correll Co.	Investment advisory service fee 1st Qtr. 2019	966.00

FIRST BANKCARD

	Acct. 7222	Miscellaneous Supplies	90.09
	Acct. 7225	Maintenance Contract	25.00
	Acct. 7232	Telephone Expense	66.99
	Acct. 7234	Office Supplies	74.99
	Acct. 7236	Transportation	224.66
	Acct. 7237	Meetings/Seminars	187.27
		Total First Bankcard	669.00
		Grand Total - Operations	\$87,553.85

- 6) Treasurer's Report – Chairman Topcik reviewed the report with the board, and asked if any discussion was desired. General Manager White advised of an increase in the interest rate and discussed the payments by the Marina. Trustee Jaeger made a motion to approve the treasurer's report, which was seconded by Trustee Walsh. Chairman Topcik asked if any further discussion was desired. As there was no further discussion, the motion was carried unanimously.
- 7) Budget – Chairman Topcik reviewed the report with the board, and asked if any discussion was desired. General Manager White advised that office supplies were high, as new workstations and monitor were purchased under this line item. In addition, the telephone line item was up due to the purchase of new modems. Trustee Jaeger made a motion to approve the budget, 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.
- 8) MOS – Chairman Topcik asked if any discussion was desired. General Manager White indicated that water usage was up due to main breaks. Trustee Jaeger made a motion to approve the MOS report, which was seconded by Trustee Walsh. Chairman Topcik asked if any further discussion was desired. As there was no further discussion, the motion was carried unanimously.
- 9) Committee Reports – Amos Monk of the Long Range Planning Committee felt that input from the Board would be beneficial on this subject. Discussion of this subject followed.

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The nominating committee presented 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 Walsh 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 Monk, Walsh, Moe, Jaeger, and Topcik all voted aye; Trustees Mitchell and Ruchti were absent and no nays. The motion was carried.

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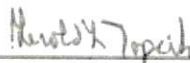
RESOLUTION

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, 2019 shall be in the total amount of \$1,200.00, payable in equal monthly installments.
2. GEROLD L. TOPCIK be and is hereby elected Chairman of the Board of Trustees for the fiscal year beginning May 1, 2019.
3. RICHARD J. MOE be and is hereby elected the Vice-Chairman of the Board of Trustees for the fiscal year beginning May 1, 2019.
4. DONALD J. WHITE be and is hereby elected Treasurer for the fiscal year beginning May 1, 2019. 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, 2019. 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, 2019 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, 2019 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, 2019 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, 2019; 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 L. Topcik
Chairman, Board of Trustees

ATTEST:



Karen L. Johnston
Secretary

PRESENTED AND READ: May 14, 2019

APPROVED:

ROLL CALL VOTE:

Trustees voting aye: A. Monk; P. Walsh; R. Moe; D. Jaeger; G. Topcik

Trustee voting nay: None

Trustees absent: D. Mitchell; M. Ruchti

MOTION CARRIED

UNFINISHED BUSINESS

- ➔ **Right of Ways- Redundant Raw Water Main** – General Manager White provided an update on the status of this subject. General Manager White indicated that he had contacted four

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engineering firms, Clark Dietz, Carollo, Baxter & Woodman, and Burke Engineering. Both Clark Dietz and Carollo felt that this was more of a legal issue now. There was no response from Baxter & Woodman. Jedd Anderson of Burke Engineering provided General Manager White with a draft memo outlining what he sees as Burke's role in obtaining the right of way, which is to negotiate the environmental issues with IDNR and the Nature Preserves Commission, while Clark Dietz will continue to do the design work of the pipeline. General Manager White stated that he had reviewed Burke's credentials, and had passed on their information to Tom Foley of Clark Dietz. Mr. Foley reviewed the memo from Mr. Anderson. General Manager White asked Mr. Foley for an estimated proposal for their portion of the work, which was approximately \$60,000, for a 60% design. In addition, General Manager White estimates that Burke's portion would be approximately \$35,000-45,000. The approximate cost for this project is \$105,000, and it may or may not occur. However, if the District does not go ahead with this, the right of way could be lost. Discussion of this subject followed. Attorney Kucera stated that General Manager White should get formal proposals. General Manager White stated he would work on this.

- ➔ **Video Security System** – General Manager White stated that he had received emails from Josh Hedstrom, the contact for the grant. He advised General Manager White that he needed the cost estimate updated to match the amount for which the District has applied. General Manager White stated that he had sent that information to Mr. Hedstrom, and the District is a step closer to the decision on whether the grant would be awarded.

General Manager White further stated that Christel Simonis of Clark Dietz is reviewing the plan for the equipment and suppliers. They are also reviewing the layout and location of the cameras. When you has finished, she will meet with Tom Foley to discuss a bid specification. In addition, Kelly McGillivray from West's Insurance will be contacting their loss control department for any input they can provide. Discussion of this subject followed.

- ➔ **Alum Class Action** – General Manager White stated that there was nothing new to report on this subject.
- ➔ **Solids Contact Unit #1 – Repairs Update** – General Manager White stated that QAIC, the painting contractor on this project, started the repair of the coating issues on April 18, and finished the work on April 19. Kimmer Cline of KTA was onsite, as was Sherwin Williams, the paint manufacturer, to ensure the work was done properly and to contract specifications. Mr. Cline complete gave a report to General Manager White upon completion of the work. Mr. Cline indicated that the work passed his testing as well as the paint manufacturer's recommendations. General Manager White advised the board that a second year anniversary inspection would be scheduled for January of 2020. Discussion of this subject followed.
- ➔ **End of Year Projections for availability & R&R charges, and update on Facilities Cost Estimate** - General Manager White included updated charts for the estimated availability and R&R charges. He reminded the board that Debt Service charges remain fixed. He reviewed the numbers with the board. He also stated that Attorney Kucera had written a letter to Winthrop Harbor to offset the refund and R&R charge, changing the time period from 24 months to 12 months. General Manager White stated would wait until after the audit to send that letter. Discussion of this subject followed.

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- **Estimated Refund & Water Rate** – General Manager White included projections for the end of the fiscal year for the customer refund and water rate. He reviewed the numbers, indicating that the water rate should be around \$1.62. Discussion of this subject followed.
- **Bond Principal & Interest Payment** – General Manager White advised the board the principal and interest payment had been made on April 24. He also advised that the District had received five payments from the Marina. These payments allowed the District to make the payment without borrowing from the R&R account. Discussion of this subject followed.
- **3MG Tank Inspection** – General Manager White advised that the board that he had not received the report from Tank Industry Consultants due to staffing illnesses. They anticipated sending the District the report the following week. Discussion of this subject followed.
- **Employee Handbook changes**- Attorney Kucera started with the memo regarding the revisions of the Educational Assistance policy. The revisions reflect comments by the employment attorney and the board. However, Attorney Kucera stated he needed definitive answers to accept the revised policy. Discussion of this subject followed, with the following changes made to the revised educational assistance policy. There will be a maximum reimbursement of \$5,200, including books, fees, and lab fees. The amount of reimbursement will be contingent upon grades received. A – 100%; B – 90%; C – 75%, and less than a C will have zero repayment. Repayment obligation for early termination will arise if an employee terminates in less than two years of receipt of reimbursement. The reference to late charges will be deleted. Trustee Walsh made a motion to accept this revision along with these changes, to the educational assistance portion to the employee handbook, which was seconded by Trustee Monk. Chairman Topcik asked if any further discussion was desired, as there was no further discussion, and upon the vote, the motion was carried unanimously.

Attorney Kucera proceeded to discuss Mark Hansen's comments. The board members were provided with a copy of those changes. He requested that the board review Mr. Hansen's comments along with his comments for discussion at the next board meeting. He made note to the section dealing with workplace violence and firearms. Discussion of this subject followed.

NEW BUSINESS

- **Facilities Insurance Renewal** – Chairman Topcik advised the board that the facilities insurance renewal had been presented earlier by Brad West. Trustee Jaeger made a motion to accept the proposal as presented, 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.
- **Approval of Maximum Funding Level for R&R Account** – General Manager White provided the board a copy of the facilities plan updated by Clark Dietz in February. Trustee Walsh made a motion to approve the facilities plan of \$29,673,000, 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.

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Trustee Monk made a motion to adjourn the meeting, 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.

X 

Karen L. Johnston
Board Secretary