

Minutes

May 12, 2020– Board Meeting

On May 12, 2020, the Board of Trustees of the Lake County Public Water District convened virtually in a regularly scheduled meeting at the hour of 5:30 p.m. Chairman Topcik, General Manager White, and Administrative Assistant/Board Secretary Karen Johnston were physically present at the conference room of the District, 500 –17th Street, Zion, Illinois. Present virtually were: Trustees Mitchell, Monk, Walsh, Moe, Jaeger, and Attorney Kucera. Also present virtually was Brent Jones of West’s Insurance Agency. Trustee Ruchti was not present. Chairman Topcik opened the meeting at approximately 5:30 p.m.

Chairman Topcik started the meeting with a statement made by Attorney Kucera. Attorney Kucera stated this meeting of the Board of Trustees of the Lake County Public Water District is being conducted by virtual protocol pursuant to orders and authorizations issued by the Governor concerning Covid-19.

Chairman Topcik then stated the guest speaker, Brent Jones of West’s Insurance would present the facilities insurance renewal.

Mr. Jones started his presentation by explaining that the District had carried \$20,000,000 in excess liability for the last few years. Due to catastrophic events in the past few years, reinsurance carriers are reducing the limits they will provide, and the District’s current carrier would only offer \$10,000,000 in umbrella liability. However, he had found another carrier to provide a \$10,000,000 excess policy over the \$10,000,000 umbrella, for a total of \$20,000,000. The quote from the District’s current carrier, One Beacon was \$21,415, for \$10,000,000. Mr. Jones explained that he had obtained a quote from a new carrier, Trident Insurance for \$14,572 also for \$10,000,000. Trident also offered an excess policy for \$10,000,000 for \$16,600. The total for both policies was \$31,272, only slightly higher than the expiring premium of \$30,898.

Mr. Jones went on to discuss the remainder of the facilities insurance renewal program outlined in the proposal provided to the board. He advised the board that the overall premium had increased by approximately 7.5%. The proposed renewal premium is \$68,587, up from \$63,759 in 2019. He proceeded to review the coverages and limits. The blanket property coverage increased from \$17,730,000 to \$18,105,000, based on the facilities replacement cost estimated from Clark Dietz. All coverages other than the umbrella remained the same, with no proposed changes by West’s Insurance. Discussion of the insurance renewal followed with Mr. Jones answering questions from the board. Mr. Jones left the meeting at 5:45 p.m.

Chairman Topcik then suggested that no consent agenda be used as the reports in the board packet represented the final reports for fiscal year 2020, and that the board discuss all report items individually.

- 4) Regular Minutes of April 14, 2020 – Chairman Topcik asked if any discussion was desired. There was none and Trustee Walsh made a motion to approve the regular session minutes of April 14, 2020, which was seconded by Trustee Mitchell. The vote on roll call was: Trustees Mitchell, aye; Monk, aye; Walsh, aye; Moe, aye; Jaeger, aye; Topcik, aye. Motion carried.
- 5) Disbursements – Chairman Topcik asked if any discussion was desired. Trustee Jaeger made a motion to approve the disbursements, which was seconded by Trustee Monk. Several items were discussed. Chairman Topcik asked if any further discussion was desired, and there was none. The vote on roll call was: Trustees Mitchell, aye; Monk, aye; Walsh, aye; Moe, aye; Jaeger, aye; Topcik, aye. Motion carried.

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ACCT. #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
2920	FICA Withholding Taxes (EE Portion)	Apr-20	2,566.19
2921	Federal Withholding Taxes	Apr-20	3,188.88
2922	IL Department of Revenue	Monthly Remittance	1,036.85
2923	WI Department of Revenue	Monthly Remittance	521.82
2925	IL Dept. of Unemployment	Apr-20	4.36
7205	FICA Withholding Taxes (ER Portion)	Apr-20	2,566.19
7255	Correll Co.	Apr-20	5,717.62
7211	Commonwealth Edison	Electricity - Apr-20	69.36
7211	Dynegy	Electricity - Apr-20	12,547.91
7215	PDC Laboratories	Sample Testing	318.50
7221	Hawkins	Chlorine Shipment	759.00
7222	Ace Hardware	Miscellaneous Supplies	125.19
7222	Applied Industrial Technologies	Miscellaneous Supplies	468.70
7223	Dahme Mechanical	Compressed Air Piping Replacement Work	9,575.00
7223	Dorner Valves & Automation	Maintenance Supplies	1,906.84
7225	Hansen Associates, Inc.	Jun-20 Copier Maintenance	95.00
7231	DeLage Landen Financial Services	Jun-20 Copier Lease	124.12
7232	AT&T	Telephone Service	1,313.08
7232	Verizon Wireless	Cellular Phone/Data Service	413.33
7234	CDW Government	Computer Peripherals	346.56
7234	Office Depot	Office Supplies	64.57
7235.2	AARP Medical	Medical Insurance for Diane Fragassi	79.00
7235.2	AARP Prescription	Prescription coverage for Diane Fragassi	318.25
7235.2	Baillie, Anthony	Deductible Reimbursement	66.64
7235.2	Blue Cross/Blue Shield	Jun-20 Health Insurance	7,819.08
7235.2	Euclid Managers (Delta Dental)	Jun-20 Dental/Vision	488.98
7235.2	Johnston, Karen	Deductible Reimbursement	7,171.35
7235.2	Principal Insurance	Jun-20 Disability/AD&D	551.73
7237	Hungerford Technologies	WebEx Service - Teleconference Meeting	53.56

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7241	Hamlin, James	Payroll Fees - Apr-20	201.02
7242	Graefe & Hansen, Ltd.	Covid-19 Employment Issues	281.25
7242	Kucera, Daniel	Legal Services - Apr-20	3,195.00
7243	Clark Dietz	Professional Services-Raw Water Borings	150.00
7251	Correll Co.	Investment Advisory Service Fee	954.00

FIRST BANKCARD

	Acct. 7222	Miscellaneous Supplies	202.97
	Acct. 7223	Maintenance/Repairs	45.00
	Acct. 7225	Maintenance Contract	30.25
	Acct. 7234	Office Supplies	710.11
	Acct. 7236	Transportation	98.95
	Acct. 7237	Meetings/Seminars	264.00
	Acct. 7238	Dues/Subscriptions	15.96
		Total First Bankcard	1,367.24
		Grand Total - Operations	\$65,322.17

R&R

ACCT. #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7277	KTA	Solids Contact Unit #1 Inspection - 2nd Year	4,858.54
7299	Baxter & Woodman	Main/Lowlift Generator Replacement	1,770.00
7300.01	Dahme Mechanical Industries	14" Valve Replacement Work	17,000.00
7300.01	Dahme Mechanical Industries	10" Valve Replacement Work	7,500.00
		Grand Total - R&R	\$31,128.54

- 6) Treasurer's Report – Chairman Topcik reviewed the report with the board, and asked if any discussion was desired. There was none. Trustee Walsh made a motion to approve the treasurer's report, which was seconded by Trustee Jaeger. The vote on roll call was: Trustees Mitchell, aye; Monk, aye; Walsh, aye; Moe, aye; Jaeger, aye; Topcik, aye. Motion carried.
- 7) Budget – Chairman Topcik reviewed the report with the board, and asked if any discussion was desired. There was none. Trustee Walsh made a motion to approve the budget, which was seconded by Trustee

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Jaeger. The vote on roll call was: Trustees Mitchell, aye; Monk, aye; Walsh, aye; Moe, aye; Jaeger, aye; Topcik, aye. Motion carried.

- 8) MOS – Chairman Topcik asked if any discussion was desired. Trustee Moe asked about the 5% increase in water usage by Winthrop Harbor. General Manager White indicated that he would research the reason for the increase. Trustee Walsh made a motion to approve the MOS report, which was seconded by Trustee Mitchell. Chairman Topcik asked if any further discussion was desired. There was none. The vote on roll call was: Trustees Mitchell, aye; Monk, aye; Walsh, aye; Moe, aye; Jaeger, aye; Topcik, aye. Motion carried.

- 9) Committee Reports –

Salary Committee – Trustee Moe, chairperson of the salary committee, stated that General Manager White advised that due to the Covid-19 pandemic, and the economic effects from it, salaries would not be increased at the current time, and that he would not be taking a salary increase for himself.

Long Range Planning Committee – There were no reports.

- 10) Nominating Committee – Chairman Topcik felt that it would be better to wait until Trustee Ruchti joined the meeting, as he was the chairperson of this committee. He joined the meeting virtually at 6:45 p.m. Trustee Mitchell made a motion to approve the following resolution appointing the board chairman, vice-chairman, treasurer, pension fund trustee, general manager, secretary, attorney, and consulting engineer for fiscal year 2021, which was seconded by Trustee Monk. Chairman Topcik asked if any further discussion was desired. There was none. The vote on roll call was: Trustees Mitchell, aye; Monk, aye; Walsh, aye; Ruchti, aye; Moe, aye; Jaeger, aye; Topcik, aye. Motion 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, 2020 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, 2020.
3. RICHARD J. MOE be and is hereby elected the Vice-Chairman of the Board of Trustees for the fiscal year beginning May 1, 2020.
4. DONALD J. WHITE be and is hereby elected Treasurer for the fiscal year beginning May 1, 2020. 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, 2020. 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, 2020 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, 2020 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, 2020 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, 2020; 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.

LAKE COUNTY PUBLIC WATER DISTRICT

(CORPORATE SEAL)



Gerold L. Topcik
Chairman, Board of Trustees

ATTEST:



Karen L. Johnston
Secretary

PRESENTED AND READ: May 12, 2020

APPROVED:

ROLL CALL VOTE:

Trustees voting aye: D. Mitchell; A. Monk; P. Walsh; M. Ruchti; R. Moe; D. Jaeger;

Trustee voting nay: None

G. Topcik

Trustees absent: None

MOTION CARRIED

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UNFINISHED BUSINESS

- **Right of Ways/Redundant Raw Water Main** – General Manager White stated that Tom Foley of Clark Dietz provided a memo and report from Terracon regarding this subject. The report said boring is not a feasible option for installation. An alternative of open cut excavating was discussed in the memo. Discussion of this subject followed. Attorney Kucera suggested that he and General Manager White discuss this subject and advise the board later.
- **Main Plant and Low Lift Generators Replacement** – General Manager White stated he had spoken with Phung Tran of Baxter & Woodman regarding the status of the preliminary design documentation. Mr. Tran was out of the office due to his father's death, accounting for the delay. He had other questions for General Manager White, which was provided. Mr. Tran will forward this information to the generator manufacturers for sizing and estimated pricing. Discussion of this subject followed.
- **End of Year Projections for availability & R&R charges, and update on Facilities Cost Estimate** – General Manager White stated that this was the final End of Year Projection for Availability & R&R Charges. As stated previously, the availability charges are set, per the bond schedule, and therefore, these numbers will not change.

Estimated R&R Costs – General Manager White stated that while this was still an estimate, he felt the net amount would be approximately \$53,000, approximately \$1,600 higher than the previous month. He provided the breakdown by customer on a monthly basis as follows: \$3,000 for the City of Zion, \$1,000 for the Village of Winthrop Harbor, and \$300 for the State of Illinois. He also indicated that these amounts were significantly lower than the previous year. Discussion of this subject followed.

- **Estimated refund and estimated water rate for FY2021** - General Manager White stated that the estimated water rate based on current expenses would be approximately one cent less than the current water rate. He also reviewed the refund to the customers, which he felt would be substantial. He reiterated that these are all preliminary estimates, and went through the charts with the board. Discussion of this subject followed.
- **Low Lift Pump Station Revetment Design and Permitting** – General Manager White stated that this project was being delayed due to Shabica & Associates attorney only being in the office once a week. Therefore, comments between Shabica's attorney and the District's attorney take a week to resolve. General Manager White suggested that he look for another engineer that can provide the front ends (legal language). Discussion of this subject followed.
- **Approval of Maximum Funding Level for R&R Account for FY21** – General Manager White stated that he had previously provided the board with Clark Dietz' estimate for the maximum funding level for the R&R account. He provided Tom Foley's memo, along with the facilities cost estimate, for the board's information. Discussion of this subject followed. He asked that the board approve Clark Dietz' estimate. Trustee Walsh made a motion to accept the new estimate of \$20,384,400 for the maximum funding level of the R&R account for FY2021, which was seconded by Trustee Jaeger. Chairman Topcik asked if any further discussion was desired. There was none. The vote on roll call was: Trustees Mitchell, aye; Monk, aye; Walsh, aye; Moe, aye; Jaeger, aye; Topcik, aye. Motion carried.

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NEW BUSINESS

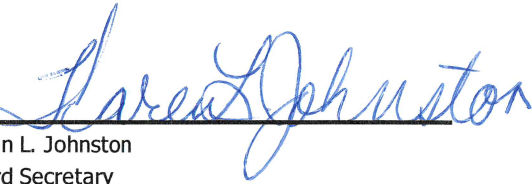
- **Repairs to existing Low Lift Pump Station Revetment** - General Manager White stated that recent storms had pushed stone on the landside of the revetment along the fence. He provided a photo for the board's information. He indicated that he was getting pricing from Campanella & Sons, to move the rock back into place using larger stone, and adding Jersey barriers, placed between the fence and the revetment. Discussion of this subject followed.
- **Approval of Facilities Property and Casualty Insurance Renewal for the 2020-2021 Period** –General Manager White stated that the board had been given the renewal presentation earlier in the meeting. Chairman Topcik asked if there were further questions. Trustee Ruchti joined the meeting virtually at 6:35 p.m. Discussion of this subject followed. Trustee Walsh made a motion to approve the 2020-2021 Facilities Insurance Program with West's Insurance for the premium of \$68,587, which includes the \$10,000,000 excess liability, which was seconded by Trustee Mitchell. Chairman Topcik asked if any further discussion was desired. There was none. The vote on roll call was: Trustees Mitchell, aye; Monk, aye; Walsh, aye; Ruchti, aye; Moe, aye; Jaeger, aye; Topcik, aye. Motion carried.
- **Approval of Concentric Service Agreement for 2020-2021** – General Manager White stated that the 2020-2021 Support Service Agreement with Concentric Integration was included in the board packet. He reviewed the agreement components, and the cost. He explained that this contract covered hardware only, for \$7,430. He further stated that Concentric would still provide support for troubleshooting, programming, etc., but on a time and material basis. The reason for the change is that there was usually time left on the contract for these items, causing a bookkeeping problem. General Manager White felt that this is a better alternative. Trustee Walsh made a motion to accept the Concentric Integration contract for 2020-2021, which was seconded by Trustee Ruchti. Chairman Topcik asked if any further discussion was desired. There was none. The vote on roll call was: Trustees Mitchell, aye; Monk, aye; Walsh, aye; Ruchti, aye; Moe, aye; Jaeger, aye; Topcik, aye. Motion carried.
- **Approval of Baxter & Woodman Proposal for Backup Operator** – General Manager White stated that at the April board meeting some concern had been expressed regarding staffing during the Covid-19 pandemic. General Manager White stated he would get a quote for the possibility of hiring a backup operator with Baxter & Woodman. Carolyn Grieves of Baxter & Woodman sent the proposal to General Manager White, who forwarded it to Attorney Kucera for review. Attorney Kucera made his comments, which were forwarded, to Ms. Grieves. As of the date of the board meeting, General Manager White had not received the revised proposal. He did however; indicate that the cost would be approximately \$135 per hour plus expenses. Discussion of this subject followed. Trustee Ruchti made a motion to accept the contract subject to Attorney Kucera's changes, which was seconded by Trustee Walsh. Chairman Topcik asked if any further discussion was desired. There was none. The vote on roll call was: Trustees Mitchell, aye; Monk, aye; Walsh, aye; Ruchti, aye; Moe, aye; Jaeger, aye; Topcik, aye. Motion carried.
- **Approval of Clark Dietz Proposal for Filter Underdrain Replacement** – General Manager White stated that during the valve replacement on the filters, the IMS caps popped off while being filled back up. The operators have made repairs, but he feels this temporary. He indicated that he had anticipated that it would be at least another two years before the filters would need to be replaced. However, as this is the District's livelihood, it would be prudent to obtain a proposal from Clark Dietz for the engineering for the

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replacement of the filters, which he has done. General Manager White advised that Attorney Kucera has reviewed that proposal. General Manager White further advised that the intent had been to amortize the generator project over five years, and perhaps that project should be postponed, and replaced with the filters replacement project. Trustee Monk made a motion to accept the Clark Dietz proposal for engineering on the filter replacement, which was seconded by Trustee Jaeger. Chairman Topcik asked if any further discussion was desired. There was none. The vote on roll call was: Trustees Mitchell, aye; Monk, aye; Walsh, aye; Ruchti, aye; Moe, aye; Jaeger, aye; Topcik, aye. Motion carried.

Trustee Walsh made a motion to adjourn, which Trustee Jaeger seconded.

X 

Karen L. Johnston
Board Secretary