

# Minutes

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## *May 14, 2013 – Board Meeting*

On May 14, 2013, 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 5:50 p.m. Upon the roll being called, Trustees Jaeger, Moe, Mitchell, and Topcik were present. Trustees Monk and Ruchti were absent. Also present were General Manager Albrecht, Operations Manager Don White, District Secretary Karen Johnston, and District Attorney Dan Kucera. Mr. Brad West from West's Insurance was present as a guest speaker.

Chairman Topcik stated that the first order of business was a presentation of the insurance policy renewal recommendations effective June 1, 2013, by Mr. Brad West of West's Insurance. Mr. West discussed the insurance review process that the District initiated through Mr. Bob Trompeter of Risk Resources. Mr. Trompeter provided specifications to agencies invited to quote on the District's property and casualty insurance. Based on those specifications, Mr. West provided the District with a quote of \$70,172 through Lloyds, which included an umbrella policy rather than an excess policy. The District currently carries an excess policy. Mr. West reviewed the coverage differences in the expiring policies compared to the coverages specified by Mr. Trompeter. He indicated that there were some nuances between the two programs, but nothing significant. The renewal premium for the One Beacon/Chubb program is \$64,245. Mr. West stated that he felt both the Lloyd's and One Beacon/Chubb were solid programs. Mr. West went on to discuss the flood insurance quote, which he had provided Mr. Trompeter. Both Mr. West and Mr. Trompeter felt that the premium of \$29,898 was quite high and would not recommend the coverage. Trustee Jaeger made a motion to accept the One Beacon/Chubb proposal of \$64,245, through West's Insurance Agency, which was seconded by Trustee Moe and unanimously approved. Mr. West then left the meeting at 6:10 p.m.

Chairman Topcik stated that in consideration of the end of the fiscal year, he would like to dispense with the consent agenda. Chairman Topcik then moved on to the reports individually.

- **Minutes** – Chairman Topcik asked if any discussion was desired. There was none and Trustee Jaeger made a motion to approve the minutes of April 9, 2013, which was seconded by Trustee Mitchell and unanimously approved. There were also executive session minutes from April 9, 2013. There was no discussion, and Trustee Mitchell made a motion to approve the executive session minutes of April 9, 2013, which was seconded by Trustee Moe and unanimously approved.
- **Disbursements** – General Manager Albrecht briefly discussed that these disbursements were only for Operations and Maintenance. Trustee Jaeger made a motion to approve the disbursements, which was seconded by Trustee Mitchell and unanimously approved.
- **Treasurer's Report** – The board discussed the interest rates on the CD's shown on the report. Accounts receivable were also discussed. Trustee Mitchell made a motion to approve the treasurer's report, which was seconded by Trustee Jaeger and unanimously approved.
- **Budget** – The board reviewed which line items had changed from the previous fiscal year. Trustee Jaeger made a motion to approve the budget, which was seconded by Trustee Mitchell and unanimously approved.
- **MOS** – Operations Manager White advised that there had been a 2% increase in finished water from last year. Discussion of this subject followed. Trustee Jaeger made a motion to approve the MOS report, which was seconded by Trustee Moe and unanimously approved.

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## OPERATIONS & MAINTENANCE ACCOUNT May, 2013 – Disbursements

ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
2920	FICA Withholding Taxes (EE Portion)	Apr-13	3,992.46
2921	Federal Withholding Taxes	Apr-13	8,147.88
2922	IL Department of Revenue	Monthly Remittance	1,791.52
2923	WI Department of Revenue	Monthly Remittance	495.00
2925	IDES	Monthly Remittance	9.68
7205	FICA Withholding Taxes (ER Portion)	Apr-13	3,992.46
7211	ComEd	Electricity	16.86
7211	Integritys	Electricity	23,882.38
7212	North Shore Sanitary District	Wastewater Charges	2,183.61
7215	McHenry Analytical	Sample Testing	1,127.50
7221	Hydrite	Chlorine Shipment	866.00
7221	Usalco	Aluminum Sulfate	6,125.60
7222	Ace Hardware	Misc. supplies	111.45
7222	Applied Industrial Tech	Misc. supplies	348.82
7222	Hach	Lab Supplies	1,057.25
7222	Lake County Pipe & Supply	Misc. supplies	64.15
7222	Millipore Corp.	Lab Supplies	2,151.07
7222	Pall Life Sciences	Lab Supplies	222.67
7222	VWR	Misc. supplies	241.25
7222	W.W. Grainger	Misc. supplies	75.03
7222	Zion Auto Parts	Misc. supplies	12.31
7223	Dill Brothers	Bushing replacement	1,250.00
7223	Ernie Peterson Plumbing	Test & certify backflow preventers	190.00
7223	Graver Water Systems	Maintenance parts	2,406.43
7223	Illinois Pump	Pump Rebuild	2,478.00
7225	K. Erickson Designs	Landscape Maintenance	950.00
7225	Klean Korner	Janitorial Service	565.00
7225	Maintenance Assistant, Inc.	Monthly Maintenance	19.00

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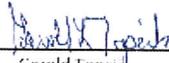
ACCT #	VENDOR NAME	DESCRIPTION	AMOUNT DUE
7231	GFC Leasing	Copier Lease	297.00
7232	Cimco	Telephone Service	2,070.70
7232	Verizon Wireless	Cellular Phone Service	266.53
7234	Quill	Office Supplies	477.64
7234	Reliable	Office Supplies	130.89
7234	Stamps.com	Postage Service	24.99
7234	UPS	Shipping Charges	49.27
7234	USPS	Postage	50.00
7235.1	Risk Resources	Professional Services	5,122.00
7235.1	West's Insurance	Public Officials Bond 2013-2014	1,400.00
7235.2	AARP Medical	Medical Insurance for Diane Fragassi	232.75
7235.2	AARP Prescription	Prescription coverage for Diane Fragassi	35.10
7235.2	Euclid Managers (Delta Dental)	Jun-13 Dental Insurance	541.59
7235.2	Humana Choice Care	Monthly Medical Premium	5,879.82
7236	Pintescu, Ioan	Travel Reimbursement	35.03
7236	Seven-Eleven	Fuel for truck	181.22
7236	Zion Auto Parts	Repairs on truck	817.67
7236	Zion, City of	Vehicle License	30.00
7237	Illinois Beach Resort	Lunch Meeting	48.25
7237	Jewel	Food/supplies for meeting	46.38
7237	Roma Pizza	Food for meeting	102.00
7238	AWWA	Chlorine Publication	47.45
7241	James Hamlin & Co.	Payroll Fees - 04/10/13-05/14/13	186.84
7242	Kucera, Daniel J.	General Legal Services	2,247.40
7247	Lakeside Steel & Mfg.	Intake Pipe Bents	9,600.00
7247	Sun Times Media	Ad for installing bents along Intake Pipe	42.40
7251	Correll Co.	Investment advisory service fee	337.00
7251	Tony's House of Creations	Flowers for Jim Taylor	68.00
7251	Zee Medical	First Aid Supplies	99.30
	<b>TOTAL</b>		<b>\$95,240.60</b>

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## ORDINANCES/RESOLUTIONS:

**Trustee Compensation/Officer Appointment Resolution** - The Chairman presented the following Resolution:

<b>R E S O L U T I O N</b>	
BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE LAKE COUNTY PUBLIC WATER DISTRICT that:	
<ol style="list-style-type: none"><li>1. The compensation to be paid to each of the Trustees for the fiscal year beginning May 1, 2013 shall be in the total amount of \$1,200.00, payable in equal monthly installments.</li><li>2. GEROLD TOPCIK be and is hereby elected Chairman of the Board of Trustees for the fiscal year beginning May 1, 2013.</li><li>3. DOUGLAS A. JAEGER be and is hereby elected the Vice-Chairman of the Board of Trustees for the fiscal year beginning May 1, 2013.</li><li>4. ARLYN E. ALBRECHT be and is hereby elected Treasurer of the District for the fiscal year beginning May 1, 2013. Further, ARLYN E. ALBRECHT be and is hereby appointed General Manager for the District for the fiscal year beginning May 1, 2013 and thereafter until a successor is appointed. Compensation shall be as determined by the Board.</li><li>5. DONALD J. WHITE be and is hereby elected Secretary of the Board for the fiscal year beginning May 1, 2013 and thereafter until a successor is elected. Further, DONALD J. WHITE be and is hereby appointed Operations Manager for the District for the fiscal year beginning May 1, 2013 and thereafter until a successor is appointed. The Board determine that compensation shall be determined by the General Manager.</li><li>6. DAN KUCERA be and is hereby appointed Attorney for the District for the fiscal year beginning May 1, 2013 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.</li></ol>	
(CORPORATE SEAL)	LAKE COUNTY PUBLIC WATER DISTRICT
	 _____ Gerold Topcik Chairman, Board of Trustees
ATTEST:	
 _____ Donald J. White District Secretary	
PRESENTED AND READ: May 14, 2013	
APPROVED:	
ROLL CALL VOTE:	
Trustees voting aye: D. Mitchell; R. Moe; D. Jaeger; G. Topcik	
Trustee voting nay: _____	
Trustees absent: M. Ruchti; A. Monk	
MOTION CARRIED	

Trustee Mitchell made a motion to accept the trustee compensation/officer appointment resolution as presented, which was seconded by Trustee Moe. Upon a roll call vote, Trustees Mitchell, Moe, Jaeger, and Topcik all voted aye, and no nays. Trustees Monk and Ruchti were absent.

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**Roth 457 Plan Resolution** - The Chairman then presented the following Resolution:

ORIGINAL

Resolution

WHEREAS, Lake County Public Water District of Lake County, Illinois (the "District") maintains the Lake County Public Water District Section 457 Deferred Compensation Plan (the "Plan");

WHEREAS, the District desires to amend said Plan to permit Roth contributions;

WHEREAS, the District deems the Adoption Agreement, Plan document, and Trust agreement, as contained in the attached documents, to be suitable for purposes aforesaid;

NOW, THEREFORE, on this 14th day of May, 2013, the undersigned hereby:

1. Adopt the amendment and restatement of the **Lake County Public Water District Section 457 Deferred Compensation Plan**, as contained in the attached documents, to be effective as provided therein.
2. Authorize Gerold L. Topcik, the duly authorized officer of the District to execute the above referenced Plan documents on behalf of the District.
3. Designate the District as the Plan Administrator.
4. Authorize the Plan Administrator to adopt such procedures and policies as necessary for the Plan.
5. Appoint Arlyn Albrecht as the Trustee of the Plan.
6. Designate the 12-consecutive-month period ending on December 31 as the Plan's limitation year.

## Signatures

Gerold L. Topcik

Signature, Gerold L. Topcik, Chairman

Douglas Jaeger

Signature, Douglas Jaeger, Vice-Chairman

Dorothy Mitchell

Signature, Dorothy Mitchell, Trustee

Absent

Signature, Amos Monk, Trustee

Absent

Signature, Michael Rucht, Trustee

Richard J. Moe

Signature, Richard Moe, Trustee

Signature

Trustee Jaeger made a motion to accept the Roth 457 Plan Resolution as presented, which Trustee Moe seconded. Upon a roll call vote, Trustees Mitchell, Moe, Jaeger, and Topcik all voted aye, and no nays. Trustees Monk and Rucht were absent.

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## OLD BUSINESS:

- **Facilities Insurance Renewal** –The insurance coverage was approved earlier in the meeting, General Manager Albrecht stated that he felt the board had made a good choice in One Beacon.
- **Solids Contact Unit #1** - General Manager stated that there was no new information from last month regarding this project. He reiterated that the board made the decision to hold off on work for this unit until fiscal year 2015. He also stated that Operations Manager White had the unit operating, but that unit #2 was currently down. Discussion of this subject followed.
- **Roth 457 Plan** – General Manager Albrecht stated that this subject had been taken care of earlier in the meeting.
- **Intake Pipe** – Operations Manager White stated that the District accepted and opened bids for this project on May 9, 2013. There were two bidders on the project with Big Lake Marine being the apparent low bidder with a bid amount of \$278,887.50. This was under the anticipated amount of \$300,000. Gillen had been expected to bid, but did not. Discussion of the breakdown of the bid followed. Trustee Jaeger made a motion to accept Big Lake Marine’s bid of \$278,887.50, which Trustee Moe seconded, and was unanimously approved.
- **Solids Contact Unit No. 2** – Operations Manager White stated that he had been in contact with Brad Schotanus of Dixon Engineering regarding the warranty issue on this project. Mr. Schotanus then contacted Tecorp, the contractor on the project, and the bonding company. The bond is in force until Dixon Engineering or the District tells them the warranty work is acceptable. Tecorp has stated that they will be here the third week of May to repair the coating issues. No exact date had been set at this time. Discussion of this subject followed
- **Solids Contact Unit No. 3** – Operations Manager White stated that the control system was reinvestigated approximately two weeks ago. He is waiting for the electrician to install the controls. He stated that he is still waiting on the passification issue. Discussion of this subject followed.
- **Rights of Ways** – Attorney Kucera stated that he was still attempting to work with the IDNR regarding the rights of ways issue and possible amendment to their contract. He indicated that there had not been any movement on the subject. He discussed incorporating the R&R funding in the delivery charges if the State is unwilling to agree to an amendment in the contract. A discussion of this subject followed.

## NEW BUSINESS

- **Unit Costs** – General Manager Albrecht included a memo in the board packet, which also included a table regarding the breakdown of unit cost for the District’s customers. He explained what costs go into the rate structure for both Operations & Maintenance and the R&R accounts. He proceeded to review and explain the table to the board. A discussion of this subject followed.

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➤ **Hey & Associates** – General Manager Albrecht included a copy of the proposal sent at the District’s request to perform flood plain and related work at the treatment plant site, the low lift pump station expanded site, and along the rights of ways. General Manager Albrecht felt that it was a good proposal. General Manager Albrecht discussed the firm and their proposal. He proceeded to discuss what the work would encompass. Discussion of this subject followed. Trustee Jaeger made a motion to accept the proposal and survey as outlined, which Trustee Mitchell seconded and was unanimously approved.

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

X Donald J. White  
Donald J. White  
Board Secretary