

February 11, 2009

Minutes of the regular meeting of the Board of Trustees of the North Shore Sanitary District held on Wednesday, February 11, 2009, at 9:30 A.M. at the District Office of the Raymond E. Anderson Complex located in Gurnee, IL.

The meeting was opened with the Pledge of Allegiance.

On roll call, the following Trustees were present:

Stephen J. Drew, Vice President  
Daniel M. Pierce  
Effie Wroten

President James E. Swarthout was absent. Trustee John Paxton was present via telephone stating that he is out of the state working on settling his father's estate. Vice President Drew chaired the meeting in President Swarthout's absence.

Staff members present were General Manager Brian Dorn, Assistant General Manager Dave Miller, Attorney Greg Jackson, Director of Engineering Services Jai Gupta, Director of Laboratory Services Joe Robinson, Director of Operations Gary Sowma and Director of Technology Services Pete Russo.

There were no comments from the public.

Vice President Drew presented the Consent Agenda, as follows:

- A. Approval of the Minutes of the Meeting held on January 14, 2009.
- B. Consideration of Bills.  
Wastewater Treatment Fund. \$1,322,351.51  
Check Nos. 144032 through 144038, Check Nos. 144083 through 144096,  
Check Nos. 144098 through 144115, Check Nos. 144117 through 144295,  
Check Nos. 144308 through 144370.  
Void Check No. 144097 and 144116.
- C. Financial Report, December 2008.
- D. Hearing Summary, January 13, 2009.
- E. Water Shut-Off Schedule, Spring 2009.
- F. 4<sup>th</sup> Quarter 2008 Worker's Compensation Claim Update.
- G. 2008 PTO Carryover and Payout.
- H. Correspondence.
  1. 01/21/09 letter to Senator Roland Burris regarding Economic Stimulus Program and NSSD 'Ready to Go' Wastewater Infrastructure Projects.
  2. 01/21/09 letter to Mariani Landscape regarding Lease of NSSD Property.
  3. 01/26/09 letter by Mrs. Roslyn Flegel, 1080 Ridgewood Drive, Highland Park requesting NSSD to reevaluate billing procedure and 02/02/09 NSSD memorandum discussing NSSD response.
  4. 02/03/09 Press Release from the City of Zion, Lake County, IL to Finally Have Its Minor League 'Field of Dreams'.
  5. 02/10/09 Letter to IEPA submitting Pre-Applications for Loan Assistance for potential Federal Stimulus Funding Projects.
- I. Press Articles.
  1. Lake County News Sun.
    - i. 'County landfills will max out in near future', 01/12/09.
    - ii. 'NSSD retains sludge plant consultant', 01/17-18/09.
    - iii. 'Sludge facility', Talk of the County, 01/22/09.
    - iv. 'Sludge questions', Talk of the County, 01/31-02/01/09.
    - v. 'Costner calls winning pitch in Zion's 'Field of Dreams'', 02/04/09.
    - vi. 'Judicial candidates down to four hopefuls', 02/04/09.
    - vii. 'Minor league team may sooth area's baseball itch', 02/05/09.

- viii. 'Baseball owner promises value for your buck', 02/06/09.
  - ix. 'Field of Stink?', Talk of the County, 02/07-08/09.
  - x. 'Landfill Odor', Talk of the County, 02/07-08/09.
  - xi. 'A team for all of Lake County', 02/07-08/09.
- 2. Chicago Sun-Times.
  - i. 'Crash landing: Costner to own baseball team here', 02/04/09.
- 3. Kenosha News.
  - i. 'City has big hopes for minor leagues', 02/05/09.
- 4. Zion-Benton News.
  - i. 'Zion to get its own 'Field of Dreams'', 02/05/09.
  - ii. 'Zion baseball will create over new 300 jobs', 02/05/09.
- J. Authorize Payroll and Finance Department to issue District checks to meet expenses where necessary for payroll and to avoid interest and/or penalties before the next Board Meeting.

It was moved by Trustee Pierce and seconded by Trustee Wroten that the items under the Consent Agenda be approved.

On roll call, all Trustees present voted "Aye". Motion declared carried.

General Manager Dorn gave the Management Report as follows:

- A. Presented Engineering Agreements.
  - 1. Baxter & Woodman, Inc., Respiratory Protection Training, \$3,500.00.

General Manager Dorn reported that this Engineering Agreement was for respiratory protection training. Baxter & Woodman had put together a policy on respiratory protection which required the District to purchase new respiratory equipment. General Manager Dorn stated this Agreement is for staff to be trained on the proper use and care for their respiratory health following the guidelines set forth by OSHA. General Manager Dorn asked approval for this Respiratory Protection Training Agreement with Baxter & Woodman in the amount of \$3,500.00.

It was moved by Trustee Paxton and seconded by Trustee Pierce to approve Engineering Agreement with Baxter & Woodman, Inc., Respiratory Protection Training in the amount of \$3,500.00.

On roll call, all Trustees present voted "Aye". Motion declared carried.

- 2. Baxter & Woodman, Inc., Gurnee STP Outfall 011 Downstream Bank Renovations, \$30,100.00.

General Manager Dorn reported that the Gurnee STP plant effluent outfall discharges to a manmade channel measuring 500 or 600 feet long that then flows into the Des Plaines River. The bank of this channel has experienced severe erosion over time. This Agreement would identify up to three alternatives for stabilization of the outfall and downstream ditch banks and identify advantages and disadvantages of each. Plans and specifications would be prepared for the selected alternative, and the required permits obtained. General Manager Dorn stated that this project may be part of a potential Stimulus package and would like to have the design phase completed. General Manager Dorn asked approval of the Gurnee STP Outfall 011 Downstream Renovations in the not to exceed amount of \$30,100.00.

It was moved by Trustee Paxton and seconded by Trustee Pierce to approve Engineering Agreement with Baxter & Woodman, Inc., Gurnee STP Outfall 011 Downstream Bank Renovations, in the not to exceed amount of \$30,100.00.

On roll call, all Trustees present voted "Aye". Motion declared carried.

- 3. Clark Dietz, Inc., Generator Cooling Improvements, \$29,460.00.

General Manager Dorn reported that the District's 3 Sewage Treatment Plants all have natural gas power generators which are cooled with the plant's effluent. There is no redundancy in the cooling water pumps for these systems. The Agreement with Clark Dietz would be to explore design improvements to allow redundancy in the pumping systems for the cooling systems of the existing 1,300 KW natural gas generators at the three Sewage Treatment Plants. A total of four options will be evaluated, with plans and specifications prepared for the selected alternative. General Manager Dorn asked for Board approval of this Agreement with Clark Dietz, Inc., Generator Cooling Improvements in the not to exceed amount of \$29,460.00.

It was moved by Trustee Pierce and seconded by Trustee Wroten to approve Engineering Agreement with Clark Dietz, Inc., Generator Cooling Improvements in the not to exceed amount of \$29,460.00.

On roll call, all Trustees present voted "Aye". Motion declared carried.

4. Clark Dietz, Inc., Site Drainage and Filtrate Drain Improvements, \$13,230.00.

General Manager Dorn reported that there are site drainage issues at the Gurnee and Clavey Road STP's. Furthermore, there is an issue with the belt thickener filtrate at Clavey Road backing up into the chlorine contact tank. The Agreement with Clark Dietz would include design of site drainage improvements at both plants and a means to prevent the belt thickener filtrate from backing up into the chlorine contact tank.

It was moved by Trustee Paxton and seconded by Trustee Pierce to approve Engineering Agreement with Clark Dietz, Inc., Site Drainage and Filtrate Drain Improvements in the not to exceed amount of \$13,230.00.

On roll call, all Trustees present voted "Aye". Motion declared carried.

B. Presented Trumpet Park Plat of Dedication to County of Lake.

General Manager Dorn reported that the City of Zion requested that the District dedicate to the County of Lake a 20 ft. strip of its property adjacent to the south right of way of Russell Road for the widening of Russell Road into the entrance of Trumpet Park. General Manager Dorn stated that this property is not part of the Infrastructure Land as defined in the 3<sup>rd</sup> Amendment to the Real Estate Contract, and is thus considered part of the Net Buildable Area of Trumpet Park. This parcel, consisting of approximately 0.64 acres is worth just over \$44,000 in accordance with the terms of the Real Estate Contract. General Manager Dorn stated that if the District granted this dedication of land to the County without the City of Zion purchasing the land from the District, the District would lose the value of this land. When questioned, General Manager Dorn stated that he was unclear why the City of Zion was not following the previously approved procedure for Zion to purchase land from the District which does not need specific Board action and then dedicate the land to the County themselves. General Manager Dorn was directed to contact the City of Zion and request that they purchase the land from the District as stated above whereupon they could then dedicate the property to the County if they so desired. This item did not require any Board action at this time.

A discussion followed regarding the City of Zion purchasing approximately 30 acres consisting of Cell B East and West for the development of a minor league baseball stadium. General Manager Dorn stated that at this point the District has submitted a permit modification to the IEPA to allow commercial development of Cell B West (Cell B East is already permitted for commercial development) and that the City of Zion has not yet purchased the property.

Assistant General Manager Miller gave the Administration Division report as follows:

A. Presented Illinois TaxNet Registration.

Assistant General Manager Miller reported that the District currently submits its payments for Illinois withholding tax via the Federal Electronics Fund Transfer website. The State of Illinois has been conducting a pilot program in conjunction with the federal government. As of June 30, 2009, this pilot program is completed, meaning all state withholding taxes will need to be sent to the State of Illinois some

other way. The District Human Resources Department is requesting authorization to submit withholding taxes to the State of Illinois via TaxNet, one of the approved ways to transfer payments to the State. The Human Resource Department has set up an account but to complete the process it must submit a signature page authorizing its use. Assistant General Manager Miller asked the Board for approval on this matter.

It was moved by Trustee Paxton and seconded by Trustee Pierce to approve Illinois TaxNet Registration.

On roll call, all Trustees present voted "Aye". Motion declared carried.

B. Presented Revisions to Policy on Water Usage Credits.

Assistant General Manager Miller reported that approximately 1 year ago an issue had come up with water meter credits with respect to Pasquesi Home and Garden Center. Assistant General Manager Miller stated that it was at this time that revisions to the policy needed to be addressed and that since this one area was being revised that the whole policy should be reviewed and revised accordingly. Some of the major items that needed revision were:

- Credit application for lawns, pools, water leaks and water used in production;
- No limit on number of credit meters utilized;
- Discontinue sale and inventory of credit meters at District; develop specifications for acceptable credit meters.

Assistant General Manager Miller stated there are several other minor changes to the policy and asked the Board to approve Revisions to the Policy on Water Usage Credits.

It was moved by Trustee Pierce and seconded by Trustee Paxton to approve Revisions to Policy on Water Usage Credits.

On roll call, all Trustees present voted "Aye". Motion declared carried.

C. Presented Electricity Curtailment Programs.

1. EnergyConnect Electricity Reliability Program.
2. EnergyConnect Electricity Economic Program.
3. ComEd Delivery Curtailment Program.

Assistant General Manager Miller recommended that the District execute the Agreement to continue its participation in the EnergyConnect Electricity Reliability & Economic Programs. Under the EnergyConnect Reliability Program, the District agrees to reduce its load by initiating standby generators with 2 hours if PJM declares an "event". PJM may call up to 10 events per year for up to six hours each. EnergyConnect will pay the District \$227,046 for this commitment (vs. \$252,000 last contract year). The District has participated in this program each of the past two years and has never been called upon to perform.

Assistant General Manager Miller stated the District also requests authorization for EnergyConnect to enroll the District in available PJM Economic or Energy programs. EnergyConnect will pay the District 70% of all revenues earned through this program. The District has been receiving minimal program revenues of a few hundred dollars per month.

Assistant General Manager Miller also recommended that the District continue its participation in ComEd's Delivery Curtailment program. There are no contracts or penalties associated with this program.

It was moved by Trustee Pierce and seconded by Trustee Wroten to approve Electricity Curtailment Programs.

On roll call, all Trustees present voted "Aye". Motion declared carried.

Director of Engineering Services Gupta gave the Engineering Division report as follows:

A. Presented the following Bid Summaries.

1. Sludge Screen Project for Gurnee, Clavey Road and Waukegan STPs, Camosy Construction, Inc. of Waukegan, IL in the amount of \$5,795,000.00.

Director of Engineering Services Gupta reported on December 8, 2008, an Official Notice to Bidders was published in the Lake County News-Sun. Forty-four sets of documents were distributed to various contractors and vendors by the North Shore Sanitary District for this project. On February 3, 2009 at 11:00 A.M., the bids were publicly opened and read aloud with the following results.

<u>Contractor</u>	<u>Total Bid Price</u>	<u>Security</u>
Camosy Construction	\$5,795,000.00	5%
Bowen Engineering Corp.	\$5,880,000.00	5%
Path-Charter, JV	\$5,957,000.00	5%
Keno & Sons Construction	\$5,969,000.00	5%
Joseph J. Henderson & Son, Inc.	\$6,005,000.00	5%
Boller Construction Co.	\$6,525,000.00	5%
Donohue's Estimated Cost	\$6,142,250.00	

Director of Engineering Services Gupta stated that during the review of the low bid, Donohue observed no irregularities on Camosy's Bid Form. Director of Engineering Services Gupta stated that it is Donohue's opinion that the low bid represents the value of the work given the current bidding climate, and that the low bidder, Camosy, Incorporated, submitted a responsive bid and is qualified and capable of performing the work as specified.

It was moved by Trustee Paxton and seconded by Trustee Pierce to award the Sludge Screen Project for Gurnee, Clavey Road and Waukegan STPs, to Camosy Construction Co., Inc. of Waukegan, IL in the amount of \$5,795,000.00.

On roll call, all Trustees present voted "Aye". Motion declared carried.

2. Switchboard Replacement at the Gurnee STP, Engineered Services, Inc. d/b/a Powerlink Electric of Buffalo Grove, IL in the amount of \$116,120.00.

Director of Engineering Services Gupta reported that this project was re-bid and that an Official Notice to Bidders was published in the Lake County News-Sun on January 5, 2009. On January 19, 2009 at 11:00 A.M., the bids were publicly opened and read aloud. Following is a summary of the results.

<u>Contractor</u>	<u>Bid Proposal</u>
Powerlink Electric Inc.	\$ 116,120.00
Kelso-Burnett Company	\$ 138,570.00
Pieper Power	\$ 150,784.00
Electrical Systems	\$ 151,640.00
Benson Electric	\$ 160,400.00
Divane Brothers	\$ 185,000.00

Director of Engineering Services Gupta reported that Clark Dietz reviewed the bid tabulation for the Gurnee STP Building 340 Switchboard Replacement project and contacted the apparent low bidder, Engineered Services, Inc d/b/a Powerlink Electric. Mr. Douglas Pantle with Powerlink Electric indicated they are comfortable with their bid of \$116,120.00. With that being said, Clark Dietz recommends that North Shore Sanitary District award the project to Powerlink Electric for the sum of \$116,120.00.

It was moved by Trustee Pierce and seconded by Trustee Paxton to award the Switchboard Replacement at the Gurnee STP, to Engineered Services, Inc. d/b/a Powerlink Electric of Buffalo Grove, IL in the amount of \$116,120.00.

On roll call, all Trustees present voted "Aye". Motion declared carried.

Director of Laboratory Services Robinson gave the Laboratory Division report as follows:

A. Presented Current Status of Significant Industrial Wastewater Violation(s) in the Service Area of the NSSD.

Director of Laboratory Services Robinson reported that there have been no significant changes. Director of Laboratory Services Robinson reported that the District issued revised BOD and COD limits to Lambent Technologies of Gurnee which became effective January 1, 2009. The site is in compliance with the new BOD and COD poundage limits which are based upon the pretreatment system reconfiguration as well as the removal of significant quantities of contact cooling water sources. Director of Laboratory Services Robinson stated that they would be removed from the list as soon as the notification cycle has expired.

Director of Laboratory Services Robinson reported there is a new industry on the list, Bombardier of Waukegan. A Notice of Violation was issued on February 5, 2009 for mercury. Director of Laboratory Services Robinson stated that the mercury issue is most likely due to sewer line contaminants and that once the line is properly cleaned it is anticipated they will be back into compliance.

Director of Laboratory Services Robinson reported that the Popcorn Factory of Lake Forest had discharged an oily and caramel-laden waste from their facility that created an obstruction within the sanitary sewer which in turned caused sanitary wastewater to be released to the environment. Director of Laboratory Services Robinson stated that Popcorn Factory submitted a report which describes the actions that a consultant had recommended. The Popcorn Factory's consultant misinterpreted the District's Ordinance in evaluating what actions needed to be taken. The Popcorn Factory had gone above and beyond the scope of what they needed to do to correct their problem. District staff met with the representatives from the Popcorn Factory and let them know they should reassess their plan. Because of this misinterpretation they will not meet their deadline and will seek a deadline extension, which will be granted.

Director of Laboratory Services Robinson gave an update on Ferro Pfanstiehl of Waukegan, IL who had been present at last month's Board meeting requesting consideration in the connection fee that would be assessed for removing their pretreatment system. A sampling program was conducted to determine the strength of their untreated waste. The connection fee associated with removing their pretreatment system would be approximately \$200,000.00. Ferro Pfanstiehl is assessing the cost feasibility of this project and will contact the District with their decision.

Director of Technology Services Division Russo gave the Technology Division report as follows:

A. Bid Waiver Request.

1. BW-174, Software for Operator Control Station at Gurnee STP, \$126,972.00.

Director of Technology Services Division Russo reported that 18 software packages were needed for Gurnee Control Station Upgrade and asked for Board approval for this software.

It was moved by Trustee Paxton and seconded by Trustee Pierce to approve BW-174, Software for Operator Control Stations at Gurnee STP in the amount of \$126,972.00.

On roll call, all Trustees present voted "Aye". Motion declared carried.

Attorney Greg Jackson gave the Attorney Report as follows:

A. Unpermitted Sewer Connections.

Attorney Jackson reported that the item on the agenda was in regard to a commercial user in Waukegan who had connected to the sewer without getting a permit, and after repeated attempts to contact this person, there had been no response. A few days prior to the meeting, the user did get in contact with Attorney Jackson so the matter was resolved. A discussion followed about companies not being aware that a NSSD connection permit to the sewer is needed and that it should be the responsibility of the contractor/plumber who performs the work to inform owners of this requirement.

Trustee Pierce then inquired about the Dryer/Melter status. General Manager Dorn reported that himself, Jai Gupta, Gary Sowma and Igor Filipovich made a trip to Europe with Brian Jensen of Donohue and

inspected 4 dryers, one which was exactly the same size as the District's dryer. General Manager Dorn stated that the District learned several important things in how these dryers are being operated to avoid the problems currently being experienced with the District's dryer. Most of the problems that were discovered are operational changes that need to be made.

General Manager Dorn reported that the staff would be meeting with their consultants later in the month to discuss the changes that need to be incorporated in the Vitrification process to make it run more reliably. General Manager Dorn stated he would keep the Board updated on the progress of both the Dryer and Melter.

There being no further business to come before the Board, on motion duly made, seconded and unanimously passed, the meeting was then and there adjourned until the next regular meeting to be held on Wednesday, March 11, 2009 at 9:30 A.M. at the District Office of the Raymond E. Anderson Complex in Gurnee.

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PRESIDENT

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SECRETARY