

November 11, 2009

Public Hearing

The hearing was opened with the Pledge of Allegiance.

President Swarthout announced that this was a public hearing for the purpose of reviewing the Tentative Amendment to the FY10 Combined Annual Budget and Appropriation Ordinance for the fiscal year beginning May 1, 2009 and ending April 30, 2010, and acknowledged all persons present: Trustees Drew, Paxton, Pierce and Wroten, Attorney Greg Jackson, General Manager Brian Dorn, Assistant General Manager Dave Miller, Director of Engineering Services Jai Gupta, Director of Laboratory Services Joe Robinson, Director of Operations Gary Sowma, Secretary Mary Jo Bryant, Brian Jensen representing Donohue & Associates, Ed Collins representing the Lake County News Sun, Chris Ganschow representing Cagwood Consulting and Brad West and Brent Jones both representing West Insurance Agency.

It was moved by Trustee Pierce and seconded by Trustee Drew that President Swarthout be named Chairman of the public hearing.

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

It was moved by Trustee Drew and seconded by Trustee Paxton, that Mary Jo Bryant be named Secretary of the public hearing.

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

Trustee Swarthout suggested that we dispense with the reading of the Legal Ad and the Tentative Amendment to the FY10 Combined Annual Budget and Appropriation Ordinance.

It was moved by Trustee Paxton and seconded by Trustee Drew that we dispense with the reading of the Legal Ad and the Tentative Amendment to the FY10 Combined Annual Budget and Appropriation Ordinance.

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

General Manager Dorn presented a brief summary of the Tentative Amendment to the FY10 Combined Annual Budget and Appropriation Ordinance.

There were no comments from the public.

It was moved by Trustee Pierce, and seconded by Trustee Paxton, that the Amended Combined Annual Budget and Appropriation Ordinance, prepared in a tentative form for the fiscal year beginning May 1, 2009, and ending April 30, 2010, be adopted as presented without change or amendment.

On roll call, all Trustees present voted "Aye". Amended Ordinance declared adopted.

It was moved by Trustee Pierce and seconded by Trustee Drew that the public hearing be adjourned.

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

Regular Board Meeting

It was moved by Trustee Drew, and seconded by Trustee Paxton to open the regular Board Meeting.

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

On roll call, the following Trustees were present:

James E. Swarthout, President
 Stephen J. Drew, Vice President
 John R. Paxton, Treasurer
 Daniel M. Pierce
 Effie Wroten

President Swarthout presented the Amendment to the FY10 Combined Annual Budget and Appropriation Ordinance, prepared in final form for the fiscal year beginning May 1, 2009, and ending April 30, 2010.

It was moved by Trustee Pierce, and seconded by Trustee Paxton, that the Amended Combined Annual Budget and Appropriation Ordinance, prepared in final form for the fiscal year beginning May 1, 2009, and ending April 30, 2010, be adopted.

On roll call, all Trustees present voted "Aye". Ordinance declared adopted.

**AMENDMENT TO THE
 COMBINED ANNUAL BUDGET AND APPROPRIATION ORDINANCE
 of the North Shore Sanitary District
 for the fiscal year beginning May 1, 2009 and ending April 30, 2010**

Be it ordained by the Board of Trustees of the North Shore Sanitary District that the following be and the same is hereby adopted as the Combined Annual Budget and Appropriation Ordinance for necessary expenses and liabilities of the North Shore Sanitary District for the fiscal year beginning May 1, 2009.

Be it ordained by the President and Board of Trustees of the North Shore Sanitary District that the following amounts are hereby appropriated for the following purposes for the fiscal year beginning May 1, 2009 and ending April 30, 2010 and that this Combined Annual Budget and Appropriation Ordinance replaces all previous such Ordinances for the same fiscal year.

Wastewater Treatment Fund

System Expansion Reserve

Estimated Cash Balance, May 1, 2009		13,760,465
+ Estimated Revenues		810,828
Fair Capital Contribution Fees	0	
Connection Fees	537,005	
Annexation Fees	60,098	
Public Works - Capital Fees	148,658	
Interest on Investments	65,067	
= Estimated Total Funds Available		14,571,293
- Appropriations		0
Previously Authorized Projects	0	
= Estimated Cash Balance, April 30, 2010		14,571,293

Capital Additions Reserve

Estimated Cash Balance, May 1, 2009		10,989,218
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+ Estimated Revenues		8,662,535
Property Taxes	7,095,421	
Public Works - Property Fees	1,329,442	
Great Lakes NTC - Capital Component Fees	200,000	
Fort Sheridan - Capital Component Fees	5,000	
Interest on Investments	32,672	
= Estimated Total Funds Available		19,651,753
- Appropriations		12,969,400
Previously Authorized Projects	12,969,400	
= Estimated Cash Balance, April 30, 2010		6,682,353

Replacement Reserve

Estimated Cash Balance, May 1, 2009		1,048,032
+ Estimated Revenues		4,335,081
User Fees	4,335,081	
Interest on Investments	0	
= Estimated Total Funds Available		5,383,113
- Appropriations		14,535,500
Previously Authorized Projects	14,535,500	
= Estimated Cash Balance, April 30, 2010		(9,152,387)

Unrestricted - Operation and Maintenance

Estimated Cash Balance, May 1, 2009		15,722,716
+ Estimated Revenues		15,375,307
Taxes and Fees In Lieu of Taxes	6,759,602	
Property Taxes	3,598,861	
Personal Property Replacement Taxes	2,500,000	
Public Works - Property Fees	660,741	
Licenses and Permits	200	
Septic Hauler Permits	200	
Charges for Sewage Treatment Services	8,120,919	
General User Fees	5,253,964	
Great Lakes Naval Training Center	999,310	
Public Works - Flow Fees	1,481,326	
Fort Sheridan	43,365	
Sulfate Fees	342,954	
Charges for Other Services	448,435	
Laboratory Analytical Fees	156,459	
Electricity Curtailment	229,126	
Rents	10,600	

LaFarge Facilities Use Agreement	50,000	
Sale of Reproductions	250	
Sewer Inspection Fees	2,000	
Fines and Forfeits		1,000
General Penalties	1,000	
Miscellaneous Revenues		45,151
Interest on Investments	23,151	
Miscellaneous Operating Revenues	7,000	
Miscellaneous Non-Operating Revenues	15,000	
= Estimated Total Funds Available		31,098,023
<u>Unrestricted - Operation and Maintenance (cont.)</u>		
- Appropriations		25,648,120
Division of Operations		18,170,050
Waukegan Sewage Treatment Plant	3,930,260	
Clavey Road Sewage Treatment Plant	4,203,670	
Gurnee Sewage Treatment Plant	4,256,160	
Pumping Stations	1,082,510	
Sludge Recycling Facility	4,262,260	
Landfill Operations	26,910	
Maintenance Scheduling	408,280	
Division of Laboratory Services		1,224,180
Operations Laboratories	480,620	
Instrumentation Laboratories	543,130	
Compliance	200,430	
Division of Technology Services		1,984,660
Information Systems	640,010	
Electrical Maintenance	689,550	
Process Automation Maintenance	655,100	
Division of Administration		1,256,375
Purchasing	214,940	
Human Resources	119,755	
Administrative Services	637,520	
Budget Management	284,160	
Division of Engineering Services		882,220
Design and Construction	882,220	
Board of Trustees		152,545
General Management		1,357,550
Staff Management	553,280	
Directors	651,260	
Legal	153,010	
General Expenses		620,540
Administration Building	124,060	
Public Relations	25,170	
Non-Allocated	471,310	
= Estimated Cash Balance, April 30, 2010		5,449,903

1991 Debt Retirement Reserve

Estimated Cash Balance, May 1, 2009		949,612
+ Estimated Revenues		1,437,700
Property Taxes	1,437,700	
= Estimated Total Funds Available		2,387,312
- Appropriations		1,437,700
General Obligation Bond Payments	1,437,700	
= Estimated Cash Balance, April 30, 2010		949,612

Summary of Wastewater Treatment Fund

Estimated Beginning Cash Balances		42,470,043
System Expansion Reserve	13,760,465	
Capital Additions Reserve	10,989,218	
Replacement Reserve	1,048,032	
Unrestricted - Operation and Maintenance	15,722,716	
1991 Debt Retirement Reserve	949,612	
+ Estimated Revenues		30,621,451
System Expansion Reserve	810,828	
Capital Additions Reserve	8,662,535	
Replacement Reserve	4,335,081	
Unrestricted - Operation and Maintenance	15,375,307	
1991 Debt Retirement Reserve	1,437,700	
= Estimated Total Funds Available		73,091,494
- Appropriations		54,590,720
System Expansion Reserve	0	
Capital Additions Reserve	12,969,400	
Replacement Reserve	14,535,500	
Unrestricted - Operation and Maintenance	25,648,120	
1991 Debt Retirement Reserve	1,437,700	
= Estimated Ending Cash Balance		18,500,774
System Expansion Reserve	14,571,293	
Capital Additions Reserve	6,682,353	
Replacement Reserve	(9,152,387)	
Unrestricted - Operation and Maintenance	5,449,903	
1991 Debt Retirement Reserve	949,612	

There were no comments from the public.

President Swarthout presented the Consent Agenda, as follows:

- A. Approval of the Minutes of the Meeting held on October 7, 2009.
- B. Consideration of Bills.
 - Wastewater Treatment Fund \$1,595,138.12
 - Check Nos. 147029 through 147039, Check Nos. 147104 through 147135,
 - Check Nos. 147137 through 147401, Check Nos. 147427 through 147490.

- Void Checks Nos. 146809 and 147136.
- C. Euro Payment for Andritz Purchase Order #16170.
 - D. Financial Report, September 2009.
 - E. Hearing Summary, October 15, 2009.
 - F. FY09 Annual Investment Report.
 - G. 3rd Quarter 2009 Worker's Compensation Claim Update.
 - H. City of Zion Signage Request.
 - I. Press Articles.
 - 1. Lake County News Sun.
 - i. 'NSSD audit indicates \$5.1M loss for past year', 10/09/09.
 - ii. 'Candidate filing for primary begins Oct. 26', 10 /15/09.
 - iii. 'Fielders announce Founding Partners', 10/20/09.
 - iv. 'Defense attorney in bid for sheriff', 10/24/09.
 - v. 'More promises', Talk of the County, 10/22/09.
 - vi. 'GOP offers full countywide officeholder slate', 10/27/09.
 - vii. 'Kyle won't run against Eddie Washington', 10/31/09.
 - viii. 'Groundbreaking', Talk of the County, 10/31/09.
 - ix. 'Kyle takes on Washington', 11/03/09.
 - x. 'Dig in & get it done', 11/06/09.
 - xi. 'Zion takes hands-on approach in stadium dealings', 11/06/09.
 - 2. Zion-Benton News.
 - i. 'Fielders name manager', 10/15/09.
 - 3. Kenosha News.
 - i. 'Fielders field a skipper', 10/13/09.
 - J. Thank You Card.
 - 1. Carthage College.
 - K. 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 Paxton and seconded by Trustee Drew 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 Status Report on Vitrification Process Upgrades – Donohue & Associates, Inc.

General Manager Dorn stated that the Board had contracted with Donohue & Associates to evaluate the Sludge Recycling Facility's Minergy vitrification system to identify modifications necessary to obtain consistent operation. As part of this evaluation, extensive testing was conducted at Minergy's Winneconne, WI facility last summer. Donohue has completed this evaluation. General Manager Dorn turned the meeting over to Brian Jensen of Donohue & Associates who gave a PowerPoint presentation summarizing Donohue's evaluation of the vitrification process.

Mr. Jensen's presentation consisted of the following:

- Basis of Technology Selection
- Overview of Vitrification Operational Challenges
- Approach to Evaluating Operational Challenges
- Results of Process Evaluation
- Fly Ash and Trace Metals Issue
- Economic Evaluation Overview

During the course of the presentation, Trustee Paxton asked Brian Jensen to explain the Fluid Bed Dryer and its function, as well as the purpose of the refractory in the melter.

Trustee Pierce inquired how much money has been spent on the Dryer system since inception to improve its performance to its current level. Mr. Jensen replied that no significant additional costs have been expended to improve the performance of the Dryer. Donohue has been very disciplined on the maintenance of the system since taking over operation in April, and the Dryer is operating at 118% capacity.

Trustee Pierce inquired how much money has been spent on the Melter system in an attempt to improve the performance of the vitrification system. Other than the addition of delumpers at a cost of \$68,000 and some tweaking costs, no other significant amounts have been expended to get the Melter to run more consistently.

Upon conclusion of the presentation, President Swarthout stated that the Board needed to make a decision on the future of the vitrification system today so that NSSD would have direction in moving forward. If the decision is to operate only the Dryer system, the possibility of selling the granulate for beneficial reuse and disassembling and selling whatever parts of the vitrification system could be sold should be explored. A discussion followed.

It was moved by Trustee Drew and seconded by Trustee Paxton to discontinue the operation of the Vitrification Process.

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

B. Presented Engineering Agreements.

1. Donohue & Associates, Inc., Sludge Drying System Improvements, \$76,674.00.

General Manager Dorn stated that at the October Board meeting it was decided by the Board to direct Donohue & Associates to prepare an Engineering Agreement to provide for complete redundancy, or "hardening" of the Dryer system. This Agreement addresses two of the three items previously identified as being required to provide complete redundancy, which are the Procurement of Critical Spare Parts and Procurement and Installation of four (4) Progressive Cavity Pumps to be installed under the South Sludge Storage Silo. The third critical item required to provide complete redundancy, a redundant thermal oil heating system, was not included in the scope of this Agreement because it's location is dependent on whether or not the vitrification system would remain intact. The implementation of these two items should provide NSSD with a sludge drying system that is significantly more robust and one that will have less down time. General Manager Dorn asked the Board to approve the Sludge Drying System Improvements in the not to exceed amount of \$76,674.00.

It was moved by Trustee Paxton and seconded by Trustee Drew to approve the Engineering Agreement with Donohue & Associates, Inc., Sludge Drying System Improvements in the not to exceed amount of \$76,674.00.

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

2. Donohue & Associates, Inc., Cary Avenue Pump Station (PS-8) Upgrades, \$151,676.00.

General Manager Dorn reported that NSSD had intended to construct new sewage storage basins at both the Lake Bluff Pump Station (PS-6) and the Cary Avenue Pump Station (PS-8). The design of the sewage storage basin for the Lake Bluff Pump Station is moving forward and should be completed soon. It was determined there is not enough space available to construct a basin at the Cary Avenue Pump Station. NSSD worked closely with the Park District of Highland Park in an effort to determine if there was enough space to build the proposed sewage storage basin and determined that the space required to construct a basin is simply not available.

General Manager Dorn stated that the District then moved in another direction to minimize potential overflows from the Cary Avenue Pump Station and determined there are four areas of concern that needed to be addressed as part of this project. These areas are:

1. The forcemain is constructed of prestressed concrete cylinder pipe (PCCP). PCCP manufactured in the 1970's has a history of failure.
2. The existing 3 raw sewage pumps are oversized for diurnal low flow conditions, resulting in wear and tear on the system due to frequent starts and stops.
3. The HVAC system does not meet current codes; odors are also a potential issue as a result.
4. The incoming power distribution system dates back to the early 1970's and its's reliability is a concern.

This Agreement would evaluate all of these four areas that need upgrades and also include the final design of the recommended improvements to item No. 4 above. General Manager Dorn asked the Board to approve the Agreement with Donohue and Associates, Inc., in the not to exceed amount of \$151,676.00.

It was moved by Trustee Pierce and seconded by Trustee Drew to approve the Engineering Agreement with Donohue & Associates, Inc., Cary Avenue Pump Stations (PS-8) Upgrades, in the not to exceed amount of \$151,676.00.

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

C. Presented Engineering Agreement Amendments.

1. Donohue & Associates, Inc., Winthrop Harbor Pump Station (PS-1A) and Lake Bluff Pump Station (PS-6) Odor Control Improvements, Contract Amendment No. 1, Increase of \$170,348.00.

General Manager Dorn stated that this Amendment No. 1 is for Donohue & Associates, Inc. to perform construction related services for the Winthrop Harbor Pump Station (PS-1A) and Lake Bluff Pump Station (PS-6) Odor Control Improvements and asked for Board approval.

It was moved by Trustee Paxton and seconded by Trustee Drew to approve Contract Amendment No. 1, Donohue & Associates, Inc., Winthrop Harbor Pump Station (PS-1A) and Lake Bluff Pump Station (PS-6) Odor Control Improvements, an Increase of \$170,348.00.

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

2. Donohue & Associates, Inc., Sludge Recycling Facility Operations Support Project, Contract Amendment No. 2.

General Manager Dorn reported that the District had retained Donohue & Associates to perform operation and maintenance services for the Sludge Recycling Facility (SRF), under the direction of the NSSD Staff on an interim basis, which has been successfully completed at this time. As a result of this success, NSSD wishes to retain Donohue to perform operation and maintenance services for the SRF, under the direction of District Staff, for a period of 5 years effective commencing upon execution of this Agreement. General Manager Dorn asked for Board approval of this Contract Amendment.

It was moved by Trustee Paxton and seconded by Trustee Drew to approve Contract Amendment No. 2, Donohue & Associates, Inc., Sludge Recycling Facility Operations Support Project.

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

3. AECOM, Inc., Services Agreement for Hydrogeological Consulting Services at NSSD Zion Township Landfill, Contract Amendment No. 6, Increase of \$29,000.00.

General Manager Dorn stated that this Contract Amendment was for continued support for the 5-year landfill permit renewal including the submittal of a complete groundwater impact assessment and to develop a monitoring plan for Cell B, both as required by the IEPA. General Manager Dorn asked for Board approval of Contract Amendment No. 6, an Increase of \$29,000.00.

It was moved by Trustee Paxton and seconded by Trustee Pierce to approve the Engineering Agreement Amendment No. 6, AECOM, Inc., Service Agreement for Hydrogeological Consulting Services at NSSD Zion Township Landfill, an Increase of \$29,000.00.

4. ELARA Energy Services, Inc., HVAC Upgrades for Waukegan Base Shop and Gurnee Administration Building Computer Room, Contract Amendment No. 1, Increase of \$1,280.00.

General Manager Dorn stated that Contract Amendment No. 1 was for additional hours required by the Engineer to perform additional AutoCAD work that was not originally part of the Contract.

It was moved by Trustee Drew and seconded by Trustee Paxton to approve Contract Amendment No. 1, ELARA Energy Services, Inc., HVAC Upgrades for Waukegan Base Shop and Gurnee Administration Building Computer Room, an Increase of \$1,280.00.

D. Presented City of Zion Trumpet Park Update.

General Manager Dorn reported that the City of Zion has been working with the NSSD Staff to purchase the District's Cell B East & West property, the respective sites of the Baseball Stadium and parking lot being planned by the City of Zion. The property is still owned by the NSSD. General Manager Dorn reported that Trustee Paxton, Attorney Greg Jackson and NSSD Staff have worked closely with the City of Zion to help them resolve issues related to the purchase of this property as well as permit issues related to the transfer and development of the property. General Manager Dorn stated that the City of Zion needs to purchase the property before the stadium can be constructed and they are not financially able to do that as yet. General Manager Dorn stated that the District has done all that it can do to help the City, and the rest is up to the City of Zion. General Manager Dorn stated that the City of Zion has previously purchased 8 acres, and that the City's groundbreaking ceremony for the Baseball Stadium took place on this property, and not at the proposed Cell B East Stadium site.

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

A. Presented Workers Compensation and Public Official's Bond Renewals.

Assistant General Manager Miller introduced Brad West and Brent Jones of West's Insurance Agency, Inc. to present Workers Compensation and Public Official's Bond renewals. Mr. West gave a brief presentation on the proposed District's workers compensation and surety bond renewal for the five Trustees.

After the presentation President Swarthout sought out Trustee Paxton's thoughts on the renewal since he is experienced in the insurance field. Trustee Paxton stated he thought the proposal seemed fair and equitable and would recommend approving it.

It was moved by Trustee Paxton and seconded by Trustee Drew to approve the Workers Compensation and Public Official's Bond Renewals as proposed by West Insurance.

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

B. Presented Bid Summary.

1. Bid No. 1309, Membranes for Reverse Osmosis System – Water & Power Technologies, \$39,734.00.

It was moved by Trustee Pierce and seconded by Trustee Drew to award Bid No. 1309, Membranes for Reverse Osmosis System to Water & Power Technologies in the amount of \$39,734.00.

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 two-year Extension of ILR 2009-2010 Agreement to continue its participation in the EnergyConnect Electricity Reliability & Economic Programs and continue its participation in ComEd's Delivery Curtailment program.

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

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

D. Presented Allied Benefit Systems Flex Card.

Assistant General Manager Miller stated that Allied Benefit Systems has offered a debit card (Flex Card) option in which employees can pay for eligible health care expenses directly with the card instead of waiting for reimbursement. A Flex Card is a stored value card that reflects the balance of the employee's medical reimbursement account. When the Flex Card is swiped, the funds are immediately and directly withdrawn from the employee's account.

Assistant General Manager Miller stated that employees are not required to use the Flex Card. They are still able to submit paper claims to Allied for reimbursement. Also, if a vendor doesn't accept the Flex Card or for some reason the card doesn't work, an employee can always submit a paper claim to Allied for reimbursement.

It is recommended that the District approve Allied Benefit System's proposal to issue Flex Debit Cards to all participants of the Flexible Spending Plan.

It was moved by Trustee Paxton and seconded by Trustee Pierce to approve Allied Benefit Systems Flex Card.

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

E. Presented Summary of Unpaid Balance Collections from Previous Owners/Tenants.

Assistant General Manager Miller gave an update regarding collecting unpaid balances from previous owners and tenants and stated that this item was for informational purposes only.

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

- A. Presented the following Bid Summaries.
 1. Winthrop Harbor Pump Station (PS-1A) and Lake Bluff Pump Station (PS-6) Odor Control Improvements, Maxim Construction of Volo, IL in the amount of \$936,700.00.

It was moved by Trustee Paxton and seconded by Trustee Pierce to award the Winthrop Harbor Pump Station (PS-1A) and Lake Bluff Pump Station (PS-6) Odor Control Improvements to Maxim Construction of Volo, IL in the amount of \$936,700.00.

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

2. 1st Stage Clarifier Collector Shack Replacement at the Gurnee STP, Pease Construction, Inc. of Ringwood, IL in the amount of \$58,382.00.

It was moved by Trustee Paxton and seconded by Trustee Pierce to award the 1st Stage Clarifier Collector Shack Replacement at the Gurnee STP to Pease Construction, Inc. of Ringwood, IL in the amount of \$58,382.00.

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

3. Bldg. 020 & 110 Building & Equipment Demolition at the North Chicago (PS4) Pumping Station, DK Contractors, Inc. of Pleasant Prairie, WI in the amount of \$59,757.00.

It was moved by Trustee Pierce and seconded by Trustee Drew to award Bldg. 020 & 110 Building & Equipment Demolition at the North Chicago (PS4) Pumping Station to DK Contractors, Inc. of Pleasant Prairie, WI in the amount of \$59,757.00.

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

4. Digester No. 2 Gas Piping Repairs at the Clavey Road STP, Total Mechanical, Inc. of Pewaukee, WI in the amount of \$69,696.00.

It was moved by Trustee Pierce and seconded by Trustee Drew to award Digester No. 2 Gas Piping Repairs at the Clavey Road STP to Total Mechanical, Inc. of Pewaukee, WI in the amount of \$69,696.00.

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

B. Presented Construction Change Orders.

1. C.O. No. 1, FY09 Door Replacement Project at Clavey Road and Waukegan STPs, LaForce, Inc., Increase of \$509.19 and 50 Calendar Days for Substantial and Final Completion.

It was moved by Trustee Pierce and seconded by Trustee Drew to approve C.O. No. 1, FY09 Door Replacement Project at Clavey Road and Waukegan STPs, LaForce, Inc., an Increase of \$509.19 and 50 Calendar Days for Substantial and Final Completion.

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

2. C.O. No. 3, Sludge Screen Project, Camosy Construction, Increase of \$3,138.00

It was moved by Trustee Pierce and seconded by Trustee Drew to approve C.O. No. 3, Sludge Screen Project, Camosy Construction, an Increase of \$3,138.00

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

C. Presented Contract Termination.

1. Stabilization of Final Cover at Zion Township Landfill, Management/Kidsfit d/b/a Fritchens Landscaping and Linden Farms Nursery of Rockford, IL.

Director of Engineering Services Gupta recommended termination of this Contract based on lack of performance by the Contractor and asked for Board approval. Upon termination of the Contract, the District will request that the Contractor's surety fulfill its obligations under the performance bond.

It was moved by Trustee Drew and seconded by Trustee Pierce to approve Contract Termination for Stabilization of Final Cover at Zion Township Landfill, Management/Kidsfit d/b/a Fritchens Landscaping and Linden Farms Nursery of Rockford, IL.

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 all industries are in compliance with the District at this time.

Attorney Greg Jackson gave the Attorney Report as follows:

- A. Presented Andritz Confidentiality Agreements.
 - 1. Vendor/Contractors.
 - 2. NSSD Employees.

Attorney Jackson reported that the Confidentiality Agreement between NSSD and Andritz that was previously approved requires that similar confidentiality agreements be executed by Vendors/Contractors and NSSD Employees to ensure that they do not disclose information concerning the proprietary and confidential technical, engineering, manufacturing and business know-how and information relating to the design and manufacture of agitators utilized in the Fluid Bed System located at the Sludge Recycling Facility in Zion, IL. Attorney Jackson asked for Board Approval of the Vendor/Contractors and NSSD Employee Confidentiality Agreement templates presented herein.

It was moved by Trustee Pierce and seconded by Trustee Paxton to approve the form of the Andritz Confidentiality Agreements for Vendors/Contractors and NSSD Employees.

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

- B. Presented IML Analysis of SB 189.

Attorney Jackson reported that this item was information only. Attorney Jackson reported that on May 28, 2009 the General Assembly passed Senate Bill 189. The bill amends the Open Meetings Act, the Freedom of Information Act and the Attorney General Act to make changes concerning the codification of the Public Access Counselor and changes to the Freedom of Information Act. Attorney Jackson stated that prior to January 1, 2010 the District will need to appoint a FOIA Officer to handle all requests with the changes that are being implemented.

President Swarthout presented Other Business as follows:

- A. Employee Agreements.
 - 1. General Manager
 - 2. Assistant General Manager.

President Swarthout stated that if there were no objections or comments from any of the Trustees regarding the proposed Employee Agreements for the General Manager and Assistant General Manager there would be no need to discuss the Agreements in Executive Session and that a motion to approve these Agreements could follow.

It was moved by Trustee Pierce and seconded by Trustee Drew to approve the Employee Agreements as presented for the General Manager and Assistant General Manager.

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

It was moved by Trustee Paxton and seconded by Trustee Drew to move into Executive Session to discuss

- A. Real Estate.
 - 1. Potential Sale/Lease of Portion F-11 Forcemain.

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

It was moved by Trustee Paxton and seconded by Trustee Drew to end Executive Session and resume the regular meeting.

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

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

Monday, December 7, 2009 at 9:30 A.M. at the District Office of the Raymond E. Anderson Complex in Gurnee.

PRESIDENT

SECRETARY