

**LINDENHURST SANITARY DISTRICT
REGULAR MEETING
September 1, 2011**

CALL TO ORDER: President Halterman called the meeting to order at 7:00 p.m.

ROLL CALL: Present: President Sheldon Halterman
Clerk James Stevens
Treasurer Art Neubauer

ALSO ATTENDING: District Engineer Wesley J. Welsh
Recording Secretary Mary Earley

MINUTES: The minutes of the August 4, 2011 meeting were presented. Engineer Welsh requested that the Minutes be revised by deleting the word "Third" in the title of New Business Agenda item A, as well as in the first sentence of Agenda item A. Motion made by Treasurer Neubauer and seconded by Clerk Stevens to accept the minutes as revised. Motion approved unanimously on a voice vote.

TREASURER'S REPORT: No Treasurer's Report presented since this meeting is too early in the month.

BILLS:

Corporate Fund:

Strand Associates, Inc. - Construction Related Services - July 1 - July 31, 2011	\$28,392.81
Sun-Times Media (publication of Annual Financial Report)	\$124.00
Trustees' Salaries (July - September, 2011)	\$450.00
Paylocity for Trustees' Salaries	\$35.29
District's share of FICA/Medicare	\$34.43

Motion made by Clerk Stevens and seconded by Treasurer Neubauer to approve payment of the presented invoices.

Roll Call Vote:	President Halterman	Aye
	Treasurer Neubauer	Aye
	Clerk Stevens	Aye

Motion carried.

Construction Account:

Following discussion, it was agreed to commence a separate item in the minutes reflecting transactions related to construction receipts and expenditures.

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Received - Loan Disbursement No. 2	\$348,549.00
Payment to Maxim	\$146,597.40
Payment to Sanitary District (reimbursement for construction engineering services from beginning of project)	\$201,951.60

Loan Disbursement Request No. 3 will be submitted in the amount of \$469,949.00. It is anticipated that the following bills will be paid from that disbursement:

Repayment to the Sanitary District for construction engineering services paid to Strand:

June 2011	\$21,583.83
July 2011	\$28,392.81

Payment to Maxim	\$419,971.50
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Engineer Welsh advised that it is likely that the payment from the IEPA may be less than the amount requested because of the way they handle change orders. Past experience has shown that they will not disburse for change orders until all signed paperwork has been processed. The loan disbursement request also includes payment for materials/equipment in storage on site. It is unknown how the IEPA will handle this portion of the loan disbursement request.

Motion made by Clerk Stevens and seconded by Treasurer Neubauer to submit Loan Disbursement Request #2 for \$469,949.00 and upon receipt of the disbursement, those bills that have not yet been paid will be paid from the disbursement funds and if necessary, supplemented by Sanitary District funds.

Roll Call Vote:	President Halterman	Aye
	Treasurer Neubauer	Aye
	Clerk Stevens	Aye

Motion carried.

CORRESPONDENCE:

1. Discharge Monitoring Reports for July 2011 re: STP Outfall and Influent Monitoring.
2. Publication Notice re: Annual Financial Report.

3. August 29, 2011 letter from the Illinois Department of Labor re: House Bill 3237 (Public Act 97-0571) concerning Prevailing Wage enforcement.

OLD BUSINESS:

A. **Status Report - Addition to the Sewer Treatment Plant.**

Engineer Welsh reported the following progress on the project:

1. The north detention basin is 2/3 completed and the outlet control structure has been installed. The final 1/3 will be completed after the oxidation ditch is completed.
2. The south detention basin has been excavated and the outlet control structure has been installed. The application of topsoil and vegetative cover is scheduled for completion this fall.
3. The oxidation ditch excavation has been completed and formwork for the concrete base slab is being constructed.
4. Concrete footings for the biosolids storage building are approximately 2/3 completed.
5. The excavation for the centrifuge room, a portion of the biosolids building, has been completed.
6. The installation of electrical ducts is in progress. The ducts consist of an array of PVC conduits encased in concrete. The concrete is dyed red in color so anyone excavating in the future understands that the concrete encasement protects electrical facilities.
7. One of the existing biosolids tanks has just been emptied to allow the contractor to install the new air diffusers.
8. The sewer line that was originally thought to be abandoned and which was found to still be live has been relocated.

NEW BUSINESS:

- A. **Change Order.** As previously discussed, the sanitary sewer relocation is work for which the contractor is due additional compensation and must be incorporated into a formal Change Order. The contractor's original proposal for completing this work on a fixed price basis was \$156,000 and since it was our inclination that the cost was too high, the work was directed to be completed on a time and materials basis. The work has since been completed and the cost that we believe to be final is \$99,455. This cost is included in the contractor's most recent pay request and our most recent loan disbursement request. As previously reported there were some difficulties experienced with this work and the underground contractor believes he is due compensation for at least some of the work necessary to overcome the difficulties. The difficulties include having to re-lay a section of pipe that floated when the trench filled with rain water and a section of pipe that had to be re-laid after a temperature inversion inside the pipe distorted the laser beam being used for line and elevation control. It is our belief that these issues relate to the conditions under the contractor's control and that we should not be paying the cost of re-doing work because of difficulties that could have been avoided by the contractor. It has been reported that the General Contractor agrees that payment for corrective actions is not warranted but the underground contractor has not yet accepted this.
- B. **IEPA Loan Disbursement Request.** The Loan Disbursement Request to be submitted in the amount of \$469,949.00 includes the cost of CPR-001. Engineer Welsh stated that the \$99,455.00 for the change order may not be included in the disbursement made by the IEPA unless they have received all signed paperwork prior to disbursement. Strand has been advised by Engineer Welsh that they need to get the change order submitted ASAP. There is a total of \$141,000 in stored materials included in this disbursement request, which includes reinforcing steel, pumps and miscellaneous metal items. Based on past experience the IEPA allows for stored materials. Engineer Welsh has prepared a spreadsheet for purposes of tracking stored materials/equipment payment requests.

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- C. **SCADA Programming.** SCADA (Supervisory Control and Data Acquisition) is a part of the construction contract. In a letter dated January 7, 2011, Strand Associates submitted a proposal for the project in the amount of \$50,500.00. The contractor's bid figure is \$60,000.00 for the same scope of work. Following discussion, a motion was made by President Halterman and seconded by Clerk Stevens to authorize Engineer Welsh to contact Strand Associates and verify that their proposal is for the same services listed in the contract and if so, to sign the necessary paperwork to have them do the work rather than the contractor.

Roll Call Vote:	President Halterman	Aye
	Treasurer Neubauer	Aye
	Clerk Stevens	Aye

Motion carried.

PUBLIC PARTICIPATION: No public in attendance.

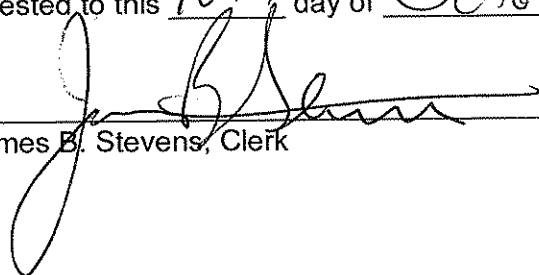
OCTOBER AGENDA: Items to be included will be Old Business: Status and SCADA programming; and Change Orders and New Business: IEPA Loan Disbursement Request.

ADJOURNMENT: Motion made by Clerk Stevens and seconded by President Halterman to adjourn the meeting. Motion passed unanimously on a voice vote. Meeting adjourned at 8:00 p.m.

Respectfully submitted,

Mary Earley, Recording Secretary

Attested to this 10th day of October, 2011.



James B. Stevens, Clerk