

SOUTH SANGAMON WATER COMMISSION

MINUTES February 16, 2010

The regular meeting of the Board of Commissioners of South Sangamon Water Commission was held on February 16, 2010 at 8:30 a.m. in the offices of Greene & Bradford, Inc., 3501 Constitution Drive, Springfield, Illinois.

In attendance:

Commissioner Del McCord – Chatham

Commissioner Bill Pfeffer – New Berlin

Mike Williamsen – Chatham

Joe Pisula – Donohue & Associates

Herb Butler – EMC

John Myers – Attorney

Tim McAnarney – Chatham

Dennis Sheley – Illinois Meter, Inc.

Gary Kuntzman - Greene & Bradford, Inc.

Jay Jessen - Greene & Bradford, Inc.

Bids -- The meeting was opened by discussing the bids on the Treatment Plant and Raw Water Main projects. Joe Pisula of Donahue advised the Commission that Plocher Construction of Highland, Illinois was the low bidder on the Treatment Plant coming in at \$5.47 million. Plocher Construction has been contacted and are confident with their bid and, if awarded bid, are ready to move forward with project. Pisula is satisfied with their due diligence and the

company's reputation. They are a "union" shop and all subcontractors are union also.

Joe Pisula also notified the Commission that the low bidder for the generator portion of the project is Cummins Crosspoint with a bid of \$418,100.

It is the recommendation of Donahue & Associates to move forward with these phases of the project.

With regard to the Raw Water Main contract, low bidder was Petersburg Plumbing and Heating bid \$952,260. Petersburg Plumbing & Heating is also a union company. Pisula recommended this portion of project also move forward.

Pisula commented that these bids do not include any inspection services. Donahue would need to give the Commission an additional estimate for those services.

There was discussion on the Transmission Main contracts/bids. No bid was received for Phase 2A of the project. All bids came in high according to Gary Kuntzman of Greene & Bradford, Inc. Both Del McCord and Bill Pfeffer questioned whether the Transmission Main Phases should have been bid as one project to attempt to keep costs down. McCord stated that the Commission needs to come up with a way to get the bids lower. McCord and Pfeffer, both, asked for an explanation of why the original \$22 million costs estimates were now coming in at approximately \$28 million. A breakdown of costs followed.

In addition, the Commission discussed the purpose and requirement of Bid Bonds and their subsequent costs increases.

The Commission further discussed that if the price was comparable to Springfield rates there could be a possibility of Rochester coming on board. It was noted that the Treatment Plant was designed with full capacity including Rochester; and therefore, bringing them on board would not compromise the Treatment Plant plans or bid; it could be modified at the well(s).

There was discussion of the timing involved in awarding any bids for the Phases and the delivery of materials on-site. Dennis Sheley from IMCO assured the Commission that once bid is officially awarded to IMCO for the purchase of materials, the pipes would be ordered, delivered and stored at his facility. No on-site delivery would be made until necessary.

John Myers suggested that either the Villages of Chatham or New Berlin could assist in the reduction of costs for the Transmission Main phases by either hiring labor and doing the work themselves, or by entering into a negotiated contract (waiving bids according to statute) with a contractor. Myers noted that the Villages have statutory authority to do this, and the Commission could enter into an intergovernmental agreement with one of the Village whereby the Village would be the lead agency and perform the work for the Commission.

All options were discussed and final approval of bids received were suspended pending further details on options to be discussed at the Special Meeting of the Commission on February 23, 2010. All bids are good for 90 days.

Herb Butler asked what the Commission was using as an interest rate for the total project funding. He was told to estimate 4.9% for 25 – 30 years.

Land Acquisition – (Leach Road) An update on the land acquisition was discussed briefly noting that the Spurgeon property was closed on yesterday (February 15, 2010).

The Hudgins property issue goes to trial on July 12, 2010 before a judge and jury to decide appropriate compensation.

Notice of Intent to Award for materials/Waiver of Bid Bond -- It was moved and passed that the Bid Bond for the Materials phase of the project would be waived due to the noted reputation of the company being awarded the contract thus saving the project an approximate \$31,000.

Motion by Del McCord motioned and Bill Pfeffer seconded to approve the Notice of Intent to Award the pipe material bid to Illinois Meter, Inc. The motion passed.

Wetlands Delineation -- Pisula notified the Commission that he had received a \$7,700 bid for the Wetlands Delineation required by the Department of Natural Resources. It was motioned by Pfeffer and seconded by McCord to award the project to Kaskaskia Engineering Group, LLC. The motion passed.

Mr. Pisula mentioned that this work did not include the archeology survey also found to be necessary. This project is estimated to cost between \$750 - \$1,000. There has been no response yet to a proposal request.

Brine Agreement -- Mike Williamsen asked what the status was with the Springfield Metro Sanitary District's concerns regarding the dumping of brine, the number of gallons, a detailed description of what is being dumped, and how it impacts the facility. Mike Williamsen is to place a telephone call to confirm the

SMSD's concerns and/or satisfaction. John Myers will follow-up with the attorney.

Permits -- There is concern regarding the delay in obtaining the EPA Permit for the Treatment Plant project. This permit is critical at this point. The Commission felt the permit might be delayed awaiting the Capacity Analysis. Pisula is to place a call to EPA to follow-up on the permit. EMC will submit the Capacity Analysis.

Other permits pending are Gateway Kansas Railroad, and the Commission is expected to receive the County permit this week. In addition, it was mentioned that Cooper Township approved the work being done along Leach Road.

Well Pumping Status -- The well pump site cannot be reached at the present time due to flooding. No further details are available.

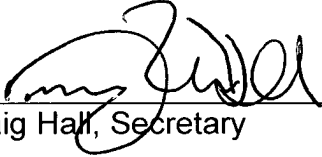
Operating Transmission from 180 to 100 PSI Change -- After review of the transient analysis, a decision was made to submit a Changeover Order to alter the psi pipe from 180 psi to 100 psi in order to accommodate the jockey stations necessary in lieu of more costly pipe.

Capacity Analysis -- Butler stated that the Capacity Analysis was ready for submittal to EPA. He indicated to the Commission that the analysis confirms to the EPA that the Commission has the funding and the technical ability to build and operate the water plant. With submittal of this information the EPA should issue the pending permit for the Water Treatment plant.

Next Meeting -- A special meeting of the Commission will be held on

February 23, 2010 at 8:30 a.m. at Greene & Bradford, Inc. to further discuss issues addressed at this meeting.

The meeting was adjourned at approximately 10:45 a.m.



Craig Hall, Secretary