

Executive Director's Report
February - March
2012

Activities

This section discusses activities that the District is engaged in outside the typical everyday actions necessary to conduct the business of providing wastewater treatment.

Reclaimed Water

No new information to report.

Intergovernmental Cooperation and Community Outreach

Sewer System for Argenta

A claim involving an assertion of a differing site condition in the soils on the sewer portion of the project is proceeding through arbitration. A decision by the arbitrators was received on Thursday March 15, 2012. The decision found **NO** grounds for a differing site condition. The panel did consider testimony provided at the hearing regarding certain related claims outside the bounds of the original demand for arbitration. One of those involved how road base course (crushed limestone) was measured in the areas encompassed by oil and chip pavement. Testimony from both sides determined the correct means for measuring this item. Based on the concurrence reached in the hearing the panel awarded the contractor the additional amount of base course as an additional cost (if it had not already been addressed by change order). This award amounted to an additional 7900 square yards of base course material at the contract unit price of \$10.00 per SQ. totaling \$79,000.00.

Asset Management, Capital Improvements, and Financial Planning

District Staff reviewed project work to date and its impact on the financial plan. Revisions to the plan are in development along with updating the CIP plan.

Staff is closely monitoring developments in NPDES permitting across the State in relation to the District's current application for our NPDES permit. Meetings were held in late January with the major industries to assess future cost impacts of potential new nitrogen and phosphorus regulations and limits in our next permit. A proposal for development of a comprehensive model that will be used to determine options and costs associated these regulations will be presented for consideration at that those meetings.

The Asset Management Plan is progressing through the process called SAM-Gap. This self assessment tool helps wastewater utilities rapidly measure their performance against data from more than 170 of the world's best asset management practitioners. This gap analysis is done by answering a series of questions for several specific areas, such as the knowledge a utility has of its existing assets, and its attitude and culture as it relates to asset management. The tool then analyzes a utility's responses and generates a report with suggested areas in need of strengthening. These suggested improvements are tailored for each organization to fit its specific needs. The final output is a customized roadmap, or work plan, produced by SAM GAP, that allows the utility to measure its progress towards a given benchmark.

The development of the asset registry is underway. The asset registry constitutes the heart of all asset management systems. It forms the link between all other asset-related applications and supports the structure by which the information system enables the assessment of the assets as individual components, composite assets, or groups of assets. It is a database that records all of the organization's capital assets.

Performance Appraisal System

Pam Schnake of ELS Unlimited, Inc. has relocated to Virginia and will be of limited service. We are in the process of having employees fill out the Catalytic Coaching Employee Input Sheets. Senior staff has been working on developing a Coaching guidelines document and is planning to hold one more training session for coaches on the finer arts of coaching. A local consultant, Mark Sturgill, is being interviewed to see if he is a fit to provide this training.

Sustainable Water Planning

District Senior Management Staff has planned to undertake a study of the concept of 'Integrated Water Resource Management'. This study will ultimately involve other water stakeholders with the goal of determining optimal strategies for providing long-term sustainable water sector services (source water protection, water supply, wastewater treatment, reclaimed water production and distribution and water asset development and management) for the Macon County Region and to apply the concepts of "Asset Management" and "Sustainable Development" to this analysis.

We will continue to educate ourselves and stay current with this movement. Opportunities to engage stakeholders in discussion and possible collaborative planning efforts will be pursued.

Succession Planning

Nine people have applied to the Career Path Planning Program. The Finn Group has processed three of these individual through their assessment phase and developed specific plans for these people. The plans were reviewed with District senior managers in meetings held January 20th and February 3rd.

Senior managers met after the February Board meeting to review the succession plan. In that effort a revised strategy for succession in the CMMS system administrator position was developed. The current system administrator, Nancy Wene has indicated she is taking the ERI with an effective retirement date of May 17. The revised succession plan includes having Nancy provide comprehensive CMMS training to the six Career Path Program personnel who have indicated interest in advancement into maintenance management supervision. Upon Nancy's retirement her duties will be assigned to these individuals on a rotating basis. Because of the additional workload assigned to maintenance and anticipation of additional openings due to retirements we advertised two new laborer positions.

We learned the week of 3/12 that the IMRF Board will be considering a staff recommendation to limit ERI offerings to five year intervals. The following was posted on the IMRF website:

Trustees to consider ERI rule changes in July

The Board tabled a staff recommendation to limit the offering of an Early Retirement Incentive (ERI) to once every five years. The Board will reconsider the staff recommendation at its July meeting, following the conclusion of the General Assembly's Spring Session.

The Illinois Pension Code allows employers to adopt a subsequent ERI after the total cost of a prior ERI has been paid. As a result, some employers have adopted multiple ERI since the program's inception in 1995.

The legislative intent behind the ERI program was to provide employers a budgetary tool to control payroll costs. Offering ERI frequently is not consistent with the spirit and purpose of the legislation. As a result, it was recommended that the Board limit employers' ability to offer ERI to once every five years.

The Board agreed with the recommendation in principle. The Board will consider the proposal after the close of the Spring Session, factoring the impact of any pension-related legislation into its decision.

This creates a serious problem for the Sanitary District's succession plan. A letter to each the IMRF Board of Trustees is being drafted describing how frequent offerings **DO** provide employers with a budgetary tool to control payroll costs and the letter will outline the hardship the IMRF staff position will impose. A copy of the letter is included at the end of this report.

Safety and Training

Safety training for this period included the usual tailgate safety awareness meetings.

The District completed OSHA Construction 510 safety training course for project managers on February 7th. The training is provided through Richland Community College and involved 4 full days of instruction. District Safety and Training Coordinator Greg Pyles has begun planning remedial work, projects, and safety related equipment acquisitions to address numerous safety related rules and issues that came to light as part of the OSHA training.

The District has gone 2425 days without a lost time accident as of the end of February.

Professional Association Activities

District personnel attended meetings and seminars and/or served on committees with:

- The Illinois Association of Wastewater Agencies
- The Illinois Water Environment Association
- The Association of Facility Engineers
- The Society of Human Resource Managers
- Illinois Labor Management Committee
- Central Illinois Safety Committee
- Project Management Institute
- The National Society of Professional Engineers
- Water Environment Federation
- National Association of Clean Water Agencies

Seminar and Conferences

Tim Kluge and Monte Cherry were presenters at the 2012 WATERCON sponsored by IWEA and ISAWWA in Springfield on March 21st.

Awards and Recognitions

5-year incremental service awards:

Dave Sleeth – 20 years
Gary Brown – 30 years

Congratulations Dave and Gary!!!!!!!!!!

Local Committee and Organization Involvement

District Staff attends meetings, serves on boards, commissions, and committees, and participates in organized activities for:

- Decatur Area Labor Management Committee
- Engineer in the Classroom
- Junior Achievement
- Webster Cantrell Hall
- Agricultural Watershed Institute
- Partners in Education
- Decatur Rotary
- Community Environmental Council
- Decatur Plan Commission
- Paragon Group
- Greater Decatur Water Commission
- Macon County Regional Planning Commission
- WPCLP Advisory Committee (IEPA)
- Green Infrastructures Grants Steering Committee (IEPA)
- Water Environment Federation House of Delegates

Labor Management

A labor management meeting was held February 9th. Dana Miller attended as the Board representative. Topic of discussion included:

- Succession Planning
- Arbitration
- New vehicles
- CIP planning

A copy of the meeting minutes follows this report.

Communications

Recognizing that communications is the major stumbling block to improving District employee morale, management staff is always directed to communicate all information in an accurate specific manner to all employees and to encourage employees to utilize the correct avenues and resources to answer any questions they have or to provide clarifications to issues they do not understand. In that respect the District holds regular meetings to share important information between departments and organizational levels. Those meetings include:

- Staff meetings (2nd and 4th Thursdays, 8:30 a.m.)
- Senior Staff meetings (1st and 3rd Thursdays, 8:30 a.m.)
- Department Head Coordination Meetings (daily)
- All hands Meetings (3rd Wednesday, 7:15 or 2:30,

- alternating)
- Labor Management meetings (1st Tuesday, 2:00)
 - Safety Training (weekly)
 - Safety Committee meetings (monthly)
 - Departmental meetings (as scheduled)

Administrative Activities

Senior managers met over this period working primarily on refining the Financing Plan based on Asset Management and Capital Improvement Plan's, the 2012-13 Budget, Performance Benchmark Summary, Succession Plan Activities, Asset Management Plan Development, Board meeting reports, communications, and proposed projects status and schedule.

Planned Expenditure

The Planned Projects report is a spreadsheet detailing planned expenditure taken from this fiscal year's budget and is included at the end of this report.

Unanticipated and Emergency Repairs

This section describes emergency and unanticipated repairs and expenses.

The existing DAF units are experiencing failures of numerous component parts. District Staff has evaluated this and determined that renewal of 3 of the six unit will provide the best approach for managing this asset. The first step of renewal is to sandblast and coat the steel tanks. We will undertake the rehabilitation of one tank to assess the coating system. The expected cost is \$30,000.00.

Total unanticipated and emergency costs for FY 2011-2012 through March 15th, 2012 are approx. \$134,280.68. (Prior fiscal year total through March 16th, 2011 were \$101,300.00)

Please forward any questions or comments to:

Monte Cherry – PH. 422-6931 (X-233)
monte@sdd.dst.il.us

Attachments: - Labor Management Meeting Minutes
-Planned Projects Report

Labor Management Meeting March 8, 2012

The Labor Management meeting was held Tuesday, February 7, 2012 at 2:30 pm in Monte Cherry's office. Those present at the meeting included: Monte Cherry (MC), Kent Newton (KN), Joe Chapman (JC), Tim Gorden (TG), Mark Lindgren (ML) and Dana Miller (DM)

There were no agenda items.

There were four non-agenda items

1. Personnel: JC thanked the District for posting the Laborer openings and asked about a timeline for filling the positions. KN informed the group that the District was looking for seasonal employees as many of the employees that work last summer were not coming back.
2. Argenta Arbitration Update: MC provided a review of the status of the arbitration claim by Dawn Companies.
3. Vehicles: KN informed the group that four trucks have been ordered and the plan for rotating and disposing of existing vehicles.
4. Capital Improvement Plan (CIP) and DAF Condition Status: General discussion about status of DAF units and short and long term rehabilitation plans. ML suggested that replacement of the new phase primary clarifiers should be included in the CIP

Pc: committee members
File

**Sanitary District of Decatur
2011-2012 Projects over \$10,000**

March 31, 2012

Description					Current Fiscal Year			Project Total	
Project Title	Contractor / Vendor	Project Mgr	Account	Status	Budget	Actual	Over (Under) Budget	Contract & Change Orders	Funds Expended
Vehicle Replacement		KDN	505050-01-01	Ordered	40,000	-		31,700	-
210 Building Scrubber		CJ	501111-11-01	Eliminated	147,000	-	(147,000)	-	-
Digester HVAC work		DBM	501111-11-01	Delayed	200,000	-		-	-
Sand Creek Crossing design	CITY / URS	DBM	504180-01-02	Design	17,000	5,804	(11,196)	16,300	14,530
Facility Plan Amendment		DBM	504180-01-02	Delayed	220,000	-		-	-
OREANA - CONST ENG	BGM	DBM	513421-14-01	Punch List	6,195	-		495,901	485,252
OREANA - CONSTRUCTION	Otto Baum	DBM	513422-14-01	Completed	597,805	754,235	156,430	5,773,496	5,773,496
OREANA - LEGAL	Flynn	DBM	513423-14-01	Completed	-	603	603	-	603
OREANA - EASEMENT		DBM	513424-14-01	Completed	-	-		-	2,926
TRESTLE REPAIRS - CONST ENG	BGM	DBM	513431-14-01		186,000	59,823	(126,177)	185,400	59,823
TRESTLE REPAIRS - CONST	Eng & Const Innovation	DBM	513432-14-01	40% Complet	2,050,000	980,111	(1,069,889)	2,716,541	980,111
TRESTLE REPAIRS - EASEMENT	Lienemann	DBM	513434-14-01		25,000	2,608	(22,393)	-	2,608
TRESTLE REPAIRS - DESIGN ENG	BGM	DBM	513436-14-01			4,814	4,814	141,600	69,590
ARGENTA - CONST ENG	BGM	DBM	513461-14-01		314,000	336,912	22,912	480,000	514,236
ARGENTA - CONSTRUCTION	Dawn Companies	DBM	513462-14-01	98% Complet	5,190,200	4,852,823	(337,377)	6,101,342	5,602,379
ARGENTA - LEGAL	Flynn	DBM	513463-14-01		2,500	1,116	(1,384)	-	2,502
ARGENTA - Arbitration	Flynn/BGM	MAC	513463-14-01			413,564	413,564	-	413,564
ARGENTA - EASEMENT	Lienemann	DBM	513464-14-01	Completed	-	22,488	22,488	-	40,599
K-Mart Pump Station	BGM / Burdick	DBM	502810-01-04	Completed	-	7,175	7,175	512,852	505,866
Manhole Rehab		DBM			100,000	-		-	-
Energy Efficiency Upgrades	Clark Dietz	DBM		FY 2012				32,080	
East Side Booster Pump Station	AE / Otto Baum	DBM	501125-11-01	40% Complet	675,000	379,541	(295,459)	749,647	407,996
Primary Clarifier #3	DPS Equipment	DBM		Completed	475,000	286,823	(188,177)	376,332	376,332
Primary Clarifier #1 & #2	Joseph J Henderson	DBM		FY 2012				765,000	
Secondary Clarifier #6		DBM		Delayed	675,000			-	25,668
S SLUDGE LAGOON - CONST ENG	Cochran Engineering	DBM/MAC	501171-11-01	Completed	40,000	7,222	(32,778)	200,900	167,099
S SLUDGE LAGOON - CONST	Beyers Construction	DBM/MAC	501172-11-01	Completed	255,500	415,760	160,260	3,275,135	3,329,795
Sludge Valve Replacements		FM	501111-11-01		120,000	80,078	(39,922)	-	80,078
Water Tower Valve Replacement	Nogle & Black	FM	501111-11-01	Completed	-	33,316	33,316	33,316	33,316
Digester Gas Lines Replacement	Burdick Plumbing	FM	501111-11-01	Completed	100,000	21,710	(78,290)	19,000	21,710
Abel Pump Replacement	Burdick Plumbing	FM	501111-11-01	Completed	200,000	180,041	(19,959)	180,041	180,041
Primary Area Valves	Petersburg Plumbing	FM	501111-11-01		120,000	8,500	(111,500)	83,500	8,500
Safety Equipment		GP	505120-01-08		48,500	3,643	(44,857)	-	3,643
Blower Replacement	Clark Dietz /	HB	501116-11-01	50% Complet	500,000	432,998	(67,002)	509,736	432,998
FeCl Auto Feed into Sludge Line		HB		Completed	15,000	14,500	(500)	14,500	14,500
South Sludge Lagoon PH II	J&B Waste Applications	HB/MAC	501172-11-01	Started	750,000	170,525	(579,475)	972,091	170,525

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Project Title	Contractor / Vendor	Project Mgr	Account	Status	Budget	Actual	Over (Under) Budget	Contract & Change Orders	Funds Expended
Electrical Raceway Replacement		I&C	502062-01-07	FY 2012	30,000			-	-
HVAC Controls	Clow Controls	I&C	501311-11-13	Completed	-	34,744		34,744	34,744
Energy Management - Lights	In-House	I&C	505020-01-07		15,000	3,317	(11,683)	-	3,317
Process Monitor Video System		I&C	505040-01-07	Planning	50,000	-		-	-
Gas Flow Meters	Process Solutions Inc	I&C	502066-01-07		30,000	13,633	(16,367)	-	13,633
Anion & Gas Chromatograph	Dionex	LA	501016-xx-03	Installed	58,000	30,120	(27,880)	30,120	30,120
Muffle Furnace	Thermo	LA	505071-01-03		15,000	-		5,874	-
Automated Refridg Samplers (5)		LA	505100-01-06	Completed	18,000	16,232	(1,768)	-	16,232
Berm Levee	BGM / Christy - Foltz	MAC	500050-03-01	50% Complet	1,200,000	509,949	(690,051)	1,285,942	557,874
30 HP Tractor		MR	502150-01-04	Completed	21,000	15,894	(5,106)	15,894	15,894
Roads and Parking Paving	Dunn Company	RD	501017-08-01	Completed	175,000	147,855	(27,146)	147,855	
Painting N Nitrification Clarifiers	Odle	RD	501312-11-13	Completed	250,000	165,250	(84,750)	161,200	165,250
Roof Repairs		RD	501311-11-13	Completed	125,000	70,187	(54,813)	70,188	70,187
Nitrofication Clarifier Rehab	Siemens / DBS	RG	501312-11-13		-	13,938	13,938	74,968	13,938
Rehab DAF Units		RG		Planning	100,000	-		-	-
Interceptor Cleaning and CCTV '11	Visu-Sewer	RM	502820-01-04	Awarded	208,550	-		83,409	-
Video Inspection Camera	CUES	RM	505040-01-02		25,000	-		-	-
STEVENS CREEK - DESIGN ENG	BGM	RM	513480-14-01		2,000	-		68,000	66,521
STEVENS CREEK - CONST ENG	BGM	RM	513481-14-01		220,000	64,968	(155,032)	225,000	79,718
STEVENS CREEK - CONSTRUCTION	Kenny Construction	RM	513482-14-01	95% Complet	2,050,300	1,859,705	(190,595)	2,062,694	1,859,705
Wyckles Facility Rehabilitation	In-House	RM	501016-08-04		40,000	1,401	(38,599)	-	1,401
Sangamon River Bio-Study	EIU	TK	504180-01-05	Ongoing	81,500	-		77,000	60,243
Nickel and Zinc Study	HydroQual, Inc	TK	504180-01-05		30,000	8,700	(21,300)	22,456	12,650
NPDES Permit Modification	Hodge Dwyer & Driver	TK	504200-01-05		94,000	29,896	(64,104)	-	29,896
7th Ward Odor Control		TK	505040-01-05	Delayed	50,000	-		-	-
HS Waste - Design Eng	Donohue	TK	501122-11-05	50% complete	250,000	94,387	(155,613)	118,359	94,387
Digester Mixing - FPA	Donohue	TK	501122-11-05		-	11,088	11,088	11,880	11,088
Digester Mixing - Design Eng	Donohue	TK	501122-11-05		-	23,998	23,998	176,100	23,998
DAF - FPA	Donohue	TK	501122-11-05			8,026		10,600	8,026
HS Waste - Construction		TK	501201-12-01	FY 2012	475,000			-	-
Digester Mixers (2) Construction		TK	501123-11-05	FY 2012	1,000,000			-	-
Computer Replacement	Multiple	VM	505010-01-07		37,500	15,619	(21,881)	-	15,619
					\$ 19,720,550	\$ 12,615,638	\$ (7,104,912)	\$ 28,348,691	\$ 22,904,726