

Minutes of the Property Committee Meeting

The Property Committee of the McLean County Board met on Thursday, December 7, 2006 at 3:30 p.m. in Room 400, Government Center, 115 E. Washington Street, Bloomington, Illinois.

Members Present: Chairman Bostic, Members Dean, Ahart, Cavallini and Harding

Members Absent: Member Moss

Staff Present: Mr. John Zeunik, County Administrator; Ms. Christine Northcutt, Recording Secretary

Department Heads/
Elected Officials

Present: Mr. Don Lee, Director, Nursing Home; Mr. Jack Moody, Director, Facilities Management Department

Others Present: Mr. Eric Kline, Maintenance Supervisor, Nursing Home

Chairman Bostic called the meeting to order at 3:32 p.m.

Chairman Bostic presented the Minutes of the November 2, 2006 Property Committee Meeting. Hearing no objections or corrections, Chairman Bostic accepted and placed the minutes on file as submitted.

Chairman Bostic welcomed Mr. Don Cavallini to the Property Committee.

Chairman Bostic invited Mr. Don Lee, Director, Nursing Home, to present the first item for action, which is a bid for a replacement boiler for the Nursing Home. Mr. Lee introduced Mr. Eric Kline, Maintenance Supervisor, Nursing Home. Mr. Lee explained that the hot water boiler failed in 2004. Since that time, the Nursing Home's three main boilers are being used to heat the facility and the domestic water.

Mr. Lee informed the Committee that he has obtained an alternate bid from CB Kramer Sales and Service for the purchase of a replacement boiler for the Nursing Home. Only one vendor attended the mandatory pre-bid meeting. A second vendor called to discuss bid specifications, but ultimately decided not to submit a bid due to the fact that the Nursing Home intends to install the boiler using in-house staff.

Mr. Lee advised that during the mandatory pre-bid meeting, future upgrades and repairs to the three remaining boilers was discussed. CB Kramer's representative advised that some components including the burner, flame detector, and flame safeguard system are obsolete. CB Kramer's representative was asked to provide pricing information for replacement of those components which totaled \$1,500.00 per boiler. The logical next question was, how much more to furnish a new 2000 MBH, full modulation, high efficiency heating boiler in lieu of a 1000 MBH, full modulation hot water only boiler.

The bid cost for the replacement hot water boiler is \$17,000.00. The bid cost for the alternate boiler is \$18,700.00. Mr. Lee stated that he would recommend purchasing the larger boiler for the additional \$1,700.00. The larger boiler will reduce fuel consumption, improve system efficiency on the domestic water heating system and on the building heating system as well. A second advantage is that the boiler being replaced can be salvaged for spare parts for the two remaining units.

Chairman Bostic asked what is the life expectancy of a boiler. Mr. Kline responded that it is very difficult to estimate the life expectancy of a boiler. Mr. Kline informed the Committee that replacement of a burner on one of the three main boilers would cost approximately \$6,660.00. He noted that the burner on the unit that is proposed to be replaced is in very good condition and can be used as a replacement on one of the other two boilers when necessary.

Ms. Ahart asked if there was enough room to store the old boiler. Mr. Kline replied that they are not extremely large and there is enough room to store the old one.

Mr. Cavallini asked if there was any sort of warranty on the new boiler. Mr. Kline responded that the new boiler has a one-year warranty. The boilers that are currently installed at the Nursing Home are 14 years old and have had no upgrades. Patterson-Kelley Boilers have a very good reputation.

Ms. Ahart stated that this item was previously budgeted. Mr. Lee reaffirmed that this item was previously budgeted and added that \$25,000.00 was budgeted and the proposed expenditure is only \$18,700.00.

Motion by Dean/Ahart to recommend approval of an Alternate Bid from CB Kramer Sales and Service for the purchase of a replacement boiler for the McLean County Nursing Home. Motion carried.

Chairman Bostic thanked Mr. Lee. Ms. Ahart asked Mr. Lee if he has had any comments on the new sign at the Nursing Home. Mr. Lee stated that he has received many compliments on the new signage. Chairman Bostic commented that the next project for the Nursing Home should be to get a stop light at the intersection of Main Street and Shelbourne where the Nursing Home's entrance is located. Mr. Lee responded that there was a petition with the Town of Normal six or seven years ago requesting that the Town investigate putting a stop light at the intersection. At the time, there was not enough traffic to warrant a stop light, but the Town said they would reconsider that options in the next five or so years. Chairman Bostic stated that it may be a time for another petition.

Chairman Bostic asked Mr. Zeunik how to get this process started. Mr. Zeunik stated that a traffic warrant study would have to be conducted. Mr. Zeunik advised the

Committee that the study would be the responsibility of either the Town of Normal or the State of Illinois due to the fact that U.S. Route 51 is a state highway. Mr. Zeunik stated that he has a meeting with Mr. Mike Hall, Town of Normal, tomorrow and he would be happy to discuss this issue with Mr. Hall at that time. The Committee agreed.

Mr. Jack Moody, Facilities Manager stated that he has several items for information to present to the Committee. Mr. Moody stated that the first item is the contract for the electrical energy service for the McLean County facilities. Mr. Moody explained that there are 27 meters throughout McLean County facilities that are owned by Ameren IP. Currently, the County receives two master bills from Ameren IP which are itemized by building. Those bills are then coded and sent to the County Auditor's Office. Beginning in January, 2007 the proposed Ameren rate increase will dramatically increase the rate factor that the County is charged for electricity. Mr. Moody stated that an alternative is purchasing electricity from a third party vendor. This move will likely save the County a tremendous amount of money. Mr. Moody stated that he met with members of the Ameren IP staff approximately two months ago to discuss this alternative in greater detail. Mr. Moody informed the Committee that purchasing electricity from Ameren IP next year will be the most expensive route. Mr. Moody stated that he was able to obtain a list of the authorized third party vendors from Ameren IP. There are six eligible third party vendors. A Request For Proposal has been sent to all of the eligible third party vendors last month. They have all responded with an "Indicative Bid". Mr. Moody explained that an "Indicative Bid" is a bid whereby the price is not a firm price, but it gives qualifying information about the company and states that they can provide price quotes which will be valid for only 48 hours. Mr. Moody further explained that the pricing for electricity changes hourly.

As a result of the pricing issue, Mr. Moody has requested that any third party vendors that desire to provide a bid for electrical energy service should submit a bid to him by Monday, December 18th, which is the day before the December County Board Meeting. The Committee can then consider the options at a Stand-Up Committee Meeting on Tuesday, December 19th. Mr. Moody stated that he will present all of the pricing information on a spread sheet. There are four separate costs to be considered. There is the energy cost, the capacity cost, distribution losses, and the Midwest Independent Transmission System Operator (MISO) cost. There are also delivery fees from Ameren IP. Mr. Moody estimates that if the County opts to contract with Ameren IP only, the costs would be approximately \$265,000.00 higher than the third party option over the life of the contract.

Mr. Moody stated that he has done background checks on all of the third party vendors. Mr. Dean asked if there was any particular vendor that Mr. Moody could recommend based solely on the background check. Mr. Moody stated that he really cannot answer that until he sees the pricing information.

Chairman Bostic stated that the Committee needs to take no action at this time. The Committee will meet and act on this matter at a Stand-Up Committee meeting prior to the Board Meeting.

Mr. Moody stated the next item for information is the status update on the remodeling of the Government Center 3rd floor and the 7th floor of the Law and Justice Center. Mr. Moody stated that both projects are going very well and are on schedule. Mr. Moody advised that the City of Bloomington Engineering Department will be located on the 3rd Floor of the Government Center when the remodeling is finished.

The 7th floor will house the Court Services Department. When the Court Services Department vacates the first floor, Phase II of the remodel will begin. Phase II will remodel everything on the 1st floor between the Lobby and the Morgue. The 6th floor will also be remodeled at that time. Mr. Moody stated that all of the remodeling in the Law and Justice Center is scheduled to be completed by December, 2007.

Mr. Moody stated that the replacement Fairview Campus Sign was installed. Next Spring, an Eagle Scout Candidate has volunteered to landscape the area around the sign. They have agreed not to plant anything that will cover the sign.

Mr. Moody reported that the old vending machines have been removed and the new vending machines have been installed. They have many more product choices and County employees are generally pleased with the new machines and the product.

Chairman Bostic asked if there were any questions for Mr. Moody. Hearing none she thanked Mr. Moody for his report.

Chairman Bostic asked Mr. Zeunik to present the next item for the Committee's consideration.

Mr. John Zeunik, County Administrator, stated that he has two items for action this afternoon. Mr. Zeunik advised the Committee that these are the standard items that the Committee considers every December. They are the Attachments to the Operation and Maintenance Agreement for the Law and Justice Center. The Public Building Commission (PBC) contracts with the County to maintain and operate the building. In order to do so, the County levies a tax which is turned over to the PBC and the PBC reimburses the County. The first Agreement is Attachment Number 16 to the Operation and Maintenance agreement for the Law and Justice Center and Mr. Zeunik stated that he would recommend approval of this item.

Motion by Harding/Ahart to recommend approval of Attachment Number 16 to the Amendment to the Lease and Operation and Maintenance Agreement for the Law and Justice Center. Motion carried.

Property Committee Minutes
December 7, 2006
Page Five

Mr. Zeunik stated that the second agreement is a Lease and Contract Extension Number 4 for the County Courthouse Building and contract for Operation and Maintenance. Mr. Zeunik stated that he would recommend approval of that item as well.

Motion by Cavallini/Dean to Recommend Approval of
a Lease and Contract Extension Agreement Number 4
Extending the Lease of the Courthouse Building and the
Contract for Operation and Maintenance all dated
December 3, 2002. Motion carried.

Mr. Zeunik stated that because the Committee will be having a Stand-Up Meeting to consider the electric rate bid, the Committee can consider the Operation and Maintenance Agreement for the Government Center. That Agreement is currently being approved by the City of Bloomington and will be forwarded by the County Board meeting date, December 19th.

Chairman Bostic presented the November, 2006 Property Committee bills, which have been reviewed and recommended for transmittal to the Property Committee by the County Auditor. The Property Committee Prepaid Total is \$336,797.82 with a Fund Total that is the same.

Property Committee Minutes
November 2, 2006
Page Six

Motion by Ahart/Dean to recommend approval of the bills as of November 30, 2006, which have been reviewed and recommended for transmittal by the County Auditor.
Motion carried.

Chairman Bostic asked if there was any other business or communication for the Property Committee. Hearing none, Chairman Bostic adjourned the meeting at 4:19 p.m.

Respectfully Submitted,

Christine Northcutt
Recording Secretary

E:\Ann\Minutes\Property Committee\2006\P_Dec.06.doc