

**BOARD OF TRUSTEES**  
**McHENRY COUNTY COLLEGE DISTRICT #528**

Tuesday, October 16, 2012  
Special Board Meeting  
Immediately Following Committee of the Whole Meeting

**Board Room**  
8900 U.S. Highway 14  
Crystal Lake, IL 60012

**AGENDA**

1. CALL TO ORDER
2. ROLL CALL
3. ACCEPTANCE OF AGENDA
4. FISCAL YEAR 2012 AUDIT AND MANAGEMENT LETTER, Board Report #12-230
5. REQUEST FOR EMERGENCY REPAIRS TO SANITARY SEWER PIPE UNDER PARKING LOT B, Board Report #12-231
6. CERTIFICATION OF CHARGEBACK, Board Report #12-232
7. SUMMARY COMMENTS BY BOARD MEMBERS
8. ADJOURNMENT



Chair

Fiscal Year 2012 Audit and Management Letter

Information

Sikich LLP has completed their independent audit of McHenry County College for FY 2012. The auditor's opinion is unqualified, or a "clean" audit opinion. A management letter has also been provided. The auditors met with the Committee of the Whole on October 16, 2012, to discuss their reports.

Recommendation

It is recommended that the Board of Trustees approves the FY 2012 Audit and Management Letter as presented.

A handwritten signature in black ink, appearing to read "Vicky Smith". The signature is written in a cursive style with a large initial "V".

Vicky Smith  
President

Request for Emergency Repairs  
To Sanitary Sewer Pipe  
Under Parking Lot B

Information

As the building B renovation project neared completion, the College experienced sewer backup in the men's washroom by the commons area. In order to determine the cause of this sewer backup, Jensen's Plumbing and Heating was brought in to perform video scoping of the sanitary sewer line. This inspection revealed that the 30 year old, 8" sanitary sewer pipe was under water beneath parking lot B just west of the flag poles, preventing suitable drainage.

HR Green performed a field civil engineering survey of this sanitary sewer from the building B exit point to Highway 14 and determined there is an insufficient slope for proper flow. It was concluded that the original sanitary sewer pipe was constructed with only a marginal slope under parking lot B and, that over 30 years it has settled and deteriorated to the point that it could no longer provide adequate flow from building B to the city hook-up at Highway 14. The recommended solution by HR Green to resolve this problem is to excavate the old sanitary sewer pipe under parking lot B and replace it with a larger 10" sanitary sewer pipe. With the increased size of the pipe, it would provide the proper slope requirements and deliver adequate flow. The construction cost for this sanitary sewer pipe emergency repair is estimated to be not more than \$155,000.00.

There is a great sense of urgency to perform this repair before 1) winter weather arrives, 2) asphalt companies close for the season in November, and 3) opening of the new production kitchen and culinary lab.

The College also recommends that HR Green of McHenry, IL provide the architectural and engineering services for this project as an addendum to the already awarded architectural and engineering services for the roadway and parking lot improvement project, Board Report #12-210. The architectural and engineering services for this project are estimated to be not more than \$25,340.00. The proposed scope of the architectural and engineering services to be provided by HR Green for this sanitary sewer repair is to include:

- Preparation of engineering contract plans, specifications, and estimates for the proposed improvements.
- Development of the Proposal Booklet for bidding, which will be prepared in accordance with industry policies, procedures, and standards.
- Notice to Bidders, Project Specifications, schedule of Prices, Bid Bond, etc. in order to meet state statutes and applicable laws.
- Bidding Assistance, Administration, and Contract Documents.
- Part-Time Construction observation of 75 hours over a three week period.

The costs incurred for the repairs to the sanitary sewer pipe are exempt from the bid process as stated in the Illinois Public Community College Act Chapter 110 ILCS 805/3-27.1, exemption (m) which reads "where funds are expended in an emergency and such emergency expenditure is approved by  $\frac{3}{4}$  of the members of the board."

The expense is budgeted in the Contingency Account in the Operations and Maintenance account.

Recommendation

It is recommended that the Board of Trustees approves the emergency expenditures incurred to repair the sanitary sewer pipe, and architectural and engineering services from HR Green of McHenry, Illinois, for a total project expense not to exceed \$180,340.00.

A handwritten signature in cursive script, appearing to read "Vicky Smith".

Vicky Smith  
President

Certification of Chargeback Reimbursement

Information

Each year, based on the expenditures shown in the audit report, the College calculates a new certification of chargeback reimbursement to determine the amount of billing, per credit hour, to other community college districts for their students attending McHenry County College.

The total per capita cost per credit hour increased to \$409.68 in FY 2012 from \$326.32 in FY 2011. Credit hours decreased to 130,085.5 in FY 2012 from 140,615.0 in FY 2011.

The following adjustments are made to the per capita cost to determine the chargeback reimbursement rate:

	<u>Current</u>	<u>Proposed</u>
Per capita cost	\$326.32	\$409.68
Less: Average ICCB grant rate	(15.90)	(15.60)
Less: State and Federal grants, excluding ICCB	(48.68)	(54.27)
Less: Tuition and fees	<u>(99.00)</u>	<u>(99.00)</u>
Chargeback reimbursement per semester credit hour	<u>\$162.74</u>	<u>\$240.81</u>

Recommendation

It is recommended that the Board of Trustees approves the above Certification of Chargeback Reimbursement to be used for chargeback billings beginning Spring Semester, 2013.



Vicky Smith  
 President