

REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF THE METRO EAST SANITARY DISTRICT, ST. CLAIR AND MADISON COUNTIES, ILLINOIS HELD ON WEDNESDAY, JULY 19, 2017 AT 1800 EDISON AVENUE, GRANITE CITY, ILLINOIS AT 9:00 A.M.

President Brinza called the meeting to order and the Clerk recorded the attendance.

The following was the attendance:

Present: Commissioners McCall, Darwin, Brinza, Hawkins and Sawicki.
Absent: None.

Attending the meeting were Executive Director Stephen Adler, Lansdowne Office Manager Cindy Worthen, Superintendent Presswood, Superintendent Maeras and Superintendent Fancher.

Also, attending the meeting were:

Charlie Juneau, Juneau Associates
Zachary Borrenpohl, Juneau Associates
Britt Donoho, Craney Law Group
Chris Hankins, Village of Pontoon Beach
Craig Miller, Missouri Machinery & Engineering Co.
Amanda Greathouse
Linda Knogl
Kathy Goclan

BIDS:

Advertisement for bids for electrical services on a scheduled or emergency basis to over 100 pumps and pump stations ranging in size between fractional horsepower and 1000 horsepower each, appearing in the St. Louis Post-Dispatch on June 16, 2017 were received before 9:00 A.M. today.

The following bid was received:

Guarantee Electrical Construction:

Wiremen Rates (2017) Straight Time Rate Journeymen.	\$78.48
Wiremen Rates (2017) Straight Time Rate Service Foreman	\$83.17
Wiremen Rates (2018) Straight Time Rate Journeymen.	\$80.44
Wiremen Rates (2018) Straight Time Rate Service Foreman	\$85.25

Motion Commissioner McCall; seconded Commissioner Hawkins to accept the bid as presented and award the electrical services bid to Guarantee Electrical Construction.

Upon roll call, the motion carried by the following vote:

Ayes: Commissioners McCall, Darwin, Brinza, Hawkins and Sawicki.
Nays: None.
Absent: None.

Advertisement for bids for machinist services on a scheduled or emergency basis to over 100 pumps ranging in size between fractional horsepower and 1000 horsepower each, appearing in the St. Louis Post-Dispatch on June 16, 2017 were received before 9:00 A.M. today.

The following bid was received:

Missouri Machinery & Engineering Co.
Regular Hourly Rate\$100.00
Regular Hourly Rate (Prevailing Rate).....\$139.00
After Normal Business Hours Rate.....\$150.00
After Normal Business Hours Rate (Prevailing Rate)\$208.00
Markup of Wholesale Costs Rate (in percent).....20%

Motion Commissioner McCall; seconded Commissioner Hawkins to accept the bid as presented and award the machinist bid to Missouri Machinery & Engineering Co., Inc.

Upon roll call, the motion carried by the following vote:

Ayes: Commissioners McCall, Darwin, Brinza, Hawkins and Sawicki.
Nays: None.
Absent: None.

Commissioner McCall asked, “In which newspapers were the bid notices posted?”

The Clerk responded that these notices were posted in the St. Louis Post Dispatch and the next notice is being posted in the Belleville News Democrat.

July 19, 2017

Page 3

Commissioner Hawkins suggested using the Advantage Newspaper, as she has found it to be less expensive.

PUBLIC COMMENT:

President Brinza asked if there were any public comments at this time.

Amanda Greathouse asked to speak and read the following statement:

July 19, 2017

Page 4

Commissioner Hawkins commented, “We learned at our first meeting that the District is experiencing terrible financial problems, and we had to decide how to tackle the problems. We also learned of a sewer break near the levee in Madison.”

Commissioner McCall added that he was not present for the meeting, and would have voted against the lay-offs. He would not have voted to give the Executive Director a raise, and then come back and lay people off.

He also voiced his concerns about the lack of employees to man the pump stations. Although, he does not believe the lay-off is political, the Board needs to step back and take a second look at the lay-off. The District is experiencing financial problems like all government entities.

He further stated that he supports the Executive Director, but would have voted against the lay-off.

Executive Director Adler stated that he is making the same salary that he was making at Madison County since November 2016.

Commissioner Hawkins read a statement she prepared:

I, Helen Hawkins, a new MESD Commissioner inherited an organization that has lost Six million dollars (\$6,000,000) from 2010 through 2016. Past management did not act to relieve the problem. The layoffs are very painful, but we had no other choice.

Lay-offs are happening everywhere. It’s a money loss and there is no other way to deal with the problem.

I continue to ask myself why I asked to get appointed as a member of the MESD. I can only satisfy myself by praying that things will get better and we get the funds that are needed to restore our deteriorating infrastructure. That being said and done, we can call back our laid off workers. As a matter of fact, I started today by calling U.S. Senators Durbin and Duckworth and U.S. Congressmen Shimkus, Bost and Davis to beg for financial help.

July 19, 2017

Page 5

Ms. Greathouse asked, “Why are employees paid through General Fund being laid off, when it is the Lansdowne Department that is losing money. Why aren’t any of the Lansdowne employees being laid off?”

Executive Director Adler responded that the majority of the employees are laborers, so those departments had the largest number of employees. The first ten employees being laid off might be called back and the second ten will probably be called back.

MESD and Juneau Engineering are working on a Special Service Area to generate enough funding to qualify for an Illinois Environmental Protection Agency (IEPA) program that would provide Eleven million dollars (\$11,000,000) to repair part of the Lansdowne Interceptor Sewer. Sixty percent (60%) of the amount will be forgiven and the remainder will be a low interest loan. The repairs to the sewer will hopefully decrease the amount being paid to the Granite City Regional Wastewater Treatment Plant.

Commissioner Hawkins, “I was under the impression that MESD was going to receive money from the Corps of Engineers, but the Southwestern Illinois Flood Prevention District turned down the money, because the Corps would not pay prevailing wage.”

President Brinza said a formal response should be given to Amanda Greathouse.

Commissioner Hawkins stated that she did not vote to give anyone a raise.

Commissioner McCall explained that the Executive Director’s salary is higher than the previous Executive Director’s salary. Although, Executive Director Adler is still making the same salary as he made with Madison County.

President Brinza said the salary of the Executive Director was discussed and voted on at a previous meeting.

July 19, 2017

Page 6

Commissioner McCall said that it is not right to give a raise to the Executive Director and then lay-off employees. He also stated that he would not have voted for the lay-off.

ENGINEERING REPORT - LANSDOWNE INTERCEPTOR SEWER IMPROVEMENTS FACILITY PLAN:

Mr. Juneau presented the Metro East Sanitary District Lansdowne Interceptor Sewer Improvement Facility Plan:

Mr. Juneau explained the Facility Plan:

The cost for engineering and construction of necessary sewer facilities for the interceptor sewer improvements is estimated to be Eleven million, seven hundred thirty-four thousand dollars (\$11,734,000).

MESD will request funding through the IEPA Water Pollution Control Revolving Loan Program (WPCLP). The loan is for 20-years at a 1.8% annual interest rate. The estimated amount of loan forgiveness is 60 percent. Therefore, the projected principal of the loan is estimated to be Four million, six hundred ninety-three thousand, and six hundred dollars (\$4,693,600).

A Special Service Area tax is proposed to be used as the source of revenue to repay the loan. The tax rate per \$100 of the Equalized Assessed Value (EAV) is \$0.43. The average cost per user has been calculated to be \$75.63 per year. However, the recent information received from St. Clair County shows the EAV as double the amount used in the report.

We are confirming the information with St. Clair County, if the EAV is actually the higher number, then the rate would drop to \$0.22 or about \$38.00 per year.

The Mayors of Madison and Venice contacted me about the letters MESD sent out regarding the excessive infiltration and inflow entering the system in the form of ground, surface and storm waters.

I received an email from the contractor this morning, regarding the sewer break by the Madison Pump Station. The contractor is ready to begin work this Friday, July 21, 2017 providing the river continues to go down.

Commissioner McCall asked, "What do you need from the Board today?"

Mr. Juneau replied, "The Board needs to approve the Facility Plan. Once the Plan is approved, it will be submitted to IEPA."

Commissioner McCall asked, "If we approve the Facility Plan, are we setting up an additional property tax?"

Mr. Juneau, "No, approving the Facility Plan will not set up an additional property tax. The average tax bill will increase between \$38.00 and \$75.00, depending on the EAV. It will cost the homeowners more if we add it to their monthly sewage treatment bill. "

July 19, 2017

Page 8

Commissioner McCall asked, “Can MESD set up a Special Service Area without the consent of the people involved?”

Mr. Juneau replied that is a legal question, but MESD would need to follow procedures addressed in the State Statutes. A Public Hearing would be held and a mailing would go out to everyone in the proposed Special Service Area.

Attorney Craney added that Attorney Larry Calvo is providing the legal means to create the Special Service Area. It is not an uncommon practice to develop a Special Service Area, as it streamlines the process and makes it more efficient to fund.

Commissioner McCall questioned if there are any other ways to fund the repairs to the sewer line.

Mr. Juneau stated the only other way to fund the repairs is to add the cost onto the monthly sewage treatment bills. The cost would go up, because you have to allow for slow payments and non-payments.”

President Brinza asked, “Today, we are only approving the Facility Plan and application to IEPA.”

Mr. Juneau responded, “Yes, there are still several steps before finalizing the Special Service Area.”

Motion Commissioner Sawicki; seconded Commissioner Darwin to approve the Metro East Sanitary District Lansdowne Interceptor Sewer Improvements Facility Plan and to forward to the Illinois Environmental Protection Agency (IEPA).

Upon roll call, the motion carried by the following vote:

Ayes: Commissioners Darwin, Brinza, Hawkins and Sawicki.
Nays: Commissioner McCall.
Absent: None.

Commissioner McCall stated that he is not in favor of imposing another tax on the citizens.

July 19, 2017

Page 9

REPORT OF LANSDOWNE OFFICE MANAGER:

Ms. Worthen reported:

Illinois American Water Company exchanged 1,536 water meters from cubic feet to gallons. This had a direct affect on our billing system, and the changes were very time consuming. However, all of the changes were made and the bills went out successfully.

Ms. Worthen presented a letter from Katrina Sanders requesting an adjustment on the final bill for the Hollywood Show Club located at 5841 Bunkum Road in Washington Park:

July 19, 2017

Page 10

Ms. Worthen explained that Hollywood Show Club had a final bill of \$1,175.39 and normal bill averages around \$300 per month. Ms. Sanders states in her letter that a toilet was leaking and the security maintenance man repaired the leak. MESD requires proof of the leak or the repairs; in this case they do not have any proof.

Commissioner McCall asked, “Ms. Worthen, do you believe this is a legitimate request?”

Ms. Worthen responded, “Yes, but I am following the guidelines set forth by the Board and the Auditors.”

Motion Commissioner McCall; seconded Commissioner Hawkins to table the request from Katrina Sanders to adjust the sewage treatment bill at 5841 Bunkum Road, Washington Park, Illinois until the proper documentation is received.

Upon roll call, the motion carried by the following vote:

Ayes: Commissioners McCall, Darwin, Brinza, Hawkins and Sawicki.

Nays: None.

Absent: None.

Ms. Worthen reported that D’s Car Wash had a surcharge of \$2,791.28 on the June 2017 bill. The previous surcharge was \$107.97. The customer has requested that the high surcharge be thrown out.

Ms. Worthen presented the billing history for D’s Car Wash:

July 19, 2017

Page 11

Executive Director Adler, “MESD pays the Granite City Regional Wastewater Treatment Facility for BOD’s and TSS. If D’s Car Wash uses a sand filter and had a hole in the filter, then the BOD’s and TSS are going through the Lansdowne system.”

Mr. Juneau added that if they have a sand filter, they backwash the filter. Once again, they are discharging into the system.

Executive Director Adler said that he would like to go to D’s Car Wash and personally inspect the system they are using.

Motion Commissioner McCall; seconded Commissioner Sawicki to deny the request from D’s Car Wash to reduce the June 9, 2017 surcharge.

Upon roll call, the motion carried by the following vote:

Ayes: Commissioners McCall, Darwin, Brinza, Hawkins and Sawicki.

Nays: None.

Absent: None.

Ms. Worthen presented a letter and account information regarding the sewage treatment bill at 1013 Calhoun, Madison, Illinois:

July 19, 2017

Page 12

Ms. Worthen explained that the owners of the home both passed away. There was a water leak and the owner's brother repaired the leak with items he had on hand. The niece is trying to fix up the house to rent. She paid Three hundred dollars (\$300) on the past due bill, leaving a balance of Seven hundred one dollars and nineteen cents (\$701.19). The niece is asking for an adjustment for the water leak.

Motion Commissioner McCall; seconded Commissioner Sawicki to approve an adjustment on Account 6380084006 at 1013 Calhoun Avenue, Madison, Illinois of Seven hundred one dollars and nineteen cents (\$701.19) to zero out the account.

Upon roll call, the motion carried by the following vote:

Ayes: Commissioners McCall, Darwin, Brinza, Hawkins and Sawicki.
Nays: None.
Absent: None.

MINUTES:

The minutes for the July 5, 2017 meeting were presented for approval:

Motion Commissioner McCall; seconded Commissioner Darwin to dispense with the reading of the minutes, approve them as submitted and place them on file.

Upon roll call, the motion carried by the following vote:

Ayes: Commissioners McCall, Darwin, Brinza, Hawkins and Sawicki.
Nays: None.
Absent: None.

EXECUTIVE SESSION MINUTES:

The Executive Session minutes for the July 5, 2017 meeting were presented for approval:

Motion Commissioner McCall; seconded Commissioner Darwin to approve the Executive Session minutes as submitted, and the minutes are to remain closed to the public.

Upon roll call, the motion carried by the following vote:

Ayes: Commissioners McCall, Darwin, Brinza, Hawkins and Sawicki.

Nays: None.

Absent: None.

GENERAL FUND CLAIMS:

The General Fund Claims and Specific Claims were submitted for approval:

July 19, 2017

Page 14

Motion Commissioner McCall; seconded Commissioner Hawkins to approve the General Fund Claims and Specific Claims as submitted and order them paid.

Upon roll call, the motion carried by the following vote:

Ayes: Commissioners McCall, Darwin, Brinza, Hawkins and Sawicki.

Nays: None.

Absent: None.

LANSDOWNE CLAIMS & SPECIFIC CLAIMS:

The Lansdowne Claims and Specific Claims were submitted for approval:

July 19, 2017

Page 15

Motion Commissioner McCall; seconded Commissioner Darwin to approve the Lansdowne Treatment Plant Claims and Specific Claims as submitted and order them paid.

Upon roll call, the motion carried by the following vote:

Ayes: Commissioners McCall, Darwin, Brinza, Hawkins and Sawicki.

Nays: None.

Absent: None.

LANSDOWNE REPORT:

The Lansdowne Adjustment Reports were presented for approval:

July 19, 2017

Page 16

Motion Commissioner Darwin; seconded Commissioner McCall to approve the Lansdowne Adjustment Reports as submitted.

Upon roll call, the motion carried by the following vote:

Ayes: Commissioners McCall, Darwin, Brinza, Hawkins and Sawicki.

Nays: None.

Absent: None.

PAYROLL:

The Payroll for the period of June 18, 2017 through July 1, 2017 was submitted for approval.

Motion Commissioner McCall; seconded Commissioner Darwin to approve the Payroll as submitted.

Upon roll call, the motion carried by the following vote:

Ayes: Commissioners McCall, Darwin, Brinza, Hawkins and Sawicki.

Nays: None.

Absent: None.

REPORT OF ATTORNEYS:

Attorney James Craney reported:

I met with Attorney Larry Calvo and was updated on the status of current legal matters.

My number one priority is updating the expired easements. I contacted representatives at Ameren and AT&T. I plan to send letters this week and next week.

I am also working with Lansdowne Office Manager Cindy Worthen in regards to the collection process. My impression is that the Lansdowne Billing Department has done most of the legal work in the past. I would like to streamline the process.

The Lansdowne Department files liens; initiates water disconnects and turns accounts over to the State of Illinois for collection. Now Attorney Bradford filed a lien against the District. His fee should not be one-third of the amount collected.

I plan to develop a spreadsheet with all of the claims and keep it updated. I will work with Ms. Worthen to decide who will be working on the different cases.

I have been monitoring the progress of the Special Service Area and it is on track.

Mr. Juneau, "Several years ago, Hurst-Rosche Engineers did a detailed set of plans that show where all of the easements are located. The plans need to be updated, they have been very useful."

Superintendent Maeras left the meeting at 10:05 A.M.

CORRESPONDENCE: None.

OLD BUSINESS: None.

NEW BUSINESS:

Executive Director Adler reported:

I have a meeting tomorrow to discuss energy savings with performance contractors. We plan to discuss the installation of Variable Frequency Drives (VFD's) to reduce the electricity costs.

American Bottoms Regional Wastewater Treatment Facility wants to enter into an Intergovernmental Agreement to reduce the amount they pay for pumping at the East St. Louis Pump Station. The District is not in a position to reduce their costs at this time.

Scheffel Boyle plans to start the May 31, 2017 Cash Balance Audit on July 26, 2017.

We have requested financial assistance from the Corps of Engineers for the repairs to Pump No. 4 at the North Pump Station.

I attended the Southwestern Illinois Flood Prevention District meeting this morning. The area should be accredited by December 2018 to meet the 100 year design level of protection.

Commissioner Hawkins stated that government officials have been notified of the District's financial problems. A date needs to be set to meet with them.

President Brinza asked for a motion to appoint Donald Sawicki as Treasurer of the Metro East Sanitary District. The previous Treasurer received a salary.

Commissioner Sawicki will just add the responsibility of Treasurer to his current position as Commissioner with no additional pay. This will be a savings to the District.

Motion Commissioner Hawkins; seconded commissioner Darwin to appoint Donald Sawicki as Treasurer of the Metro East Sanitary District.

Upon roll call, the motion carried by the following vote:

Ayes: Commissioners McCall, Darwin, Brinza, Hawkins and Sawicki.

Nays: None.

Absent: None.

July 19, 2017

Page 19

President Brinza asked for a motion to destroy the verbatim records of all Executive Session Minutes prior to January 1, 2016.

Motion Commissioner McCall; seconded Commissioner Hawkins to destroy the verbatim records of all Executive Session Minutes prior to January 1, 2016.

Upon roll call, the motion carried by the following vote:

Ayes: Commissioners McCall, Darwin, Brinza, Hawkins and Sawicki.

Nays: None.

Absent: None.

Executive Director Adler stated that repairs are needed at the Blue Waters Ditch Pump Station. However, this should be tabled until Superintendent Maeras is here to explain the repairs.

Motion Commissioner Hawkins; seconded Commissioner McCall to table the repairs to the Blue Waters Ditch Pump Station until the next meeting.

Upon roll call, the motion carried by the following vote:

Ayes: Commissioners McCall, Darwin, Brinza, Hawkins and Sawicki.

Nays: None.

Absent: None.

Executive Director Adler questioned how long the District will continue to pay the health insurance for past Commissioners Frank Laub and William Hanfelder.

President Brinza asked, "Is there an agreement between the District and the Commissioners?"

Executive Director Adler responded that there is no agreement stating the length of time the District will pay for their health insurance.

Commissioner McCall questioned the legality of paying for health insurance for non-employees.

Attorney Craney suggested the matter be discussed in Executive Session.

Executive Director Adler reported that the employees are doing a great job on Stanley Ditch. They are working along East Chain of Rocks Road.

Commissioner Hawkins asked, “Did the Corps of Engineers approve the work?”

Executive Director Adler replied that Corps approval was not necessary as the District has an easement in that area. A Corps permit is only needed to work on Corps property.

EXECUTIVE SESSION:

Motion Commissioner McCall; seconded Commissioner Sawicki to enter into Executive Session for the exceptions noted under 5 ILCS 120/2 Open Meetings – The appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the public body or legal counsel for the public body, including hearing testimony on a complaint lodged against an employee of the public body or against legal counsel for the public body to determine its validity.

Upon roll call, the motion carried by the following vote:

Ayes: Commissioners McCall, Darwin, Brinza, Hawkins and Sawicki.

Nays: None.

Absent: None.

The Board entered into Executive Session at 10:35 A.M.

Motion Commissioner McCall; seconded Commissioner Darwin to return to regular session at 11:24 A.M.

The Clerk recorded the attendance:

Present: Commissioners McCall, Darwin, Brinza, Hawkins and Sawicki.

Absent: None.

Also, attending the meeting at this time were Executive Director Steve Adler, Attorney James Craney and Britt Donoho.

July 19, 2017

Page 21

President Brinza asked for a motion to discontinue payments for health insurance for past Commissioners Frank Laub and William Hanfelder.

Motion Commissioner McCall; seconded Commissioner Darwin to discontinue payments for health insurance coverage for Commissioner Frank Laub and Commissioner William Hanfelder.

Upon roll call, the motion carried by the following vote:

Ayes: Commissioners McCall, Darwin, Brinza, Hawkins and Sawicki.
Nays: None.
Absent: None.

President Brinza asked Attorney Craney to prepare a statement to address the concerns of Amanda Greathouse.

There being no further business, Motion Commissioner McCall; seconded Commissioner Hawkins to adjourn.

Upon roll call, the motion carried by the following vote:

Ayes: Commissioners McCall, Darwin, Brinza, Hawkins and Sawicki.
Nays: None.
Absent: None.

So adjourned at 11:27 A.M.

Clerk