

**REGULAR MEETING OF THE BOARD OF
COMMISSIONERS OF THE METRO EAST
SANITARY DISTRICT, ST. CLAIR AND
MADISON COUNTIES, ILLINOIS HELD ON
WEDNESDAY, SEPTEMBER 3, 2014 AT 1800
EDISON AVENUE, GRANITE CITY, ILLINOIS AT
9:00 A.M.**

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

The following was the attendance:

Present: Commissioners Economy, Hanfelder, Crockett, Laub and McCall.
Absent: None.

Also, attending the meeting were Executive Director Bob Shipley, Attorney George Filcoff, Director of Operations Walter Greathouse, Superintendent Presswood, Superintendent Maeras, Superintendent Fancher and Treasurer Ken Davis.

Larry Rose representing Allison Knapp & Siekmann was also in attendance.

REPORT OF AUDITOR:

Mr. Rose, "I was asked to attend the meeting due to concerns with the cash balances."

Mr. Rose presented a report regarding the Metro East Sanitary District General Fund Cash Transaction Analysis by Year:

Mr. Rose, "The report provides the cash balance for the years 2009 through 2013. The cash ending balance for December 31, 2009 was Six million, nine hundred eighty-five thousand, two hundred fifty-one dollars and seventy-nine cents (\$6,985,251.79). The cash ending balance as of December 31, 2013 was Four million, four hundred thirty-nine thousand, seven hundred twenty-five dollars and eighty-three cents (\$4,439,725.83).

The 2013 cash ending balance includes Two million, eight hundred seventy-two thousand, two hundred forty-four dollars (\$2,872,244) of levee rehabilitation funds or projects through the Southwestern Illinois Flood Prevention District. This money is not considered part of the general fund and cannot be used for payroll, health insurance or day to day expenses.

General fund has borrowed Two hundred thousand dollars (\$200,000) from Lansdowne and the District's Illinois Municipal Retirement Fund has borrowed Eighty thousand dollars (\$80,000) from the general fund.

To reduce general fund expenses the administration payroll and expenses related to administration (such as health insurance, unemployment, social security and Illinois Municipal Retirement Fund) have been moved to Lansdowne. This is a normal yearly occurrence.

I am concerned that the District's Illinois Municipal Retirement Fund will not have enough money to pay back the general fund this year."

Attorney Filcoff, "Health insurance is a very large expense."

President Economy, "Executive Director Shipley, the Clerk, Superintendents and I met with Larry Rose two weeks ago to discuss the finances. It was agreed everyone would made a serious effort to reduce spending."

Mr. Rose, “The cash balance, as of today, is approximately Four million, one hundred thousand dollars (\$4,100,000). This includes the rehabilitation fund, escrow accounts with the Corps of Engineers and certificates of deposit.

After deducting the purchase of the new John Deere 850K dozer from the levee rehabilitation fund, there is Two million, five hundred eighty-five thousand, five hundred forty-four dollars (\$2,585,554) left in the rehabilitation fund.”

Superintendent Presswood, “At the general fund budget meeting, the clerk asked that the new dozer be purchased through Lansdowne.”

Attorney Filcoff, “Has the District received all of the property tax revenue due this year?”

Mr. Rose, “The District’s general fund will receive an additional One million, two hundred thousand dollars (\$1,200,000) if one hundred percent (100%) of the 2013 property tax is collected.”

Attorney Filcoff, “The District received money through state grants during the years of 2010 and 2011. Are there any state grants available? Also, is any money due to the District from the U.S. Army Corps of Engineers?”

Mr. Rose, “The District is not expecting any cash reimbursements from the Corps of Engineers.”

President Economy, “Mr. Rose, what do you suggest?”

Mr. Rose, “You need to cut back on expenses. If there was a high river at this time, you would be in serious financial trouble.”

Attorney Filcoff, “The electric bills are always a concern. The equipment purchases/lease payments were very high last year.”

September 3, 2014

Page 4

Commissioner Laub, “We should look into solar energy. I know of individuals that have drastically reduced their electric bills by installing solar panels.”

President Economy, “We need to look for grants.”

Superintendent Presswood, “I researched the cost of installing windmills and it is approximately Five thousand dollars (\$5,000) per office building.”

Commissioner Laub, “I agree we need to find out if any grants are available for solar energy. Joe Juneau is excellent at writing grant requests.”

Mr. Rose presented a report regarding the Metro East Sanitary District
Lansdowne Sewer Cash Transaction Analysis by Year:

Mr. Rose explained, “The cash balance ending March 31, 2014 was Two million, nineteen thousand, eight hundred eighty-seven dollars (\$2,019,887) which went down Three hundred eleven thousand, six hundred forty-four dollars (\$311,644) from the previous year.

The biggest expenses are salaries and the Granite City Regional Treatment Plant.

Sewage treatment customer receipts remain about the same from year to year.

Lansdowne is not in as bad of financial shape as the general fund, but it is getting there.”

President Economy thanked Mr. Rose for his report.

Mr. Rose left the meeting at 9:14 A.M.

ENGINEERING REPORT: None.

REPORT OF EXECUTIVE DIRECTOR:

Executive Director Shipley presented a report:

Commissioner Laub, "Which employee broke his foot?"

Executive Director Shipley, "Luke Shipley dropped a piece of plywood on his foot while building shelves at Missouri Avenue."

REPORT OF SUPERINTENDENT:

Treasurer Ken Davis, "The August 2014 financial reports have been included in your meeting folders."

Superintendent Presswood reported:

1. One excavator is dredging along Highway 162. There is no place to take the dirt, so we are just packing it down.

The other excavator is at Sand Prairie Lane and the control gates. The dirt being dug up at the control gates is all clay.

2. The 320 excavator is at Canteen Creek.
3. A representative from AMEC requested our assistance at Cahokia Creek. We worked there for three days and never saw anyone from AMEC.

Attorney Filcoff, "Can we find a buyer for the excess dirt?"

Superintendent Presswood, "I would be happy to load the dirt and give it to them, just to get rid of it."

Attorney Filcoff, "Should we advertise in the newspaper for the sale of dirt?"

Mr. Greathouse, "The U.S. Army Corps of Engineers tested the soil and it does not contain enough clay for their use. The landfill cannot use the dirt for the same reason."

Commissioner Hanfelder, "A District employee told me that the flap gate fell off the culvert that runs along Horseshoe Lake Road."

Superintendent Presswood, "The flap gate fell off in the creek, a new one needs to be purchased. I will need permission to purchase a new flap gate."

Mr. Greathouse, "That flap gate was not installed by the District. Nameoki Township installed that flap gate."

Superintendent Presswood, "The pipe is old and rusted, so the pipe will also need to be replaced."

Commissioner Hanfelder, "Mr. Greathouse, would you please contact Nameoki Township?"

Mr. Greathouse, "Who should I contact at Nameoki Township?"

Mr. Davis, "Call the Highway Commissioner."

Superintendent Fancher reported:

1. There are five mowers out today. Three are on Hartford Canal and two are at Cahokia Creek.
2. The zero turn is being used along Nameoki Ditch.
3. Yesterday, the part came in for the slope mower. The mechanic is working on the slope mower.
4. Dirt is being hauled to the front levee.
5. Mark Smith is preparing to take his commercial driver's license (CDL) test.

Director of Operations Walter Greathouse reported:

1. Ameren contacted me about two projects that will require access to MESD property. The projects are both in St. Clair County, so Superintendent Maeras has been made aware of the projects.
2. Yesterday, Executive Director Shipley, Superintendent Maeras, Pump Operator Scott Hillman and I met with representatives from the U.S. Army Corps of Engineers and America's Central Port to discuss the operation of the new USACE Chain of Rocks Pump Station.

The pumps will not be turned on at that pump station until the river is between forty-two and forty-seven feet.

We are more concerned about the gates and how they will affect the Chouteau, Nameoki and Venice (CNV) Pump Station.

It was a very productive meeting. We will find out how everything works, the next time there is a high river.

Superintendent John Maeras reported:

1. Operators are back in the East St. Louis Pump Station. The river is going up.
2. The U.S. Army Corps of Engineers performed their annual pump station inspection. No serious problems were noted.

The smaller items noted, are being repaired.

3. Five mow units are out.
4. The mechanic is working on the slope mower.
5. A crew is trimming the south area heading towards Route 3.

MINUTES:

The minutes for the August 20, 2014 meeting were presented for approval.

Motion Commissioner Crockett; seconded Commissioner Hanfelder 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 Economy, Hanfelder, Crockett, Laub and McCall.
Nays: None.
Absent: None.

GENERAL FUND CLAIMS:

The General Fund Claims and Specific Claims for the month of August 2014 were submitted for approval:

September 3, 2014

Page 9

Motion Commissioner Laub; seconded Commissioner Hanfelder to approve the General Fund Claims and Specific Claims for the month of August 2014 as submitted and order them paid.

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

Ayes: Commissioners Economy, Hanfelder, Crockett, Laub and McCall.

Nays: None.

Absent: None.

SPECIFIC CLAIMS:

The Various Specific Claims for the month of August 2014 were submitted for review:

September 3, 2014

Page 10

Motion Commissioner Crockett; seconded Commissioner McCall to accept the General Fund and Various Specific Claims for the month of August 2014 as submitted:

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

Ayes: Commissioners Economy, Hanfelder, Crockett, Laub and McCall.

Nays: None.

Absent: None.

LANSDOWNE CLAIMS & SPECIFIC CLAIMS:

The Lansdowne Claims and Specific Claims for the month of August 2014 were submitted for approval:

September 3, 2014

Page 11

Motion Commissioner Hanfelder; seconded Commissioner Laub to approve the Lansdowne Treatment Plant Claims and Specific Claims for the month of August 2014 as submitted and order them paid.

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

Ayes: Commissioners Economy, Hanfelder, Crockett, Laub and McCall.

Nays: None.

Absent: None.

FINANCIAL REPORTS:

The General Fund and Specific Funds Financial Reports for the month of August 2014 were submitted for approval:

Motion Commissioner McCall; seconded Commissioner Crockett to approve the General Fund and Specific Funds Financial Reports for the month of August 2014 as submitted and place them on file for audit.

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

Ayes: Commissioners Economy, Hanfelder, Crockett, Laub and McCall.

Nays: None.

Absent: None.

LANSDOWNE FINANCIAL REPORT:

The Lansdowne Treatment Plant Financial Report for the month of August 2014 was submitted for approval:

Motion Commissioner McCall; seconded Commissioner Crockett to approve the Lansdowne Treatment Plant Financial Report for the month of August 2014 as submitted and place it on file for audit.

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

Ayes: Commissioners Economy, Hanfelder, Crockett, Laub and McCall.

Nays: None.

Absent: None.

LANSDOWNE REPORT:

The Lansdowne Adjustment Reports were presented for approval:

September 3, 2014

Page 14

Motion Commissioner Crockett; seconded Commissioner Hanfelder to approve the Lansdowne Adjustment Reports as submitted.

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

Ayes: Commissioners Economy, Hanfelder, Crockett, Laub and McCall.

Nays: None.

Absent: None.

PAYROLL:

The Payroll for the period of August 3, 2014 through August 16, 2014 was submitted for approval.

Motion Commissioner Hanfelder; seconded Commissioner Laub to approve the Payroll as submitted.

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

Ayes: Commissioners Economy, Hanfelder, Crockett, Laub and McCall.
Nays: None.
Absent: None.

REPORT OF ATTORNEYS:

Attorney Filcoff, "I am still waiting for the Illinois Department of Transportation to respond to my letters."

CORRESPONDENCE: None.

UNFINISHED BUSINESS: None.

NEW BUSINESS: None.

EXECUTIVE SESSION:

Motion Commissioner Crockett; seconded Commissioner Hanfelder to enter into Executive Session to discuss a personnel issue.

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

Ayes: Commissioners Economy, Hanfelder, Crockett, Laub and McCall.
Nays: None.
Absent: None.

The Board entered into Executive Session at 9:28 A.M.

President Economy called the meeting back to order at 10:07 A.M. and the Clerk recorded the attendance:

Present: Commissioners Economy, Hanfelder, Crockett, Laub and McCall.
Absent: None.

Also, attending the meeting at this time were Executive Director Shipley, Attorney George Filcoff and Superintendent Presswood.

President Economy, "After discussing the matter during Executive Session, I recommend that a written reprimand be placed in the file of Superintendent Presswood for the misuse of company equipment, and that any future acts of misconduct will result in time off without pay."

Superintendent Presswood, "What I did was common practice here at work, it may not have been right, but I am not the only person that has done it."

President Economy, "Superintendent Presswood, I also want you to show the Executive Director more respect."

Attorney Filcoff, "All employees will be required to keep a daily log of all travel using District vehicles and heavy equipment. The log will include destinations and mileage. Employees that are allowed to take vehicles home will also keep a log of mileage, destination and times of use."

Superintendent Presswood, "I keep a daily log of where the equipment and vehicles are being used."

Attorney Filcoff, "A log needs to be kept for all employees, including Superintendents. The general public has a right through the Freedom of Information Act to request this information.

If the Board is questioned as to why a vehicle was at a certain location, there should be a log that answers that question.”

Superintendent Presswood, “I instruct employees to fill-up the trucks and heavy equipment daily. No vehicle or piece of equipment should run out of gas.

The fuel gauge on the 953 track loader is broke, so I insist they fill it daily.”

Commissioner McCall, “I apologize, but I must leave the meeting at this time.”

Commissioner McCall left the meeting at 10:09 A.M.

Commissioner Hanfelder, “All of the vehicles and heavy equipment are to be monitored every day, twenty-four hours a day, and seven days a week.”

Superintendent Presswood, “I will keep a log of all equipment and vehicles.

Also, Heavy Equipment Operator Scott Odum will be off work due to surgery, during that time I will be short a heavy equipment operator.”

There being no further business, Motion Commissioner Crockett; seconded Commissioner Hanfelder to adjourn.

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

Ayes: Commissioners Economy, Hanfelder, Crockett and Laub.

Nays: None.

Excused: Commissioner McCall.

So adjourned at 10:11 A.M.

Clerk