

**REGULAR MEETING OF THE BOARD OF
COMMISSIONERS OF THE METRO EAST
SANITARY DISTRICT, ST. CLAIR AND
MADISON COUNTIES, ILLINOIS HELD ON
WEDNESDAY, NOVEMBER 20, 2013 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 Shipley, Attorney George Filcoff, Attorney Larry Calvo, Superintendent Randy Presswood, Superintendent John Maeras, Superintendent Rick Fancher, Director of Operations Walter Greathouse, Lansdowne Office Manager Cindy Worthen and Treasurer Ken Davis.

Joe Juneau representing Juneau Associates and Matthew Gullickson with Arthur J. Gallagher & Company were also in attendance.

WORKERS COMPENSATION INSURANCE RENEWAL:

President Economy introduced Matthew Gullickson and asked him to explain the workers compensation renewal.

Mr. Gullickson thanked the Board for inviting him to the meeting and then explained the proposal:

The insurance premium for the period covering December 1, 2012 through December 1, 2013 was Two hundred forty-six thousand, seven hundred eighty-eight dollars (\$246,788).

The renewal premium for the period covering December 1, 2013 through December 1, 2014 is Four hundred twenty thousand, six hundred eleven dollars (\$420,611).

That is an increase of One hundred seventy-three thousand, eight hundred twenty-three dollars (\$173,823).

The District is in the Illinois Assigned Risk Pool and has been entered into the Loss Sensitive Rating Plan (LSRP). This is a program designed for entities with premiums in excess of Two hundred fifty thousand dollars (\$250,000).

The premium will change depending on the losses of the upcoming year due to the LSRP. If the District suffers large losses, the premium will increase. However, if the District performs well then the premium will decrease. The District's losses will be reviewed quarterly.

The premium can increase by as much as One hundred seventy-five percent (175%) and can decrease by up to Seventy-five percent (75%).

The District should have entered LSRP last year, but we were able to negotiate and keep the District out of the plan.

I was able to obtain one fixed quote; the premium is One hundred thousand dollars (\$100,000) more than the renewal quote from Travelers.

Attorney Calvo, "If the District incurs large losses, the premium can be as high as Seven hundred thousand dollars (\$700,000)?"

Mr. Gullickson, "Yes, that is correct."

President Economy, "Can the deductible be raised?"

Mr. Gullickson, "Usually, there is not a deductible, but I will check."

Attorney Calvo, "What are the requirements to be self-insured?"

Mr. Gullickson, "I will find out the requirements and report back to Rosemarie Heath or the Board."

President Economy, "Has the District had any large claims this year?"

Mr. Gullickson, "The District only had one large claim this year. The last two years have been better. Claims for previous years were very high. I am looking into a

program that specializes in loss control. They analyze the accidents and then provide training on how to prevent future accidents.”

President Economy, “Mr. Gullickson, I would appreciate if you attended a meeting in January 2014. At that time, explain other insurance options and more about the training program.”

Commissioner Hanfelder, “When does the policy expire?”

Mr. Gullickson, “The policy expires on December 1, 2013. I will be happy to attend a meeting in January.”

Motion Commissioner Laub; seconded Commissioner Crockett to renew the workers compensation insurance for the period covering December 1, 2013 through December 1, 2014 with Travelers Property and Casualty Company.

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

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

Nays: None.

Absent: None.

ENGINEERING REPORT:

Mr. Juneau explained, “Moniger is experiencing some problems with the repairs to the triple culverts under the railroad tracks along Highway 162. One of the pipes is not the correct size. They are having a meeting at the site to discuss the problem.”

Mr. Juneau left the meeting at 9:12 A.M.

REPORT OF EXECUTIVE DIRECTOR:

Executive Director Shipley presented a copy of his report:

November 20, 2013

Page 4

President Economy asked if there were any questions concerning the report of the Executive Director.

There were no questions at this time.

REPORT OF SUPERINTENDENT:

Superintendent Maeras presented pictures of a discharge pipe belonging to the City of East St. Louis and sink hole on the river side of the levee:

Superintendent Maeras, “The City of East St. Louis and the Southwestern Illinois Flood Prevention District are both aware of the problem. Obviously, the water is not going into the river and is causing the land around the pipe to erode.

Earlier this year, the District hired Icon Mechanical to repair Discharge Pipe Number 3 at the North Pump Station. Although, Discharge Pipes 1, 2 and 4 are not leaking as badly as Number 3 was, they also need to be repaired. Would it be possible to advertise for bids, to find out the cost of these repairs?”

Superintendent Greathouse, “Hurst-Rosche Engineers wrote the specifications and advertised for bids for Discharge Pipe Number 3.”

Motion Commissioner Laub; seconded Commissioner McCall to hire Hurst-Rosche Engineers to write the specifications and advertise for bids for the repairs to Discharge Pipes Numbers 1, 2 and 4 at the North Pump Station.

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

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

Nays: None.

Absent: None.

Superintendent Maeras continued with his report:

1. We are meeting with the U.S. Army Corps of Engineers tomorrow to discuss the items listed on the periodic inspection.
2. The slope mower is at Prairie DuPont. The labor crew is cutting trees along Harding Ditch.
3. The mechanics are winterizing equipment.

Superintendent Presswood continued with his report:

1. The repairs to the triple culverts under the railroad tracks along Highway 162 are being done at the right time. I think the system is about ready to fail.

2. The 324D Excavator is dredging the KMOX Ditch to relieve water from Long Lake.
3. After the dirt is hauled away from Harding Ditch, we will begin dredging the ditch again.
4. A bracket broke off the 850 Dozer; we are ordering the part and will then make the necessary repairs.
5. Work has been completed at the 203 Lift Station. MESD employees did an excellent job. The control panel still needs to be programmed.

A safety firm was hired to oversee the project and to make certain there were no accidents.

Attorney Filcoff, "I will need a copy of all bills associated with the repairs to the 203 Lift Station. I need to notify the entities responsible for the repairs."

Superintendent Fancher reported:

1. A crew finished grading and rocking the levee roads in St. Clair County. The crew is now at Cahokia Creek behind Arlington Subdivision.
2. Another crew is trimming trees, so the mowers do not hit the low limbs as they are out mowing.
3. The 350 Slope Mower is at Erb Equipment being repaired.
4. The mechanics are winterizing the equipment.

Director of Operations Walter Greathouse reported:

1. Executive Director Shipley and I attended several meetings in the last few weeks. We met with the Illinois Department of Transportation, Waste Management and the U.S. Army Corps of Engineers.
2. I attended the Southwestern Illinois Flood Prevention District (FPD) meeting this morning.

Les Sterman turned in his resignation a few months ago. He will officially leave in January 2014.

Fifty-five (55) people applied for the position.

The meeting was very well attended, several union members were there.

The FPD made the decision to use AMEC for the levee improvements needed to upgrade to the 100 year flood level instead of working with the Corps.

Commissioner Hanfelder, “Will the Federal Government still contribute sixty-five percent (65%) of the costs?”

Mr. Greathouse, “Senator Durbin has been watching this project very closely. This is a Two hundred million dollar (\$200,000,000) project. Hopefully, we will receive credit towards improvements to the 500 year flood level.”

Lansdowne Office Manager Cindy Worthen reported:

1. Tomorrow we are training on the Illinois Debt Recovery Program. We have turned accounts over and are receiving payments.
2. Illinois American Water Company finally has their website up and running. We are finding some small issues, but nothing serious.
3. Collections are good, even with all of the problems we experienced with Illinois American.

Commissioner Hanfelder, “I drove by the office around noon and saw a customer standing outside. Should the office be closed during lunch, if customers are trying to pay their bills?”

Ms. Worthen, “The office is closed during lunch for security reasons. We have had employees threatened and we have called the police on several occasions. We do not want to leave two employees in the office alone. Also, we have a payment drop box.”

Attorney Filcoff, “The Madison Post Office is closed during lunch, several businesses close during the lunch hour for safety reasons.”

MINUTES:

The minutes for the November 6, 2013 meeting were presented for approval:

Motion Commissioner Laub; seconded Commissioner Crockett 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 were submitted for approval:

November 20, 2013

Page 9

Motion Commissioner Crockett; seconded Commissioner Hanfelder 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 Hanfelder, Crockett, Laub and McCall.

Nays: None.

Present: Commissioner Economy.

Absent: None.

LANSDOWNE CLAIMS & SPECIFIC CLAIMS:

The Lansdowne Claims and Specific Claims were submitted for approval:

November 20, 2013

Page 10

Motion Commissioner Laub; seconded Commissioner McCall 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 Economy, Hanfelder, Crockett, Laub and McCall.

Nays: None.

Absent: None.

LANSDOWNE REPORT:

The Lansdowne Adjustment Reports were presented for approval:

November 20, 2013

Page 11

Motion Commissioner Crockett; seconded Commissioner Laub 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 October 27, 2013 through November 9, 2013 was submitted for approval.

Motion Commissioner Crockett; 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 asked, “Mr. Greathouse, have you heard from Slay Industries regarding the flowage easement?”

Mr. Greathouse, “I have not heard from Slay Industries, but I think they stopped dumping on the flowage easement.”

Attorney Calvo, “I have been corresponding with Attorney Leo Konzen regarding Chouteau, Nameoki and Venice Drainage District. Apparently, there are some trees that need to be trimmed, and CNV does not have an easement in that area.”

CORRESPONDENCE: None.

UNFINISHED BUSINESS: None.

NEW BUSINESS:

Attorney Filcoff presented an Ordinance providing for the Annual Tax Levy for the Metro East Sanitary District, St. Clair and Madison Counties, Illinois for the Fiscal Year 2013, commencing January 1, 2013 and ending December 31, 2013. Number 2013-0-012 was assigned to this document.

Motion Commissioner Laub; seconded Commissioner Hanfelder to adopt Ordinance Number 2013-0-012 providing for the Annual Tax Levy for the Metro East Sanitary District, St. Clair and Madison Counties, Illinois for the Fiscal Year 2013, commencing January 1, 2013 and ending December 31, 2013.

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

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

Nays: None.

Absent: None.

EXECUTIVE SESSION: None.

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

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

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

Nays: None.

Absent: None.

So adjourned at 9:37 A.M.

Clerk