

**REGULAR MEETING OF THE BOARD OF
COMMISSIONERS OF THE METRO EAST
SANITARY DISTRICT, ST. CLAIR AND
MADISON COUNTIES, ILLINOIS HELD ON
WEDNESDAY, SEPTEMBER 20, 2017 AT 1800
EDISON AVENUE, GRANITE CITY, ILLINOIS AT
9:00 A.M.**

Vice President McCall called the meeting to order and the Clerk recorded the attendance.

The following was the attendance:

Present: Commissioners McCall, Darwin and Sawicki.

Absent: Commissioner Brinza.

The Clerk reported that Commissioner Brinza asked to be excused from the meeting.

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

Also, attending the meeting were:

Charlie Juneau, Juneau Associates
Michael Brokering, Scheffel Boyle CPA
Helen Hawkins
Amanda Greathouse
Walter Greathouse, III
Shontay Gregory
Linda Knogl
Shaletta Nelson

PUBLIC COMMENT:

Vice President McCall asked if there were any public comments.

Amanda Greathouse read the following statement:

Vice President McCall thanked Ms. Greathouse for addressing the Board.

AUDIT REPORT:

Mr. Brokering explained the Lansdowne Trunk – Madison and Venice Sewerage System Annual Financial Report for Year Ended March 31, 2017:

Page 5 of the Lansdowne Financial Report has the Condensed Statement of Revenues, Expenses and Change in Net Position. Lansdowne had a loss of \$422,955. Fiscal Year Ended March 31, 2016 Lansdowne suffered a loss of \$1,298,343.

The last two months of Fiscal Year Ended March 31, 2017 included the rate increase. Also, the cost of repairs and the cost of treatment went down. This year, I understand repairs will increase due to the sewer break by the Madison Pump Station.

Page 8 shows the Total Assets \$6,091,959. Of this, \$5,495,481 is listed as Capital Assets.

The total available in unrestricted cash is \$210,299.

The Statement of Revenues, Expenses and Changes in Fund Net Position is listed on Page 9. The Total Operating Revenues are \$2,871,785 and the Total Operating Expenses are \$3,295,814. The Granite City Regional Wastewater Treatment Plant totaled \$1,691,575 of the Total Operating Expenses. The Total Operating Loss was \$424,029.

Page 12, Note 1E states that \$400,000 of the Accounts Receivable balance is considered uncollectible. The office staff is doing an excellent job collecting, but these accounts are very old.

The System's deposits are 100% insured as noted on Page 14.

The Budget and Actual Revenues and Expenses are listed on Pages 18 and 19. \$3,114,800 was budgeted for expenses, while the actual expenses totaled \$3,630,683. The Granite City Regional Wastewater Treatment expenses exceeded the budgeted amount by \$691,975.

As noted in the letters to the Board, a couple deficiencies were found. The first deficiency is normal for small units of government, if a Certified Public Accountant (CPA) is not on staff. However, Ms. Heath and the staff do an excellent job and are very helpful during the audit.

The second deficiency listed is the use of the Executive Director's signature stamp. I understand under the new management, the signature stamp is not readily available to office staff members.

While performing the audit we did not have any disagreements with management and did not find any other deficiencies.

Mr. Brokering then explained the Metro East Sanitary District Madison and St. Clair Counties, Illinois Schedule of Cash and Investments as of May 31, 2017:

We did not identify any deficiencies in internal control that we consider to be material weaknesses.

The Total Cash and Investments of \$6,691,382 are listed on Page 2. However, the majority of this amount is in restricted funds, such as: Social Security, Tort Liability, Escrow Account and Levee Rehab.

We did not find any problems or issues while performing the cash audit.

Commissioner Sawicki inquired about the Accounts Receivable balance.

Mr. Brokering explained that a considerable amount of time is being spent trying to collect past due amounts. Management needs to weigh if the amount of time being spent is worth the amount being collected.

Ms. Worthen stated that the Accounts Receivable balance includes attorney fees and water shut-off fees. The office staff has been working hard to collect the attorney fees for Attorney Bradford.

Motion Commissioner Sawicki; seconded Commissioner Darwin to accept the Lansdowne Trunk – Madison and Venice Sewerage System Annual Financial Report for Year Ended March 31, 2017 and the Metro East Sanitary District Madison and St. Clair Counties, Illinois Schedule of Cash and Investments for May 31, 2017 and place on file.

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

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

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REPORT OF ENGINEER:

Mr. Juneau reported:

The Public Hearing for MESD Special Service Area No. 1 is scheduled for Friday, September 29, 2017 at 1:00 P.M. I will be at the Public Hearing.

Superintendent Presswood and I are meeting today to discuss what type of meters are needed to measure the storm water and where to install the meters.

I am working on the Combined Sewer Overflow (CSO) response to the Illinois Environmental Protection Agency (IEPA). The response is due October 2, 2017.

REPORT OF LANSDOWNE OFFICE MANAGER:

Ms. Worthen reported:

The MESD Special Service Area No. 1 Public Hearing notices were mailed Monday, September 18th.

I am working with Executive Director Adler on the Ordinance renewals.

A flyer was sent out to the residents in Venice Township that a meeting was being held to discuss the MESD sewage treatment bills. The flyer was questioning why residents should pay the bill, if the wastewater was going into the river. I have instructed the office on the correct way to respond to these questions.

I am continuing to work with the Southwestern Illinois Correction Center. The Correction Center submitted five vouchers to the State for payment, they are waiting on approval. Hopefully, the District will receive five months of sewage treatment payments.

Commissioner Sawicki asked, "Will the State pay in full, and was a late fee charged?"

Attorney Calvo stated that the State of Illinois will not pay late fees.

Commissioner Sawicki explained that the Board instructed Ms. Worthen to include late charges if the State does not pay by the due date.

LANSDOWNE REPORT:

The Lansdowne Adjustment Reports were presented for approval:

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

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

Ayes: Commissioners McCall, Darwin and Sawicki.

Nays: None.

Excused: Commissioner Brinza.

MINUTES:

The minutes for the September 6, 2017 meeting were presented for approval:

Motion Commissioner Sawicki; 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 and Sawicki.

Nays: None.

Excused: Commissioner Brinza.

EXECUTIVE SESSION MINUTES:

The Executive Session minutes for the September 6, 2017 meeting were presented for approval:

Motion Commissioner Darwin; seconded Commissioner Sawicki to approve the Executive Session minutes as submitted, and close the minutes to the public.

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

Ayes: Commissioners McCall, Darwin and Sawicki.

Nays: None.

Excused: Commissioner Brinza.

GENERAL FUND & LANSDOWNE CLAIMS AND SPECIFIC CLAIMS:

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

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Motion Commissioner Sawicki; seconded Commissioner Darwin to approve the General Fund Claims and Specific Claims and the Lansdowne Claims and Specific Claims as submitted and order them paid.

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

Ayes: Commissioners McCall, Darwin and Sawicki.

Nays: None.

Excused: Commissioner Brinza.

PAYROLL:

The Payroll for the period of August 27, 2017 through September 9, 2017 was submitted for approval.

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

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

Ayes: Commissioners McCall, Darwin and Sawicki.

Nays: None.

Excused: Commissioner Brinza.

REPORT OF ATTORNEYS:

Attorney James Craney stated that he would like to discuss certain matters during Executive Session.

CORRESPONDENCE:

A letter from Colonel Bryan K. Sizemore regarding the diminished pumping capacity at the North Pump Station was presented:

Executive Director Adler said the letter is in response to a letter President Brinza wrote to the Colonel. The Corps awarded the service contract for the repairs to Pump #1 on June 20, 2017. The contract was awarded for the damaged collector pipe on August 16th and finally the Corps is working to complete the necessary documentation to authorize the repairs to Pump #4. All of these repairs are at the North Pump Station.

OLD BUSINESS:

Executive Director Adler reported:

Work on the 10 ½' pipe in East St. Louis and the clay cap project are both underway through the Southwestern Illinois Flood Prevention District.

Next week, The Pump Shop plans to pull Pump No. 4 from the North Pump Station.

We are continuing to work on the expired Ordinances.

Madison County Board Chairman Kurt Prenzler is asking the County Board to appoint Bob Falk as a Commissioner for the Metro East Sanitary District at the County Board meeting tonight. Mr. Falk is currently Manager of Madison County Special Service Area No. 1.

Attorney Craney and I met with Teamsters concerning the grievances that have been filed.

NEW BUSINESS:

Executive Director Adler reported:

We are still trying to determine ownership of the Twin 60" storm water lines in the City of Granite City. Attorney Craney is looking into the matter and should have a report at the next meeting.

I have asked Madison County to perform GIS services for the District. However, an agreement will need to be in place before the County can assist the District.

Vice President McCall asked Ms. Shontay Gregory to address the Board at this time.

Ms. Gregory voiced concerns about her sewage treatment bill at 1645 5th Street in Madison, Illinois.

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It was agreed that Ms. Gregory and Ms. Nelson would meet with Executive Director Adler, Ms. Worthen and Vice President McCall after the meeting.

EXECUTIVE SESSION:

Motion Commissioner Sawicki; seconded Commissioner Darwin to enter into Executive Session for the exceptions noted under 5 ILCS 120/2(c) 1. Appointment, employment, compensation, discipline or performance of employees and 11. Pending or threatened or imminent litigation.

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

Ayes: Commissioners McCall, Darwin and Sawicki.

Nays: None.

Excused: Commissioner Brinza.

The Board entered into Executive Session at 9:40 A.M.

Motion Commissioner Darwin; seconded Commissioner Sawicki to return to regular session at 9:54 A.M.

The Clerk recorded the attendance:

Present: Commissioners McCall, Darwin and Sawicki.

Excused: Commissioner Brinza.

Also, attending the meeting at this time were Executive Director Steve Adler, Attorney James Craney, Attorney Larry Calvo and Helen Hawkins.

There being no further business, Motion Commissioner Darwin; seconded Commissioner Sawicki to adjourn.

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

Ayes: Commissioners McCall, Darwin and Sawicki.

Nays: None.

Excused: Commissioner Brinza.

So adjourned at 9:55 A.M.

Clerk