

**REGULAR MEETING OF THE BOARD OF
COMMISSIONERS OF THE METRO EAST
SANITARY DISTRICT, ST. CLAIR AND
MADISON COUNTIES, ILLINOIS HELD ON
WEDNESDAY, OCTOBER 23, 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, Director of Operations Walter Greathouse and Treasurer Ken Davis.

Joe Juneau representing Juneau Associates and Riley Owens with The R. Lawrence Company were also in attendance.

ENGINEERING REPORT:

Mr. Juneau presented Change Order No. 1 for the Triple Culvert Rehabilitation Project:

October 23, 2013

Page 2

Mr. Juneau explained, “The Change Order is to add the Railroad Protection Liability Insurance at an additional fee of One thousand, five hundred dollars (\$1,500.00). Originally, we estimated the cost of this insurance to be around Five thousand dollars (\$5,000.00).”

Motion Commissioner Hanfelder; seconded Commissioner Crockett to approve Change Order No. 1 for the Triple Culvert Rehabilitation Project, which adds One thousand, five hundred dollars (\$1,500.00) to the total cost of the project for Railroad Protection Liability Insurance.

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

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

Nays: None.

Absent: None.

Mr. Juneau left the meeting at 9:03 A.M.

REPORT OF EXECUTIVE DIRECTOR:

Executive Director Shipley presented a copy of his report:

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 Fancher reported:

1. There are four mow units out today. Hartford Ditch has been cut for the last time this year. Cahokia Creek should be completed next week.
2. The flap gates located along Cahokia Creek are being repaired.

Director of Operations Walter Greathouse reported:

1. H.H. Hall has a 2009 slope mower for sale. H.H. Hall allowed us to use the slope mower for a couple of days.

The operator liked the way the slope mower ran on the ditch.

A decision has not been reached, as to if we want to purchase this slope mower. I am getting prices on a new slope mower and still have questions about the 2009 slope mower.

The Madison County slope mower was purchased in 1986 and the motor went out. We need to replace it.

Superintendent Maeras reported:

1. There are five mowers operating in St. Clair County. The mowing should all be completed by the end of the month.

The slope mower is in use year round.

2. Repairs to Pump No. 3 discharge pipe at the North Pump Station have been completed.
3. The relief well project at North Pump Station should be finished this week.
4. Pump Stations are being winterized.

MINUTES:

The minutes for the October 9, 2013 meeting were presented for approval:

Motion Commissioner Crockett; seconded Commissioner Laub 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:

October 23, 2013

Page 5

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

Nays: None.

Absent: None.

LANSDOWNE CLAIMS & SPECIFIC CLAIMS:

The Lansdowne Claims and Specific Claims were submitted for approval:

October 23, 2013

Page 6

Motion Commissioner Laub; seconded Commissioner Crockett 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:

October 23, 2013

Page 7

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 September 29, 2013 through October 12, 2013 was submitted for approval.

October 23, 2013

Page 8

Motion Commissioner Laub; seconded Commissioner Hanfelder 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 and Attorney Calvo stated they have reports under New Business.

CORRESPONDENCE: None.

UNFINISHED BUSINESS: None.

NEW BUSINESS:

Attorney Filcoff presented Resolution No. 2013-R-010 amending Resolution 2007-R-002 authorizing the Metro East Sanitary District to enter into a lease agreement with The R. Lawrence Company and Riley Owens, III:

Attorney Filcoff, "I sent the amended Resolution to Mr. Owens, and he suggested a different fee structure. At this time, I would like Mr. Owens to explain the fee he is recommending."

Mr. Owens, "The amended Resolution as it is now, gives the District fifty percent (50%) of the revenue after payment of taxes. I currently receive Twelve thousand, two hundred dollars (\$12,200.00) annually. The tax rate is forty percent (40%); therefore the District and I will each receive Three thousand, six hundred sixty dollars (\$3,660.00) at the current proposed rate.

However, I propose the District receive forty percent (40%) before taxes or Four thousand, eight hundred eighty dollars (\$4,880.00). I will only have to pay taxes on sixty percent (60%) instead of one hundred percent (100%) of the revenue received for the billboard signs. I will receive Four thousand, three hundred ninety-two dollars (\$4,392.00) after taxes under my proposal. The District and I will each receive more money under my proposal.

I have been audited by the Internal Revenue Service (IRS) and they found this method acceptable. It is the cost of doing business."

Motion Commissioner McCall; seconded Commissioner Crockett that no action be taken on Resolution No. 2013-R-010 amending Resolution No. 2007-R-002 until the Resolution reads that the Metro East Sanitary District is to receive forty percent (40%) of the revenue received by Riley Owens, III d/b/a The R. Lawrence Company on the two billboard signs on the parcels leased to him.

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

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

October 23, 2013

Page 10

Mr. Owens, “Also, I do carry One million dollars (\$1,000,000.00) worth of liability insurance on the billboards.”

Attorney Filcoff presented a letter addressed to Mr. Jim Broadway at the City of Madison regarding the Notices to Remediate:

Attorney Filcoff, “Ms. Worthen asked me to review the Notices to Remediate on six properties located in the City of Madison. I recommend releasing the sewage treatment liens on any of the properties that are being torn down. However, if the property is not being demolished, but being repaired, then the lien should remain on the property.”

Motion Commissioner Laub; seconded Commissioner McCall to release the sewage treatment liens against the properties mentioned in the Notices to Remediate that are being demolished.

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

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

Nays: None.

Absent: None.

Attorney Calvo presented an Ordinance replacing Ordinance No. 83-0-6 and granting enable Mississippi River Transmission, LLC as successor to Centerpoint Energy – Mississippi River Transmission, L.L.C., its successors, grantees and assigns the nonexclusive right, privilege, authority and franchise to construct, operate, maintain, remove, replace, and repair existing pipeline facilities, together with equipment and appurtenances thereto, for the transportation of natural gas products and byproducts within and through property of the Metro East Sanitary District, Madison County, Illinois. Number 2013-0-010 was assigned to this document.

Attorney Calvo, "As mentioned on Page 3, the Ordinance will be in effect for five (5) years. Section 14.1 on page eight (8) establishes an annual fee equal to \$6.50 per linear foot or Two Thousand Eight hundred Thirty-Four Dollars (\$2,834.00)."

Motion Commissioner McCall; seconded Commissioner Crockett to adopt Ordinance No. 2013-0-010 replacing Ordinance No. 83-0-6 and granting enable Mississippi River Transmission, LLC as successor to Centerpoint Energy – Mississippi River Transmission, L.L.C., its successors, grantees and assigns the nonexclusive right, privilege, authority and franchise to construct, operate, maintain, remove, replace, and repair existing pipeline facilities, together with equipment and appurtenances thereto, for the transportation of natural gas products and byproducts within and through property of the Metro East Sanitary District, Madison County, Illinois.

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

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

Nays: None.

Absent: None.

Attorney Calvo presented an Ordinance replacing Ordinance No. 88-0-007 and granting enable Mississippi River Transmission, LLC as successor to Centerpoint Energy – Mississippi River Transmission, L.L.C., its successors, grantees and assigns the nonexclusive right, privilege, authority and franchise to construct, operate, maintain, remove, replace, and repair existing pipeline facilities, together with equipment and appurtenances thereto, for the transportation of natural gas products and byproducts within and through property of the Metro East Sanitary District, Madison County, Illinois. Number 2013-0-011 was assigned to this document.

Attorney Calvo, “This Ordinance will also be in effect for five (5) years. Section 14.1 on page eight (8) establishes an annual fee equal to \$6.50 per linear foot or One thousand, eight hundred seventy-eight dollars (\$1,878.00).”

Motion Commissioner McCall; seconded Commissioner Crockett to adopt Ordinance No. 2013-0-011 replacing Ordinance No. 88-0-007 and granting enable Mississippi River Transmission, LLC as successor to Centerpoint Energy – Mississippi River Transmission, L.L.C., its successors, grantees and assigns the nonexclusive right, privilege, authority and franchise to construct, operate, maintain, remove, replace, and repair existing pipeline facilities, together with equipment and appurtenances thereto, for the transportation of natural gas products and byproducts within and through property of the Metro East Sanitary District, Madison County, Illinois.

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

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

EXECUTIVE SESSION:

Executive Director Shipley, “I would like to discuss a personnel matter during Executive Session.”

Motion Commissioner Crockett; seconded Commissioner Laub 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 9:17 A.M.

President Economy called the meeting back to order at 9:18 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 Attorney Larry Calvo.

President Economy, "After discussing the matter during Executive Session, I recommend a One dollar (\$1.00) per hour rate increase for Stacy Partney for the additional work she has taken on as a result of the numerous flood prevention district projects."

Motion Commissioner Laub; seconded Commissioner Crockett to increase the hourly rate of pay for Stacy Partney by One dollar (\$1.00) per hour effective October 14, 2013.

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

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

There being no further business, Motion Commissioner Crockett; seconded Commissioner McCall 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 9:19 A.M.

Clerk