



REND LAKE CONSERVANCY DISTRICT

P.O. BOX 907 ■ 11231 MARCUM BRANCH ROAD ■ BENTON, ILLINOIS 62612
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MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE REND LAKE CONSERVANCY DISTRICT HELD September 22, 2014

A Regular Meeting of the Board of Trustees of the Rend Lake Conservancy District was held on Monday, September 22, 2014, at the Rend Lake Conservancy District Administration Office, 11231 Marcum Branch Road, Benton, Illinois. The meeting was called to order at 8:30 a.m. by President Todd Thomas with the following in physical attendance:

Board of Trustees: Ernest Collins, James Rippy, Jere Shaw, Todd Thomas and Keith Ward; Absent: Don Lucas, and Robert Walton

Staff: Keith Thomason, General Manager; Larry Sanders, Legal Counsel/Treasurer; Michael Johnston, Comptroller; Leonard Killman, Water Superintendent; and Robert Clodi, Executive Assistant.

Visitors: Mark Dallas and Anna Guetersloh, Kerber, Eck & Braeckel LLP; John Upcraft, Shooting Complex Lessee

Minutes

Upon motion by Jere Shaw and second by James Rippy to approve the minutes of the meeting of August 25, 2014 as amended to show the breakdown of the Administrative Reimbursement of each department, a discussion was held and the following vote was had:

Ayes: Collins, Rippy, Shaw, Thomas, Ward

Nays: None

Absent: Lucas, Walton

The President declared the motion carried.

Acceptance of Check Register

Upon motion by Jere Shaw and second by Keith Ward to accept the Check Register as presented, a discussion was held and the following vote was had:

Ayes: Collins, Rippy, Shaw, Thomas, Ward

Nays: None

Absent: Lucas, Walton

The President declared the motion carried.

General Manager's Report: Keith Thomason discussed the September General Manager's Report and provided an Engineering update.

Audit Report for Fiscal Year Ending April 30, 2014

Mark Dallas presented the auditor's report. A discussion ensued. Mr. Rippy presented a handout identifying certain line items with significant increases. Mr. Rippy requested management to investigate these items and report back to the Board.

Shooting Complex Lease

Mr. Sanders presented the Board with proposed modifications submitted by the shooting complex lessee. A discussion ensued in regards to public hunting, rent and contract extension. Mr. Thomason recommended that land be kept open for public hunting and not set aside for private hunts.

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September 22, 2014 (continued)

Upon motion by Keith Ward and second by Todd Thomas to extend the contract for an additional five years, no rent will be charged, lessee will continue to make repairs, lead harvest will remain the same, and all hunting will remain open to the public, the following vote was had:

Ayes: Collins, Rippy, Shaw, Thomas, Ward

Nays: None

Absent: Lucas, Walton

The President declared the motion carried.

Illegal Taps

Sarah Towle entered the meeting. Mrs. Towle reported that the District is tracking illegal taps as defined by the IEPA. She stated that two metered service lines on Crenshaw Rd. near Herrin, IL were illegally tapped by another user's service line. Mr. Thomason reported that letters have been sent to the customers explaining the violation and options to correct the problem. If the customers choose not to correct the problem within the time period given the District will be forced to shut the water service off until the problem is resolved.

White Oak Reimbursement

Mr. Sanders reported that the District has verified all costs associated with the White Oak Water Main Project. Mr. Sanders recommended closing out the account and reimbursing White Oak Mine the remaining funds, an amount of \$153,792.69.

Upon motion by James Rippy and second by Keith Ward authorizing the close out of the White Oak Mine account and reimbursement of \$153,792.69, the following vote was had:

Ayes: Collins, Rippy, Shaw, Thomas, Ward

Nays: None

Absent: Lucas, Walton

The President declared the motion carried.

Correction of Closed Session Minutes

Mr. Sanders reported a set of closed session minutes dated December 23, 2013 were dated incorrectly. He reported that the date should have been January 27, 2014.

Upon motion by Jere Shaw and second by Keith Ward approving the correction to the January 27, 2014 closed session minutes to speak the truth, the following vote was had:

Ayes: Collins, Rippy, Shaw, Thomas, Ward

Nays: None

Absent: Lucas, Walton

The President declared the motion carried.

Bids

Christopher Pump Station – Switch Gear Upgrade

Mr. Thomason reported that two bids were received to install the switch gear at the Christopher Pump Station. Mr. Thomason recommended that the Board award the project to the lowest qualified bidder explaining that each bid proposal would need to be verified for compliance with the specification. The apparent low bid was received from Clinton Electric Inc. for \$418,425.00.

Upon motion by Keith Ward and second by Todd Thomas awarding the installation of the switch gear at the Christopher Pump Station to the lowest qualified bidder, the following vote was had:

Ayes: Collins, Rippy, Shaw, Thomas, Ward

Nays: None

Absent: Lucas, Walton

The President declared the motion carried.

September 22, 2014 (continued)

Middle Fork Big Muddy River Bypass

Mr. Thomason reported that five bids were received to install a bypass through the Middle Fork of the Big Muddy River. The low bid for both PVC pipe installation and the low alternate bid for the ductile iron pipe installation were received from Midwest Petroleum and Excavation Inc. Mr. Thomason recommended the ductile iron alternate based upon the small difference in price for a total bid of \$616,200.00.

Upon motion by Keith Ward and second by Todd Thomas to award the Middle Fork Big Muddy River Bypass project to Midwest Petroleum and Excavation at \$616,200.00 for the ductile iron alternate, the following vote was had:

Ayes: Collins, Rippy, Shaw, Thomas, Ward

Nays: None

Absent: Lucas, Walton

The President declared the motion carried.

West Frankfort Pump Station -- Antenna

Mr. Thomason reported that two bids were received to install a new antenna and tower at the West Frankfort Pump Station. Low bid was received by Roy Walker Communications for \$32,655.75.

Upon motion by Jere Shaw and second by Keith Ward to award the installation of a new antenna and tower at the West Frankfort Pump Station to Roy Walker Communications for \$32,655.75, the following vote was had:

Ayes: Collins, Shaw, Thomas, Ward

Nays: None

Abstain: Rippy

Absent: Lucas, Walton

The President declared the motion carried.

WTP Emergency Generator

Mr. Thomason reported that the Water Treatment Plant has two generators. The newer generator was once believed to be inadequate to support the entire facility and was not originally installed to automatically provide power to the entire facility. After further testing, it has been proven that the newer generator is capable of supporting the WTP. Mr. Thomason received bids to install control modifications for the generator that will start and transfer power automatically upon power loss. Low bid was received by GE Zenith Controls for \$22,110.00.

Upon motion by Jere Shaw and second by Keith Ward authorizing the purchase of control modifications from GE Zenith Controls for \$22,110.00, the following vote was had:

Ayes: Collins, Rippy, Shaw, Thomas, Ward

Nays: None

Absent: Lucas, Walton

The President declared the motion carried.

Rend Lake Cleanup Day

Upon motion by Jere Shaw and second by Keith Ward to cover \$1,000 of the expenses of the Rend Lake Cleanup Program, the following vote was had:

Ayes: Collins, Rippy, Shaw, Thomas, Ward

Nays: None

Absent: Lucas, Walton

The President declared the motion carried.

September 22, 2014 (continued)

Easements and Agreements

Mr. Thomason requested that the Board give Sarah Towle and Natasha Sims the authority to execute easement agreements in regards to the Middle Fork Big Muddy River Bypass project.

Upon motion by James Rippy and second by Jere Shaw authorizing Sarah Towle and Natasha Sims to execute easements agreements in regards to the Middle Fork Big Muddy River Bypass project, the following vote was had:

Ayes: Collins, Rippy, Shaw, Thomas, Ward

Nays: None

Absent: Lucas, Walton

The President declared the motion carried.

Administrative Cost Allocation

A discussion ensued in regards to the action taken on Administrative Cost Allocation by the Board at the August 25, 2014 meeting. Mr. Rippy expressed his displeasure of the prior action. He expressed that the action was a 180-degree turn from past policy. Mr. Ward expressed that he was acting upon Mr. Rippy's stated desire to help recreation by using tax funds for that department instead of using it to benefit water. Mr. Rippy expressed that he had wanted to use tax money to help recreation but the manner chosen, in his opinion, was unethical. Mr. Ward expressed that he believes it is the Board's choice as to how to use the General Funds and the Board took final action at the last meeting. The reduction of the Administrative Reimbursement from recreation and sewer was a way to meet the stated desire.

Keith Ward left the meeting at 10:30 am.

Mr. Thomason explained that no tax money is received by water and all corporate tax money is received by the General Fund to defray the expenses of the General Fund. Mr. Rippy acknowledged that his plan would have taken the tax money out of General Fund. He further stated that the action taken at the prior meeting might open the District up to legal action. At that time, the Board moved into Closed Session.

Closed Session

Upon motion by Todd Thomas and second by James Rippy to go into Closed Session at 10:35 a.m. to consider: (1) Personnel (For the Discussion of the Appointment, Employment, Compensation, Discipline, Performance, or Dismissal); (2) Collective Negotiations (For the Discussion of Collective Negotiating Matters); (6) Sale, Purchase or Lease of Property (For the Setting of a Price for Sale, Purchase or Lease of Property); (8) Security (For discussion of security procedures); (11) Litigation (For the Discussion of Pending, Probable or Imminent); and (21) Closed Session Minutes (For the Discussion of Closed Session Minutes), a discussion was held with Mr. Shaw expressing his displeasure with going into closed session as it would not keep him from discussing these items in public; the following vote was had:

Ayes: Collins, Rippy, Thomas

Nays: Shaw

Absent: Lucas, Walton, Ward

The President declared the motion carried.

Upon motion by Jere Shaw and second by James Rippy to come out of Closed Session at 11:17 a.m. the following vote was had:

Ayes: Collins, Rippy, Shaw, Thomas

Nays: None

Absent: Lucas, Walton, Ward

The President declared the motion carried.

September 22, 2014 (continued)

Employee Policies

Mr. Collins reported that he wanted to discuss board member and employee benefits, health initiatives, and gifts. Mr. Collins expressed that he believes that Board members should not be eligible for employee benefits, specifically discounted golf. Additionally, Mr. Collins raised a question regarding contributions toward gym memberships as a health benefit. A discussion ensued. Mr. Thomason recommended that the Board move into closed session to discuss employee benefits further or take up the matter at the next meeting. These items will be on agenda at the next meeting.

Closed Session Minutes

Upon motion by Jere Shaw and second by Todd Thomas to approve the Closed Session Minutes of August 25, 2014, as presented, the following vote was had:

Ayes: Collins, Rippy, Shaw, Thomas

Nays: None

Absent: Lucas, Walton, Ward

The President declared the motion carried.

Adjournment

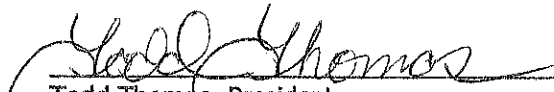
Upon motion by Jere Shaw and second by James Rippy to adjourn the meeting at 11:34 a.m., the following vote was had:

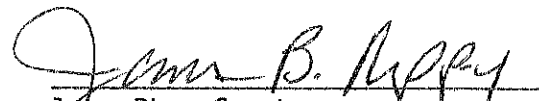
Ayes: Collins, Rippy, Shaw, Thomas

Nays: None

Absent: Lucas, Walton, Ward

The President declared the motion carried.


Todd Thomas, President


James Rippy, Secretary