



REND LAKE CONSERVANCY DISTRICT

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MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE REND LAKE CONSERVANCY DISTRICT HELD January 26, 2015

The Board of Trustees of the Rend Lake Conservancy District held a regular meeting on Monday, January 26, 2015, at the Rend Lake Conservancy District Administration Office, 11231 Marcum Branch Road, Benton, Illinois. President Todd Thomas called the meeting to order at 8:30 a.m. The following were in physical attendance:

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

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

Visitors: Kelsey Landis, Benton Evening News

Minutes

Upon motion by Keith Ward and second by James Rippy approving the minutes of the meeting of December 22, 2014 as presented, the Board voted as follows:

Ayes: Collins, Rippy, Shaw, Thomas, Walton, Ward

Nays: None

Absent: Lucas

The President declared the motion carried.

Acceptance of Check Register

Upon motion by Keith Ward and second by Jere Shaw to accept the Check Register as presented, the Board voted as follows:

Ayes: Collins, Rippy, Shaw, Thomas, Walton, Ward

Nays: None

Absent: Lucas

The President declared the motion carried.

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

Mr. Johnston provided a brief summary of the financial report. Mr. Rippy proposed the District use the funds in the Recreation Department to pay off the rest of the loan for the golf course. Mr. Johnston stated that there were some months of negative cash flow to be considered. Mr. Thomason informed the Board that he had originally promised the lodge manager that net revenue from the lodge would be used to pay for capital projects at the lodge. Since then, the Board has used Recreation Department funds to pay down the golf loan but not the lodge loan. Mr. Thomason recommended that the Board consider using the Recreation Department funds for lodge capital projects or paying down the lodge loan. Mr. Rippy proposed using cash from the General Fund to pay down lodge debt. When asked, Mr. Rippy confirmed he intended to refer to the General Fund and stated that a portion of the \$511,282 in the General Fund should be used to pay down the lodge loan. Mr. Ward said that the recent lawsuit against the District was over a similar action. Mr. Shaw stated that the lawsuit was about the use of water money and that his understanding is that the General Fund can be used to pay any anything. Mr. Thomason

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agreed that the General Fund can be used to pay any expense and Mr. Sanders also agreed. Mr. Rippy requested that this issue be placed on the next agenda.

Mr. Thomason presented a deviation of funds proposal for the water treatment plant. The proposal is to assign appropriated funds from other line items within the water department's budget and to the Equipment Maintenance and Meters and Mains. Mr. Rippy requested that the Superintendent prepare a brief report describing the use of the transferred funds.

Mr. Thomason reported that a steel plate in the clear well was cracked. He requested approval to hire divers to replace the plate.

Upon motion by James Rippy and second by Todd Thomas authorizing management to hire divers to replace the plate in the clear well, the Board voted as follows:

Ayes: Collins, Rippy, Shaw, Thomas, Walton, Ward

Nays: None

Absent: Lucas

The President declared the motion carried.

Mr. Thomason reported that management is currently seeking quotes to replace a steel plate in the clear well with stainless steel or aluminum, noting that this will add significant cost. Mr. Rippy suggested that carbon fiber may be a better option and asked management to check if it would be a viable alternative material. Mr. Thomason stated he would verify if carbon fiber would be an approved material by IEPA and that if it has the appropriate tolerance to withstand the pressure. Mr. Thomason requested pre-approval to award the purchase of the plate to the lowest bidder up to \$12,000.

Upon motion by James Rippy and second by Todd Thomas pre-approving the award to purchase replacement plate for the clear well from the lowest bidder up to \$12,000, the Board voted as follows:

Ayes: Collins, Rippy, Shaw, Thomas, Walton, Ward

Nays: None

Absent: Lucas

The President declared the motion carried.

Farm Lease

Mr. Sanders presented the bids for the farm lease. Mr. Sanders reported that the bids averaged about \$170 per acre. He reported that Ed Hale was the high bid on about 8 acres. Mr. Sanders requested that the Board authorize management to offer Mr. Hale the opportunity to withdraw his bid. Mr. Sanders stated that Mr. Hale bid on several parcels and that it may be burdensome and unreasonable to hold him accountable to such a small plot of ground. If Mr. Hale withdraws, the plot of ground shall be awarded to the next highest bidder, which was approximately \$150 less.

Upon motion by James Rippy and second by Jere Shaw approving the farm lease bids as presented, authorizing management to allow Mr. Hale to withdraw his bid, and to award that ground to the next highest bidder, the Board voted as follows:

Ayes: Collins, Rippy, Shaw, Thomas, Walton, Ward

Nays: None

Absent: Lucas

The President declared the motion carried.

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Resolution 483 – Annual Closed Session Review

Upon motion by Jere Shaw and second by Robert Walton to approve Resolution 483, resolves that the following Closed Session Minutes be made available for public inspection and that all others remain closed as the need for confidentiality still exists as to all or portions thereof: January 27, 2014, July 28, 2014, and August 25, 2014; the Board voted as follows:

Ayes: Collins, Rippy, Shaw, Thomas, Walton, Ward

Nays: None

Absent: Lucas

The President declared the motion carried.

Resolution 484-People's Bank Corporate Authorization

Upon motion by Keith Ward and second by James Rippy approving the resolution for depositories and officer signature authority with People's Bank, the Board voted as follows:

Ayes: Collins, Rippy, Shaw, Thomas, Walton, Ward

Nays: None

Absent: Lucas

The President declared the motion carried.

Chamber of Commerce

Upon motion by Jere Shaw and second by Keith Ward approving the payment of dues to Sesser Area Chamber of Commerce (\$50), Jefferson County Chamber of Commerce (\$220), and Benton/West City Area Chamber of Commerce (\$250), the Board voted as follows:

Ayes: Collins, Rippy, Shaw, Thomas, Walton, Ward

Nays: None

Absent: Lucas

The President declared the motion carried.

Golf Course Mower

Upon motion by Todd Thomas and second by Keith Ward approving the payment for the repairs to the golf course mower, the Board voted as follows:

Ayes: Collins, Rippy, Shaw, Thomas, Walton, Ward

Nays: None

Absent: Lucas

The President declared the motion carried.

Raw Water Screen

Mr. Rippy stated that he believes that the screen was damaged because the automated system was not set to short enough intervals. He explained that it is his belief that the system was not properly setup during the upgrade and is not functioning as well as the original design. Mr. Thomason reported that the specification that is now out for bid to replace the screening system addresses the automation and PLC issues and will function better to protect the screen from clogging.

Board Member Golf

Mr. Shaw stated that after the state legislature dismissed all board members in 2005 the newly appointed board members voted to eliminate all Board Member Golf Perks. Mr. Shaw stated he felt that management proposed reinstating the golf discount for Board Members to oversee the quality of the golf course as an excuse to bring it back. A discussion ensued.

Upon motion by Jere Shaw and second by Ernest Collins to eliminate all Board Member Golf Perks, the following vote was had:

Ayes: Collins, Rippy, Shaw,

Nays: Thomas, Walton, Ward

Absent: Lucas

The motion failed.

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Water to Unserved Areas

Mr. Shaw proposed that the District should offer an incentive to cities to deliver water to unserved areas.

Mr. Shaw made a motion that the District setup an incentive program of \$200,000 per year for 5 years out of the water fund to be used for grants to cities. After the 5 years has expired the remaining funds would be transferred back to the water department's operating fund. A discussion ensued.

Mr. Rippy suggested that management should investigate the appropriate amount to be set aside for the program.

Mr. Walton suggested that this issue should be taken up when the new budget is proposed.

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Mr. Ward described a scenario in Sesser where the City will not sign off on an unserved area restricting RLCD from providing any opportunity of offering them water service.

~~Mr. Sanders confirmed that many legal scenarios exist that would limit RLCD's ability to provide cities with grants for water to unserved areas.~~

Mr. Thomason suggested that the Board review the Capital Plan and make a determination of what should be cut to allow for this program.

The motion was not seconded and the President declared the motion died for lack of a second. Mr. Shaw stated that was okay because he just wanted to get on the record his support for this idea.

Closed Session

Upon motion by Jere Shaw and second by Todd Thomas to go into Closed Session at 10:04 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 Board voted as follows:

Ayes: Collins, Rippy, Shaw, Thomas, Walton, Ward

Nays: None

Absent: Lucas

The President declared the motion carried.

Upon motion by Keith Ward and second by Todd Thomas to come out of Closed Session at 10:58 a.m. the Board voted as follows:

Ayes: Collins, Rippy, Shaw, Thomas, Walton, Ward

Nays: None

Absent: Lucas

The President declared the motion carried.

Closed Session Minutes

Upon motion by Keith Ward and second by James Rippy to approve the Closed Session Minutes of December 22, 2014 as presented, the Board voted as follows:

Ayes: Collins, Rippy, Shaw, Thomas, Walton, Ward

Nays: None

Absent: Lucas

The President declared the motion carried.

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Mr. Killman presented a brief explanation for the use of the funds to be transferred to Equipment Maintenance and Meters and Mains.

Upon motion by Keith Ward and second by Todd Thomas approving the request for deviation of funds for Equipment Maintenance and Meters and Mains to be transferred from other appropriated line items within the water department's budget at the General Manager's discretion, the Board voted as follows:

Ayes: Collins, Rippy, Shaw, Thomas, Walton, Ward

Nays: None

Absent: Lucas

The President declared the motion carried.

Adjournment


Upon motion by Jere Shaw and second by James Rippy to adjourn the meeting at 12:22 p.m., the Board voted as follows:


Ayes: Collins, Rippy, Shaw, Thomas, Walton, and Ward

Nays: None

Absent: Lucas

The President declared the motion carried.


Todd Thomas, President


James Rippy, Secretary