



REND LAKE CONSERVANCY DISTRICT

P.O. BOX 907 ■ 11231 MARCUM BRANCH ROAD ■ BENTON, ILLINOIS 62812
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MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE REND LAKE CONSERVANCY DISTRICT HELD May 18, 2015

The Board of Trustees of the Rend Lake Conservancy District held a regular meeting on Monday, May 18, 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 attended:

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

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

Visitors: None

Minutes

Upon motion by Keith Ward and second by Robert Walton approving the minutes of the meeting of April 27, 2015 as amended, the Board voted as follows:

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

Nays: Rippy

The President declared the motion carried.

Upon motion by Keith Ward and second by Robert Walton approving the minutes of the Public Hearing for the proposed 2015-2016 Budget and Appropriation Ordinance of April 27, 2015 as presented, the Board voted as follows:

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

Nays: None

The President declared the motion carried.

Acceptance of Check Register

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

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

Nays: None

The President declared the motion carried.

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

Mr. Sanders provided a report on the recreation department. He reported that revenues were down for the year and that the Golf Pro has resigned. A discussion ensued in regards to marketing and revenue planning.

Mr. Johnston presented the District financial report for April. A discussion ensued.

May 18, 2015 (continued)

Upon motion by Keith Ward and second by Don Lucas to accept the financial report as presented, the Board voted as follows:

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

Nays: None

The President declared the motion carried.

Bids

Water Dept. Pole Barn Concrete Pad

Mr. Thomason reported that six bids were received. The lowest bid to install a concrete pad in the water department pole barn was received by Marion Concrete for \$39,713.

Upon motion by Keith Ward and second by Robert Walton to award the bid for the installation of the water department pole barn concrete pad to Marion Concrete for \$39,713, the Board voted as follows:

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

Nays: None

The President declared the motion carried.

5 Year Capital Plan

Mr. Thomason presented the 5 Year Capital Plan for approval. Mr. Ward proposed to add \$1,000 for the repair of golf course shelter roofs.

Upon motion by Keith Ward and second by Todd Thomas approving the proposed 5 Year Capital Plan as amended, the Board voted as follows:

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

Nays: None

The President declared the motion carried.

Election of Officers

Upon motion by Keith Ward and second by Don Lucas to retain the same officers as the last term, the Board voted as follows:

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

Nays: None

The President declared the motion carried.

Re-Elected Rend Lake Conservancy District Board of Trustee Officers: Todd Thomas, President; Robert Walton, Vice President; James Rippy, Secretary; J. Lawrence Sanders, Treasurer.

Resolution 486-Banks and Signatories

Upon motion by Keith Ward and second by Todd Thomas approving the officers as signatories of all bank accounts, the Board voted as follows:

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

Nays: None

The President declared the motion carried.

Friends of Rend Lake

Mr. Thomason reported that Friends of Rend Lake is an organization that will focus their efforts to improve the amenities around Rend Lake. Mr. Thomason proposed that District lend our support in establishing this organization. Mr. Sanders recommended that the District pay the incorporation cost up to \$1,000.

May 18, 2015 (continued)

Upon motion by James Rippy and second by Don Lucas approving the District to assist Friends of Rend Lake by paying the cost for incorporation up to \$1,000, the Board voted as follows:

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

Nays: None

The President declared the motion carried.

Oil/Farmers Activities

Mr. Thomason reported that an oil drilling company plans to construct oil pumps on about 400 acres of District property within a half mile of the water plant which would cause significant surface damage and render that area unsuitable for other use. The current use of the area is farming, but has had several proposed developments in the recent past. The Board expressed their desire to limit the impact of the proposed oil pumps and to seek payment for surface damages at the property's high and best use.

Upon motion by Jere Shaw and second by Todd Thomas authorizing the General Manager to negotiate with the oil drilling company, the Board voted as follows:

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

Nays: None

The President declared the motion carried.

Ewing Sewer Rate

Mr. Thomason reported that the Village of Ewing has a provision in their contract with RLCD regarding a special rate for sewer services which would end when Ewing's sewer bonds were fully paid. Ewing has indicated the bonds have been paid. Ewing has been informed that their sewer rate would increase to the current sewer rate. Mr. Shaw asked if RLCD owned and maintained Ewing's sewer system. Mr. Thomason reported that the Village of Ewing owns and maintains a portion of their system but RLCD does own and maintain the Village of Whittington's entire sewer system, a gravity sewer through the center of Ewing, and the sewer plant located on the eastside of Ewing. Mr. Thomason added that Ewing has been identified as a major contributor to RLCD's infiltration and inflow problems at the sewer plant. Mr. Thomason proposed offering the Village of Ewing a discounted sewer rate since they own and maintain a portion of their sewer system if they resolve their infiltration and inflow problems.

Upon motion by Don Lucas and second by Keith Ward authorizing the General Manager to negotiate a discounted rate after Ewing resolves their infiltration and inflow problems, the Board voted as follows:

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

Nays: None

The President declared the motion carried.

Rend Lake Resort Delinquent Payments

Mr. Thomason reported that he had contacted the owner of the Rend Lake Resort and that partial payments have been received and the Resort has informed the Comptroller that the remaining payment was in the mail. Mr. Thomason reported the Resort has shown good faith to pay the remaining balance of the funds owed to RLCD and recommended that the Board not take action at this time. No further action was taken.

Insurance

Mr. Sanders reported a 2% increase in Blue Cross Blue Shield Health Coverage and recommended to continue with the current provider.

Upon motion by Robert Walton and second by Ernest Collins approving Blue Cross and Blue Shield's Insurance Coverage Policy, the Board voted as follows:

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

Nays: None

The President declared the motion carried.

May 18, 2015 (continued)

Mr. Sanders reported that the property and casualty insurance provider is now offering up to \$11 million in coverage. He reported that the per \$1,000 rate has remained the same and the increase in coverage raised the total premium. The premium for the property and casualty insurance is \$174,000 provided by IPARKS through SCD Rea and Son.

Upon motion by Keith Ward and second by Robert Walton approving the property and casualty insurance with IPARKS through SCD Rea and Son, the Board voted as follows:

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

Nays: None

The President declared the motion carried.

Recreation Revenue Options

The board members discussed potential revenue options for recreation. Mr. Thomason reported that the District has encouraged and awarded the Golf Pro and Lodge Manager to increase revenue. In order to attract more fishermen, a fish cleaning station and boat parking are being installed. A convenience store is under development, and rental campers have been researched. A general discussion was held and the following ideas were suggested: a video of the Rend Lake area, fishing camp, cabins, camper rentals, group leader incentives, late check-in discounts, revise the check out process, and tour buses. The board members discussed a General Fund loan to Recreation. The board members requested management to seek a wish list from the lodge manager for revenue proposals, proposals for a General Fund to Recreation loan, and a business plan for camper rentals at the next meeting.

Bank and Inter-fund Loans

Mr. Thomason discussed bank loan costs and a potential inter-fund loan in response to Mr. Collins previous discussion about reducing loan costs. Mr. Sanders reported that the best interest rate that Water could potentially earn on the funds in a local bank would be 0.6% and recommended that to be the rate for any inter-fund loan. Mr. Thomason recommended an inter-fund loan to help reduce costs for golf, lodge, and sewer departments and increase revenue to the water department.

Upon motion by Don Lucas and second by Keith Ward approving an inter-fund loan from Water to the Lodge, Golf Course, and Sewer Department at 0.6% to be paid back in 10 years and the existing General Fund loan to Sewer to be paid back in 10 years, the Board voted as follows:

Ayes: Collins, Lucas, Thomas, Walton, Ward

Nays: Rippy, Shaw

The President declared the motion carried.

Comparison of Sales vs. Administrative Cost

Mr. Thomason presented a report regarding the comparison of sales vs. administrative cost. The board members discussed the information. No further action was taken.

Closed Session

Upon motion by Robert Walton and second by Keith Ward to go into Closed Session at 11:57 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); the Board voted as follows:

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

Nays: None

May 18, 2015 (continued)

Upon motion by Ernest Collins and second by Keith Ward to come out of Closed Session at 12:35 p.m., the Board voted as follows:

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

Nays: None

The President declared the motion carried.

Legal Issues

Worker's Compensation Claim

Upon motion by Robert Walton and second by Keith Ward authorizing a settlement for Louis Ligon's worker's compensation claim in the amount of \$12,673.98, the Board voted as follows:

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

Nays: None

The President declared the motion carried.

Proshop Theft

Upon motion by Jere Shaw and second by Robert Walton authorizing Legal Counsel to notify the States Attorney to move forward on the theft charges of the accused former pro-shop employee, the Board voted as follows:

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

Nays: Ward

The President declared the motion carried.

Clark Lawsuit

Upon motion by Don Lucas and second by Keith Ward authorizing Legal Counsel to seek attorney fees from the Clark Lawsuit, the Board voted as follows:

Ayes: Lucas, Thomas, Walton, Ward

Nays: Collins, Rippy, Shaw

The President declared the motion carried.

Closed Session Minutes

Upon motion by Keith Ward and second by Todd Thomas approving the Closed Session Minutes of April 27, 2015 as presented, the Board voted as follows:

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

Nays: None

The President declared the motion carried.

Adjournment

Upon motion by Keith Ward and second by Todd Thomas to adjourn the meeting at 12:40 p.m., the Board voted as follows:

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

Nays: None

The President declared the motion carried.


Todd Thomas, President


James Rippy, Secretary