



REND LAKE CONSERVANCY DISTRICT

P.O. BOX 907 ■ 11231 MARCUM BRANCH ROAD ■ BENTON, ILLINOIS 62612
TELEPHONE: (618) 439-4321 ■ FAX: (618) 439-2400

MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE REND LAKE CONSERVANCY DISTRICT HELD August 24, 2015

The Board of Trustees of the Rend Lake Conservancy District held a regular meeting on Monday, August 24, 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, Kisha Jackson, Don Lucas, Todd Thomas, James Rippey, 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; Jim Ashby, Golf Superintendent; Amy Krueger, Lodge Manager; Tim Chrazan, Golf Pro; Beth Ponce, Project Manager.

Visitors: Glen Clarida, Clarida and Zeigler Engineering; James Keily, Corinth Water District; Mark Dallas and Anna Geuetersloh, District auditors from Kerber, Eck, & Braekel, LLP.

Recognition of Visitors

Mr. Clarida reported that Corinth Water District was seeking advantage from RLCD to negotiate better water rates from the Village of Galatia. He requested from the Board the opportunity for Corinth Water District to become a direct customer of RLCD. Mr. Lucas and Mr. Sanders expressed that RLCD has a contract that would not allow the District to provide water directly to Corinth. Mr. Rippey and Mr. Ward asked if Corinth Water District had negotiated with Johnston City, Pittsburg, or Marion. Mr. Clarida explained that they have not approached any other communities and expressed that the capital cost to connect to a new provider is expensive. Corinth Water District is approaching RLCD for service because the District has the lowest water rates, which would lower the financial burden when financing the new service connection. The members expressed understanding of Corinth's dilemma and would consider this matter.

Minutes

Upon motion by Keith Ward and second by Kisha Jackson approving the minutes of the meeting of July 27, 2015 as presented, the Board voted as follows:

Ayes: Collins, Jackson, Lucas, Thomas, Rippey, 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, Jackson, Lucas, Thomas, Rippey, Walton, Ward

Nays: None

The President declared the motion carried.

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General Manager's Report: Keith Thomason reported that the conflict of interest surveys identified three potential conflicts: Keith Ward and Robert Clodi for employment with another governmental agency and Todd Thomas for employment with a District supplier. The Board took no action.

Mr. Thomason reported that the District is seeking the opportunity to takeover operations of the State's Artisan facility. Management has reached out to IDNR and has expressed the District's interest in the facility. Management has also requested local governments in the area to send a letter of support to our local representatives.

Mr. Thomason reported that recreation has about \$100,000 for special project and listed the following potential projects: parking lots, cart paths, bunkers, patio repair, restroom plumbing, new mattresses and furniture, pool repair, hot tub enclosure repair, and pool deck repair. Management has prioritized these projects according to customer perception/impact, potential total loss due to continued neglect, and maintenance issues.

Lodge Update

Amy Krueger provided a status report on revenues and expenses. She discussed some of her challenges and potential revenue solutions. She expressed concerns for the restaurant citing poor customer service and lack of corporate events.

Pro Shop Update

Tim Chrazan provided a status report on revenues and golf course conditions. Mr. Chrazan also expressed concern for the restaurant but praised Jim Ashby for the condition of the course. Mr. Chrazan reported that the EZ Link tee-time system was cumbersome and out dated. He felt the pro shop should upgrade to a no cost online system allowing the lodge, golf maintenance, and the pro shop to schedule tee-times and events in real-time. The General Manager informed the Board of the hidden costs associated with a tee-time system. He also reported that an increase in marketing would potentially improve revenues. Lastly, he presented bids to replace the range ball cart and garage doors for the cart barn. The bid for the range-ball picker-cart from Club Car was \$9,500. The Door Doctor quoted \$1,700 to install garage doors at the cart barn.

Golf Maintenance Update

Jim Ashby provided a status report on golf maintenance expenses and the condition of the course. He explained the use of golf chemicals were up due to wet weather conditions. He proposed the following capital projects: (1) the purchase of seven new irrigation units at about \$10,000, and (2) two new motors for two sand pros estimated at \$2,700.

Engineering Update

Beth Ponce provided a status report on the following engineering project:

- Middle Fork Big Muddy Bypass – Clearing easements now.
- Exposed water mains – completed one of three.
- Rapid mix bypass – Preliminary plans are under review.
- Rend Lake College water tower expansion joint bids – Requesting bid approval.
- Christopher electrical upgrade – Project completed.
- Ina electrical upgrade – Work is in progress.

Water and Sewer Update

Leonard Killman provided a status report on revenues and expenses of the Water and Sewer Departments. He gave a brief status report on the following items:

- Valve program – Currently exercising all valves that will turn. We are waiting to work on valves that are seized up until new valves are in-stock. Bids for new valves will be presented at the next board meeting.
- Jetter/Vac Truck – Truck has been delivered and is in service.
- Sewer air release replacement program – Project has been delayed due to weather conditions.

August 24, 2015 (continued)

- Taste and odor complaints – Complaints are up due to the algae and wet weather we are experiencing.
- Carbon Budget – The carbon budget is nearly exhausted due to taste and odor issues. Mr. Killman reported that he intends to request to transfer funds from other line items within his budget to the carbon budget line item. Mr. Thomason noted that this is not a request to increase his overall budget but a transfer of funds within his budget.
- Sand Filters – The filters have been tested. The analysis is currently under review. A report will be presented at the next Board meeting.

Audit Report for Fiscal Year Ending April 30, 2015

Mark Dallas and Anna Geuetersloh presented the auditor's report.

Upon motion by Robert Walton and second by Don Lucas to accept the Annual Audit as presented, the Board voted as follows:

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

Nays: None

The President declared the motion carried.

Financial Report

Mr. Johnston presented the financial report for the month of July.

Bids

Parking Lots

Mr. Thomason reported that bids for the parking lots are not in but management has estimates. Estimates for sealing the parking lot with some patching will be \$0.12 to \$0.15 per sq. ft. and a 2" layer of asphalt over the parking lots will cost about \$1.20 to \$1.50 per sq. ft. The General Manager's recommendation was to seal and repair the parking lots. Mr. Rippy asked if water funds would be used to pay for the project. Mr. Thomason reported that the recreation department has about \$100,000 available that can be used to fund the project. The Board decided not to take action and elected to wait until the bids are presented at the next Board meeting.

Kischa Jackson raised a question in regards to the use of water funds. She stated that she wants to see this issue resolved and the slanderous news articles to stop. She asked for a legal opinion. Mr. Sanders gave an opinion of the different financial structures that governments can operate within. A discussion ensued among the Board members. In light of the continued debate, Mrs. Jackson asked if the auditors could speak to this issue and whether a third party to provide a legal opinion that the Board will accept and move forward with. Mr. Thomason stated at the next board meeting he will give a presentation on the River Conservancy Act, Legal Counsel will present the legal aspect in regards to the Act, and a third party will be sought to give additional opinions.

Mrs. Jackson left the meeting at 10:58 a.m.

Ina Peninsula Water Tower

Mr. Thomason reported that bids were received to replace the expansion joint in the water tower. The low bid to replace the expansion joint was for \$6,000. He added that the riser pipe was inspected and the pipe is showing signs that the metal from the wall of the pipe has reformed itself into clusters within the pipe. He added, an alternate bid was requested to replace the riser pipe. The low bid to replace the riser pipe was \$26,000. Mr. Thomason recommended to only replace the expansion joint at this time.

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Upon motion by Don Lucas and second by Tod Thomas to approve the low bid to replace the expansion joint at the Ina Peninsula Water Tower for \$6,000, the Board voted as follows:

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

Nays: None

Absent: Jackson

The President declared the motion carried.

Rend Lake Clean-up

Mr. Thomason reported that a request for support was received for the Rend Lake Clean-up project. He recommended providing \$500 worth of tee shirts for the marketing and public relations of the District. He noted that this is how the District participated last year.

Upon motion by James Rippy and second by Tod Thomas authorizing the District cover \$500 of the cost of tee shirts to support the Rend Lake Clean-up project, the Board voted as follows:

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

Nays: None

Absent: Jackson

The President declared the motion carried.

Financial Policy Update

Mr. Thomason presented Resolution 489 a proposal to update the financial policy. The District currently pays for water chemicals in excess of \$2,500 if the chemical was bid and specifically listed in the budget. The resolution would amend the financial policy to grant the General Manager the authority to authorize the purchase of golf chemicals in excess of \$2,500 that were bid but not specifically listed in the budget. Board members expressed that they felt the current procedure is appropriate. The Board took no action.

Closed Session

Upon motion by James Rippy and second by Robert Walton to go into Closed Session at 11:25 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, Thomas, Rippy, Walton, Ward

Nays: None

Absent: Jackson

The President declared the motion carried.

Upon motion by Keith Ward and second by Robert Walton to come out of Closed Session at 12:04 p.m., the Board voted as follows:

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

Nays: None

Absent: Jackson

The President declared the motion carried.

Legal Issues

Upon motion by Don Lucas and second by Keith Ward authorizing Legal Counsel to litigate the damages caused by the oil drilling company, the Board voted as follows:

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

Nays: None

Absent: Jackson

The President declared the motion carried.

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Upon motion by Don Lucas and second by James Rippy authorizing an additional \$5,000 in legal fees for the Sesser vs. RLCD lawsuit, the Board voted as follows:

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

Nays: None

Absent: Jackson

The President declared the motion carried.

Adjournment

Upon motion by James Rippy and second by Keith Ward to adjourn the meeting at 12:07 p.m., the Board voted as follows:

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

Nays: None

Absent: Jackson

The President declared the motion carried.



Todd Thomas, President



James Rippy, Secretary