



REND LAKE CONSERVANCY DISTRICT

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MINUTES OF THE SPECIAL MEETING OF THE BOARD OF TRUSTEES OF THE REND LAKE CONSERVANCY DISTRICT HELD March 28, 2016

The Board of Trustees of the Rend Lake Conservancy District held a regular meeting on Monday, March 28, 2016, 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, James Rippy, Todd Thomas, Robert Walton, and Keith Ward

Staff: Keith Thomason, General Manager; Larry Sanders, Legal Counsel/Treasurer; Michael Johnston, Comptroller; Leonard Killman, Water Plant Superintendent; Robert Clodi, Executive Assistant, Sarah Towle, District Engineer; Jim Ashby, Golf Superintendent; and David Norman, Seasonal Golf Professional

Visitors: None

Minutes

The Board President called for a motion to approve the minutes of the September 28, 2015 closed session meeting. Mr. Rippy questioned the date referenced in the minutes suggesting that the comment he made referred to action taken at a meeting on August or September of 2015 not August 2014. Mr. Thomason advised Mr. Rippy that the motion to reallocate the reimbursement of the administrative expenses was passed by the Board on August 2014. Mr. Ward suggested to table the minutes and verify the date of the action taken by the Board.

The Board President called for a motion to approve the minutes of the February 22, 2016 meeting. Mr. Collins recommended that the minutes failed to identify that the safety award was to be a jacket. A discussion ensued regarding the purchasing of jackets out of season.

Upon motion by Keith Ward and second by Don Lucas approving the minutes of February 22, 2016 as amended, the Board voted as follows:

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

Nays: None

The President declared the motion carried.

Acceptance of Check Register

Mr. Rippy asked about an expense described as easement locating made to Repnet. Mr. Thomason explained that he believed it was for the purchase of easement signage and offered to have the District Engineer discuss it later in the meeting. Mr. Rippy also asked to review the expenditures of all credit card purchases.

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

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

Nays: None

The President declared the motion carried.

March 28, 2016 (continued)

General Manager's Report: Mr. Thomason presented the General Manager's report covering the following items:

- Easement Clearing
- Illinois Department of Natural Resources Lake Maintenance Bill
- Improvement Efforts toward New Standard Operation Procedures
- Valve Cycling
- Hydrant Repair and Painting
- Proactive Testing for Lead and Copper Control
- Sewer Conditions and Operation Improvement
- Lodge Financing and Long Term Rentals
- Security Guard Services
- Safety

Financial Report

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

Bids and Purchasing

Health Care

Mr. Sanders reported Blue Cross and Blue Shield has quoted a 1% decrease for the District's healthcare policy renewal. He explained that he is still working to get other quotes but the policies will not be an exact comparison. Additionally, Mr. Sanders noted that if the District was to switch providers the union contract would have to be addressed as well. Mr. Rippy asked to have the different plans presented with non-comparable items identified. No further action was taken.

Residential Electricity

Mr. Johnston presented bids for residential electricity. Mr. Johnston reported that Affordable Gas and Electric was the low bid for residential electric with a 2-year contract.

Upon motion by Don Lucas and second by Todd Thomas approving the 2-year contract with Affordable Gas and Electric for residential electricity, the Board voted as follows:

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

Nays: None

The President declared the motion carried.

Lodge Carpet

Mr. Thomason reported 3 bids were received for the purchase of the carpet at the lodge. He identified One Stop Flooring America as the low bid but requested approval to move to the second bidder if the style of the carpet was not acceptable. The second low bidder was Benton Flooring Center.

Upon motion by Todd Thomas and second by Kisha Jackson approving the purchase of carpeting from One Stop Flooring America as well as Benton Flooring Center as an approved backup if the carpet style is not acceptable, the Board voted as follows:

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

Nays: None

The President declared the motion carried.

March 28, 2016 (continued)

Lodge Carpet Installation

Mr. Thomason reported 3 bids were received for the installation of the carpet at the lodge. He identified Lonnie and Lisa Flooring as the low bid. He requested the option to move to the second low bidder if the first bidder could not agree to meet the time frame to perform the work. The second bidder was One Stop Flooring America.

Upon motion by Don Lucas and second by Kisha Jackson approving the installation of the carpet by Lonnie and Lisa Flooring as well as One Stop Flooring America as a backup, the Board voted as follows:

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

Nays: None

The President declared the motion carried.

Lodge Furniture

Mr. Thomason reported no bids were received for the purchase of lodge furniture. The response from the prospective bidders was that the order was not large enough for them to offer special pricing and recommended that the District order from their catalog. Mr. Ward suggested to find out how close we are to a price break.

Rotary Cutter

Mr. Thomason reported 3 bids were received for the purchase of a rotary cutter. The low bid was from Price Brothers located in Wichita, Kansas for a Brown rotary cutter with a bid price of \$2,700. A discussion ensued regarding the servicing of the equipment. Mr. Thomason recommended tabling this item until he could verify the closest service provider for Brown equipment. No further action was taken.

West Frankfort Pump Station

Mr. Thomason reported 3 quotes were received to rebuild the #3 motor at the West Frankfort Pump Station. Mr. Thomason noted that this is an emergency repair. Mr. Killman reported that during the process of obtaining the quotes he discovered that the motor had a ground brush component. He contacted each bidder, shared the additional information and asked them to revise their quote. Mr. Killman stated that though Flanders Electric was the lowest quote he didn't recommend accepting their proposal because they did not meet the spec by addressing the ground brush component and the uncertainty of the price quoted. He explained that Flanders Electric stated they could not repair the ground brush component of the motor and they had a clause written into the quote stating any additional work will incur extra charges. The next lowest quote was \$4,204.20 from Wallace Electric which has verified that they can repair the motor with the ground brush component at the quoted price.

Upon motion by Don Lucas and second by Keith Ward approving the repair of the West Frankfort Pump Station motor by Wallace Electric for \$4,204.20, the Board voted as follows:

Ayes: Collins, Jackson, Lucas, Thomas, Ward

Nays: None

Abstain: Rippy, Walton

The President declared the motion carried.

Mr. Walton noted that he chose to abstain because he once worked at Wallace Electric.

Chemical Tank

Mr. Thomason recommended recoating the fiberglass coagulant tank during maintenance to provide proactive repairs. He reported that all four similar tanks have cracked in the past.

Upon motion by Keith Ward and second by Don Lucas authorizing pre-approval for the fiberglass coating to the chemical tank, the Board voted as follows:

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

Nays: None

The President declared the motion carried.

March 28, 2016 (continued)

Mr. Thomason introduced David Norman as the new seasonal golf professional.

Large Mobile Equipment 5 Year Replacement Plan

Mr. Thomason presented the Large Mobile Equipment 5 Year Replacement Plan for input from the Board. Mr. Rippy recommended to first replace the semi with higher miles over the semi that is an older model. Mr. Ward recommended reviewing the State Bid List when preparing to make the purchase for equipment.

Sarah Towle joined the meeting and explained that the purchase from Repnet was for new easement signs.

Minutes

Mr. Sanders presented the Board with the minutes of August 2015, September 2015, and August 2014 noting that the August 2014 meeting was the only meeting which a vote was conducted regarding the re-allocation of administrative expenses. Mr. Rippy stated he was wrong and that the date presented in the September 28, 2015 closed session minutes was correct.

Upon motion by Don Lucas and second by Keith Ward approving the closed session minutes of September 28, 2015 as presented, the Board voted as follows:

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

Nays: None

The President declared the motion carried.

Bids and Purchasing

Rotary Cutter

Mr. Thomason reported that Brown did not have a local service provider in the area. Mr. Thomason noted that the District is not legally obligated to bid the purchase of goods but frequently does at his discretion. Mr. Sanders provided a legal opinion regarding the Boards ability to reject all bids based on serviceability of equipment.

Upon motion by Don Lucas and second by Keith Ward to reject all bids for the purchase of a rotary cutter, the Board voted as follows:

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

Nays: None

Abstain: Jackson

The President declared the motion carried.

Upon motion by Keith Ward and second by Todd Thomas authorizing management to purchase a rotary cutter based from the specs, the Board voted as follows:

Ayes: Lucas, Thomas, Rippy, Walton, Ward

Nays: Collins, Jackson

The President declared the motion carried.

Golf Chemicals

Mr. Thomason presented bids for the purchase of golf course chemicals. He noted some chemical bids are the same from all bidders because the pricing is controlled by the manufacturer. He recommended awarding each chemical bid to the lowest bidder and when the price of the chemical is the same from all bidders to purchase the chemical from the local storage of Supreme Turf. Mr. Thomas asked Mr. Sanders for his legal opinion regarding his employment with Supreme Turf. Mr. Sanders explained that Mr. Thomas only works for Supreme Turf and does not have ownership in the company. He also stated that in regards to the manufacturer controlled pricing of golf course chemicals the District frequently purchases those chemicals from Supreme Turf since they provide warehousing services in the area.

Mr. Ward reported that a concern has risen regarding his position with the County and the District. He stated that the State's Attorney has reviewed Mr. Ward's situation and found no issues.

March 28, 2016 (continued)

Upon motion by Don Lucas and second by Robert Walton approving the bid for each golf course chemical to the lowest bidder and when the chemical is controlled by manufacturer pricing to purchase it from the local supplier, the Board voted as follows:

Ayes: Lucas, Jackson, Walton, Ward

Nays: None

Abstain: Collins, Rippy, Thomas

The President declared the motion carried.

Mr. Thomas state that he abstained because he works for Supreme Turf.

Valve Cycling

Mr. Killman explained that the valve cycling is 80% complete. He reported that 5 valves need to be replaced and 11 more are yet to be determined. He noted that 3 of the 5 valves would require a line shut down. The estimated cost to replace the valves that cannot be repaired would be around \$5,000 for valves 16" and smaller and about \$12,000 for valves 18" and larger. He also reported that 105 valves are too deep for normal valve wrenches and recommended adding extensions to them so they could be operated with a standard valve wrench at an estimated cost of \$10,500. The total package cost for the valve project was estimated to be \$40,000. Mr. Killman added that some of the hydrant valves will need to be repaired or replaced as well, at an estimated cost of \$50,000. Mr. Thomason stated that Mr. Killman has presented some additional information and that he needs more time to review before the Board takes action.

Sewer Operations Transition

Mr. Thomason reported that the Sewer Department has a vacancy in the junior operator position and the current senior operator will retire by May 1, 2017. The District has a qualified union employee that is interested in transferring into the senior position but can only be transferred into the junior position until the senior operator retires. Mr. Thomason reported the employee expressed concerns with moving into a lower paying position and requested to be transferred without a cut in pay. He noted that transferring the employee at his current wage would cost the District an extra \$7 per hour and would need union approval. He also stated that after the senior operator transition occurs in May of 2017, the District will seek to fill the junior position.

Sewer I&I Review

Mr. Thomason described the common I&I issues that the sewer system is experiencing and presented three options to manage the repair of the system. His options included hiring of a consultant, hiring a temporary engineer, or making a temporary transfer of an internal employee into a new sewer I&I temporary position. He noted that the internal transfer was the lowest cost to the District and that the available employee held an architectural degree. Mr. Rippy asked who the transferring employee would be. Mr. Thomason reported that he recommends that Robert Clodi be temporarily transferred to the Sewer Department. Mr. Rippy asked who would take over his duties. Mr. Thomason explained he would temporarily hire someone to fill his position in his absence. Mrs. Jackson expressed a concern that the District may be creating a new job for Mr. Clodi. Mr. Thomason stated that the internal transfer would be a temporary assignment. However, Mr. Thomason recommends hiring a consultant if the Board has concerns about an internal transfer. Mr. Ward asked Mr. Clodi if he was interested in working with in the Sewer Department. Mr. Clodi replied that he is interested and that he has some experience with the sewer system already. Mr. Ward expressed his support for the internal transfer of Mr. Clodi citing that it would cost the District less money. Mr. Thomason reported that this is a budget issue that can be decided at the next meeting.

March 28, 2016 (continued)

Resolution 491 – Employee Policy Amendment

Mr. Sanders presented Resolution 491 and explained that this employee policy amendment is in response to the Affordable Care Act. A discussion ensued regarding the language and propose of the amendment.

Upon motion by Don Lucas and second by Kisha Jackson approving the Employee Policy Amendment – Resolution 491 as presented, the Board voted as follows:

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

Nays: Rippy

The President declared the motion carried.

Draft of Budget May 1, 2016 – April 30, 2017

Mr. Thomason presented the draft Budget for discussion and public review. Mr. Rippy inquired about an increase in maintenance for the General Fund. Mr. Thomason reported that in the past the District had a full-time maintenance employee for the administrative office and over the years that position had been cut back to part-time and even partially outsourced to a contractor. He believes that the District has cut back too far. The increase in labor hours shown in the draft budget are still less than the previous full-time position. He added that this increase was to start getting things back to respectable condition. Mr. Rippy inquired about an increase in wages for the Sewer Department. Mr. Thomason noted that this was for the anticipated employee transfer. Mr. Rippy asked if that was for the union position. Mr. Thomason state that the union position transfer is an issue that will need to be negotiated with the union and this proposed increase is for the internal temporary transfer for the I&I project.

Upon motion by James Rippy and second by Keith Ward approving the Budget for public review, the Board voted as follows:

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

Nays: None

The President declared the motion carried.

Schedule Budget Hearing – April 25, 2016 at 8:25 a.m.

Upon motion by Keith Ward and second by Don Lucas approving the public hearing for April 25, 2016 at 8:25 a.m., the Board voted as follows:

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

Nays: None

The President declared the motion carried.

Mr. Rippy ask what was done to reduce the variation of the CO². Mr. Thomason explained that is was a gage issue.

Mr. Ward asked how much the State of Illinois owed the District. Mr. Johnston reported that the State owes the District \$520,350.

Closed Session

Upon motion by Keith Ward and second by Kisha Jackson to go into Closed Session at 11:23 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, Jackson, Lucas, Rippy, Thomas, Walton, Ward

Nays: None

The President declared the motion carried.

March 28, 2016 (continued)

Upon motion by Don Lucas and second by James Rippy to come out of Closed Session at 12:05 p.m., the Board voted as follows:

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

Nays: None

The President declared the motion carried.

Legal

Upon motion by Keith Ward and second by Ernest Collins to file a law suit for past due water and sewer services against the Illinois Department of Corrections, the Board voted as follows:

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

Nays: None

Abstain: Lucas

The President declared the motion carried.

Closed Session Minutes

Upon motion by Keith Ward and second by James Rippy approving the closed session minutes of the meeting of February 22, 2016 as presented, the Board voted as follows:

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

Nays: None

The President declared the motion carried.

Adjournment

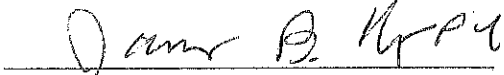
Upon motion by Ernest Collins and second by James Rippy to adjourn the meeting at 12:12 p.m., the Board voted as follows:

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

Nays: None

The President declared the motion carried.


Todd Thomas, President


James Rippy, Secretary