

**REGULAR MEETING OF THE BOARD OF
COMMISSIONERS OF THE METRO EAST
SANITARY DISTRICT, ST. CLAIR AND
MADISON COUNTIES, ILLINOIS HELD ON
WEDNESDAY, JANUARY 18, 2017 AT 1800
EDISON AVENUE, GRANITE CITY, ILLINOIS AT
9:00 A.M.**

President Pennekamp called the meeting to order and the Clerk recorded the attendance.

The following was the attendance:

Present: Commissioners Hanfelder, Laub, McCall, Darwin and Pennekamp.
Absent: None.

Also, attending the meeting were Executive Director Shipley, Attorney George Filcoff, Attorney Larry Calvo, Director of Operations Walter Greathouse, Superintendent Randy Presswood, Lansdowne Office Manager Cindy Worthen and Treasurer Ken Davis.

Robert Januska and Sean Mickey representing Horner & Shifrin were in attendance, also in attendance were Kathy Goclan and Linda Knogl.

President Pennekamp stated that if there were no objections, he would like to move ahead on the agenda, and have the representatives from Horner & Shifrin give their report.

The report from Horner & Shifrin concerning the MESD Nondomestic Users Review was presented:

Mr. Januska explained the report:

We were asked to review the industrial and commercial users, to determine validity of both the sample values and the sampling patterns.

The accounts were reviewed and categorized into four general categories:

1. Users that are not tested, but appear to be an industry likely to produce BOD and TSS surcharges.
2. Users classified as “No-Flow” but appear to be of an industry typical of producing high BOD and TSS wastewater flows.
3. Currently tested users that showed sporadic testing results.
4. Users that do not appear to require surcharge testing or appear to have proper sampling protocol in place.

General recommendations are listed on page 4 of our report.

Attachment B breaks the users into the four categories with our recommendations.

We also reviewed the current Ordinance, which is not up to date. However, it does give the District the ability to take wastewater samples and enter business properties.

Attachment C is a “User Survey Form” that should be completed by all of the businesses.

President Pennekamp, “Are the businesses required by law to complete these forms?”

Mr. Mickey, “The District’s Attorney should review the forms and determine if the District can force the businesses to complete the survey.”

President Pennekamp, “This report shows potential revenue. The question is, what is our capability of following your recommendations. I recommend turning this report over to Walter Greathouse, Randy Presswood and Cindy Worthen to review, and report their findings and recommendations to the Board.”

Attorney Filcoff asked, “How do we know when a business is discharging wastewater into the system?”

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Mr. Januska responded, "There are portable 24 hour composite samplers that can be used. The Ordinance also states that the owner of any property serviced by a building sewer carrying industrial or commercial wastes shall provide laboratory measurements, tests, and analyses of waters and wastes."

Attorney Filcoff, "If the BOD and TSS are extremely high and out of the normal range, do we throw out the test?"

Mr. Januska, "There have been instances in the past where those tests were not used and new samples were taken. We do not recommend throwing out those tests, as we believe the District got lucky and caught the business discharging into the system."

Ms. Worthen, "We will use all of the wastewater samples now and bill the companies accordingly."

President Pennekamp, "We need a plan to move forward. This is a big initiative and will take time, and remember we have a limited budget. Walter Greathouse, Cindy Worthen and Randy Presswood, after you review the report you will need to let the Board know what you need. When will you be able to make a report to the Board?"

Superintendent Presswood, "We can give our report at the next meeting."

President Pennekamp, "We will expect an implementation report at the February 8, 2017 meeting."

Commissioner Hanfelder, "When you meet, please look at the customers that are using the system, but that we are not billing."

President Pennekamp thanked Mr. Januska and Mr. Mickey for addressing the Board. Mr. Januska and Mr. Mickey left the meeting at 9:21 A.M.

Metro East Sanitary District employees Scott Hillman and Daniel Schaus joined the meeting at 9:21 A.M.

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REPORT OF EXECUTIVE DIRECTOR:

The Executive Director presented his report:

Executive Director Shipley, “St. Clair County Transit District is beginning work on the bicycle trail along Front Street in East St. Louis. They are installing a drainage system that will empty into Cahokia Creek by the North Pump Station.

Keller Construction is replacing the plastic pipe with concrete pipe from Water Street to Cargill Road in Cahokia, Illinois. This is a Southwestern Illinois Flood Prevention District project. The Corps said this will meet the 500 year flood plan.”

Commissioner Hanfelder, “Did Fairmont City provide a copy of their sewer line maps?”

Superintendent Presswood, “I received one map from Fairmont City and the blueprints of the force main. However, we still do not have the map of the east side of the City.”

Commissioner Hanfelder, “Is Fairmont City going to install a meter on the new force main?”

Mr. Greathouse, “Charlie Juneau and the City’s engineer are working to determine what type of meter is needed and if the District should share part of the cost.”

Commissioner Hanfelder, “A meter is needed in Fairmont City and Caseyville.”

Superintendent Presswood, “The line in Caseyville is much smaller, so the cost will be less.”

Commissioner Hanfelder, “We need to investigate and find out where all of the water is entering the sewer line.”

President Pennekamp explained that is why we are pursuing the Illinois Environment Protection Agency grant. We want to repair, replace or line the sewer line and stop the infiltration. We are also looking at the agreements with the cities.

Attorney Calvo, "I am going to review all of the agreements with the different municipalities. Attorney Filcoff believes they have all expired."

President Pennekamp suggested that the Board move ahead on the agenda to the Repair of Pump No. 1 at the North Pump Station listed under New Business since Mr. Hillman and Mr. Schaus are here.

The following proposals were received for the repairs to Pump No 1 at the North Pump Station:

1. The Pump Shop, Missouri Machinery & Engineering Company\$75,000.00
2. Hydro-Kinetics Corporation\$152,020.00
3. Illinois Electric Works\$79,980.80

President Pennekamp asked if the work being performed by all three companies is similar.

Scott Hillman explained that the Illinois Electric Works and The Pump Shop proposals are very similar. Hydro-Kinetics Corporation will send the pump to Fairbanks Morse in Kansas City and will take an extra twelve weeks to repair the pump.

Mr. Greathouse, “The Pump Shop and Illinois Electric Works have both repaired pumps for the District in the past and we have been pleased with their work.”

Mr. Hillman, “We have been using The Pump Shop for storm water pump repairs. They are very knowledgeable and do outstanding work. They also work on all of the large pumps for MSD in St. Louis.”

Commissioner Laub, “Illinois Electric Works does excellent work and they are a local company.”

Executive Director Shipley explained that the pump needs to be repaired as soon as possible. In the event of a heavy rain or high river the pump is necessary to prevent the ditches from backing up, which could cause interior flooding. We also want the pump repaired and back in the pump station before the spring rains and high river.

Motion Commissioner McCall; seconded Commissioner Hanfelder to declare the repair of Pump No. 1 at the North Pump Station an emergency, and authorize The Pump Shop to repair the pump per their proposal dated January 6, 2017 at a cost of Seventy-five thousand dollars (\$75,000).

Upon roll call, the motion carried by the following vote:

Ayes: Commissioners Hanfelder, Laub, McCall, Darwin and Pennekamp.
Nays: None.
Absent: None.

Mr. Hillman, Mr. Schaus and Ms. Knogl left the meeting at 9:47 A.M.

REPORT OF LANSDOWNE OFFICE MANAGER:

Ms. Worthen said she spoke with Attorney Bradford and he explained how his retirement will affect the past due accounts and judgments he has on file.

Attorney Filcoff said he also spoke with Attorney Bradford. Attorney Bradford has over six hundred (600) accounts with judgments and is entitled to his fees.

Ms. Worthen said that Attorney Bradford will file a motion to withdraw from the judgments and Attorney Calvo will file as the new Attorney. Attorney Calvo plans to review the accounts to determine if they are collectible or not.

MINUTES:

The minutes for the January 4, 2017 meeting were presented for approval.

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Motion Commissioner Laub; seconded Commissioner Darwin to dispense with the reading of the minutes, approve them with the correction noted by President Pennekamp and place them on file.

Upon roll call, the motion carried by the following vote:

Ayes: Commissioners Hanfelder, Laub, McCall, Darwin and Pennekamp.

Nays: None.

Absent: None.

GENERAL FUND CLAIMS:

The General Fund Claims and Specific Claims were submitted for approval:

Motion Commissioner Hanfelder; seconded Commissioner Laub to approve the General Fund Claims and Specific Claims as submitted and order them paid.

Upon roll call, the motion carried by the following vote:

Ayes: Commissioners Hanfelder, Laub, McCall, Darwin and Pennekamp.
Nays: None.
Absent: None.

LANSDOWNE CLAIMS & SPECIFIC CLAIMS:

The Lansdowne Claims and Specific Claims were submitted for approval:

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Motion Commissioner Laub; seconded Commissioner Hanfelder to approve the Lansdowne Treatment Plant Claims and Specific Claims as submitted and order them paid.

Upon roll call, the motion carried by the following vote:

Ayes: Commissioners Hanfelder, Laub, McCall, Darwin and Pennekamp.

Nays: None.

Absent: None.

LANSDOWNE REPORT:

The Lansdowne Adjustment Reports were presented for approval:

Motion Commissioner Darwin; seconded Commissioner Laub to approve the Lansdowne Adjustment Reports as submitted.

Upon roll call, the motion carried by the following vote:

Ayes: Commissioners Hanfelder, Laub, McCall, Darwin and Pennekamp.
Nays: None.
Absent: None.

PAYROLL:

The Payroll for the period of December 18, 2016 through December 31, 2016 was submitted for approval.

Motion Commissioner Hanfelder; seconded Commissioner McCall to approve the Payroll as submitted.

Upon roll call, the motion carried by the following vote:

Ayes: Commissioners Hanfelder, Laub, McCall, Darwin and Pennekamp.

Nays: None.

Absent: None.

REPORT OF ATTORNEYS:

Attorney Filcoff said his report would be made under the heading of Correspondence on the agenda.

CORRESPONDENCE:

A letter from Attorney George Filcoff regarding the Kraft Tax Appeal was presented:

Attorney Filcoff explained, “Granite City Community School District No. 9 and the City of Granite City hired Dinan Real Estate, Inc. to perform an appraisal of the Kraft facility. Kraft wanted to reduce their market value to \$6,300,000. Mr. Dinan appraised the property at \$16,000,000 and the Board of Review agreed with Mr. Dinan.

The total cost for appraisal services was \$26,350. The School District is asking MESD to pay \$2,000.00 towards the cost.”

Motion Commissioner Laub; seconded Commissioner Darwin to reimburse Granite City Community School District No. 9 Two thousand dollars (\$2,000) for a portion of the appraisal fee performed by Dinan Real Estate, Inc. on the Kraft facility.

Upon roll call, the motion carried by the following vote:

Ayes: Commissioners Hanfelder, Laub, McCall, Darwin and Pennekamp.

Nays: None.

Absent: None.

A letter from Attorney George Filcoff regarding the Walgreens tax appeal was presented:

Attorney Filcoff, "I just wanted to provide the Board with an update on the Walgreens tax appeal."

UNFINISHED BUSINESS: None.

NEW BUSINESS:

The Executive Session Minutes through December 31, 2016 were presented for review:

Motion Commissioner Laub; seconded Commissioner Darwin that all Executive Session Minutes remain closed to the public, as they contain confidential information regarding potential lawsuits, actual lawsuits and company personnel.

Upon roll call, the motion carried by the following vote:

Ayes: Commissioners Hanfelder, Laub, McCall, Darwin and Pennekamp.

Nays: None.

Absent: None.

An Agreement between the Metro East Sanitary District and Juneau Associates, Inc., P.C. was presented:

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Attorney Filcoff, "I do not recommend signing the agreement as it limits Juneau's liability to Five hundred thousand dollars (\$500,000), and it is also an exclusive agreement. MESD should have the right to hire the engineer that is best for the job."

EXECUTIVE SESSION: None.

There being no further business, Motion Commissioner Laub; seconded
Commissioner Darwin to adjourn.

Upon roll call, the motion carried by the following vote:

Ayes: Commissioners Hanfelder, Laub, McCall, Darwin and Pennekamp.

Nays: None.

Absent: None.

So adjourned at 10:02 A.M.

Clerk