

JOURNAL OF THE (1448th) MEETING OF THE
BOARD OF TRUSTEES
THE METROPOLITAN ST. LOUIS SEWER DISTRICT
August 9, 2007 – 5:00 P.M.

The Trustees of the District met in Room 110 at 2350 Market on the above date.
Present at meeting:

Board of Trustees

D. B. Rosenberg, Chair
J. H. Goffstein, Vice Chair
E. Harshman
D. J. Hayes
C. Karam (excused)
J. H. Buford

Staff Members

J. L. Theerman, Executive Director
R. E. Hayman, General Counsel
K. J. Tyminski, Secretary-Treasurer
J. M. Zimmerman, Director of Finance
B. L. Hoelscher, Director of Engineering
J. C. Sprague, Director of Operations

Also present were Mr. Tom Sullivan, 35 N. Central; Ed Sweet, Parsons Water; Shameka Watts, KPMG; Andy Gottschalk, KPMG; Doug Lambert, Geotechnology; Mary Jane Barry, TGB; Bob Welsch, FMSM; Jim Coll, Jacobs; Elkin Kistner, TGB; Stephen Tielke, TGB; Sharon Tielke, TGB; Jon Bergenthal, Jacobs; Kim Diamond, Levee Districts; Mike Jones, St. Louis County; Tom Ratzki; Black & Veatch; Bill Niehoff, Paric; Bob Januska, RJN; Jessica Perkins, Vector Communications; Mark Kollitz, Woolpert; Tim Tappendorf, CMT; Robert Bella, HDR; Joe Christian, Netelligent; Vicki Taylor Edwards, Director of Human Resources; Lance LeComb, Public Affairs Specialist; Barbara Mohn, Director of Information Systems; Steve Brown, Asst. Director of Human Resources; Debbie Johnson, Public Affairs; Marie Collins, Asst. Director of Engineering, and Pam Bell, Secretary to the Executive Director.

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Mr. David Rosenberg opened the meeting pursuant to notice and call.

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Upon motion made by Ms. Joyce-Hayes, seconded by Ms. Harshman, the Journal of the July 12, 2007 meeting was approved by unanimous voice vote.

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The Chair reported that in 2000, changes to MSD's Charter were approved by area voters that allowed for the creation of a Rate Commission. Composed of 15 member organizations representing a broad cross-section of MSD's customers and the community it serves, the Rate Commission is designed to provide public input into how the District sets rates. The Rate

Commission process is a lengthy and deliberative process – much like a formal legal case – that includes multiple public hearings. This process begins when a rate proposal is formally referred to the Rate Commission.

In March of this year, staff referred a proposal for both wastewater and stormwater rates to the Rate Commission. Since that time, the Commission has met 18 times to consider the proposal. The Commission will conclude their deliberations and issue a report to the Board early next week. Included in the report will be a recommendation from the Commission on the rate proposal.

Once the Rate Commission has issued its report, the Board of Trustees must wait a minimum of 45 days before adopting any ordinance that would change rates. However, during the 45 day period, the Board will review the recommendation for compliance with the 5 criteria that are laid out in the District's charter and were a part of the changes approved by area voters in 2000.

The 5 criteria are:

- 1) Is the Rate Commission's recommendation contrary to constitutional, statutory, or common law?
- 2) Does the recommendation substantially impair the District's ability to provide adequate sewer and drainage systems and facilities or related services to the point where public health or institutional safety may be jeopardized?
- 3) Is the recommendation contrary to or in violation of any covenant or provision relating to any outstanding bonds or debts owed by the District?
- 4) Does the recommendation fail to meet federal or state laws or regulations?
- 5) Does the recommendation impose an unfair or excessive burden on one or more classes of ratepayers?

For those members of the public that maybe interested, sections 7.040 through 7.310 of the District's charter provides further details on the next steps in the rate setting process.

In closing, and as has been stated in the past, I wish to underscore the District's commitment to protecting the environment and managing stormwater issues on behalf of our St. Louis community, and to protecting the household budgets of ratepayers, especially the budgets of ratepayers on low or fixed incomes. Balancing those responsibilities can be difficult, but MSD has worked very hard for many years to find the right approach. Whatever the outcome of the current rate setting process, the District is committed to moving forward with a focus on those responsibilities.

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Mr. Tyminski provided the Trustees with the quarterly pension investment report for the period ending June 30, 2007. He noted that the plan experienced an above average return for the quarter and year-to-date period. The year-to-date return through June 30th was 6.5% which is ahead of the bench mark. He also noted that the diversifying investment classes work well and that the small/mid cap search is due to be complete within the next month. He also noted that the Investment sub-committee would be meeting for the first time in late August. He also updated the Board on the volatility experienced in the financial markets due to the sub-prime mortgage problems. He explained that the District has no direct sub-prime mortgage exposure but the market

volatility did hurt the performance of the District's high yield bond manager. Mr. Goffstein asked what the District's investment performance was through December 31, 2006. Mr. Tyminski responded that the plan earned 12.3% for calendar 2006 versus a targeted rate of 7.5%.

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Ms. Joyce-Hayes reported that the Program Management Committee met on July 30, 2007 at 7:30 a.m. The meeting was attended by trustees Karam, Rosenberg, Joyce-Hayes, and Goffstein.

The minutes of the July 5, 2007 meeting were approved, as amended.

Staff presented and discussed the agenda items to be introduced tonight. There was a detailed discussion regarding the following items:

Items 25 & 26 – CSO Interceptor Access and Monitoring and Fenton Wastewater Treatment Plant Odor Controls – The Committee discussed the introduction and adoption status of these two projects on the Agenda. Representatives of TGB attended the meeting and answered questions concerning their compliance with prevailing wage requirements. TGB agreed to send MSD that portion of their labor contract dealing with the payment of prevailing wage. Trustees Goffstein and Karam requested copies of the results of past prevailing wage audits by MSD and the State of Missouri.

Item 28 – Valdamere Drive Sewer Replacement – In-house design staff was able to save an estimated \$200,000 on the cost to replace this collapsed sanitary sewer line by relocating it instead of replacing in place.

Item 30 – Watershed Facility Planning – This is the first year of an anticipated four-year contract, with two option years, to provide resources to supplement in-house planning staff. Jacobs will make 150 individuals available to provide 34 FTEs of support. Staff reviewed the anticipated and past deliverables listed in the project write-up. The Committee requested a list of contractors, costs, and activities performed in FY2007 and those anticipated to be performed in FY2008.

The meeting was adjourned at 9:00 a.m.

The next meeting is tentatively scheduled for Wednesday, September 5, 2007 at 7:30 a.m.

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Ms. Harshman reported that the Stakeholder Relations Committee met 7:30 a.m. on July 26, 2007 at the District's headquarters. Trustees Harshman and Rosenberg were in attendance.

The first item was a discussion regarding the possible renewal of the contract for the District's Annual Report. On the September agenda, there will be a resolution for the exercising of a contract option year for Falk Harrison Creative to provide development services for the 2007 Annual Report. The cost of these services will be \$37,645, the same cost paid for the 2006 Annual Report. Falk Harrison Creative has provided the District with annual reporting services since 2003, and has played a key role in helping staff to lower the cost of these services by over \$50,000 per year. The exercising of this contract option year is being done under terms of a "Request for Proposal" (RFP) issued in 2005.

Mr. LeComb brought forth discussion on the contract for customer service surveying. This item will also be on the September agenda. There will be a resolution for the exercising of a contract option year for the ETC Institute to provide Customer Service Surveying in 2008. The District currently surveys all of its external customer service functions. Staff uses the results to implement customer service focused improvements throughout the District's operations. The cost of these surveying services in 2007 is \$61,845. The cost for 2008 will be \$62,873. The exercising of this contract option year is being done under terms of an RFP issued in 2006.

During the committee meeting, staff discussed as part of the Rate Commission process a proposed Intergovernmental Cooperation Agreement between MSD and the Levee Districts designed to address the issue of stormwater services. The proposed agreement defines which stormwater services to be funded by an impervious rate in MSD's rate proposal will be performed by MSD and which services will be performed by the Levee Districts. Levee District will be reimbursed for performing the described services through a credit to the impervious rate stormwater charge. Basic services include operation and maintenance of the public storm sewer system (sewers, inlets, and manholes), stormwater planning, non-permitted development review, and stormwater quality regulatory requirements under the area's Phase II stormwater permit.

The main activity to be performed by the Levee District's is the maintenance and operation of the public stormwater system included in the basic services. The credit for this service has already been calculated at 50% in MSD's Rate Proposal and is similar to the credit properties that drain directly to the Mississippi, Missouri, or Meramec Rivers and don't use the area's storm water systems are eligible for.

Additional services to be performed by the Levee Districts include stormwater planning, non-permitted development review in accordance with the Levee District's design standards, and individual billing and revenue collection per parcel within the Levee Districts. This results in an additional 45% credit. The remaining services consist of compliance with the area's Phase II stormwater permit and maintenance of the impervious database, the vast majority of which will be performed by MSD. This is 5% of the total basic service charge and resulting in a 95% credit to the Levee District. The agreement is Item No. 32 on tonight's agenda.

Mr. Hoelscher informed the Committee that in response to a customer service survey, the District will re-engineer its plan review and permitting processes based on comments received during the survey and from a stakeholders group. The re-engineering will consist of short-term and long-term changes. Technical members of the stakeholders group will participate in the re-engineering process. Staff anticipates having all changes implemented by February 2008 except for those changes requiring possible Charter changes.

Finally, the Committee reviewed the selection process used to choose a firm for implementation of the federally required public participation that must take place as part of the District's Long-Term Control Plan development. The basis of this conversation was a July 24th memo prepared for the Board by staff. Included in the review discussion were details of the six proposals that were submitted; the qualifications of each of the firms that submitted proposals; and the criteria that was used to rate the proposals. It was decided that this item should be brought to the full Board at its next meeting.

The meeting adjourned at 8:20 a.m.

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Mr. Rosenberg reported that the Finance Committee held its monthly meeting at 8:00 a.m. on Tuesday, August 7, 2007. In attendance were Trustees David Rosenberg, James Buford, and Dr. Ellen Harshman.

Minutes from the prior Finance Committee on July 10th were approved and accepted into the record.

Ms. Zimmerman presented the June 2007 Adjustment Review Committee report. The report reflected a decrease in customer account receivables of \$301,154 for the month of June and a decrease of \$549,137 year-to-date. A motion was made to accept the report into the Committee record per ordinance. Ms. Zimmerman then updated the Committee on the June 2007 financial results. Compared to the prior year, Total Assets increased 6.1%, Income before Contribution was up 6.3%, and End of Month Cash increased 86.9%. Ms. Zimmerman indicated General Fund expenditures are projected to be approximately \$6.5 million or 5.0% under budget for fiscal year 2007 primarily due to improved cost containment efforts, reductions in wages associated with outstanding position vacancies and less than anticipated contractual services costs. Ms. Zimmerman also indicated that the District had reached a settlement with Missouri American Water that will result in a \$430,000 reduction in annual water agency data costs beginning December 2007.

Ms. Zimmerman then presented an update on Collection Activity for the FY07, and indicated the District's FY07 collections totaled \$19.7 million or 37% greater than FY06. More significantly, this represented a \$3.3 million or 20% increase over the District's record collection year in FY05. FY07 collections from legal action were also up increasing 47.8% from prior year for a total of \$1.9 million. Ms. Zimmerman communicated Net Sewer Service Receivables greater than 30 days delinquent as of June 30, 2007 totaled \$17.3 million while the collection probability of these receivables totaled \$22 million.

Ms. Zimmerman also briefed the Committee on the Low Income assistance program. During January 2007 notices and applications were sent to the 2,949 customers on the existing low-income program. Since this mailing a total of 3,213 applications were processed, 634 were approved, 149 were incomplete, 143 denied, 40 returned undeliverable and 2,247 expired.

Mr. Theerman provided an update on the Rate Commission proceedings indicating the

Rate Commission may submit its Rate Recommendation Report to the full board at Thursday's Board Meeting. He indicated, however, the Rate Commission has until August 13th to complete its work per District Charter. Once the Rate Commission's report is received the Board will have 45 days before any action on a rate ordinance may be taken.

Mr. Tyminski presented the District's Pension results for the second quarter of calendar year 2007 and indicated the District's Pension Fund investment balances totaled \$185.4 million as of June 30, 2007, an increase of \$9.4 million over the prior quarter, reflecting investment earnings of \$7.6 million and net inflows of \$1.8 million. Despite a conservative investment posture, the fund posted a 4.3% return in the quarter, ranking in the 37th percentile of public funds, nationwide. Mr. Tyminski also indicated that the Investment Sub-Committee would be meeting on Thursday, August 16th to continue reviewing the Plans progress and investment managers' performance.

Mr. Theerman reported as other business that Staff would be bringing a GASB 45 Post Retirement Benefits presentation to the next Finance Committee Meeting.

There being no further business, the meeting adjourned at 9:00 a.m.

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Ms. Joyce-Hayes commented that 2,274 customers currently in the Low Income status category have not signed up for the new program and she questioned what the District would be doing about this. Ms. Zimmerman responded that a minority of this group had an increase in their income level that exempted them from that category. The majority of customers either did not renew their application or did not send it back. The District will continue to advertise the low income program, work with the Unite Way referral list, and continue to accept applications.

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Mr. Theerman reported that The Board of Trustees will have a special board meeting to consider approval of revisions to tax rates which will be levied this winter. We anticipate that revisions will be required which lower the tax rates for the District's Administrative tax and the OMCI tax in the Sugar Creek Sub-district. These revisions are anticipated because tax assessments make a lower tax rate necessary to maintain compliance with Missouri's Hancock Amendment. The Special Board Meeting has been set for 7:30 am, Friday, August 24, 2007 here at the District Headquarters.

The Staff is attempting to reschedule the September Board Meeting. The originally scheduled September 13th Board Meeting falls on the Rash Hashanah Holiday. When rescheduled the District will post a notice of the revised board meeting date and time on our website.

One of the Districts strengths is our knowledgeable and experienced workforce. A number of dedicated employees will be retiring from District service on September 1st. On tonight's

agenda resolutions 37 through 43 honor the careers of 7 employees with a combined 195 years of service to MSD. It has certainly been a pleasure working with these people and we wish them well in their retirement.

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Mr. Sullivan addressed the Board and commented on the composition of the Rate Commission and questioned if there's a conflict of interest on the part of the chairman of the Rate Commission who is also with AGC. He praised the District for not having a closed session. He also questioned if the Risk Management position had been filled and asked for the status of the Ernst & Young audit. Mr. Tyminski responded that the Ernst & Young audit of the Lower Meramec project is scheduled to be released at the August 14, 2007 audit committee meeting and copies are available upon request. Mr. Theerman responded that the Manager of Risk Management position has been filled and that Mike Grace has been hired in that capacity. Mr. Sullivan commented that the Vector Communication contract appears to be frivolous and that this contract should be re-bid because of a scope change. Mr. Sullivan questioned the necessity for the contract with Jacobs. He questioned if the 32 easement acquisitions should not be approved individually. He also questioned the wisdom of entering into an Intergovernmental Agreement with the Levee District and commented on the salary of the Executive Director. Mr. Sullivan commented on a Channel 2 piece regarding homes being threatened by erosion. There was a discussion between Ms. Joyce-Hayes and Mr. Sullivan where it was established that the District could not legally move funds from another area to assist this group.

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Mr. Elkin Kistner addressed the Board and indicated that the represented TGB whose contracts were under consideration at this meeting. He emphasized that TGB is a highly qualified contractor who is eager to do work for the District and recommended that the District move as quickly as possible to provide funding for their projects.

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CONSENT AGENDA

Mr. Goffstein requested that Proposed Ordinance Number 11-08 be voted on separately.

ADOPTION OF PROPOSED ORD.NO. 01-08 (ORDINANCE NO. 12482) APPROPRIATING \$514,500.00 FROM THE GENERAL FUND FOR THE PROCUREMENT OF SERVICES AND EQUIPMENT REQUIRED IN THE ENTERPRISE SYSTEMS RETOOLING PHASE I – TELEPHONE COMMUNICATIONS SYSTEM PROJECT TO REPLACE THE DISTRICT'S

CURRENT PBX SYSTEM AND AUTHORIZING THE EXECUTIVE DIRECTOR AND SECRETARY-TREASURER ON BEHALF OF THE METROPOLITAN ST. LOUIS SEWER DISTRICT TO ENTER INTO A CONTRACT WITH NETELLIGENT CORPORATION, FOR THE PROCUREMENT OF THE AFOREMENTIONED SERVICES AND EQUIPMENT.

ADOPTION OF PROPOSED ORD. NO. 03-08 (ORDINANCE NO. 12483) APPROPRIATING \$6,950,000.00 FROM THE SANITARY REPLACEMENT FUND TO BE USED FOR PROJECT COSTS FOR THE CONSTRUCTION OF MC-01 WEBSTER AND MARLBOROUGH TRUNK SEWER RELIEF (90060); IN UNINCORPORATED ST. LOUIS COUNTY, THE VILLAGE OF MACKENZIE, AND THE CITY OF ST. LOUIS MISSOURI; AND AUTHORIZING THE EXECUTIVE DIRECTOR AND SECRETARY-TREASURER ON BEHALF OF THE METROPOLITAN ST. LOUIS SEWER DISTRICT TO ENTER INTO A CONTRACT WITH BATES UTILITY COMPANY, INC. FOR THE AFORESAID CONSTRUCTION.

ADOPTION OF PROPOSED ORD. NO. 04-08 (ORDINANCE NO. 12484) APPROPRIATING \$650,000.00 FROM THE SANITARY REPLACEMENT FUND TO BE USED FOR PROJECT COSTS FOR THE CONSTRUCTION OF CSO – MIDDLESEX AND YORK DRIVE (L-110) SEWER SEPARATION (2000060); IN THE CITY OF BRENTWOOD, MISSOURI; AND AUTHORIZING THE EXECUTIVE DIRECTOR AND SECRETARY-TREASURER ON BEHALF OF THE METROPOLITAN ST. LOUIS SEWER DISTRICT TO ENTER INTO A CONTRACT WITH PURLER-CANNON-SCHULTE, INC. FOR THE AFORESAID CONSTRUCTION.

ADOPTION OF PROPOSED ORD. NO. 05-08 (ORDINANCE NO. 12485) APPROPRIATING \$1,100,000.00 FROM THE SANITARY REPLACEMENT FUND TO BE USED FOR PROJECT COSTS FOR THE CONSTRUCTION OF BISSELL POINT WWTP BELT FILTER PRESS IMPROVEMENTS (2002044); IN THE CITY OF ST. LOUIS, MISSOURI; AND AUTHORIZING THE EXECUTIVE DIRECTOR AND SECRETARY-TREASURER ON BEHALF OF THE METROPOLITAN ST. LOUIS SEWER DISTRICT TO ENTER INTO A CONTRACT WITH KCI CONSTRUCTION COMPANY FOR THE AFORESAID CONSTRUCTION.

ADOPTION OF PROPOSED ORD. NO. 06-08 (ORDINANCE NO. 12486) APPROPRIATING \$1,250,000.00 FROM THE SANITARY REPLACEMENT FUND TO BE USED FOR PROJECT COSTS FOR THE CONSTRUCTION OF CSO – INTERCEPTOR ACCESS AND MONITORING IMPROVEMENTS PHASE II (NEW MILL SEWER) (2003054C); IN THE CITY OF ST. LOUIS, MISSOURI; AND AUTHORIZING THE EXECUTIVE DIRECTOR AND SECRETARY-TREASURER ON BEHALF OF THE METROPOLITAN ST. LOUIS SEWER DISTRICT TO ENTER INTO A CONTRACT WITH GERSHENSON CONST. CO., INC. FOR THE AFORESAID CONSTRUCTION.

ADOPTION OF PROPOSED ORD. NO. 07-08 (ORDINANCE NO. 12487) APPROPRIATING \$3,500,000.00 FROM THE SANITARY REPLACEMENT FUND FOR ENGINEERING SERVICES FOR SEPARATE SEWER AREA - INFLOW/INFILTRATION ASSESSMENT (2007140); AND AUTHORIZING THE EXECUTIVE DIRECTOR AND SECRETARY-TREASURER ON BEHALF OF THE METROPOLITAN ST. LOUIS SEWER DISTRICT TO ENTER INTO CONTRACT E-1214 WITH WOOLPERT CONSULTANTS, INC. FOR THE AFORESAID ENGINEERING SERVICES.

ADOPTION OF PROPOSED ORD. NO. 08-08 (ORDINANCE NO. 12488) APPROPRIATING \$4,500,000.00 FROM THE SANITARY REPLACEMENT FUND FOR ENGINEERING SERVICES FOR COMBINED SEWER AREA – INFLOW/INFILTRATION ASSESSMENT (2007141); AND

AUTHORIZING THE EXECUTIVE DIRECTOR AND SECRETARY-TREASURER ON BEHALF OF THE METROPOLITAN ST. LOUIS SEWER DISTRICT TO ENTER INTO CONTRACTE-1215 WITH RJN GROUP, INC. FOR THE AFORESAID ENGINEERING SERVICES.

ADOPTION OF PROPOSED ORD. NO. 09-08 (ORDINANCE NO. 12489) AUTHORIZING THE EXECUTIVE DIRECTOR AND SECRETARY-TREASURER ON BEHALF OF THE METROPOLITAN ST. LOUIS SEWER DISTRICT TO ENTER INTO AMENDMENT NO. 1 OF CONTRACT E-1201 WITH HORNER & SHIFRIN, INC. FOR GENERAL SERVICES AGREEMENT – SEWER AND PROCESS DESIGN (2007039).

ADOPTION OF PROPOSED ORD. NO. 10-08 (ORDINANCE NO. 12490) APPROPRIATING \$10,000,000.00 FROM THE SANITARY REPLACEMENT FUND TO REIMBURSE THE MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION FOR SEWER RELOCATION AND BETTERMENTS DURING THE DESIGN AND CONSTRUCTION OF IMPROVEMENTS TO ROUTE I-64 FROM WEST OF SPOEDE ROAD IN ST. LOUIS COUNTY TO SARAH STREET IN ST. LOUIS CITY IN I-64/40 RECONSTRUCTION BETTERMENTS ALLOWANCE (2007170).

ADOPTION OF PROPOSED ORD. NO. 12-08 (ORDINANCE NO. 12492) AUTHORIZING THE EXECUTIVE DIRECTOR AND SECRETARY-TREASURER ON BEHALF OF THE METROPOLITAN ST. LOUIS SEWER DISTRICT TO ENTER INTO A CONTRACT WITH SHOOK, HARDY & BACON LLP, WHEREBY SHOOK, HARDY & BACON LLP WILL PROVIDE LEGAL CONSULTING SERVICES IN THE AREA OF ENVIRONMENTAL LAW.

Plan Approval

Balson Ave. 7800 Block Storm Sewer (2006131)

This project, located in University City, is to relieve backyard and garage flooding. This project is in the Fiscal Year 2008 Budget and the estimated construction cost is \$89,000.

61 Conway Close Storm Sewer (2006193)

This project, located in Ladue, is to relieve backyard and garage flooding. This project is in the Fiscal Year 2008 Budget and the estimated construction cost is \$54,000.

Wildwood Lane #75 Storm Sewer (89100)

This project, located in the City of Kirkwood, is to relieve street and garage flooding. This project is in the Fiscal Year 2008 Budget and the estimated construction cost is \$124,000.

Ridgetop Drive Storm Sewer (2006107)

This project, located in Richmond Heights, is to alleviate yard flooding at 22, 23, 26, 37, and 40 Ridgetop Drive and garage flooding at 23 Ridgetop Drive. This project is

in the Fiscal Year 2007 Budget and the estimated construction cost is \$154,000.

ADOPTION OF PROPOSED ORD. NO. 11-08 (ORDINANCE NO. 12491) AUTHORIZING THE EXECUTIVE DIRECTOR AND SECRETARY-TREASURER ON BEHALF OF THE METROPOLITAN ST. LOUIS SEWER DISTRICT TO ENTER INTO A CONTRACT WITH VECTOR COMMUNICATIONS FOR REGULATORY REQUIRED PUBLIC ENGAGEMENT SERVICE IN THE CSO LONG-TERM CONTROL PLAN PUBLIC PARTICIPATION PROGRAM.

Mr. Rosenberg indicated that Vector Communications has done work for the Great Rivers Greenway while he was a member of their Board but had no involvement in their selection. Mr. Buford indicated that Vector did work for St. Louis Connect Care, a non-profit organization that he is involved with. The selection of Vector by St. Louis Connect Care happened prior to his involvement with MSD and was handled by the staff of Connect Care.

Mr. Goffstein indicated that he did not have adequate information regarding the contract for Vector and that Mr. Karam was not present. Since both trustees raised questions about the contract, he motioned that the Vector contract be tabled. There was a discussion between the Board members and staff that a delay of this contract could impact the future deadline for the deliverables of this contract. It was also noted that additional information was sent out in an email on July 28, 2007. It was noted by staff with the additional scope change resulting from the EPA lawsuit, Vector remained the low cost proposer. Mr. Rosenberg declared that the motion to table failed due to lack of a second.

Motion made by Mr. Rosenberg, seconded by Ms. Joyce-Hayes that proposed Ord. No. 11-08 be adopted.

Motion passed – 4 ayes, 1 nay

Poll taken:	J. Goffstein	nay	J. Buford	aye
	D. Rosenberg	aye	D. Joyce-Hayes	aye
	E. Harshman	aye		

Motion made by Mr. Rosenberg, seconded by Ms. Harshman, that the Consent Agenda be adopted.

Motion passed – 5 ayes, no nays

Poll taken:	J. Goffstein	aye	J. Buford	aye
	D. Rosenberg	aye	D. Joyce-Hayes	aye
	E. Harshman	aye		

The Chair declared the Consent Agenda adopted and proposed Ord. Nos. 01-08, 03-08, 04-08, 05-08, 06-08, 07-08, 08-08, 09-08, 10-08, 11-08, and 12-08, and were assigned Ordinance Nos. 12482, 12483, 12484, 12485, 12486, 12487, 12488, 12489, 12490, 12491, and 12492.

UNFINISHED BUSINESS

Ordinances

ADOPTION OF PROPOSED ORD. NO. 214-07 (ORDINANCE NO. 12493) APPROPRIATING \$355,000.00 FROM THE SANITARY REPLACEMENT FUND TO BE USED FOR PROJECT COSTS FOR THE CONSTRUCTION OF CSO – INTERCEPTOR ACCESS AND MONITORING IMPROVEMENTS PHASE II (BP INTERCEPTOR LEVEL SENSORS) (2003054D), IN THE CITY OF ST. LOUIS, MISSOURI; AND AUTHORIZING THE EXECUTIVE DIRECTOR AND SECRETARY-TREASURER ON BEHALF OF THE METROPOLITAN ST. LOUIS SEWER DISTRICT TO ENTER INTO A CONTRACT WITH TGB, INC. FOR THE AFORESAID CONSTRUCTION. (INTRO. 6/14/07).

Mr. Tyminski explained that it is necessary to vote a proposed ordinance off the table before it can be acted on.

Motion made by Ms. Joyce-Hayes, seconded by Ms. Harshman to consider TGB at this point.

Motion passed – 4 ayes, 1 nay

Poll taken:	J. Goffstein	nay	J. Buford	aye
	D. Rosenberg	aye	D. Joyce-Hayes	aye
	E. Harshman	aye		

Mr. Tyminski indicated that the measure is on the floor for consideration and has passed with a simple majority.

Motion made by Mr. Rosenberg, seconded by Ms. Joyce-Hayes that proposed Ord. No. 214-07 be adopted.

Motion passed – 4 ayes, 0 nays, 1 abstain

Poll taken:	J. Goffstein	abstain	J. Buford	aye
	D. Rosenberg	aye	D. Joyce-Hayes	aye
	E. Harshman	aye		

(Introduced)

Renewal of Introduction of proposed Ord. No. 02-08 appropriating \$466,000.00 from the Sanitary Replacement Fund to be used for project costs for the construction of the Fenton Wastewater Treatment Plant Odor Improvements (2006171), in the City of Fenton and St. Louis County, Missouri; and authorizing the Executive Director and Secretary-Treasurer on behalf of The Metropolitan St. Louis Sewer District to enter into a contract with TGB, Inc. for the construction of the aforesaid wastewater treatment plant improvements.

Mr. Tyminski explained that the vote on this ordinance was inconclusive at the last meeting because one Trustee asked for additional information and did not vote. He further

explained that the requested information has been disseminated and reviewed the existing vote with the Trustees. He then asked, based on the additional information, if any Trustee wished to reconsider their vote. Mr. Buford indicated that he wished to change his vote from nay to aye. Mr. Tyminski acknowledged the change in vote and noted that this item has received the necessary votes for introduction.

Motion passed – 4 ayes, 1 nay

Poll taken:	J. Goffstein	nay	J. Buford	aye
	D. Rosenberg	aye	D. Joyce-Hayes	aye
	E. Harshman	aye		

Resolutions

None

NEW BUSINESS

Ordinances

INTRODUCTION OF PROPOSED ORD. NO. 14-08 APPROPRIATING \$366,000.00 FROM THE BLACK JACK – DELLWOOD OMCI FUND TO BE USED FOR PROJECT COSTS FOR STORM CHANNEL BIOSTABILIZATION PRENTICE – GRANGER STORM CHANNEL (MCBJ-110) PHASE II (2000110A), IN UNINCORPORATED ST. LOUIS COUNTY, MISSOURI; AND AUTHORIZING THE EXECUTIVE DIRECTOR AND SECRETARY-TREASURER ON BEHALF OF THE METROPOLITAN ST. LOUIS SEWER DISTRICT TO ENTER INTO A CONTRACT WITH XL CONTRACTING, INC. FOR STORM CHANNEL BIOSTABILIZATION.

Proposed Ord. No. 14-08 was presented and read. The work to be done under this contract consists of the construction of approximately 800 lineal feet of bank stabilization including energy dissipating and grade control gabion structures. This construction is the second phase of a two-phase storm channel improvement program. The purpose of this project is to alleviate erosion representing a moderate risk to 12 homes and a park area along Prentice Drive in north St. Louis County, Missouri. This project is scheduled to be completed in 362 days.

Motion made by Ms. Joyce-Hayes, seconded by Mr. Rosenberg that proposed Ord. No. 14-08 be introduced.

Motion passed – 5 ayes, no nays

Poll taken:	J. Goffstein	aye	J. Buford	aye
	D. Rosenberg	aye	D. Joyce-Hayes	aye
	E. Harshman	aye		

INTRODUCTION OF PROPOSED ORD. NO. 15-08 APPROPRIATING \$74,000.00 FROM THE SANITARY REPLACEMENT FUND TO BE USED FOR THE REMOVAL AND REPLACEMENT OF SANITARY SEWERS OF THE VALDAMERE DRIVE #11125 SANITARY SEWER REPLACEMENT (2007160) PROJECT, IN UNINCORPORATED ST. LOUIS COUNTY, MISSOURI; AND AUTHORIZING THE EXECUTIVE DIRECTOR AND SECRETARY-TREASURER ON BEHALF OF THE METROPOLITAN ST. LOUIS SEWER DISTRICT TO ENTER INTO A CONTRACT WITH D.H.I. CONTRACTING, LLC FOR THE AFORESAID CONSTRUCTION.

Proposed Ord. No. 15-08 was presented and read. The work to be done under this contract consists of the removal and replacement of approximately 282 lineal feet of 8-inch sanitary sewer and approximately 100 lineal feet of 6-inch sewer lateral and appurtenances. The purpose of this project is to address WBUs in the area. This project is scheduled to be completed in 45 days.

Motion by Ms. Joyce-Hayes, seconded by Mr. Rosenberg that proposed Ord. No. 15-08 be introduced.

Motion passed – 5 ayes, no nays

Poll taken:	J. Goffstein	aye	J. Buford	aye
	D. Rosenberg	aye	D. Joyce-Hayes	aye
	E. Harshman	aye		

INTRODUCTION OF PROPOSED ORD. NO. 16-08 AMENDING ORDINANCE NO. 12287, AS ADOPTED AUGUST 31, 2006, BY REPEALING SECTION ONE, AND ENACTING A NEW SECTION ONE IN LIEU THEREOF IN ORDER TO CORRECT A SCRIVENER'S ERROR IN SAID SECTION ONE PERTAINING TO THE APPROPRIATION FUND.

Proposed Ord. No. 16-08 was presented and read. This project consists of the design and preparation of construction documents for approximately 20,000 feet of 2-inch to 4-inch diameter low-pressure force main sewers, 730 feet of 8-inch diameter gravity sewer, and appurtenances. This project will provide for the elimination of septic tanks and provide sanitary service for approximately 97 properties. The preliminary construction cost estimate is \$1,660,000.00. The non-construction costs are 15% of the total estimated program costs. The design costs are 17% of the estimated construction costs.

Motion by Mr. Rosenberg, seconded by Mr. Buford that proposed Ord. No. 16-08 be introduced.

Motion passed – 5 ayes, no nays

Poll taken:	J. Goffstein	aye	J. Buford	aye
	D. Rosenberg	aye	D. Joyce-Hayes	aye
	E. Harshman	aye		

INTRODUCTION OF PROPOSED ORD. NO. 17-08 APPROPRIATING \$6,600,000.00 FROM THE

SANITARY REPLACEMENT FUND FOR ENGINEERING SERVICES FOR PLANNING FUNCTIONS IN WATERSHED FACILITY PLANNING (E-1216 & 2007139); AND AUTHORIZING THE EXECUTIVE DIRECTOR AND SECRETARY-TREASURER ON BEHALF OF THE METROPOLITAN ST. LOUIS SEWER DISTRICT TO ENTER INTO A CONTRACT WITH JACOBS ENGINEERING GROUP, INC. FOR THE AFORESAID ENGINEERING SERVICES.

Proposed Ord. No. 17-08 was presented and read. This ordinance appropriates funds and authorizes the District to enter into a contract with Jacobs Engineering Group Inc. The purpose of the contract is to provide the necessary planning staff of 150 individuals (34 FTEs) to support the District's planning staff to maintain the District's planning program.

Motion by Mr. Rosenberg, seconded by Mr. Buford that proposed Ord. No. 17-08 be introduced.

Motion passed – 3 ayes, 1 nay, 1 abstain

Poll taken:	J. Goffstein	nay	J. Buford	aye
	D. Rosenberg	aye	D. Joyce-Hayes	abstain
	E. Harshman	aye		

INTRODUCTION OF PROPOSED ORD. NO. 18-08 MAKING A SUPPLEMENTAL APPROPRIATION OF \$83,000.00 FROM THE GRAVOIS CREEK OMCI FUND FOR ADDITIONAL ENGINEERING SERVICES FOR THE DESIGN OF SAPPINGTON CREEK MEATH TO GRAVOIS (GCXR-110); AND AUTHORIZING THE EXECUTIVE DIRECTOR AND SECRETARY-TREASURER ON BEHALF OF THE METROPOLITAN ST. LOUIS SEWER DISTRICT TO ENTER INTO AMENDMENT NO. 5 OF CONTRACT E-1145 WITH REITZ & JENS, INC., FOR THE AFORESAID ADDITIONAL ENGINEERING SERVICES.

Proposed Ord. No. 18-08 was presented and read. This ordinance appropriates supplemental funds and authorizes the District to enter into Amendment No. 5 with Reitz & Jens Inc. This project consists of the design and preparation of construction documents for approximately 870 feet of heavy stone bank stabilization, rock wedge slope protection and biostabilization. This project will alleviate flooding and severe erosion for approximately five properties. The amended design appropriation is \$458,000. The initial appropriation was for a Pre-design Study for Sappington Creek between Gravois Creek and Meath. This appropriation is for the final design for the highest priority channel repair project evaluated, referred as Sappington Creek at Kamping Lane Storm Channel Improvements (2003034).

Motion by Ms. Joyce-Hayes, seconded by Mr. Rosenberg that proposed Ord. No. 18-08 be introduced.

Motion passed – 5 ayes, no nays

Poll taken:	J. Goffstein	aye	J. Buford	aye
	D. Rosenberg	aye	D. Joyce-Hayes	aye
	E. Harshman	aye		

INTRODUCTION OF PROPOSED ORD. NO. 19-08 APPROPRIATING \$1,200,000.00 FROM THE SANITARY REPLACEMENT FUND TO BE USED FOR EASEMENT ACQUISITION FOR COMBINED/SANITARY PROJECTS (FY2008) (2005115) THROUGHOUT THE ENTIRE DISTRICT.

Proposed Ord. No. 19-08 was presented and read. This ordinance appropriates funds for staff to acquire necessary easement rights in order to construct combined and sanitary sewer projects related to the CIRP.

Motion by Mr. Rosenberg, seconded by Ms. Joyce-Hayes that proposed Ord. No. 19-08 be introduced.

Motion passed – 5 ayes, no nays

Poll taken:	J. Goffstein	aye	J. Buford	aye
	D. Rosenberg	aye	D. Joyce-Hayes	aye
	E. Harshman	aye		

INTRODUCTION OF PROPOSED ORD. NO. 20-08 AUTHORIZING THE EXECUTIVE DIRECTOR AND SECRETARY-TREASURER ON BEHALF OF THE METROPOLITAN ST. LOUIS SEWER DISTRICT (“MSD”) TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE LEVEE DISTRICT, WHEREBY MSD AND THE LEVEE DISTRICT WILL AGREE ON THE CONTRACTED SERVICES TO BE PROVIDED BY THE LEVEE DISTRICT AND THOSE SERVICES THAT WILL BE EXCLUDED AS SPECIFIED IN THE INTERGOVERNMENTAL AGREEMENT.

Proposed Ord. No. 20-08 was presented and read. The District will enter into an agreement with the Levee Districts whereby they will provide various stormwater services within the Levee District boundaries under agreement with MSD. The stormwater services to be provided by the Levee Districts consist of most of the “basic services” included in the stormwater portion of MSD’s Rate Proposal except for the activities included in the area’s Phase II stormwater permit. In exchange for providing these services, the Levee Districts will be initially provided a 95% credit for the impervious area charges within the Levee District boundaries associated with “basic services”. The agreement includes provisions for adjustments to the credit level if the cost or scope of “basic service” levels change and for MSD to take over various stormwater services in the future if the Levee Districts are no longer able or willing to provide those services.

Mr. Hayman indicated that on paragraph 3 of the ordinance, a scrivener’s error is being corrected that will change the word ‘basic’ to ‘storm’. He then read the entire third paragraph to the full Board.

Motion by Mr. Rosenberg, seconded by Mr. Buford that proposed Ord. No. 20-08 be introduced.

Motion passed – 5 ayes, no nays

Poll taken:	J. Goffstein	aye	J. Buford	aye
	D. Rosenberg	aye	D. Joyce-Hayes	aye
	E. Harshman	aye		

INTRODUCTION OF PROPOSED ORD. NO. 21-08 PRESCRIBING THE SALARY OF THE EXECUTIVE DIRECTOR OF THE METROPOLITAN ST. LOUIS SEWER DISTRICT.

Proposed Ord. No. 21-08 was presented and read. Section 8.070 of the District Charter requires that the salary of the Executive Director be set by ordinance. This ordinance increases the salary for the position of Executive Director to \$185,947.00

Ms. Joyce-Hayes pointed out that the District is the fourth largest in the United States and that Mr. Theerman's salary is certainly in line with an agency of that magnitude. Mr. Buford indicated that Mr. Theerman is an asset to the District and supported his efforts. Mr. Goffstein concurred with Mr. Buford's comment.

Motion by Mr. Rosenberg, seconded by Ms. Harshman that proposed Ord. No. 21-08 be introduced.

Motion passed – 5 ayes, no nays

Poll taken:	J. Goffstein	aye	J. Buford	aye
	D. Rosenberg	aye	D. Joyce-Hayes	aye
	E. Harshman	aye		

INTRODUCTION AND ADOPTION OF PROPOSED ORD. NO. 22-08 VACATING A PORTION OF A TEN-FOOT (10') WIDE EASEMENT RECORDED IN DEED BOOK 7413, PAGE 1856 AND A VARIABLE WIDTH EASEMENT RECORDED IN DEED BOOK 15821, PAGE 2348, BOTH LOCATED ON THE MARK J. LINCOLN PROPERTY AS RECORDED IN DEED BOOK 9920, PAGE 1456 OF THE ST. LOUIS COUNTY RECORDS, CITY OF LADUE, ST. LOUIS COUNTY, MISSOURI.

Proposed Ord. No. 22-08 was presented and read. The District has been requested to vacate its rights to two easements after sewers were abandoned when the Warson Road bridge was replaced by the City of Ladue at no cost to the District. The District has no further use for the existing easements being vacated.

Motion by Mr. Rosenberg, seconded by Ms. Joyce-Hayes that proposed Ord. No. 22-08 be introduced.

Motion made, seconded and unanimously adopted to suspend the rules to allow for adoption of proposed Ord. No. 22-08.

Motion made by Mr. Rosenberg, seconded by Ms. Joyce-Hayes that proposed Ord. No. 22-08 be adopted.

Motion passed – 5 ayes, no nays

Poll taken:	J. Goffstein	aye	J. Buford	aye
	D. Rosenberg	aye	D. Joyce-Hayes	aye
	E. Harshman	aye		

The Chair declared proposed Ord. No. 22-08 adopted and it was assigned Ordinance No. 12494.

INTRODUCTION AND ADOPTION OF PROPOSED ORD. NO. 23-08 VACATING VARIOUS EASEMENTS IN LOTS 1, 2, 3, AND 4 OF THE RESUBDIVISION OF “HILL-SEA TERRACE” A SUBDIVISION ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 214, PAGE 23 AND PART OF LOT 1 OF “PRILWETZ SUBDIVISION” A SUBDIVISION ACCORDING TO THE PLAT THEREOF RECORDED PLAT BOOK 45, PAGE 36, AND PART OF LOT 2 OF THE “SUBDIVISION OF JOHN REICHARDT’S ESTATE” ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 1, PAGE 200 OF THE ST. LOUIS COUNTY RECORDS, CITY OF CRESTWOOD, ST. LOUIS COUNTY, MISSOURI.

Proposed Ord. No. 23-08 was presented and read. The District has been requested to vacate its rights to eight easements on five lots after sewers were relocated at no cost to the District. The District did not pay for these easements. The District has no further use for these easements.

Motion by Mr. Rosenberg, seconded by Ms. Joyce-Hayes that proposed Ord. No. 23-08 be introduced.

Motion made, seconded and unanimously adopted to suspend the rules to allow for adoption of proposed Ord. No. 23-08.

Motion made by Mr. Rosenberg, seconded by Ms. Joyce-Hayes that proposed Ord. No. 23-08 be adopted.

Motion passed – 5 ayes, no nays

Poll taken:	J. Goffstein	aye	J. Buford	aye
	D. Rosenberg	aye	D. Joyce-Hayes	aye
	E. Harshman	aye		

The Chair declared proposed Ord. No. 22-08 adopted and it was assigned Ordinance No. 12495.

INTRODUCTION AND ADOPTION OF PROPOSED ORD. NO. 24-08 VACATING A PORTION OF A TEN-FOOT (10') WIDE EASEMENT LOCATED IN LOTS 5C AND 5D OF THE RESUBDIVISION OF ADJUSTED LOT 5 OF WEST PALISADES ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 307, PAGE 80 AND PLAT BOOK 234, PAGE 19 OF THE ST. LOUIS COUNTY RECORDS, CITY OF WILDWOOD, ST. LOUIS COUNTY, MISSOURI.

Proposed Ord. No. 24-08 was presented and read. The District has been requested to vacate its rights to a ten foot (10') wide easement after consolidation of Lots 5C and 5D at no cost to the District. There are no sewers in the easement on these residential lots. The District has no further use for the easement.

Motion by Mr. Rosenberg, seconded by Ms. Joyce-Hayes that proposed Ord. No. 24-08 be introduced.

Motion made, seconded and unanimously adopted to suspend the rules to allow for adoption of proposed Ord. No. 24-08.

Motion made by Mr. Rosenberg, seconded by Ms. Joyce-Hayes that proposed Ord. No. 24-08 be adopted.

Motion passed – 5 ayes, no nays

Poll taken:	J. Goffstein	aye	J. Buford	aye
	D. Rosenberg	aye	D. Joyce-Hayes	aye
	E. Harshman	aye		

The Chair declared proposed Ord. No. 24-08 adopted and it was assigned Ordinance No. 12496.

Resolutions

ADOPTION OF RESOLUTION NO. 2723 EXPRESSING THE BOARD OF TRUSTEES' APPRECIATION TO DANNY R. WEBB FOR HIS 32 YEARS OF EXEMPLARY SERVICE TO THE METROPOLITAN ST. LOUIS SEWER DISTRICT FROM SEPTEMBER 16, 1974, TO HIS RETIREMENT EFFECTIVE AUGUST 1, 2007.

Resolution No. 2723 was presented and read.

ADOPTION OF RESOLUTION NO. 2728 EXPRESSING THE BOARD OF TRUSTEES' APPRECIATION TO RANDALL C. CANTRELL FOR HIS 32 YEARS OF EXEMPLARY SERVICE TO THE METROPOLITAN ST. LOUIS SEWER DISTRICT FROM MARCH 3, 1975, TO HIS RETIREMENT EFFECTIVE SEPTEMBER 1, 2007.

Resolution No. 2728 was presented and read.

ADOPTION OF RESOLUTION NO. 2729 EXPRESSING THE BOARD OF TRUSTEES' APPRECIATION TO STEVEN F. LINDHARDT FOR HIS 20 YEARS OF EXEMPLARY SERVICE TO THE METROPOLITAN ST. LOUIS SEWER DISTRICT FROM SEPTEMBER 23, 1986, TO HIS RETIREMENT EFFECTIVE SEPTEMBER 1, 2007.

Resolution No. 2729 was presented and read.

ADOPTION OF RESOLUTION NO. 2730 EXPRESSING THE BOARD OF TRUSTEES'

APPRECIATION TO CHRISTIAN R. QUERNHEIM FOR HIS 29 YEARS OF EXEMPLARY SERVICE TO THE METROPOLITAN ST. LOUIS SEWER DISTRICT FROM JULY 31, 1978 TO HIS RETIREMENT EFFECTIVE SEPTEMBER 1, 2007.

Resolution No. 2730 was presented and read.

ADOPTION OF RESOLUTION NO. 2731 EXPRESSING THE BOARD OF TRUSTEES' APPRECIATION TO DANNY J. WESTBROCK FOR HIS 40 YEARS OF EXEMPLARY SERVICE TO THE METROPOLITAN ST. LOUIS SEWER DISTRICT FROM JUNE 12, 1967, TO HIS RETIREMENT EFFECTIVE SEPTEMBER 1, 2007.

Resolution No. 2731 was presented and read.

ADOPTION OF RESOLUTION NO. 2732 EXPRESSING THE BOARD OF TRUSTEES' APPRECIATION TO LINDA M. NEWCOMB FOR HER 21 YEARS OF EXEMPLARY SERVICE TO THE METROPOLITAN ST. LOUIS SEWER DISTRICT FROM JUNE 30, 1986 TO HER RETIREMENT EFFECTIVE SEPTEMBER 1, 2007.

Resolution No. 2732 was presented and read.

ADOPTION OF RESOLUTION NO. 2733 EXPRESSING THE BOARD OF TRUSTEES' APPRECIATION TO HOMER R. HAISLIP FOR HIS 21 YEARS OF EXEMPLARY SERVICE TO THE METROPOLITAN ST. LOUIS SEWER DISTRICT FROM FEBRUARY 18, 1986 TO HIS RETIREMENT EFFECTIVE SEPTEMBER 1, 2007.

Resolution No. 2733 was presented and read.

Motion made by Mr. Rosenberg, seconded by Ms. Joyce-Hayes that Resolution Nos. 2723, 2728, 2729, 2730, 2731, 2732, and 2733 be adopted.

Motion passed – voice vote; 5 ayes, no nays

Upon motion made Ms. Harshman, seconded by Mr. Buford, and unanimously passed, the meeting adjourned at 6:00 p.m.

Secretary-Treasurer