



**SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
BOARD OF DIRECTORS MEETING
March 18, 2015 7:30 am**

Metro-East Park and Recreation District Office
104 United Drive, Collinsville, Illinois 62234

1. Call to Order
John Conrad, President
2. Approval of Minutes of February 18, 2015
3. Public Comment on Pending Agenda Items
4. Program Status Report
Chuck Etwert, Chief Supervisor
5. Budget Update and Approval of Disbursement
Chuck Etwert, Chief Supervisor
6. 2014 Audit Report
Michael Brokering, Scheffel Boyle
7. Design and Construction Update
Jay Martin, Amec Foster Wheeler Environment & Infrastructure
8. Change Orders- BP #3 & BP #6
Amec Foster Wheeler Environment & Infrastructure
Chuck Etwert, Chief Supervisor
9. Office Lease
Chuck Etwert, Chief Supervisor
10. Renewal of Federal Government Relations and
Advocacy Services with Smith Dawson & Andrews
Chuck Etwert, Chief Supervisor

AGENDA

11. Update from Corps of Engineers
Tracey Kelsey, U.S. Army Corps of Engineers
12. Public Comment
13. Executive Session – Pending Litigation
14. Other Business
15. Adjournment

Next Meeting: April 15, 2015

MINUTES

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL BOARD OF DIRECTORS MEETING

February 18, 2015

The regular meeting of the Board of Directors was held at the Metro-East Park and Recreation District Office, 104 United Drive, Collinsville, Illinois at 7:30 a.m. on Wednesday February 18, 2015.

Members in Attendance

John Conrad, President (Chair, Monroe County Flood Prevention District)
James Pennekamp, Vice President (Chair, Madison County Flood Prevention District)
Dan Maher, Secretary/Treasurer (Chair, St. Clair County Flood Prevention District)
Alvin Parks, Jr., St. Clair County Flood Prevention District
Paul Bergkoetter, St. Clair County Flood Prevention District
Tom Long, Madison County Flood Prevention District
Ron Motil, Madison County Flood Prevention District
Bruce Brinkman, Monroe County Flood Prevention District
Ronald Polka, Monroe County Flood Prevention District

Members Absent

None

Others in Attendance

Alan Dunstan, Madison County Board Chair
Terry Liefer, Monroe County Board Chair
Mark Kern, St. Clair County Board Chair
Chuck Etwert, SW Illinois FPD Council
Rich Conner, Levee Issues Alliance
Randy Cook, Amec Foster Wheeler Environment & Infrastructure
Tim Eagleton, FM Global
Mike Feldmann, U.S. Army Corps of Engineers
Walter Greathouse, Metro-East Sanitary District
David Human, Husch Blackwell LLP
Phil Johnson, Phil Johnson Realtor
Charles Juneau, Juneau Associates
Ronald S. Kaempfe, IUOE Local 520
Tracey Kelsey, U.S. Army Corps of Engineers
Ellen Krohne, Leadership Council SW Illinois
Jon Omvig, Amec Foster Wheeler Environment & Infrastructure
Joe Parente, Madison County
Glyn Ramage, Southwestern Illinois Laborers District Council
Herb Simmons, East Carondelet, IL
Brennen Soval, Husch Blackwell LLP
Dale Stewart, Southwestern Illinois Building Trades Council

Call to order

President John Conrad noted the presence of a quorum and called the meeting to order at 7:33 am.

Approval of Minutes of January 21, 2015

A motion was made by Tom Long, seconded by Dan Maher, to approve the minutes of the Board meeting held on January 21, 2015. Mr. Maher called the roll and the following votes were made on the motion:

Mr. Polka - Aye
Mr. Brinkman – Aye
Mr. Bergkoetter - Aye
Mr. Conrad - Aye
Mr. Long – Aye
Mr. Maher – Aye
Mr. Motil – Aye
Mr. Parks – absent
Mr. Pennekamp – Aye

The motion was approved.

Public Comment on Pending Agenda Items

Mr. Conrad asked if there were any comments from the public on any agenda item on today's agenda. There were none.

Program Status Report

Mr. Conrad asked Mr. Etwert to provide a status report for the project.

Mr. Etwert indicated that work continues on the acquisition of easements needed to complete the projects that have been awarded. He reported that Husch Blackwell continues to work with the attorneys for Union Pacific, regarding the 3 parcels needed on the BP #3 construction project. It does appear that some progress is being made on the obtainment. As previously mention, the delay in obtaining these easements and others on the BP #7B project will have an effect on completion times and possible costs of these projects

Approximately 47% of the \$56.0 million of construction, involved in the nine construction bid packages, has been completed thru January 31st. With 3.1 million dollars' worth of construction completed in January, the total amount of construction completed is now \$26.4 million.

He indicated that there were three change orders on this month's agenda, all involving Under Seepage & Seepage Control Improvements on Bid Packages #3, and #6, with Amec Foster Wheeler (formerly AMEC) explaining them later in the meeting.

On January 26th, he received from Senator Durbin's office, the Corps of Engineers' timeline regarding the Melvin Price Design Deficiency Correction Project. A copy was provided to the Council. He noted it was disappointing to see that the permanent solution design would continue into the FY18 fiscal year with construction also awarded in FY18, and that it appeared to be a lengthy schedule for a project that was declared an emergency need six years ago. In addition, both the continued design and construction were dependent on receipt of funds.

On January 30th, President Obama issued Executive Order No. 11988, establishing the Federal Flood Risk Management Standard. The new standard allows agencies to choose from among three options for establishing the flood elevation and the consequent horizontal floodplain:

- 1) data and methods "informed by best-available, actionable climate science",
- 2) building to two feet above the 100-year flood elevation for standard projects, and three feet above for critical buildings like hospitals and evacuation centers, or
- 3) build to the 500-year flood elevation

Both Husch Blackwell and Amec Foster Wheeler were reviewing the Order to determine if there were any effects on FPD projects. A copy of the Order (previously e-mailed) and a corresponding news release was provided at the meeting.

He indicated, as reported last month, there still hasn't been any response to Senator Durbin's November 17, 2014 letter to President Obama requesting the override of the Corps' decision to not require Project Labor Agreements (PLAs) on contracts pertaining to federal levee improvement projects in the East St. Louis, Prairie Du Pont/Fish Lake, and Wood River areas of Illinois.

The FPD continues to wait for responses to our requests to the Corps for consolidation of the separately authorized levee projects located in Madison, Monroe, and St. Clair counties and the consideration that the levee projects within these Counties be considered for the Water Infrastructure Public-Private Partnership Pilot Program. Decisions on these requests are dependent on the Water Resources Reform and Development Act (WRRDA) of 2014 implementation guidelines that are currently being developed.

He mentioned that there was a resolution expressing the official intent to restore the federally authorized level of Mississippi Flood River Protection in the Metro-East on the agenda for the Board to consider.

He indicated that there would be an executive session on pending litigation at the end of the meeting.

Lastly, he discussed the renewal of the FPD's lease to occupy office space with the Metro-East Park and Recreation District at 104 United Drive. The arrangement continues to work out very well for the Council and contributes to the very low administrative costs for the project. There is no cost to the Council, other than the cost for internet service and maintaining liability insurance on the space.

The Board was provided copies of the AMEC's Monthly Progress Report for February.

A motion was made by Mr. Pennekamp, seconded by Mr. Bergkoetter to accept the Program Status Report for February 2015. Mr. Maher called the roll and the following votes were made on the motion:

Mr. Polka - Aye
Mr. Brinkman – Aye
Mr. Bergkoetter - Aye
Mr. Conrad - Aye
Mr. Long – Aye
Mr. Maher – Aye
Mr. Motil – Aye
Mr. Parks – absent
Mr. Pennekamp – Aye

The motion was approved unanimously.

Budget Update and Approval of Disbursements

Mr. Conrad asked Mr. Etwert to provide a report.

Mr. Etwert noted that financial statement for January 2015 prepared by our fiscal agent, CliftonLarsonAllen was included in the materials sent for the meeting. The report included an accounting of revenues and expenditures for the month ending January 31, 2015, as compared to the fiscal year budget.

Accrued expenditures for the current fiscal year beginning on October 1, 2014 are \$16,794,629 while revenues amounted to \$3,804,581 resulting in a deficit of \$12,990,048. A total of approximately \$22,085,668 is held by the counties in their respective FPD sales tax funds and is available for the Council's use on the project.

Monthly sales tax receipts for November 2014 (the latest month reported by the Illinois Department of Revenue) were up by 2.16% from the previous year. In general, receipts are up 2.74% from last year and are slightly above (\$52,905) the 2012 level, which is the highest year of receipts.

The report included bank transactions for January 2015. Total disbursements for the month were \$3,516,387.19. The largest payments were to Lane Construction for BP #6, Kamadulski

Excavating & Grading Co for BP #7A, Keller Construction for BP #3 and BP #5, Korte & Luitjohan Contractors for BP #2A and BP #2B, Haier Plumbing for BP #4 and Amec Foster Wheeler.

Mr. Etwert recommended that the Board accept the budget report and disbursements for January 2015.

A motion was made by Mr. Polka, seconded by Mr. Brinkman, to accept the budget report and approve the disbursements for January 2015. Mr. Maher called the roll and the following votes were made on the motion:

- Mr. Polka - Aye
- Mr. Brinkman – Aye
- Mr. Bergkoetter - Aye
- Mr. Conrad - Aye
- Mr. Long – Aye
- Mr. Maher – Aye
- Mr. Motil – Aye
- Mr. Parks – absent
- Mr. Pennekamp – Aye

The motion was approved unanimously.

Design and Construction Update

Mr. Conrad called on Jon Omvig, AMEC’s program manager, to provide a report. Mr. Omvig explained that Mr. Martin’s absence was the result of an ice storm preventing his travel. Mr. Omvig used a PowerPoint® presentation to illustrate his remarks. He indicated that work has been slowed by weather with limited earthwork being done. His presentation, including a few site photos, focused on the status of each bid package as follows:

Construction Status

BP #2A – Fish Lake Pump Station

- Essentially complete.

BP #2B – WR/MESD/PDP Pump Stations

BP #2C – Site 12 Pump Station Force Mains

- Work on this site will not begin until October 15, 2015 to comply with 33 U.S.C. 408 (Section 408 alteration permit)
- NTP will be issued later this year

BP #03 – WR Seepage Improvements

- Critical Delay: The railroad land acquisition delay is impacting full mobilization to Blanket Drain 6, Seepage Berms 1-4 and Random Fill Areas 1 & 2.
- Design revisions to Blanket Drains 1 & 2, as well as Relief Well relocations at Hawthorne complete. Construction cost impacts presented in change orders. Design changes and cost impacts at Blanket Drain 4 still pending.
- Piezometer installation continues – 36 of 51 PZs complete
- Blanket Drain 3 & 5 in progress.
- Weir construction to resume as soon as weather breaks

BP # 04 – MESD Seepage Improvements (Conoco Phillips)

- Relief well drilling complete.
- Site 09 Intake Structure complete. Electrical rough in to begin this month.
- RW collector system mainline complete. Laterals to relief wells remain.
- Relief Well conversions and Relief Well manhole work to begin this month.
- Clay Cap work is delayed until Spring/Summer 2015.

BP # 05 – MESD Seepage Improvements (MESD excluding Conoco Phillips)

- Relief well drilling on hold. High groundwater elevations have prevented drilling since November 26, 2014. 40 of 72 RWs have been drilled
- The contractor is building platforms to allow drilling to resume this month
- Relief well collector system on south flank of MESD by Site 10 and Site 16 pump stations complete.
- Piezometer installation has begun – 2 of 18 PZs complete
- Clay Cap work is delayed until Spring/Summer 2015.

BP # 06 – PDP/FL Seepage Improvements

- Relief well drilling continues. 40 of 67 RWs have been drilled.
- Sluice Gate rehabilitation/replacement complete.
- Lining of the triple 84” culverts at Palmer Creek Pump Station has resumed. 1 of 3 culverts have been lined and grouted.
- Production on seepage berms and clay caps is progressing as weather allows.

BP # 7A – Shallow Cut Off Wall

- Levee backfill/clay cap delayed until weather conditions are suitable to obtain the proper compaction.

BP # 7B – Deep Cut Off Wall

- Notice to Proceed issued on January 28, 2015.
- SWILCD, Husch Blackwell and AMEC working with Kiewit on – costs incurred to date, schedule and Olin agreement.

Construction Photos

Bid Package 2B – Site 12 – Relief Well Ditch and Retaining Walls

Bid Package 03 – Blanket Drain 5

Bid Package 04 – Site 09 Intake Structure Piping

Bid Package 05 – Relief Well Manhole

Bid Package 06 – 48” Sluice Gate at West Pump Station

Bid Package 7A – Work Platform and Clay Cap

Mr. Conrad asked for a motion to accept Mr. Martin’s progress report. A motion was made by Mr. Bergkoetter with a second by Mr. Motil to accept the AMEC progress report. Mr. Maher called the roll and the following votes were made on the motion:

Mr. Polka - Aye
Mr. Brinkman – Aye
Mr. Bergkoetter - Aye
Mr. Conrad - Aye
Mr. Long – Aye
Mr. Maher – Aye
Mr. Motil – Aye
Mr. Parks – absent
Mr. Pennekamp – Aye

The motion was approved unanimously.

Change Orders BP #3 and BP #6

Mr. Conrad asked Mr. Etwert to explain this item.

Mr. Etwert indicated as he mentioned in the Progress Report earlier that there were three change orders on the agenda today, which AMEC would be explaining. They involve Under Seepage Control Improvements on BP #3 and Seepage Control Improvements on BP #6. He stated per the Board’s Construction Change Order Policy, any change order which causes a line item to increase by more than ten percent must be approved by the Board. Board approval is also

required on all change orders if the total of all change orders on a project exceed ten percent of a project's original cost, which currently applies Bid Package 6 and will apply to Bid Package 3 after approval of these change orders.

Mr. Jon Omvig provided the Board an additional handout regarding the Under Seepage Control Improvement Change Orders for BP #3 and provided the following explanations:

**Bid Package 3 – Under Seepage Control Improvements – Wood River Levee District
Change Order 10 Description: Blanket Drain #2 Modifications**

Blanket Drain 2 is being modified due to the discovery of 4 existing relief wells and 3 existing culverts in the blanket drain extents; these were uncovered after tree clearing was completed by the contractor. The relief wells were completely silted in and filled with mud/dirt. Similarly, the existing culverts were silted in and/or covered by heavy brush and foliage. When we notified the Corps of Engineers we learned that 2 additional relief wells are to be installed in the extents of the blanket drain, and that we could not abandon any existing relief wells that were not wood stave. The resulting design modification/addition was a pipe system to convey flow from three (3) existing culverts and four (4) existing relief wells (2 recently installed by USACE, and 2 older existing relief wells). This change also includes the abandonment of 2 of the discovered, wood stave relief wells. The pipe conveyance system was required because the blanket drain would have covered these features up and left them inoperable without such a pipe to convey their flow. The four (4) relief wells found will need to be converted to Type "T" relief wells, discharging into the new manifold system.

Approximately half of the change order cost is due to an increased layer thickness of rip rap (large rock) atop the blanket drain, which was required to provide minimum material cover over the newly designed pipe once installed.

The revisions in this change order include: additional relief well abandonments, conversions of existing relief wells to Type "T" wells, rip rap, HDPE pipe, precast flared end section, manholes, and catch basins as listed in the Contractors proposal document. Additionally, there is a decreased production rate for the blanket drain installation since the contractor now has to work around a large pipe conveyance system through the center of the blanket drain.

This work is required to be complete before certification documentation can be send to the Corps of Engineers for their certification of the Upper Wood River Levee System.

Change Order Total: \$509,085.18

There was a lengthy discussion regarding the lack of identification of the existing relief wells and culverts. Discussed was potential flooding due to blockage of culverts, the legality of the culverts, the age and functioning of the culverts, the installation and past maintenance of the

culverts, the type of flow in the culverts, the location and ownership of the culverts, drainage improvements allowed under levee easements, the Corps' 408 requirements and making the culverts functional. Also discuss was the necessity of the relief wells and their ability to function.

This work expands the rock blanket in the original contract, with the contractor agreeing to use the same unit price per ton as in their original bid.

**Bid Package 3 – Under Seepage Control Improvements – Wood River Levee District
Change Order 9 Description: Hawthorne Changes North & South**

In order to avoid several existing utilities that were found to be in the west slope of the ditch leading to the pump station (adjacent to Route 3), 16 of the 18 relief wells in the Hartford (Hawthorne Ave.) area were moved to the back slope / east side of the ditch, in the area adjacent to Old St. Louis Ave. The existing utilities in this location are not part of the JULIE system and were found to be in conflict after each individual utility owner physically located their utility. Only RW-1075 & RW-1076 remain in the originally designed location. The proposed Type T-Relief well outlets were held at the same elevations. Similarly the pipe system that will collect relief well flow from RW-1081, RW-1082, & RW-1083 was moved into the middle of Old St. Louis Avenue to avoid a major fiber optic bundle in the bottom of the existing ditch and to minimize impact to some very well established, healthy trees along the back slope of the ditch. The new position of the wells to the back slope of the ditch was analyzed in SEEP/W and found to exhibit a difference of 0.01 in the factor of safety, which we consider negligible. For six wells that had existing pilot holes drilled, new pilot holes will be drilled in the new location. The remaining pilot holes that were scheduled to be drilled west of the ditch will be drilled in the new locations east of the ditch.

Change Order Total: \$558,086.80

There was a brief discussion regarding the lack of identification of existing of utilities by the JULIE system and municipalities, and the additional cost of construction due to building in the middle of Old St. Louis Avenue.

**Bid Package 6 – Seepage Control Improvements – Prairie du Pont & Fish Lake Levee Districts
Change Order 16 Description: Miscellaneous Pipe and Manhole Changes**

Description	Justification	Total Cost
Additional type T structure Height (46.69 ft.)	Increase Lidar data. And revised height due to elevation design changes.	\$7939.04
Concrete Headwall and Flap Gate at RW-200X	A new relief well is required at the Palmer Pump Station,	\$4070.00

	to replace existing USACE well UNK6. The existing well does not produce water. The new relief well and its pilot hole were included in a previous change order. The current line item is for the discharge structure for the flow from this well.	
HDPE pipe 12 inch added to P-200X	A new relief well is required at the Palmer Pump Station, to replace existing USACE well UNK6. The existing well does not produce water. The new relief well and its pilot hole were included in a previous change order. The current line item is for the lateral pipe for the flow from this well	\$1155.00
HDPE pipe 12 inch added to 70-C	Value added to install extra pipe but deleting a manhole.	\$3955.00
Manhole – 48 inch deleted JN-70 C	Value added to install extra pipe but deleting a manhole.	-\$2250
HDPE pipe 12 inch deleted P-S516 for 70C.	Value added to install extra pipe but deleting a manhole.	-\$4865
Total for BP 6		\$10,004.04

Mr. Etwert requested that the Chief Supervisor be authorized to approve BP03 Change Order 9 \$558,086.80; BP03 Change Order 10 \$509,085.18; and BP06 Change Order 16 \$10,004.04. Total cost of these all change orders not to exceed **\$1,077,176.02**

Mr. Motil requested that the contractor be identified on each of the change orders.

Mr. Parks arrived during the presentation.

Mr. Conrad asked for a motion to accept the recommendation on the change orders. A motion was made by Mr. Motil with a second by Mr. Parks to authorize the Chief Supervisor to approve BP03 Change Order 9 for \$558,086.80 with Keller Construction and BP03 Change Order 10 for \$509,085.18 with Keller Construction. Total cost of these change orders not to exceed \$1,067,171.98.

Mr. Maher called the roll and the following votes were made on the motion.

Mr. Polka - Aye
Mr. Brinkman – Aye
Mr. Bergkoetter - Aye
Mr. Conrad - Aye
Mr. Long – Aye
Mr. Maher – Aye
Mr. Motil – Aye
Mr. Parks – Aye
Mr. Pennekamp – Aye

The motion was approved unanimously.

A motion was made by Mr. Motil with a second by Mr. Parks to authorize the Chief Supervisor to approve BP06 Change Order 16 for \$10,004.04 with Lane Construction. Total cost of this change order not to exceed \$10,004.04.

Mr. Maher called the roll and the following votes were made on the motion.

Mr. Polka - Aye
Mr. Brinkman – Aye
Mr. Bergkoetter - Aye
Mr. Conrad - Aye
Mr. Long – Aye
Mr. Maher – Aye
Mr. Motil – Aye
Mr. Parks – Aye
Mr. Pennekamp – Aye

The motion was approved unanimously.

Amec Foster Wheeler Work Order 11 – FEMA Certification Submittals

Mr. Conrad asked Mr. Omgig to explain this item.

With the our projects under construction, it is time for Amec Foster Wheeler Environment & Infrastructure , Inc. (formerly AMEC Environment & Infrastructure) to start the preparation of the Levee Certification Reports documenting compliance with FEMA 65.10 for each of the Levee Systems that are being upgraded.

Amec Foster Wheeler will prepare reports as outlined in the attached memo for the following Levee Systems:

Lower Wood River
Wood River East Fork
MESD
PDP/Fish Lake

Amec Foster Wheeler will prepare information on Upper Wood River for the Corps who will do the certification of Upper Wood River.

Each Levee Certification Report is very comprehensive and contains numerous appendices which include individual reports identifying the evaluation process used to determine that the certification process has been met.

Mr. Omvig pointed out the MESD contains Chain of Rocks, and that there have been numerous meetings and discussions with the Corps regarding the information that the Corps will provide to Amec Foster Wheeler to include in the certification package. This task order does not include costs for, if necessary, additional drilling, thru seepage analysis, or under seepage analysis or any of the other items that have been done for the rest of the levee. The goal is to reach an agreement with the Corps utilizing existing Corps information that will be acceptable to FEMA for the 100-year certification.

This task was originally anticipated to be performed over two years ago, the requested fee for these services is the same as identified in AMEC proposal to the Council in May 2010.

A detailed scope of work and cost estimate for the FEMA Certification Submittals was provided with the agenda.

There was a brief discussion regarding the new Flood Risk Management Standard and FEMA Certification. The potential effects are unknown at this time, but effort should be made to ensure that it doesn't affect certification standards. It was decided that the Council must continue to move forward with its plan towards 100-year certification.

Mr. Etwert requested that the Chief Supervisor be authorized to execute Work Order 11 with Amec Foster Wheeler Environment & Infrastructure Inc. for the preparation of FEMA Certification Submittals for each of the levee systems that are being upgraded, as discussed, in the amount of \$325,000.

A motion was made by Mr. Long with a second by Mr. Parks to authorized the Chief Supervisor to execute Work Order 11 with Amec Foster Wheeler Environment & Infrastructure Inc. for the preparation of FEMA Certification Submittals for each of the levee systems that are being upgraded, in the amount of \$325,000.

Mr. Maher called the roll and the following votes were made on the motion:

Mr. Polka - Aye
Mr. Brinkman – Aye
Mr. Bergkoetter - Aye
Mr. Conrad - Aye
Mr. Long – Aye
Mr. Maher – Aye
Mr. Motil – Aye
Mr. Parks – Aye
Mr. Pennekamp – Aye

The motion was approved unanimously.

Resolution Expressing Official Intent Towards Restoring the Federally Authorized Level of Flood Protection in the Metro-East

Mr. Conrad asked Mr. Etwert to explain this item.

Mr. Etwert explained that with the Corps of Engineers' recent decision on the utilization of Project Labor Agreements (PLAs), the FPD must decide its course of action for achieving the authorized 500-year flood level of protection for the Metro-East area.

The FPD has accomplished much during its brief existence. Our schedule has slipped due to easement obtainment, high river, and the weather, but we are well on our way of achieving the interim goal of 100-year protection and accreditation by FEMA. All projects should be completed by the end of the year with accreditation to follow in 2016.

It appears that the cost of the projects will come in under original preliminary costs, and that we will have a fund balance of over \$20,000,000. In addition, per Columbia Capital's presentation last August, it appears that there is a potential to generate another \$74,500,000.00 through an additional bond issue.

With over \$94,000,000 potentially available for design and construction, a lot can be accomplished towards the 500-year level of protection. The Metro-East cannot afford to wait for the Corps of Engineers for funding and changing their stance on PLAs. The FPD needs to proceed with a cost effective plan, utilizing PLAs, and building the highest priority projects in each county.

Mr. Etwert presented the five critical actions identified in the proposed resolution, which were, Design, Funding Strategy, Workforce Policies, Levee Districts Participation, and Corps of Engineers Participation. He emphasized that work on the 500-Year level should start now and not wait until the 100-Year level projects have been completed.

Mr. Etwert recommended that the Board approve the resolution expressing official intent to restore the federally authorized level of flood protection in the Metro-East area.

Mr. Conrad asked if all Board members had a copy of the resolution and had read the resolution, to which all responded affirmatively. He then waived the reading of the resolution and asked for a motion to approve the resolution.

A motion was made by Mr. Parks with a second by Mr. Maher to approve the resolution expressing the Southwestern Illinois Flood Prevention District Council's official intent to restore the federally authorized level of flood protection in the Metro-East area.

Mr. Maher called the roll and the following votes were made on the motion:

- Mr. Polka - Aye
- Mr. Brinkman – Aye
- Mr. Bergkoetter - Aye
- Mr. Conrad - Aye
- Mr. Long – Aye
- Mr. Maher – Aye
- Mr. Motil – Aye
- Mr. Parks – Aye
- Mr. Pennekamp – Aye

The motion was approved unanimously.

Corps of Engineers Update

Mr. Conrad asked Ms. Kelsey to provide the report from the Corps.

Ms. Kelsey then used a PowerPoint® presentation to provide the Project Status of the Metro East Projects. She discussed the funding status of Wood River (FY15 \$8.6M budget – allocation of \$50,000), ESTL (FY15 \$9.8M budget – allocation of \$50,000) and the Wood River/ESTL FY16 President's budget of \$50,000 each. The Corps funding capacity has been reduced considerable from the past. The Corps ability to utilize existing funds impacts future FY budgets. There are remaining funds of \$3.4 M from FY14 that could be used to award the Upper Wood River shallow cutoff wall project if the Board was willing to accept the lowest price technically acceptable format with a voluntary inclusion (no guarantee) of a PLA. This project is ready to advertise pending sponsor cost share funds. Construction of this project would complete the federal project in Upper Wood River. The remaining funds could also be used on additional design projects.

Current efforts include the completion of the Wood River and ESTL Reconstruction projects and the completion of the design of the Wood River Lower and ESTL cutoff walls. Designs should be complete in June with the ability to award contracts in September subject to the securement of funding.

The Corps continues to work on the Wood River Upper LSER certification package which could be delayed if the construction of FPD projects are delayed. The exchange of Chain of Rocks information between the Corps and AMEC continues for the MESD certification.

Lastly, she explained the procedures required to obtain Work In-Kind Credit for Design and Construction which include the execution of a Memorandum of Understanding (MOU), an Integral Determination Report (IDR) which determines what is eligible for credit, and the amendment or if necessary the creation of Project Partnership Agreement. The Corps is still waiting for the implementation guidelines to be issued for Work In-Kind Credit.

There was a brief discussion concerning the Corps' loss of \$18.4 million in funds due to the inability to move forward as a result of not receiving cost share funds from the FPD. The Corps cannot use their money unless it's matched with cost share funds. The Corps requires matching funds from non-federal sponsors to move forward.

A motion was made by Mr. Pennekamp with a second by Mr. Parks to receive the Corps report. Mr. Maher called the roll and the following votes were made on the motion:

Mr. Polka - Aye
Mr. Brinkman – Aye
Mr. Bergkoetter - Aye
Mr. Conrad - Aye
Mr. Long – Aye
Mr. Maher - Aye
Mr. Motil – Aye
Mr. Parks – Aye
Mr. Pennekamp – Aye

The motion was approved unanimously.

Public Comment

Mr. Conrad asked if there is any public comment.

Mr. Parks expressed the importance of the passage of the resolution reflecting the Council's intent to Restore the Federally Authorized (500-Year) Level of Mississippi Flood Protection in the Metro-East, which sends a message to all that the Council is serious about protecting the region and that the area is wide open for economic development.

Mr. Conrad asked to convene an executive session to address litigation matters.

Mr. Long made a motion at 8:45 am to convene a closed session under Open Meetings Act 5 ILCS 120.2 (c) (11) for the purpose of discussing the litigation. The motion was seconded by Mr. Motil. Mr. Etwert indicated that all Board members and County Chairs should be present,

along with Brennen Soval, David Human, Jon Omvig, Randy Cook and Joe Parente. Mr. Maher called the roll and the following votes were made on the motion

Mr. Polka - Aye
Mr. Brinkman – Aye
Mr. Bergkoetter - Aye
Mr. Conrad - Aye
Mr. Long – Aye
Mr. Maher - Aye
Mr. Motil – Aye
Mr. Parks – Aye
Mr. Pennekamp – Aye

The motion was approved unanimously.

Mr. Long made a motion to adjourn the executive session at 9:30 am and to go back into public session. Mr. Motil seconded the motion. Mr. Maher called the roll and the following votes were made on the motion:

Mr. Polka - Aye
Mr. Brinkman – Aye
Mr. Bergkoetter - Aye
Mr. Conrad - Aye
Mr. Long – Aye
Mr. Maher – Aye
Mr. Motil – Aye
Mr. Parks – Aye
Mr. Pennekamp – Aye

Mr. Conrad called the meeting to order.

Chairmen Dunstan left the meeting.

Other Business

A motion was made by Mr. Long, and seconded by Mr. Parks to authorize the Chief Supervisor to negotiate a contract change order settlement with Kiewit Infrastructure Co. and if not successful resolved within three business days be authorized to terminate the contract and rebid the project.

Mr. Maher called the roll and the following votes were made on the motion:

Mr. Polka - Aye
Mr. Brinkman – Aye
Mr. Bergkoetter - Aye

Mr. Conrad - Aye
Mr. Long – Aye
Mr. Maher – Aye
Mr. Motil – Aye
Mr. Parks – Aye
Mr. Pennekamp – Aye

The motion was approved unanimously.

There was a brief discussion regarding if the Council was sending out the appropriate 1099 forms as required by the Internal Revenue Service, to which Mr. Etwert responded affirmatively.

Adjournment

A motion was made by Mr. Long, seconded by Mr. Parks to adjourn the meeting. The motion was approved unanimously by voice vote, all voting aye.

Respectfully submitted,

Dan Maher,
Secretary/Treasurer, Board of Directors

MEL PRICE DESIGN DEFICIENCY CORRECTION

BACGROUND AND PATH FORWARD

TIMELINE OF KEY HISTORICAL EVENTS:

- July 2009 – Uncontrolled underseepage discovered
- Nov 2009 – Interim Operations Plan developed; implement for high river conditions as warranted
- Aug 2012 – Limited Reevaluation Report (LRR) Approved; authorization of cutoff wall w/ relief wells as permanent solution
- Nov 2012 – Pump tests revealed higher than previously assumed aquifer permeability; relief well portion of the solution was deemed no longer acceptable as part of an overall solution
- Jul 2013 – Received appropriated funds via Workplan allocation to initiate design activities
- Nov 2013 – Exploratory drilling revealed subsurface cobble and boulder zone severely complicating the construction requirements of the approved solution and drastically escalating cost.
- Dec 2013 – MVS Conducted an Industry Day w/ Contractors and Corp Experts to evaluate proposed solution. Confirmed cost escalation concerns emanating from cobble and boulder zone finding.
- Jan-May 2014- Performed analyses to develop additional alternatives.
- July 2014- Jan 2015- Conducted a risk assessment process to more accurately characterize the nature and extent of the issue and determine the most appropriate and cost effective solution.

PATH FORWARD:

- Feb 2015 – Sep 2015 – Capture all efforts to date in the Supplemental LRR report, and forward the report with a revised recommended solution for vertical review and approval
- FY-16 – Report review and approval process, and request funds
- FY-17 – Initiate Permanent Solution Design (this process could possibly begin in FY16 if there are still funds on hand after report approval)
- FY-18 – Continue permanent solution design; Conduct independent reviews; and Award the construction contract for permanent corrective actions.

NOTE: Completion of the identified solution design and implementation schedule is dependent upon receipt of funds.

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

January 30, 2015

EXECUTIVE ORDER

- - - - -

ESTABLISHING A FEDERAL FLOOD RISK MANAGEMENT STANDARD
AND A PROCESS FOR FURTHER SOLICITING AND CONSIDERING
STAKEHOLDER INPUT

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to improve the Nation's resilience to current and future flood risk, I hereby direct the following:

Section 1. Policy. It is the policy of the United States to improve the resilience of communities and Federal assets against the impacts of flooding. These impacts are anticipated to increase over time due to the effects of climate change and other threats. Losses caused by flooding affect the environment, our economic prosperity, and public health and safety, each of which affects our national security.

The Federal Government must take action, informed by the best-available and actionable science, to improve the Nation's preparedness and resilience against flooding. Executive Order 11988 of May 24, 1977 (Floodplain Management), requires executive departments and agencies (agencies) to avoid, to the extent possible, the long- and short-term adverse impacts associated with the occupancy and modification of floodplains and to avoid direct or indirect support of floodplain development wherever there is a practicable alternative. The Federal Government has developed processes for evaluating the impacts of Federal actions in or affecting floodplains to implement Executive Order 11988.

As part of a national policy on resilience and risk reduction consistent with my *Climate Action Plan*, the National Security Council staff coordinated an interagency effort to create a new flood risk reduction standard for federally funded projects. The views of Governors, mayors, and other stakeholders were solicited and considered as efforts were made to establish a new flood risk reduction standard for federally funded projects. The result of these efforts is the Federal Flood Risk Management Standard (Standard), a flexible framework to increase resilience against flooding and help preserve the natural values of floodplains. Incorporating this Standard will ensure that agencies expand management from the current base flood level to a higher vertical elevation and corresponding horizontal floodplain to address current and future flood risk and ensure that projects funded with taxpayer dollars last as long as intended.

This order establishes the Standard and sets forth a process for further solicitation and consideration of public input, including from Governors, mayors, and other stakeholders, prior to implementation of the Standard.

Sec. 2. Amendments to Executive Order 11988. Executive Order 11988 is amended as follows:

(a) Section 2 is amended by inserting ", to the extent permitted by law" after "as follows".

(b) Section 2(a)(1) is amended by striking "This Determination shall be made according to a Department of Housing and Urban Development (HUD) floodplain map or a more detailed map of an area, if available. If such maps are not available, the agency shall make a determination of the location of the floodplain based on the best-available information. The Water Resources Council shall issue guidance on this information not later than October 1, 1977" and inserting in lieu thereof "To determine whether the action is located in a floodplain, the agency shall use one of the approaches in Section 6(c) of this Order based on the best-available information and the Federal Emergency Management Agency's effective Flood Insurance Rate Map".

(c) Section 2(a)(2) is amended by inserting the following sentence after the first sentence:

"Where possible, an agency shall use natural systems, ecosystem processes, and nature-based approaches when developing alternatives for consideration."

(d) Section 2(d) is amended by striking "Director" and inserting "Administrator" in lieu thereof.

(e) Section 3(a) is amended by inserting the following sentence after the first sentence:

"The regulations and procedures must also be consistent with the Federal Flood Risk Management Standard (FFRMS)."

(f) Section 3(a) is further amended by inserting "and FFRMS" after "Flood Insurance Program".

(g) Section 3(b) is amended by striking "base flood level" and inserting "elevation of the floodplain as defined in Section 6(c) of this Order" in lieu thereof.

(h) Section 4 is revised to read as follows:

"In addition to any responsibilities under this Order and Sections 102, 202, and 205 of the Flood Disaster Protection Act of 1973, as amended (42 U.S.C. 4012a, 4106, and 4128), agencies which guarantee, approve, regulate, or insure any financial transaction which is related to an area located in an area subject to the base flood shall, prior to completing action on such transaction, inform any private parties participating in the transaction of the hazards of locating structures in the area subject to the base flood."

(i) Section 6(c) is amended by striking ", including at a minimum, that area subject to a one percent or greater chance of flooding in any given year" and inserting in lieu thereof:

". The floodplain shall be established using one of the following approaches:

"(1) Unless an exception is made under paragraph (2), the floodplain shall be:

"(i) the elevation and flood hazard area that result from using a climate-informed science approach that uses the best-available, actionable hydrologic and hydraulic data and methods that integrate current and future changes in flooding based on climate science. This approach will also include an emphasis on whether the action is a critical action as one of the factors to be considered when conducting the analysis;

"(ii) the elevation and flood hazard area that result from using the freeboard value, reached by adding an additional 2 feet to the base flood elevation for non-critical actions and by adding an additional 3 feet to the base flood elevation for critical actions;

"(iii) the area subject to flooding by the 0.2 percent annual chance flood; or

"(iv) the elevation and flood hazard area that result from using any other method identified in an update to the FFRMS.

"(2) The head of an agency may except an agency action from paragraph (1) where it is in the interest of national security, where the agency action is an emergency action, where application to a Federal facility or structure is demonstrably inappropriate, or where the agency action is a mission-critical requirement related to a national security interest or an emergency action. When an agency action is excepted from paragraph (1) because it is in the interest of national security, it is an emergency action, or it is a mission-critical requirement related to a national security interest or an emergency action, the agency head shall rely on the area of land subject to the base flood".

(j) Section 6 is further amended by adding the following new subsection (d) at the end:

"(d) The term 'critical action' shall mean any activity for which even a slight chance of flooding would be too great.".

(k) Section 8 is revised to read as follows:

"Nothing in this Order shall apply to assistance provided for emergency work essential to save lives and protect property and public health and safety, performed pursuant to Sections 403 and 502 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988 (42 U.S.C. 5170b and 5192)".

Sec. 3. Agency Action. (a) Prior to any action to implement the Standard, additional input from stakeholders shall be solicited and considered. To carry out this process:

(i) the Federal Emergency Management Agency, on behalf of the Mitigation Framework Leadership Group, shall

publish for public comment draft amended Floodplain Management Guidelines for Implementing Executive Order 11988 (Guidelines) to provide guidance to agencies on the implementation of Executive Order 11988, as amended, consistent with the Standard;

(ii) during the comment period, the Mitigation Framework Leadership Group shall host public meetings with stakeholders to solicit input; and

(iii) after the comment period closes, and based on the comments received on the draft Guidelines during the comment period, in accordance with subsections (a)(i) and (ii) of this section, the Mitigation Framework Leadership Group shall provide recommendations to the Water Resources Council.

(b) After additional input from stakeholders has been solicited and considered as set forth in subsections (a)(i) and (ii) of this section and after consideration of the recommendations made by the Mitigation Framework Leadership Group pursuant to subsection (a)(iii) of this section, the Water Resources Council shall issue amended Guidelines to provide guidance to agencies on the implementation of Executive Order 11988, as amended, consistent with the Standard.

(c) To the extent permitted by law, each agency shall, in consultation with the Water Resources Council, Federal Interagency Floodplain Management Task Force, Federal Emergency Management Agency, and Council on Environmental Quality, issue or amend existing regulations and procedures to comply with this order, and update those regulations and procedures as warranted. Within 30 days of the closing of the public comment period for the draft amendments to the Guidelines as described in subsection (a) of this section, each agency shall submit an implementation plan to the National Security Council staff that contains milestones and a timeline for implementation of this order and the Standard, by the agency as it applies to the agency's processes and mission. Agencies shall not issue or amend existing regulations and procedures pursuant to this subsection until after the Water Resources Council has issued amended Guidelines pursuant to subsection (b) of this order.

Sec. 4. Reassessment. (a) The Water Resources Council shall issue any further amendments to the Guidelines as warranted.

(b) The Mitigation Framework Leadership Group in consultation with the Federal Interagency Floodplain Management Task Force shall reassess the Standard annually, after seeking stakeholder input, and provide recommendations to the Water Resources Council to update the Standard if warranted based on accurate and actionable science that takes into account changes to climate and other changes in flood risk. The Water Resources Council shall issue an update to the Standard at least every 5 years.

Sec. 5. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department, agency, or the head thereof; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

(d) The Water Resources Council shall carry out its responsibilities under this order in consultation with the Mitigation Framework Leadership Group.

BARACK OBAMA

THE WHITE HOUSE,
January 30, 2015.

#

**EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL ON ENVIRONMENTAL QUALITY
WASHINGTON, D.C. 20503**

FOR IMMEDIATE RELEASE

Contact: press@ceq.eop.gov

January 30, 2015

FACT SHEET: Taking Action to Protect Communities and Reduce the Cost of Future Flood Disasters

Across the country, extreme weather and other impacts of climate change are threatening the health, safety, and prosperity of our communities. This month, NOAA and NASA announced that 2014 was the hottest global year on record. And as the planet continues to warm, impacts like rising sea levels, intensified storms, and heavy downpours are contributing to an increased risk of flooding. President Obama is committed to ensuring that American communities thrive in the face of a changing climate. That is why, today, the President signed an Executive Order establishing a flood standard that will reduce the risk and cost of future flood disasters by requiring all Federal investments in and affecting floodplains to meet higher flood risk standards. By requiring that Federally funded buildings, roads and other infrastructure are constructed to better withstand the impacts of flooding, the President's action will support the thousands of communities that have strengthened their local floodplain management codes and standards, and will help ensure Federal projects last as long as intended.

This new Federal Flood Risk Management Standard, called for by the President's State, Local and Tribal Task Force on Climate Preparedness and Resilience, builds on the unprecedented actions President Obama has taken to support communities as they prepare for the impacts of climate change. Agencies will have flexibility in implementing the new Standard and will incorporate input from the public and stakeholders as they move forward, including through a series of public listening sessions across the country. This week, the Army Corps of Engineers released a comprehensive study that evaluates flood risks to the coastal areas affected by Hurricane Sandy and provides a framework to help communities address increasing flood risks. The study, which was called for by Congress, emphasizes the importance of improved planning, and notes that managing coastal storm risk is a shared responsibility by all levels of government. The Administration has made significant investments in resilient disaster recovery in the wake of devastating storms like Hurricane Sandy to ensure that infrastructure projects factor in climate impacts like rising sea levels, and to invest in making transit systems more resilient to flooding and extreme weather.

Flood Impacts on Communities

Floods leave behind big costs for communities and taxpayers. Between 1980 and 2013, the United States suffered more than \$260 billion in flood-related damages. Recent examples include record flooding from excessive rainfall in central and northern Illinois in April 2013 that damaged homes and businesses and caused an estimated \$1 billion in losses. And damages from Hurricane Sandy in 2012 – when high wind and coastal storm surge devastated the Northeast – are estimated at \$67 billion, with recovery efforts still ongoing.

More than 50 percent of Americans live in coastal counties, where key infrastructure and evacuation routes are increasingly vulnerable to impacts like higher sea levels, storm surges, and flooding. And according to the National Climate Assessment, more than \$1 trillion of property and structures in the U.S. are at risk of inundation from sea level rise of two feet above current sea level – an elevation that could be reached as early as 2050. That further jeopardizes the critical infrastructure Americans depend on every day for housing, transportation, energy, water supply, and more.

Protecting Communities and Reducing the Cost of Flood Disasters

In 2013, the President’s Hurricane Sandy Rebuilding Task Force adopted a higher flood standard for the Sandy-affected region to ensure that Federally funded buildings, roads and other projects were rebuilt stronger to withstand future storms. The strengthened standard is similar to flood risk standards in place in the States of New York and New Jersey. The Sandy Task Force also recommended that the Federal Government create a national flood risk standard for Federally funded projects beyond the Sandy-affected region. In the President’s Climate Action Plan, he followed through on this recommendation by directing agencies to update their flood-risk reduction standard to ensure that federally funded projects across the country last as long as they are intended. Over the past year, Federal agencies collaborated on this update. The new standard announced today gives agencies the flexibility to select one of three approaches for establishing the flood elevation and hazard area they use in siting, design, and construction. They can:

- Use data and methods informed by best-available, actionable climate science;
- Build two feet above the 100-year (1%-annual-chance) flood elevation for standard projects, and three feet above for critical buildings like hospitals and evacuation centers; or
- Build to the 500-year (0.2%-annual-chance) flood elevation.

To protect their homes, businesses and vital infrastructure from disasters, at least 350 communities across the country – ranging from Dallas and Nashville to Denver and Tulsa –and the States of Indiana, Montana, New York and Wisconsin have already adopted standards that either meet or exceed this new Federal standard. The Administration today is also releasing proposed guidelines – which will be available for 60 days of public comment -- that when finalized will provide guidance to agencies on implementing the new standard. Once public input has been considered, including from a series of public listening sessions that will be held across the country, and the guidelines are finalized, agencies will implement the Standard through their own rulemaking or other procedures, which also will incorporate input from the public and stakeholders.

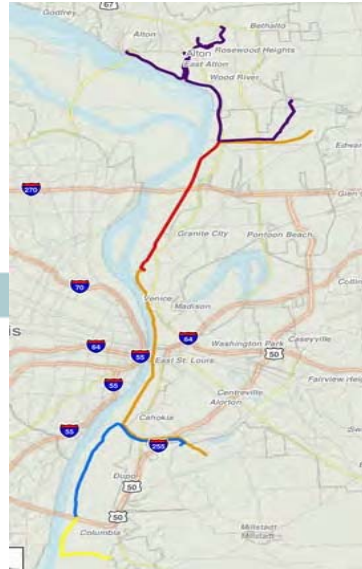
The new flood standard will apply when Federal funds are used to build, or significantly retrofit or repair, structures and facilities in and around floodplains to ensure that those structures are resilient, safer, and long-lasting. It will not affect the standards or rates of the National Flood Insurance Program. Each agency will carefully consider how to appropriately apply this standard, and consider robust public input before deciding how to implement it.

To read the Executive Order, click [here](#).

To read the flood-risk reduction standard, click [here](#).

###

**Progress Report
February 18, 2015
SW IL Levee System
By Jay Martin**



Construction Status

- BP #2A – *Fish Lake Pump Station*
 - Essentially complete.

- BP #2B - *WR/MESD/PDP Pump Stations*
 - Site 5, Site 10, Site 12, Site 15 and Site 16 – Pump stations are essentially complete. Ameren power hook up and start ups are being worked.

- BP #2C – *Site 12 Pump Station Force Mains*
 - Work on this site will not begin until October 15, 2015 in order to comply with 33 U.S.C 408 (Section 408 alteration permit).
 - NTP will be issued later this year .

Construction Status



- BP #03 – *WR Seepage Improvements*
 - Critical Delay: The railroad land acquisition delay is impacting full mobilization to Blanket Drain 6, Seepage Berms 1-4 and Random Fill Areas 1&2.
 - Design revisions to Blanket Drains 1 & 2, as well as Relief Well relocations at Hawthorne complete. Construction cost impacts presented in change orders. Design changes and cost impacts at Blanket Drain 4 still pending.
 - Piezometer installation continues - 36 of 51 PZs complete.
 - Blanket Drain 3 & 5 in progress.
 - Weir construction to resume as soon as weather breaks.

3

Construction Status



- BP #04 – *MESD Seepage Improvements (Conoco Phillips)*
 - Relief well drilling complete.
 - Site 09 Intake Structure complete. Electrical rough in to begin this month.
 - RW collector system mainline complete. Laterals to relief wells remain.
 - Relief Well conversions and Relief Well manhole work to begin this month.
 - Clay Cap work is delayed until Spring/Summer 2015.

- BP #05 – *MESD Seepage Improvements (MESD excluding Conoco Phillips)*
 - Relief well drilling still on hold. High groundwater elevations have prevented drilling since November 26, 2014. 40 of 72 RWs have been drilled.
 - The contractor is building platforms to allow drilling to resume this month.
 - Relief well collector system on south flank of MESD by Site 10 and Site 16 pump stations complete.
 - Piezometer installation has begun - 2 of 18 PZs complete.
 - Clay Cap work is delayed until Spring/Summer 2015.

4

Construction Status



- BP #06 – *PDP/FL Seepage Improvements*
 - Relief well drilling continues. 40 of 67 RWs have been drilled.
 - Sluice Gate rehabilitation/replacement complete.
 - Lining of the triple 84" culverts at Palmer Creek Pump Station has resumed. 1 of 3 culverts have been lined and grouted.
 - Production on seepage berms and clay caps is progressing as weather allows.

- BP #7A – *Shallow Cut Off Wall*
 - Levee backfill/clay cap delayed until weather conditions are suitable to obtain the proper compaction.

- BP #7B – *Deep Cut Off Wall*
 - Notice to Proceed issued on January 28, 2015.
 - SWILCD, Hush Blackwell and AMEC working with Kiewit on – costs incurred to date, schedule and Olin agreement.

5

Bid Package 2B



Site 12 Relief Well Ditch and Retaining Walls



6

Bid Package 03



Blanket Drain 5



Bid Package 04



Site 09 Intake Structure Piping



Bid Package 05



Relief Well Manhole



Bid Package 06



48" Sluice Gate at West Pump Station



Work Platform and Clay Cap



Questions?

Metro East Projects, IL

PROJECT STATUS

- Funding
 - Wood River FY15 budget \$8.6M; allocation \$50,000
 - ESTL FY 15 budget \$9.8M; allocation \$50,000
 - Wood River/ESTL FY16 President's budget \$50,000 each
 - Approximately \$3.4M FY14 funds remain
 - Ability to utilize existing funds impacts future FY budgets
 - Adequate Federal funds are available to award Upper WR shallow cutoff wall using LPTA w/ voluntary PLA and contribution of sponsor funds. Upper cutoff wall construction will complete the federal project in Upper WR.
 - Additional design projects can be initiated
- Current Efforts
 - Wood River and ESTL Reconstruction projects
 - Wood River Upper - ready to advertise contract pending sponsor cost share funds
 - Wood River Lower and ESTL cutoff walls – design complete June 2015
- WR Upper LSER/COR certification information – LSER schedule will be impacted by FPD delay
- Work-in-Kind Credit
 - Design/Construction
 - Memorandum of Understanding (MOU)
 - Implementation Guidance
 - Integral Determination Report (IDR)
 - Amend Project Partnership Agreements

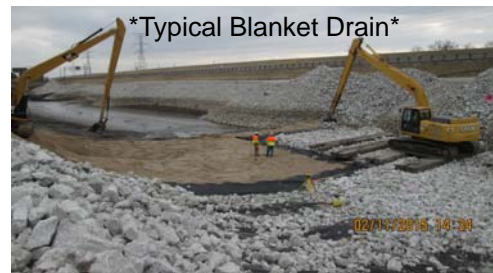


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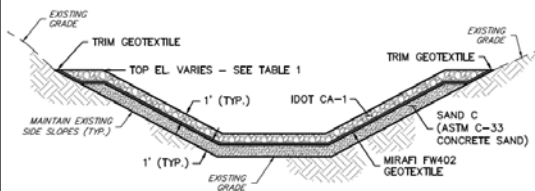
Change Orders

By Jon Omgig

Blanket Drain #2 Modifications



- Originally a 2 ft thick blanket drain
- Existing area was wooded and heavy thick brush
- Existing area is flooded/wet most of the year



Blanket Drain #2 Modifications



- During Contractor's clearing activities:
 - 3 existing culverts were uncovered
 - 4 existing relief wells were found
- The blanket drain would have covered these features up and left them inoperable.

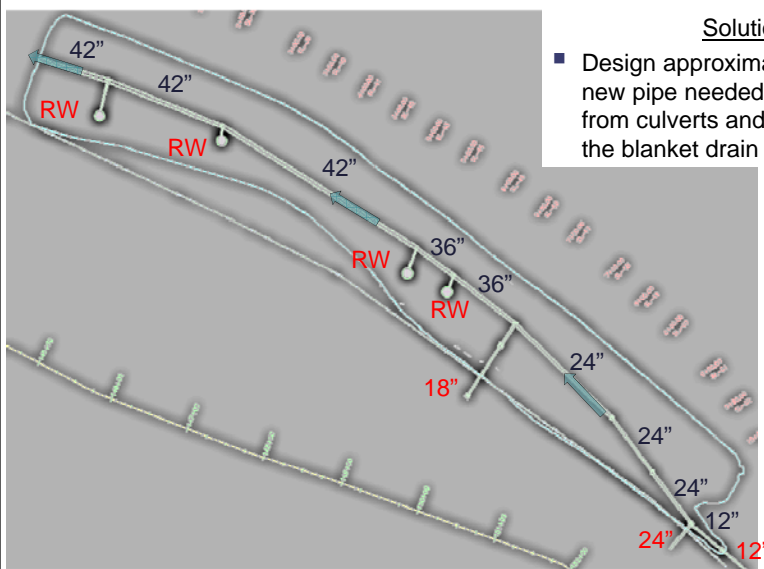


← Original ground line before clear & grub

← Contractor ran over this relief well.
Then uncovered and cleared around it

3

Blanket Drain #2 Modifications

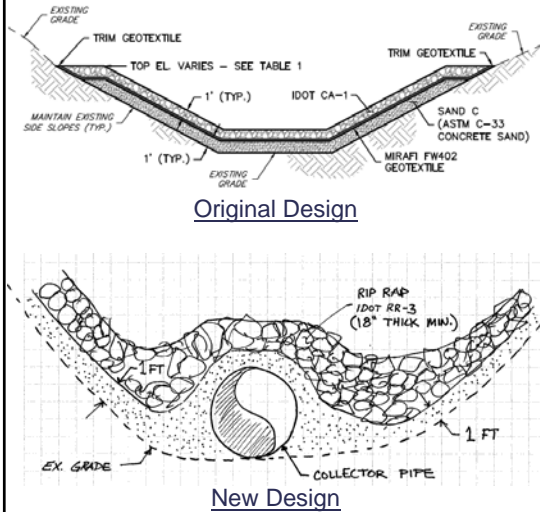


Solution

- Design approximately 1,000 ft. of new pipe needed to convey flows from culverts and relief wells in the blanket drain footprint

4

Blanket Drain #2 Modifications



Additional Work Now Required

- Additional Rip Rap rock protection had to be added to cover the pipe and provide a minimum cover over the pipe
- Additional sand material needed to bed the pipe
- Change Order cost: \$509,085.18

5

Hawthorne Changes North & South



- 16 relief wells were originally designed to be in the west slope of IL Route 3
 - Wells were in the slope adjacent to the road



- Utilities were not marked by calling in a utility locate ticket
- Existing Utilities were known to be in the area
- We contacted the owners during design
- Existing utilities:
 - “had 2-3 ft of cover over the pipe”
 - “were in the middle of the ditch”

6

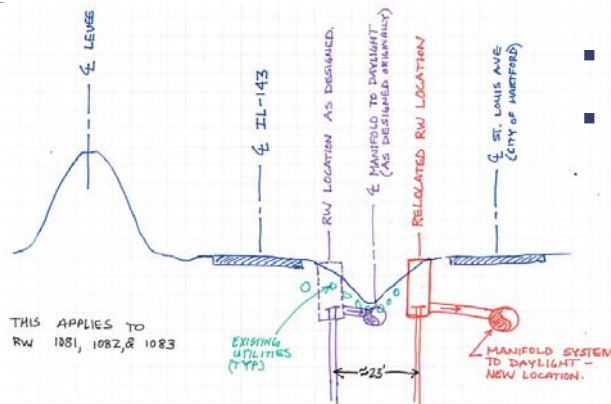
Hawthorne Changes North & South



- Sewer Force mains owned by Village of Hartford and Roxanna
- Utilities were located during construction by the owner; had to excavate to find them
- Existing sewer force mains were found to be in conflict with the originally designed relief well locations
- Force mains were not as deep as anticipated and were not in the center of the ditch.

7

Hawthorne Changes North & South



Solution

- Move 16 relief wells to opposite side of the ditch
- Increased costs due to:
 - Additional pilot holes needed (8)
 - Additional material for drilling pads needed
 - Temporary relocation of existing overhead power lines
 - Damage and repair to existing Hartford street (Old St. Louis Avenue)
 - Temporary closure of Old St. Louis Ave.
 - More grading/seeding/restoration
- Change Order Cost: \$558,086.80

8

Southwestern Illinois Flood Prevention District Council

RESOLUTION Expressing the Official Intent To Restore the Federally Authorized Level of Mississippi Flood River Protection in the Metro-East

WHEREAS, the Southwestern Illinois Flood Prevention District Council has made great progress towards meeting its goal of fully protecting the Metro-East from a 100-year flood by the end of 2015; and,

WHEREAS, the threat from the Federal Emergency Management Agency to classify the area as prone to flooding will be averted, along with the terrible economic consequences of the action; and

WHEREAS, the Council has demonstrated that the most expeditious and cost-effective approach to improve flood protection over the last several years is to use local funds to undertake critical flood protection projects; and

WHEREAS, the Council cannot continue to delay needed improvements to flood protection because of the lengthy, unpredictable, and costly design and construction process conducted by the U.S. Army Corps of Engineers; and

WHEREAS, the Corps of Engineers is unwilling to comply with local workforce policies; and

WHEREAS, dramatic progress can be made when the pace and cost of construction is determined locally; and

WHEREAS, the design and construction of projects by the FPD can move ahead rapidly and at a far lower cost than by delegating this work to the Corps of Engineers; and

WHEREAS, the FPD has available funds and availability of future federal funding is unknown; and

WHEREAS, the design and construction of projects built by the FPD using local funds may be considered for future Work In-Kind Credit by the Corps of Engineers as allowed by the use of Memoranda of Understanding, the inclusion in Integral Determination Reports, and the amendment of Project Partnership Agreements; and

WHEREAS, economic growth can be expected if the authorized level of protection is being pursued; and

WHEREAS, now is the time to initiate the restoration of the federally authorized level of flood protection in the Metro-East providing the region with a higher level of flood protection, while simultaneously completing the 100-year level projects; and

WHEREAS, the long-term goal of the FPD is to fully restore the federally authorized level of flood protection (Mississippi River elevation of 54 feet on the St. Louis gauge -- also known as the 500-Year flood).

NOW, THEREFORE, It Is Hereby Resolved by the Board of Directors of the Southwestern Illinois Flood Prevention District Council that it is the intent to restore the federally authorized 500-year level of Mississippi River flood protection through the following actions:

1. *Design.* Immediately begin the design of the most critical and cost-effective projects to restore the federally authorized level of flood protection; and

2. *Funding Strategy.* Take immediate steps to implement a funding strategy with the FPD being totally responsible for the design and the construction of flood protection (authorized level) projects. This includes using current surplus funds and judicious borrowing to maximize the available funding for capital expenditures on flood protection through the year 2020 (\$94,500,000 is currently estimated to be available), building the most cost effective and highest priority projects throughout the Counties of Madison, Monroe, and St. Clair, Illinois; and

3. *Workforce Policies.* Comply with all current FPD workforce policies to ensure fair wages and working conditions for project workers, encourage the use of local workers, and avoid any work stoppages that could delay projection completion; and

4. *Levee Districts Participation.* Seek the financial participation of each Levee District to generate additional funds to supplement FPD funding and enable additional construction; and

5. *Corps of Engineers Participation.* Notify the Corps of Engineers of the FPD's strategy and request that the Corps expedite projects that are 100% federally funded, such as the emergency design deficiency correction at the Melvin Price Locks and Dam, a project-that was identified as an emergency need six years ago, but still lacks a federally sanctioned permanent design solution and any funding for construction..

If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

This resolution was approved February 18, 2015.



Memo to: Board of Directors
From: Chuck Etwert
Subject: Program Status Report for March 2015
Date: March 16, 2015

We continue to work on the acquisition of easements needed to complete the projects that have been awarded. Husch Blackwell continues to work with the attorneys for Union Pacific, regarding the 3 parcels needed on the BP #3 construction project. It does appear that we are getting close to the obtainment according to their attorney. As previously mention, the delay in obtaining these easements and others on the BP #7B project will have an effect on completion times and possible costs of these projects

Approximately 59% of the \$46.7 million of construction, involved in the eight current construction bid packages (not including BP 7B), has been completed thru February. With 1.4 million dollars' worth of construction completed in February, the total amount of construction completed is now \$27.8 million.

We have two change orders on this month's agenda, involving Relief Well Construction Obstruction on Bid Package #3 and Relief Well Design Improvements on Bid Package #6. Amec Foster Wheeler will be explaining these at the meeting.

We have received Standard & Poor's three year review of our Series 2010A-C revenue bonds. The bonds continue to have a AA long-term rating with a stable outlook. A copy of the report is attached.

AMEC Foster Wheeler and I continue to meet with the Corps of Engineers regarding the process of the Council moving ahead with 500-year level of protection projects. Topics discussed include the most cost effective and highest priority projects, roles and responsibilities, coordination of design efforts, possible utilization of Corps designs, Limited Reevaluation Reports (LRRs), schedules & coordination, reviews, the Work In Kind (WIK) process, the Design process, etc. The 500-year authorized level of flood protection is the Corps' standard, and the Corps has the final say on what is and isn't 500-year protection.

The Corps has provided a ten page Guidance Scope of Work for In-Kind Contribution Credit Provisions to Amec Foster Wheeler and the FPD, which highlights all the procedures that the non federal sponsor must be follow, in order, to obtain credit.

All of these discussions will assist Amec Foster Wheeler is preparing a comprehensive work order, outlining the work to be done, that will be brought before the Board in April for consideration of approval.

Once Amec Foster Wheeler has developed a schedule for identifying the most cost effective and highest priority projects, Columbia Capital will develop a bond transaction schedule involving bond counsel, underwriters, rating agencies, etc.

While at the Corps, Colonel Mitchell indicated that he would like the Board to reconsider going forward with the Upper Wood River Shallow Cutoff Wall project, with bidders allowed to bid with a PLA, without a PLA, or both and the selection being the Lowest Price Technically Acceptable bid, which he feels will include a PLA. However, as previously, there is no PLA guarantee. He isn't able to make this month's meeting, but plans on attending the April meeting with his request.

Senator Durbin met last week with the Secretary of the Army and the Army Chief of Staff regarding the Corps' rejection of Project Labor Agreements (PLAs). A news release regarding the meeting is attached.

There will be an executive session on regarding pending litigation at the end of the meeting.

I have included in your Board packet a copy of Amec Foster Wheeler's Monthly Progress Report for March.

RatingsDirect®

Summary:

Southwestern Illinois Development Authority Southwestern Illinois Flood Prevention District Council; Sales Tax

Primary Credit Analyst:

Scott Nees, Chicago (1) 312-233-7064; scott.nees@standardandpoors.com

Secondary Contact:

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Rationale

Outlook

Related Criteria And Research

Summary:

Southwestern Illinois Development Authority Southwestern Illinois Flood Prevention District Council; Sales Tax

Credit Profile

Southwestern Illinois Dev Auth, Illinois

Southwestern Illinois Flood Prevention Dist Council, Illinois

Southwestern Illinois Development Authority (Southwestern Illinois Flood Prevention Dist Council) (Govt Program)

Long Term Rating

AA/Stable

Affirmed

Rationale

Standard & Poor's Ratings Services affirmed its 'AA' long-term rating on the Southwestern Illinois Development Authority's series 2010A-C local government program revenue bonds, issued on behalf of the Southwestern Illinois Flood Prevention District Council. The outlook is stable.

The rating reflects our assessment of the council's:

- Sizable and strong tax base, which captures taxable sales generated in St. Clair, Madison, and Monroe counties, which together have a combined population of 571,446;
- Good, 1.56x coverage of maximum annual debt service (MADS); and
- Good legal provisions, which include a 1.5x additional senior bonds test.

Securing the bonds is a first-lien pledge of gross sales tax revenues from a quarter-cent flood prevention sales tax applied to the sale of goods and services in St. Clair, Madison, and Monroe counties. The three counties represent the Illinois portion of the St. Louis metropolitan statistical area (MSA). The three-county population is 571,446 and growing. The western boundary of these counties is the Mississippi River, and portions of the counties are protected from floods by 74 miles of levees. Several years ago, the U.S. Army Corps of Engineers and the Federal Emergency Management Agency (FEMA) found design deficiencies in the levees.

Illinois authorized the three counties to create county flood prevention districts to make levee improvements and eliminate the deficiencies identified by the federal agencies. In addition, the state authorized the counties to impose a special sales tax for levee improvements and flood prevention, to spend the proceeds of the tax, and to issue debt secured by the tax for such purposes. The flood prevention district members, consisting of county board appointees, joined together by way of an intergovernmental agreement to form one regional agency. Thus, the Southwestern Illinois Flood Prevention District Council was created in 2009 to act on behalf of the districts and their respective counties.

In addition, each county board approved the special tax, effective Jan. 1, 2009, for 25 years or as long as debt secured

by the tax is outstanding. While the tax was approved and is generated on a county-by-county basis, the tax is joined by the authorizing legislation, the binding intergovernmental agreements, county ordinances, and bond indenture.

Sales-tax collections since the tax was imposed in January 2009 (subject to a three-month lag,) have averaged just over \$11 million annually. Special levee tax collections totaled \$11.1 million, providing 1.56x maximum annual debt service (MADS) coverage in 2013. Officials tell us that preliminary data show 2014 revenues at more than \$11.3 million, providing 1.6x MADS coverage. Debt service on the series 2010A-C bonds is structured for essentially level debt service, leading to MADS of \$7.1 million.

The sales taxes are collected by the Illinois Department of Revenue, and the Illinois Comptroller's Office sends the taxes on a monthly basis directly to the local municipalities. Each county has established a segregated sales-tax fund dedicated to the special tax. However, in the various binding documents, the counties have also agreed to allow their comptroller to instead divert the monthly taxes directly to the council for:

- Paying debt service at a rate of one-sixth interest and 1/12th principal;
- Replenishing reserves as needed; and
- Covering the council's own administrative expenses.

This intercept is irrevocable as long as there are bonds secured by the taxes outstanding. If one or all of the counties were to mistakenly receive the taxes in its segregated fund, the counties are required to immediately forward the taxes to the bond trustee. Furthermore, although the counties annually approve the council's administrative budget, the debt service is not subject to appropriation or any ongoing action on the part of the counties. After the trustee has made the required monthly deposits, the counties are then entitled to net revenues in the surplus fund at the end of the month. The trustee will transfer net revenues to the counties' segregated fund, and the counties may only use the surplus revenues for levee-related purposes.

We understand that the council may issue additional debt for flood protection improvements. The project could require approximately \$75 million. We understand that the district would plan to issue the debt in multiple installments over at least a two-year period; we understand that the bonds will likely be issued with a small portion including a parity lien pledge, and the majority including a subordinate lien.

The three-county area represents the Illinois side of the St. Louis MSA. These counties have experienced steady population growth, and collectively, their population is currently estimated at 571,446. Madison County's median household effective buying income (MHHEBI) levels are a good 102% of the national level. Monroe County's MHHEBI is a strong 134% of the national level. St. Clair County's MHHEBI is a good 95% of the national level. Per capita retail sales in the counties are 87%, 88%, and 95% of the national level, respectively. Madison County's 2013 unemployment rate was 8.4%, Monroe County's was 6.6%, and St. Clair County's was 9.5%.

Outlook

The stable outlook reflects Standard & Poor's expectation that pledged sales tax revenues will continue to provide at least good coverage of senior-lien debt service, and at least adequate coverage of combined debt service for the existing and future bonds from now on. We do not expect that the rating will change within the two-year outlook as we

anticipate the district maintaining consistent coverage at good levels. A significant drop in coverage could pressure the rating. The outlook is supported by the strength of the local base, as well as its participation in the St. Louis MSA economy.

Related Criteria And Research

Related Criteria

- USPF Criteria: Special Tax Bonds, June 13, 2007

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For Immediate Release
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March 10, 2015

DURBIN TO ARMY SECRETARY: IT IS TIME FOR THE CORPS TO COME TO THE TABLE ON METRO EAST LEVEES

[WASHINGTON, D.C.] – U.S. Senator Dick Durbin (D-IL), Vice Chairman of the Senate Appropriations Defense Committee, met today with Secretary of the Army John McHugh and Army Chief of Staff Ray Odierno and insisted the Army help resolve an issue related to planned improvements to the levees in the Metro East area of Illinois. Local leaders and community members in Madison, St. Clair, and Monroe Counties have raised money to make much-needed improvements to federal levee projects in their communities but have met with nothing but resistance from the Army Corps in their ongoing attempts to work together.

“Community leaders in southwestern Illinois have worked long and hard to move forward on the levee projects in the Metro East. The fact that members of these communities have taken the unique step of taxing themselves to make needed improvements merits heightened cooperation from the Army Corps. I am disappointed in the St. Louis Corps’ refusal to work with the local sponsors on this proposal. Today I urged Secretary McHugh to address this problem, and to require Project Labor Agreements on the levee improvement projects in the Metro East,” Durbin said.

Last year, after the Army Corps of Engineers decided not to use a Project Labor Agreement (PLA) for the first major levee improvement projects in the Metro East region, Durbin joined former U.S. Representative Bill Enyart (D-IL) in urging the Corps to use PLAs in future levee improvement projects. In a letter to Assistant Secretary of the Army (Civil Works), Jo-Ellen Darcy, the Illinois members cited President Obama’s February 2009 Executive Order, which encourages the use of Project Labor Agreements on large federal construction projects because the agreements can “promote economy and efficiency in federal procurement.”

A PLA is a pre-hire collective bargaining agreement with one or more labor organizations that establishes the terms and conditions of employment for a specific construction project. The local sponsors of the Metro East levee projects favor the inclusion of PLAs in each competitive bid submitted during the open bidding process. According to the Southwestern Illinois Flood Prevention District Council, PLAs have been used successfully on nearly all major projects, public and private, in recent years in Southwestern Illinois.

On March 26, 2013, Durbin and former Congressman Enyart sent a letter to Darcy urging the Army Corps of Engineers to engage in a PLA for the levee rehabilitation projects in the Metro East, Illinois region. The Illinois members cited President Obama’s February 2009 Executive Order encouraging the use of Project Labor Agreements – which he said, “promote economy and efficiency in federal procurement” – for federal construction projects.



Southwestern Illinois Flood Prevention District Council
c/o Charles Ewert
104 United Drive
Collinsville, IL 62234

Monthly Project Progress Report March 2015

AMEC Project No. 563170001
Period Ending Date: March 9, 2015

Date of Issue: March 12, 2015

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1. OVERVIEW

1.1 Project Description

Levees along the east side of the Mississippi River within four levee districts have been found to be out of compliance with FEMA Requirement 44CFR 65.10 and therefore have been de-certified. The four districts are: Wood River Drainage and Levee District, Metro-East Sanitary District, Prairie du Pont Drainage and Levee District, and Fish Lake Drainage and Levee District. The counties involved have formed an overarching entity called the Southwestern Illinois Flood Prevention District Council (SIFPDC). AMEC has been selected by the SIFPDC to design and manage the construction of levee system improvements necessary to demonstrate compliance with FEMA Requirement 44CFR 65.10.

Bid Package 2A is composed of the construction of one (1) pump station within the Fish Lake Levee District System.

Bid Package 2B is composed of the construction of five (5) pump stations within the Wood River, MESD, and Prairie du Pont Levee Districts.

Bid Package 2C is composed of the installation of two force mains and associated structures from Site 12 pump station to levee discharge.

Bid Package 3 is composed of the construction of seepage control improvements within the Wood River Drainage and Levee District Levee System.

Bid Package 4 is composed of the construction of seepage control improvements within the Metro East Sanitary District Levee System, from Station 1209+00 to 1242+00. This package also includes the construction of one (1) pump station.

Bid Package 5 is composed of the construction of seepage control improvements within the Metro East Sanitary District Levee System.

Bid Package 6 is composed of the construction of seepage control improvements within the Prairie du Pont Drainage and Levee District and Fish Lake Drainage and Levee District Levee Systems.

Bid Package 7A is composed of the construction of a shallow cut-off wall and flush clay cap near the upstream portion of the Upper Wood River Levee System, from station 20+00 to 38+00.

Bid Package 7B is composed of the construction of a deep cut-off wall and protruding clay cap in the Lower Wood River Levee System, from station 132+00 to 170+00.

1.2 AMEC Scope

Based on baseline budgets and baseline schedules, monitor and manage the program performance.

- track program cost
- monitor program budget
- track program progress
- monitor program schedule
- complete earned value analysis, performance measurements and forecasting
- schedule and cost variance management and corrective action plans

1.3 Key Contacts / People

Program Manager	Jay Martin, PE, 615.333.0630 jay.w.martin@amecfw.com
Project Manager	Jon Omvig, AICP, 636.200.5118 jon.omvig@amecfw.com
Resident Engineer	Jim Solari, PE, 314.478-9287 james.solari@amecfw.com
Construction QA Manager	Kevin Williams, 618.401.7226 kevin.m.williams@amecfw.com
Project Coordinator	Kendra Mitchom, 618.346.9120 kendra.mitchom@amecfw.com

2. HEALTH, SAFETY, SECURITY, ENVIRONMENT (HSSE)

2.1 HSSE Reports

Health/Safety
<p>The Contractors continue to conduct daily toolbox safety talks.</p> <p>Amec continues to conduct monthly safety meetings with the contractors every third Tuesday.</p> <p>Lane's relief well driller laborer had a lost time accident which required stitches.</p>
Security
<p>No issues during this reporting period.</p>
Environment (SWPPP)
<p>An Amec Foster Wheeler environmental representative is checking dewatering efforts on a weekly basis.</p>

3. PROJECT STATUS UPDATE

3.1 Bid Package 2A

3.1.1 Calendar

Bid Date:	June 11, 2013
Contract executed	October 11, 2013
Schedule received	October 29, 2013
Anticipated start of field activities	January 22, 2014
Start of field activities	January 27, 2014
Anticipated completion date	<i>December 1, 2014</i>
Final Walk Through	Substantial completion August 12, 2014
Final Acceptance	<i>December 1, 2014</i>

3.1.2 Progress

ID	Description	Target	Actual	Comments
A	Site 1 Pump Station		Complete	Complete but holding \$1800 retainage for turf establishment.

3.1.3 Property Acquisition

- The project is complete.

3.1.4 Levee Board Considerations

- The project is complete.

3.1.5 Submittals

- Final project closeout submittals. USACE reviewing contractor O&M manuals. Amec to provide additional information to the O&M manuals once complete.

3.1.6 Change Orders

- See Change Order Log attached.

3.1.7 Field Activities and Look Ahead

- The project is complete.

3.1.8 QC/QA Activities

- The project is complete.

3.1.9 Considerations

- The project is complete.

3.1.10 Payment Progress

- See Contract Invoice Log attached. The project is complete and the retainage released (except for \$1800 retainage for turf establishment).

3.2 Bid Package 2B

3.2.1 Calendar

Bid Date:	October 1, 2013
Contract executed	December 16, 2013
Schedule received	December 17, 2013
Anticipated start of field activities	February 17, 2014
Start of field activities	February 24, 2014
Anticipated completion date	<i>April 15, 2015 (Contract Completion Date)</i>
Final Walk Through	
Final Acceptance	

3.2.2 Progress

ID	Description	Target	Actual	Comments
A	Construct Site 10 Pump Station	April 2015	95%	The Pump Station is scheduled for substantial completion on March 15, 2015.
B	Construct Site 16 Pump Station	April 2015	95%	The Pump Station is scheduled for substantial completion on March 15
C	Construct Site 5 Pump Station	April 2015	95%	The Pump Station is scheduled for substantial completion on March 15
D	Construct Site 12 Pump Station	April 2015	95%	The Pump Station is scheduled for substantial completion on March 15
E	Construct Site 15 Pump Station	April 2015	95%	The Pump Station is scheduled for substantial completion on March 15

3.2.3 Property Acquisition

- All property is acquired.

3.2.4 Levee Board Considerations

- None

3.2.5 Submittals

- Final project closeout submittals. USACE reviewing contractor O&M manuals. Amec to provide additional information to the O&M manuals once complete.

3.2.6 Change Orders

- See Change Order Log attached

3.2.7 Field Activities and Look Ahead

- See above table

3.2.8 QC/QA Activities

- Juneau/SCI onsite performing testing activities.

3.2.9 Considerations

- None

3.2.10 Payment Progress

- See Contract Invoice Log attached.

3.3 Bid Package 2C

3.3.1 Calendar

Bid Date:	November 12, 2014
Contract executed	February 9, 2015
Schedule received	
Anticipated start of field activities	
Start of field activities	
Anticipated completion date	<i>December 15, 2015 (Contract Completion Date)</i>
Final Walk Through	
Final Acceptance	

3.3.2 Progress

ID	Description	Target	Actual	Comments
A	Contract		2/9/15	Contract executed
B	Notice to Proceed		3/5/15	Issued NTP

3.3.3 Property Acquisition

- All property is acquired.

3.3.4 Levee Board Considerations

- None

3.3.5 Submittals

- None

3.3.6 Change Orders

- None

3.3.7 Field Activities and Look Ahead

- Notice to Proceed was issued on March 5, 2015.

3.3.8 QC/QA Activities

- None

3.3.9 Considerations

- None

3.3.10 Payment Progress

- None

3.4 Bid Package 3

3.4.1 Calendar

Bid Date:	December 3, 2013
Contract executed	January 27, 2014
Schedule received	December 3, 2013
Anticipated start of field activities	Various field activities have started
Start of field activities	
Anticipated completion date	<i>This completion date is delayed due to design modifications and RR land acquisition.</i>
Final Walk Through	
Final Acceptance	

3.4.2 Progress

Description	Target	Actual	Comments
Blanket Drain 6, Seepage Berms 1-4, and random fill areas 1 & 2.			Critical Delay – Railroad Land acquisition delays these tasks.
Blanket Drain 2			Delay - Amec Engineering to revise drawings,
Blanket Drain 4			Delay - Amec Engineering revising drawings
Relief Wells and Piezometers	May 2015	50%	Piezometer installation continues (36 of 51 PZs complete)
Blanket Drain 3 construction	May 2015	30%	RW collector system complete.
Blanket Drain 5 construction	May 2015	40%	Installing blanket drain as per the drawings and specifications.
Hawthorne RW to east side of ditch (CO 9)	Contractor evaluating	0 %	Change order being processed

3.4.3 Property Acquisition

- A partial NTP was issued March 13, 2014 and rejected by the Contractor. All land acquisition has been obtained except for the MOPAC railroad parcels which encompass 6 sites. Another partial NTP has been issued to cover the updated property acquisition.
- Due to recent land acquisition, an additional partial NTP was issued January 14, 2015.

3.4.4 Levee Board Considerations

- Critical Delay: The slow progress of land acquisition has critically affected the levee certification schedule. The project is scheduled to take 7 months (weather dependent) to complete once the railroad land acquisition is obtained. The delayed railroad acquisition affects: Blanket Drain 6, Seepage Berms 1-4 and Random Fill areas 1&2.
- The temporary construction easements have expired and are being renegotiated.
- Design changes at Blanket Drains 2 and 4 are forthcoming. Construction costs and schedule will be affected.

3.4.5 Submittals

- Submittal process ongoing.

3.4.6 Change Orders

- Major Upcoming Change Orders:
 - Modifications to Blanket Drain 2. Contractor to provide schedule for completion once the modifications have been approved.
 - Modifications to Blanket Drain 4. Contractor to provide schedule for completion once the modifications have been approved.
 - Modifications dependent on RR land acquisition (Contractor to provide schedule for completion once the modifications have been approved):
 - Modifications to Blanked Drain 6
 - Random Fill areas 1 & 2
 - Seepage Berms 1-4
- See Change Order Log attached.

3.4.7 Field Activities and Look Ahead

- Land acquisition still impacting full mobilization; Current contract completion date of September 1, 2014 cannot be met due to land acquisition delays. Project duration may be approximately 7 months (weather dependant) after the railroad land acquisition.
- See above table

3.4.8 QC/QA Activities

None at this time.

3.4.9 Considerations

- Critical Delay: Current contract completion date cannot be met due to land acquisition delays. Work is expected to take seven months. A time extension is expected once work can begin. Property acquisition has been critical and is affecting the Bid Package 03 project schedule and overall levee improvements project and certification schedule.

3.4.10 Payment Progress

- See Contract Invoice Log attached.

3.5 Bid Package 4

3.5.1 Calendar

Bid Date:	December 3, 2013
Contract executed	February 6, 2014
Schedule received	December 3, 2013
Anticipated start of field activities	February 24, 2014
Start of field activities	March 17, 2014
Anticipated completion date	<i>June 30, 2015 (Contract Completion Date)</i>
Final Walk Through	
Final Acceptance	

3.5.2 Progress

ID	Description	Target	Actual	Comments
A	Earthwork	June 2015	10%	No earthwork has been performed. Contractor searching for clay.
B	Relief Wells (new and converted)	Dec 2014	97%	Relief Wells completed. Development. Pump tests are in progress. The relief well conversions and relief well manhole work to begin this month.
C	Site 09 Intake Structure	Feb 2015	80%	Electrical work to begin this month.
D	RW collector system	Feb 2015	50%	Contractor submitted RFI concerning collection pipe system.
E	Clay cap	June 2015	0%	Clay cap work delayed until Summer.

3.5.3 Property Acquisition

- All property is acquired.

3.5.4 Levee Board Considerations

- None

3.5.5 Submittals

- Submittal process is on-going.

3.5.6 Change Orders

- See Change Order Log attached.
- Amec working with Contractor on a Time Extension.

3.5.7 Field Activities and Look Ahead

- See table above

3.5.8 QC/QA Activities

- No current material testing needs.

3.5.9 Considerations

- None

3.5.10 Payment Progress

- See Contract Invoice Log attached.

3.6 Bid Package 5

3.6.1 Calendar

Bid Date:	December 3, 2013
Contract executed	January 27, 2014
Schedule received	December 3, 2013
Anticipated start of field activities	February 17, 2014
Start of field activities	February 17, 2014
Anticipated completion date	<i>September 30, 2015 (Contract Completion Date)</i>
Final Walk Through	
Final Acceptance	

3.6.2 Progress

ID	Description	Target	Actual	Comments
A	Relief Wells and Piezometers		35%	Relief Well drilling on hold due to high ground water and Construction Obstruction resolution (41 of 72 RWs have been drilled). Piezometer work has begun (6 of 18 installed).
B	Earthwork	May 2015	15%	Clay Cap work delayed until Summer of 2015.
C	Relief well conversions and collector system by Granite City Pump Station (Site 12, BP #2B)	Feb 2015	99%	Complete

3.6.3 Property Acquisition

- All property is acquired.

3.6.4 Levee Board Considerations

- Keller is in the process of obtaining the 150,000 cubic yard clay source.

3.6.5 Submittals

- Submittal process underway.

3.6.6 Change Orders

- See Change Order Log attached.

3.6.7 Field Activities and Look Ahead

- See above table

3.6.8 QC/QA Activities

- Juneau/SCI on site for QC testing as needed.

3.6.9 Considerations

- None other than previously mentioned.

3.6.10 Payment Progress

- See Contract Invoice Log attached.

3.7 Bid Package 6

3.7.1 Calendar

Bid Date:	June 11, 2013
Contract executed	October 3, 2013
Schedule received	October 31, 2013
Anticipated start of field activities	November 11, 2013
Start of field activities	November 19, 2013
Anticipated completion date	<i>September 30, 2015 (Contract Completion Date)</i>
Final Walk Through	
Final Acceptance	

3.7.2 Progress

ID	Description	Target	Actual	Comments
	Seepage Berms	August 2014	75%	Work continues.
	Clay Caps	April 2014	10%	Clay Cap work has begun. Clay is being stockpiled on slopes. Clay Cap construction will be delayed until Summer 2015
	Relief Wells and Piezometers	June 2014	60%	Relief well drilling continues. 44 of 67 RWs have been drilled.
	Pipe Conveyance	October 2014	5%	Moniger mobilized to the site and pipe installation is in progress
	Lining of the triple 84" culverts at Palmer Creek Pump Station will resume upon completion of sluice gate rehabilitations	Feb 2015	45%	Lining of the triple 84" culverts at Palmer Creek Pump Station is on hold until the third gate is complete. (1.5 of 3 culverts have been lined – awaiting warmer temperatures to grout).

3.7.3 Property Acquisition

- All property is acquired.
- Temporary Construction Easements are expiring and are being renewed.

3.7.4 Levee Board Considerations

- None

3.7.5 Submittals

- Submittal process ongoing.

3.7.6 Change Orders

- See Change Order Log attached and the Change Order Memo.

3.7.7 Field Activities and Look Ahead

- See table above

3.7.8 QC/QA Activities

- ABNA is testing material; Geotechnology performing QA testing.

3.7.9 Considerations

- River and weather delays.

3.7.10 Payment Progress

- See Contract Invoice Log attached.

3.8 Bid Package 7A

3.8.1 Calendar

Bid Date:	August 13, 2014
Contract executed	September 17, 2014
Schedule received	October 1, 2014
Anticipated start of field activities	October 6, 2014
Start of field activities	October 6, 2014
Anticipated completion date	<i>June 26, 2015 (contract completion date)</i>
Final Walk Through	
Final Acceptance	

3.8.2 Progress

Description	Target	Actual	Comments
2 Piezometers have been installed	Jan 2015	90%	Monitoring is ongoing.
Geo-Solution has demobilized.	Dec 19, 2015	95%	Awaiting final lab results.
Clay Cap	Summer 2015		The levee is degraded. Contractor plans to come back when the weather allows proper compaction/moisture of the clay. The EAP plan is in effect in case of flood.

3.8.3 Property Acquisition

- Not applicable

3.8.4 Levee Board Considerations

- Change order review

3.8.5 Submittals

- On-going

3.8.6 Change Orders

- Contractor has a change order claim for ~ \$140k for the slurry wall face payment. Amec does not agree but will meet to understand the Contractors viewpoint.

3.8.7 Field Activities and Look Ahead

- Notice of Award issued September 9, 2014
- Contract Executed September 17, 2014
- Notice to Proceed issued September 22, 2014
- Work began onsite on October 6, 2014 – Site clearing, removal of asphalt pavement, etc.
- Complete work platform and lower portion of clay cap below finished grade.
- SAR Team site visit for initial wall construction, addressed comments in their report.
- Initial quality Control testing results exceeding minimum permeability requirements by two orders of magnitude.
- Geo-Solutions finished the Slurry Wall construction.
- See above table.

3.8.8 QC/QA Activities

- On-going

3.8.9 Considerations

- Weather delays

3.8.10 Payment Progress

- See Contract Invoice Log attached.

3.9 Bid Package 7B

3.9.1 Calendar

Bid Date:	August 13, 2014
Contract executed	September 12, 2014
Schedule received	
Anticipated start of field activities	
Start of field activities	
Anticipated completion date	
Final Walk Through	
Final Acceptance	

3.9.2 Progress

ID	Description	Target	Actual	Comments
				Preparing project for rebid

3.9.3 Property Acquisition

- All property acquired

3.9.4 Levee Board Considerations

- Ameren additional work anticipated due to the Olin easement issues.

3.9.5 Submittals

- On going

3.9.6 Change Orders

3.9.7 Field Activities and Look Ahead

3.9.8 QC/QA Activities

3.9.9 Considerations

3.9.10 Payment Progress

CONTRACT INVOICE LOG

Contractor: Korte & Luitjohan Contractors, Inc
 12052 Highland Road
 Highland, IL 62249

Project: SWILCD
Construction Package: BP2A

Original Contract Amount: \$747,500.00
Change Order #1: \$2,245.00 Limitorque Actuator
Change Order #2: \$7,730.00 Additional Road Aggregate
Change Order #3: \$434.00 Monroe County Building Permit
Change Order #4: \$0.00 Contract Time Extension
Change Order #5: \$0.00 Contract Time Extension 2
Change Order #6: \$0.00 Contract Time Extension 3
Change Order #7: \$5,189.21 Additional Rock and Testing
Change Order #8: \$34,501.32 Stumpf Property Pipe Extension
Total Change Order Amount: \$50,099.53
Total Revised Contract Amount: \$797,599.53

Payment Request No.	Pay Request Date	Pay Request Recommended Approval Date	Total Completed to Date (\$)	Amount Retained (10% to 50%) then (5% to 95%)	Total Earned Less Retained	Current Payment Invoice	Date Paid by FPD	Estimate to Complete Including Retainage (\$)
1	11/15/2013	11/27/2013	\$11,000.00	\$1,100.00	\$9,900.00	\$9,900.00	11/1/2013	\$737,600.00
2	2/5/2014	2/10/2014	\$76,000.00	\$7,600.00	\$68,400.00	\$58,500.00	2/18/2014	\$679,100.00
3	3/6/2014	3/13/2014	\$228,500.00	\$22,850.00	\$205,650.00	\$137,250.00	3/25/2014	\$541,850.00
4	3/31/2014	4/15/2014	\$372,400.00	\$37,240.00	\$335,160.00	\$129,510.00	4/22/2014	\$420,504.00
5	4/30/2014	5/13/2014	\$432,500.00	\$43,250.00	\$389,250.00	\$54,090.00	5/22/2014	\$366,414.00
6	5/31/2014	6/10/2014	\$635,890.00	\$50,742.00	\$585,148.00	\$195,898.00	6/19/2014	\$170,516.00
7	6/30/2014	7/14/2014	\$684,000.00	\$53,147.00	\$630,853.00	\$45,705.00	7/17/2014	\$124,811.00
8	7/31/2014	8/12/2014	\$753,929.00	\$37,895.45	\$716,033.55	\$85,180.55	8/19/2014	\$39,630.45
9	8/31/2014	9/9/2014	\$759,118.21	\$37,895.45	\$721,222.76	\$5,189.21	9/15/2014	\$41,875.45
10	11/30/2014	12/12/2014	\$797,599.53	\$38,094.45	\$759,505.08	\$38,282.32	12/18/2014	\$38,094.45
11	12/31/2014	1/15/2015	\$797,599.53	\$1,800.00	\$795,799.53	\$36,294.45	1/26/2015	\$1,800.00

TITLE: CONSTRUCTION CHANGE ORDER LOG

CLIENT: Southwestern Illinois Flood Prevention District Council
PROJECTBid Package 2A

PROJECT NUMBER: SIFPDC-BP2A

Change Request Number	Description	Change Type (Field, Design, Spec, Other)	Cost to FPD	Cost to Others	As Bid Line Item #	Original Cost of Associated Line Item	% of Original Line Item	% of Original Contract	Date	Status	Comments
1	Limitorque Actuator	Spec	\$2,245.00	\$0.00	2A.8	\$ 28,700.00	7.82%	0.30%	2/10/2014	Approved	Specification change due to MESD levee district negative experience with spec'd material; spec change to alleviate possible future problems and for consistency with other bid packages
2	Additional Roadway Aggregate	Field	\$7,730.00	\$0.00	2A.3	\$ 141,200.00	5.47%	1.03%	3/18/2014	Approved	Required by Monroe County
3	Building Permit	Field	\$434.00	\$0.00	2A.1	\$ 36,200.00	1.20%	0.06%	3/4/2014	Approved	Required by Monroe County
4	Contract Time Extension	Field	\$0.00	\$0.00	NA	NA	NA	0.00%	3/31/2014	Approved	Contract extended 90 days due to material fabrication delay
5	2nd Contract Time Extension	Field	\$0.00	\$0.00	NA	NA	NA	0.00%	7/24/2014	Approved	Time extension request due to abnormal weather and high river level days that impeded construction
6	3rd Contract Time Extension	Field	\$0.00	\$0.00	NA	NA	NA	0.00%	8/21/2014	Approved	Time extension request due to abnormal weather and high river level days that impeded construction
7	Additional Rock instead Pump Station and Pipe Testing T&M	Field	\$5,189.21	\$0.00	NA	NA	NA	0.69%	9/2/2014	Approved	Additional rock installed for maintenance purposes; Time and material for pipe testing needed
8	Pipe Extension on Stump Property	Field	\$34,501.32	\$0.00	NA	NA	NA	4.62%	9/29/2014	Approved	To enable property owner equipment access to property
Total of Project Change Orders			\$50,099.53	\$0.00						Total	\$ 50,099.53

Original Contract Amount **\$747,500.00**
 Revised Contract Amount **\$797,599.53**
 % Change from Original Amount **6.70%**

*Board approval required

CONTRACT INVOICE LOG

Contractor: Korte & Luitjohan Contractors, Inc
 12052 Highland Road
 Highland, IL 62249

Project: SWILCD
Construction Package: BP2B

Original Contract Amount: \$3,865,405.00
Change Order #1: \$434.00 Monroe County Building Permit
Change Order #2: \$7,965.00 Additional Road Aggregate
Change Order #3: \$0.00 Fence and Aggregate Changes
Change Order #4: \$8,570.00 Razor Wire on Fence per MESD Request
Change Order #5: \$0.00 Contract Time Extension
Change Order #6: \$50,600.00 Site 16 Duct Bank
Change Order #7: \$4,760.00 Site 12 Existing Force Mains
Change Order #8: \$74,200.00 Site 10 Electrical Changes
Change Order #9: \$0.00 Time Extension
Total Change Order Amount: \$146,529.00
Total Revised Contract Amount: **\$4,011,934.00**

Payment Request No.	Pay Request Date	Pay Request Recommended Approval Date	Total Completed and Store to Date	Cumulative Retained (10% to 50%) then (5% to 95%)	Total Earned Less Retained	Current Payment Invoice	Date Paid by FPD	Estimate to Complete Including Retainage(\$)
1	2/5/2014	2/10/2014	\$51,750.00	\$5,175.00	\$46,575.00	\$46,575.00	2/18/2014	\$3,818,830.00
2	3/6/2014	3/13/2014	\$132,450.00	\$13,245.00	\$119,205.00	\$72,630.00	3/25/2014	\$3,746,634.00
3	3/31/2014	4/15/2014	\$504,300.00	\$50,430.00	\$453,870.00	\$334,665.00	4/22/2014	\$3,419,934.00
4	4/30/2014	5/13/2014	\$846,000.00	\$84,600.00	\$761,400.00	\$307,530.00	5/22/2014	\$3,112,404.00
5	5/31/2014	6/12/2014	\$1,295,000.00	\$129,500.00	\$1,165,500.00	\$404,100.00	6/19/2014	\$2,708,304.00
6	6/30/2014	7/14/2014	\$1,736,000.00	\$173,600.00	\$1,562,400.00	\$396,900.00	7/17/2014	\$2,311,404.00
7	7/31/2014	8/11/2014	\$2,180,100.00	\$205,850.00	\$1,974,250.00	\$411,850.00	8/19/2014	\$1,899,554.00
8	8/31/2014	9/8/2014	\$2,927,440.00	\$243,217.00	\$2,684,223.00	\$709,973.00	9/15/2014	\$1,198,151.00
9	9/30/2014	10/9/2014	\$3,144,000.00	\$255,524.00	\$2,888,476.00	\$204,253.00	10/16/2014	\$1,044,498.00
10	10/31/2014	11/7/2014	\$3,420,000.00	\$269,324.00	\$3,150,676.00	\$262,200.00	11/18/2014	\$787,058.00
11	11/30/2014	12/12/2014	\$3,648,600.00	\$282,764.00	\$3,365,836.00	\$215,160.00	12/18/2014	\$647,553.00
12	12/31/2014	1/12/2015	\$3,840,000.00	\$292,334.00	\$3,547,666.00	\$181,830.00	1/26/2015	\$464,268.00
13	1/31/2015	2/9/2015	\$3,897,320.00	\$295,200.00	\$3,602,120.00	\$54,454.00	2/18/2015	\$409,814.00
14	2/28/2015	3/10/2015	\$3,968,238.00	\$298,710.00	\$3,669,528.00	\$67,408.00		\$342,406.00

TITLE: CONSTRUCTION CHANGE ORDER LOG

CLIENT: Southwestern Illinois Flood Prevention District Council
PROJECT Bid Package 2B

PROJECT NUMBER: SIFPDC-BP2B

Change Request Number	Description	Change Type (Field, Design, Spec, Other)	Cost to FPD	Cost to Others	As Bid Line Item #	Original Cost of Associated Line Item	% of Original Line Item	% of Original Contract	Date	Status	Comments
1	Building Permit	Field	\$434.00	\$0.00	2B.1	\$ 32,720.00	1.33%	0.01%	2/24/2014	Approved	Required by Monroe County
2	Additional Roadway Aggregate	Field	\$7,965.00	\$0.00	2B.3	\$ 171,825.00	4.64%	0.21%	3/18/2014	Approved	Required by Monroe County
3	Site 10, 12, 15 fence and aggregate changes	Field	\$0.00	\$0.00	NA	NA	0.00%	0.00%	8/12/2014	Approved	Field changes to enable constructability and provide maintenance ease
4	Razor Wire on Fence	Other	\$0.00	\$8,570.00	NA	NA	NA	0.22%	8/19/2014	Approved	Razor wire on fence at Site 10, 12, & 16 per MESD Levee District request; To be paid by MESD
5	Time Extension	Other	\$0.00	\$0.00	NA	NA	0.00%	0.00%	8/19/2014	Approved	Time extension for July 2014 weather/high river days that impeded construction
6*	Site 16 Duct Bank	Field	\$50,600.00	\$0.00	2B.55	\$ 23,990.00	210.92%	1.31%	9/29/2014	Approved	USACE required underground electrical service to pump station per Ameren; Ameren to credit FPD amount paid to Ameren for overhead lines; Board approval required
7	Site 15 Grating and Supports	Field	\$4,760.00	\$0.00		\$ 352,645.00	1.35%	0.12%	10/17/2014	Approved	Grating and support for Site 15 to enable functionality of the system
8*	Site 10 Electric Change	Field	\$74,200.00	\$0.00	2B.27	\$ 17,705.00	419.09%	1.92%	11/19/2014	Approved	Ameren requires upgrades to the existing pump station at Site 10. Board approval required
9	Time Extension	Other	\$0.00	\$0.00	NA	NA	0.00%	0.00%	12/2/2014	Approved	Request for Time Extension to move our completion date to 4/15/15 due to the contract documents for Bid Package 2B contractor is only allowed to work at Site 12 between October 15th to March 15th.
Total of Project Change Orders			\$137,959.00	\$8,570.00						Total	\$ 146,529.00
Original Contract Amount			\$3,865,405.00								
Revised Contract Amount			4,011,934.00								
			% Change from Original Amount 3.79%								

Approved

*Board approval required

CONTRACT INVOICE LOG

Contractor: Haier Plumbing
 301 North Elkton Street, P. O. Box 400
 Okawville, IL 62271

Project: SWILCD
Construction Package: BP2C

Original Contract Amount: \$281,632.00
Change Order #1:
Change Order #2:
Change Order #3:
Total Change Order Amount: \$0.00
Total Revised Contract Amount: \$281,632.00

Payment Request No.	Pay Request Date	Pay Request Recommended Approval Date	Total Completed to Date (\$)	Amount Retained (10% to 50%) then (5% to 95%)	Total Earned Less Retained (\$)	Amount Invoiced (\$)	Date Paid by FPD	Estimate to Complete Including Retainage (\$)

TITLE: CONSTRUCTION CHANGE ORDER LOG

CLIENT: Southwestern Illinois Flood Prevention District Council
PROJECT Bid Package 2C

PROJECT NUMBER: SIFPDC-BP2C

Change Request Number	Description	Change Type (Field, Design, Spec, Other)	Cost to FPD	Cost to Others	As Bid Line Item #	Original Cost of Associated Line Item	% of Original Line Item	% of Original Contract	Date	Status	Comments
1											
2											
3											
4											
5											
6											
7											
8											
9											
10											
Total of Project Change Orders			\$0.00	\$0.00						Total	\$ -
Original Contract Amount			281,632.00	% Change from Original Amount							
\$281,632.00			281,632.00	0.00%							

Approved

*Board approval required

TITLE: CONSTRUCTION CHANGE ORDER LOG

CLIENT: Southwestern Illinois Flood Prevention District Council
PROJECTBid Package 03

PROJECT NUMBER: SIFPDC-BP03

Change Request Number	Description	Change Type (Field, Design, Spec, Other)	Cost to FPD	Cost to Others	As Bid Line Item #	Original Cost of Associated Line Item	% of Original Line Item	% of Original Contract	Date	Status	Comments	
1	IDOT Permit	Other	\$1,000.00	\$0.00	3.01	\$ 498,000.00	0.20%	0.01%	5/21/2014	Approved	IDOT Required Permit	
2	Piezometer 39 Relocate	Field	\$16,600.00	\$0.00	3.30	\$ 307,224.00	5.40%	0.16%	9/18/2014	Approved	Post bid design change to enable more effective operability	
3	Russell Commons Fence Remove and Replace	Field	\$11,361.00	\$0.00	NA	NA	NA	0.11%	10/2/2014	Approved	Remove and replace fence installed by property owner post bid	
4	Additional Hydro Excavating	Field	\$2,245.60	\$0.00	3.39	\$1,884,009.24	0.12%	0.02%	10/8/2014	Approved	Due to the relocation of RW's 1077 to 1080; added costs for hydro excavation	
5	Permits for relief well conversions due to change with IL Public Health Dept	Other	\$3,071.25	\$0.00	3.37	\$ 82,812.00	3.71%	0.03%	10/22/2014	Approved	Permits for relief well conversions due to change with IL Public Health Dept	
6*	RR3 Material for Blanket Drains-pending verifying material	Field	\$278,694.99	\$0.00	3.08-3.14	\$2,034,478.00	13.70%	2.76%	11/19/2014	Approved	Blanket Drains material change from CA1 to RR3 to improve effectiveness; Change requires Board approval	
7*	Indian Creek Rip Rap	Field	\$57,436.00	\$0.00	3.40	\$ 193,713.36	29.65%	0.57%	11/19/2014	Approved	Due to the extreme scour of the banks and creek bed since the time of the original design, in order for the per plan design to be constructed, it is going to require a substantial amount of additional rip rap RR4 to be placed. Board approval required	
8	Credit-Remove Vacuum Testing of Manholes	Other	\$ (5,820.00)	\$0.00	3.29	\$ 37,896.00	-15.36%	-0.06%	2/2/2015	Approved	PCN approved to remove the requirements for ASTM C1244 Standard Test Method for Concrete Sewer	
9*	Hawthorne Changes North & South including Ameren	Other	\$558,086.80	\$0.00	3.02 3.04 3.06 3.07 3.29 3.32 3.02 3.09 3.16 3.23 3.25 3.26 3.29 3.36 3.37	\$1,884,009.24	29.62%	5.54%	2/18/2015	Approved	Change Description submitted in change order memo for Board approval 2/18/15	
10*	Blanket Drain 2 Revisions	Other	\$506,768.46	\$0.00				5.03%	2/18/2015	Approved	Change Description submitted in change order memo for Board approval 2/18/15; change order pending credit before processing	
Total of Project Change Orders										\$922,675.64	\$	922,675.64

Original Contract Amount \$10,082,345.00
 Revised Contract Amount 11,005,020.64
 % Change from Original Amount 9.15%

*Board approval required

CONTRACT INVOICE LOG

Contractor: Haier Plumbing
 301 North Elkton Street, P. O. Box 400
 Okawville, IL 62271

Project: SWILCD
Construction Package: BP04

Original Contract Amount: \$3,190,232.45

Change Order #1:	\$8,196.30	Flyght Pump & Locking Sewer Lids per MESD
Change Order #2:	\$949.90	Fence Polycarbonate
Change Order #3:	\$10,488.00	Fence Grounding per Ameren
Change Order #4:	\$1,533.00	2 Additional Posts in Concrete per Phillips 66 Request
Change Order #5:	\$2,127.35	Time and material for new fence grounding
Change Order #6:	\$2,402.40	Per MESD Request
Change Order #7:	\$0.00	Contract Time Extension
Change Order #8:	\$1,656.00	2" Well Point SS Pipe
Change Order #9:	\$54,680.20	Site 9 Electrical Changes
Change Order #10:	\$35,602.21	Work Stoppage due to Soil Testing
Change Order #11:	\$80,046.18	Relief Well Construction Obstruction due to Cobble
Change Order #12:	\$0.00	Contract Time Extension to June 30, 2015
Change Order #13:	\$8,981.67	Relief Well 141XB Re-Design
Change Order #13:	\$948.75	Offset Oufall Line of RW 153X
Total Change Order Amount:	\$207,611.96	
Total Revised Contract Amount:	\$3,397,844.41	

Payment Request No.	Pay Request Date	Pay Request Recommended Approval Date	Total Completed to Date (\$)	Amount Retained (10% to 50%) then (5% to 95%)	Total Earned Less Retained (\$)	Amount Invoiced (\$)	Date Paid by FPD	Estimate to Complete Including Retainage (\$)
1	4/11/2014	4/15/2014	\$259,243.33	\$25,924.33	\$233,319.00	\$233,319.00	4/22/2014	\$2,965,109.75
2	6/11/2014	6/12/2014	\$269,731.33	\$26,973.13	\$242,758.20	\$9,439.20	6/19/2014	\$2,967,108.45
3	8/5/2014	8/11/2014	\$325,641.68	\$32,564.17	\$293,077.51	\$50,319.32	8/14/2014	\$2,920,449.49
4	10/1/2014	10/9/2014	\$970,413.05	\$97,041.31	\$873,371.75	\$580,294.24	10/13/2014	\$2,344,213.65
5	11/10/2014	11/11/2014	\$1,576,916.93	\$157,691.69	\$1,419,225.24	\$545,853.49	11/14/2014	\$1,798,360.16
6	12/9/2014	12/11/2014	\$1,805,617.83	\$180,561.78	\$1,625,056.05	\$205,830.81	12/18/2014	\$1,647,209.55
7	1/7/2015	1/13/2015	\$1,981,951.82	\$198,195.18	\$1,783,756.65	\$158,700.59	1/26/2015	\$1,488,508.95
8	1/31/2015	2/6/2015	\$2,353,390.85	\$235,339.09	\$2,118,051.77	\$334,295.13	2/13/2015	\$1,269,862.22
9	2/27/2015	3/9/2015	\$2,402,889.49	\$240,288.95	\$2,162,600.54	\$44,548.77		\$1,225,313.45

TITLE: CONSTRUCTION CHANGE ORDER LOG

CLIENT: Southwestern Illinois Flood Prevention District Council
PROJECT: Bid Package 04

PROJECT NUMBER: SIFPDC-BP04

Change Request Number	Description	Change Type (Field, Design, Spec, Other)	Cost to FPD	Cost to Others	As Bid Line Item #	Original Cost of Associated Line Item	% of Original Line Item	% of Original Contract	Date	Status	Comments
1	Flight Pump and Locking Sewer Lids	Other	\$0.00	\$8,196.30	4.27	\$ 222,500.00	3.68%	0.26%	3/11/2014	Approved	To be paid by MESD Levee District
2	PVC Fence Panel Fillers	Field	\$949.90	\$0.00	4.22	\$ 140,360.00	0.68%	0.03%	4/4/2014	Approved	To accommodate field condition
3	Furnish and Install Fence Grounding	Field	\$10,488.00	\$0.00	4.22	\$ 140,360.00	7.47%	0.33%	4/17/2014	Approved	Ameren required fence to be grounded; grounding to be every 200ft with 20ft ground rod
4	2 Additional Posts in Concrete per Phillips 66 Request	Field	\$1,533.00	\$0.00	4.22	\$ 140,360.00	1.09%	0.05%	6/17/2014	Approved	2 Additional posts per P66 request
5	Time and material for new fence grounding	Field	\$2,127.35	\$0.00	4.22	\$ 140,360.00	1.52%	0.07%	7/17/2014	Approved	Change order for additional grounding needed as requested by Phillips 66; Time and material
6	Razor Wire on Fence	Other	\$0.00	\$2,402.40	NA	NA	NA	0.08%	8/20/2014	Approved	Razor wire on fence at pump station per MESD Levee District request; to be paid by MESD Levee District
7	Time Extension Request for Fence Delay and High River	Other	\$0.00	\$0.00	NA	NA	NA	0.00%	8/27/2014	Approved	Contract time extension of 43 working days due to security fence approval delay and high river level days that impeded construction
8	Well Point Stainless Steel Pipe diameter change 1-1/4" to 2"	Field	\$1,656.00	\$0.00	4.16	\$ 878,900.00	0.19%	0.05%	9/15/2014	Approved	Well point stainless steel pipe diameter change from 1-1/4" to 2" to improve operability/constructability.
9*	Site 9 Electrical Changes	Other	\$54,680.20	\$0.00	4.28	\$ 222,500.00	24.58%	1.71%	11/19/2014	Approved	Ameren requires upgrades to the existing pump station at Site 9. Board approval required
10	Work stoppage for impacted soil	Other	\$35,602.21	\$0.00	NA	NA	NA	1.12%	1/8/2015	Approved	Work stopped to perform testing due to encountering hydrocarbon odor
11	RW Construction Obstruction	Field	\$80,046.18	\$0.00	4.16	\$ 878,900.00	9.11%	2.51%	1/15/2015	Approved	RW Construction Obstruction due to Cobble Layer during drilling
12	Contract Time Extension	Other	\$0.00	\$0.00	NA	NA	NA	0.00%	2/10/2015	Approved	Contract time extension to June 30, 2015
13	RW 141XB Re-design	Field	\$8,981.67	\$0.00	4.16	\$ 878,900.00	1.02%	0.28%	2/17/2015	Approved	60-slot RW re-design to 40-slot
14	Off-setting Outfall Line of RW 153X	Field	\$948.75	\$0.00	4.16	\$ 878,900.00	0.11%	0.03%	3/6/2015	Approved	Off-setting Outfall Line of RW 153X
15	Credit-Remove Vacuum Testing of Manholes	Other								pending	PCN approved to remove the requirements for ASTM C1244 Standard Test Method for Concrete Sewer
Total of Project Change Orders										Total	\$ 207,611.96

Original Contract Amount **\$3,190,232.45** Revised Contract Amount **3,397,844.41** % Change from Original Amount **6.51%**

*Board approval required

TITLE: CONSTRUCTION CHANGE ORDER LOG

CLIENT: Southwestern Illinois Flood Prevention District Council
PROJECTBid Package 05

PROJECT NUMBER: SIFPDC-BP05

Change Request Number	Description	Change Type (Field, Design, Spec, Other)	Cost to FPD	Cost to Others	As Bid Line Item #	Original Cost of Associated Line Item	% of Original Line Item	% of Original Contract	Date	Status	Comments
1*	Locking Sewer Lids	Other	\$0.00	\$19,698.78	5.18-5.22	\$ 113,685.00	17.33%	0.24%	3/18/2014	Approved	To be paid by MIESD Levee District
2	Gravity Drain Cleaning	Field	\$2,815.00	\$0.00	5.29	\$ 67,225.00	4.19%	0.03%	4/16/2014	Approved	Anticipated \$2,815.00 change to accommodate field condition and constructability
3	Rip Rap Survey	Field	\$1,224.14	\$0.00	NA	NA	NA	0.01%	6/18/2014	Approved	Operator and equipment cost for assistance with survey done on rip rap discovered on railroad embankment
4	Manhole JN1601 Extension	Field	\$683.99	\$0.00	5.21	\$ 9,325.00	7.34%	0.01%	7/18/2014	Approved	4ft extension due to BP05 and BP2B grade conflict
5	Permits for relief well conversions due to change with IL Public Health Dept	Other	\$1,863.75	\$0.00	5.26	\$ 211,728.64	0.88%	0.02%	10/30/2014	Approved	Permits for relief well conversions due to change with IL Public Health Dept; Owner will be responsible for all permits and fees
6	Relief Wells Rehabs	Other	\$103,690.00	\$0.00	NA	NA	NA	1.26%	10/30/2014	Approved	Relief well rehabilitations in the plans but were omitted from the bid tab
7*	PZ Seal Modifications	Design	\$31,680.00	\$0.00	5.22	\$ 171,680.00	18.45%	0.38%	11/19/2014	Approved	The new detail extends the concrete seal 4' below ground surface which should provide more stability for the above-grade part of the piezometer.
8	Installation and testing 10" Relief Wells instead of 8" Wells	Design	\$45,199.00	\$0.00	5.28	\$ 2,156,379.63	2.10%	0.55%	2/2/2015	Approved	Based on site-specific designs performed after pilot hole drilling, ten wells were final-designed with 10" diameter screens and risers to optimize well length and/or meet the USACE entrance velocity standard.
9*	RW Construction Obstruction	Field	\$107,201.00	\$0.00	5.27 5.28	\$ 3,204,234.48	3.35%	1.30%	1/15/2015	Approved	RW Construction Obstruction due to Cobble Layer during drilling; submitted January 21, 2015 for Board approval
10	Credit-Remove Vacuum Testing of Manholes	Other	\$ (5,095.00)	\$0.00	5.18-5.21	\$ 113,685.00	-4.48%	-0.06%	2/2/2015	Approved	PCN approved to remove the requirements for ASTM C1244 Standard Test Method for Concrete Sewer
11	Contract Time Extension	Other	\$0.00	\$0.00	NA	NA	NA	0.00%	2/10/2015	Approved	Contract Time Extension to September 30, 2015
12	Delete - PZ Seal Modifications	Other	\$ (31,680.00)	\$0.00	5.22	\$ 171,680.00	-18.45%	-0.38%	2/23/2015	pending	Delete piezometer seal modifications
13	Remaining Relief Well Permits	Other	\$9,297.75	\$0.00	NA	NA	NA	0.11%	3/6/2015	pending	Per spec sec 00 800 par 6.4-Owner will be responsible for all permits and fees

Total of Project Change Orders

Original Contract Amount **\$8,256,481.84**
 Revised Contract Amount **\$289,261.88**
 % Change from Original Amount **3.74%**

Approved **\$308,960.66**

*Board approval required

CONTRACT INVOICE LOG

Contractor: The Lane Construction Corporation
90 Fieldstone Ct.
Cheshire, CT 06410-1212

Project: SWILCD 56317001.008.0017
Construction Package: BP06
Original Contract Amount: \$12,857,127.75

Change Order #1:	\$0.00	Spiral Wound Slip Lining
Change Order #2:	\$1,870.00	Bronze Survey Markers
Change Order #3:	\$132,809.60	Red Flint Filter Pack Material
Change Order #4:	\$12,040.40	Air Testing of HDPE Storm Sewer Pipe 12" 18" and 24"
Change Order #5:	\$29,566.29	SaniTite pipe upgrade and air testing on 30"-42" pipe
Change Order #6:	\$26,950.00	Vacuum testing manholes
Change Order #7:	\$205,863.75	Additional Pilot Hole Drilling & Additional Pilot Hole Sampling
Change Order #8:	\$4,210.00	Raise to Grade Piezometer
Change Order #9:	\$9,504.00	Modify Piezometer
Change Order #10:	\$18,339.63	12" Surface Aggregate
Change Order #11:	\$1,282,932.15	Relief Well Quantity Changes
Change Order #12:	\$37,935.66	Various Changes for Board Approval
Change Order #13:	\$43,664.49	Various Changes for Board Approval
Change Order #14:	\$177,854.69	Relief Well Construction Obstruction
Change Order #15:	\$0.00	Contract Time Extension to September 30, 2015
Change Order #16:	\$10,004.04	Concrete Headwall and Flap Gate at RW-200X; HDPE pipe 12 inch added to P-200X; HDPE pipe 12 inch added to 70-C; Manhole – 48 inch deleted JN-70 C; HDPE pipe 12 inch

Total Change Order Amount: \$1,993,544.70
Total Revised Contract Amount: \$14,850,672.45

To be processed;
approved by
Board 2/18/15

Payment Request No.	Pay Request Date	Pay Request Recommended Approval Date	Total Completed to Date (\$)	Amount Retained (10% to 50%) then (5% to 95%)	Total Earned Less Retainage	Amount Invoiced (\$)	Date Paid by FPD	Estimate to Complete Including Retainage (\$)
1	12/1/2013	12/9/2013	\$85,500.00	\$8,550.00	\$76,950.00	\$76,950.00	12/20/2013	\$12,780,177.75
2	1/1/2014	2/10/2014	\$302,624.00	\$30,262.40	\$272,361.60	\$195,411.60	2/20/2014	\$12,584,766.15
3	2/3/2014	2/10/2014	\$1,082,723.00	\$108,272.30	\$974,450.70	\$702,089.10	2/20/2014	\$11,882,677.05
4	3/1/2014	3/14/2014	\$1,486,548.00	\$148,654.80	\$1,337,893.20	\$363,442.50	3/25/2014	\$11,519,234.55
5	4/1/2014	4/16/2014	\$2,819,792.90	\$281,979.29	\$2,537,813.61	\$1,199,920.41	4/22/2014	\$10,321,184.14
6	5/1/2014	5/13/2014	\$3,912,098.90	\$391,209.89	\$3,520,889.01	\$983,075.40	5/22/2014	\$9,338,108.74
7	6/1/2014	6/10/2014	\$4,741,611.90	\$474,161.19	\$4,267,450.71	\$746,561.70	6/19/2014	\$8,591,547.04
8	7/1/2014	7/14/2014	\$5,406,637.90	\$540,663.79	\$4,865,974.11	\$598,523.40	7/17/2014	\$8,125,833.24
9	8/1/2014	8/8/2014	\$5,785,001.65	\$578,500.17	\$5,206,501.49	\$340,527.38	8/19/2014	\$8,073,440.31
10	9/3/2014	9/5/2014	\$6,053,869.33	\$605,386.93	\$5,448,482.40	\$241,980.91	9/15/2014	\$7,849,799.02
11	10/1/2014	10/3/2014	\$6,752,179.87	\$675,217.99	\$6,076,961.88	\$628,479.49	10/16/2014	\$8,504,251.69
12	11/1/2014	11/10/2014	\$7,466,202.56	\$746,620.26	\$6,719,582.30	\$642,620.41	11/18/2014	\$7,899,566.94
13	12/1/2014	12/8/2014	\$8,071,969.19	\$807,196.92	\$7,264,772.27	\$545,189.97	12/18/2014	\$7,398,041.46
14	1/1/2015	1/13/2015	\$9,086,036.15	\$454,301.81	\$8,631,734.33	\$1,366,962.07	1/26/2015	\$6,031,079.39
15	2/1/2015	2/6/2015	\$10,631,046.43	\$531,552.32	\$10,099,494.11	\$1,467,759.77	2/18/2015	\$4,741,174.30
16	3/1/2015	3/9/2015	\$11,159,175.28	\$557,958.76	\$10,601,216.51	\$501,722.40		\$4,249,455.94

TITLE: CONSTRUCTION CHANGE ORDER LOG

CLIENT: Southwestern Illinois Flood Prevention District Council
PROJECT: Bid Package 06

PROJECT NUMBER: SIFPDC-BP06

Change Request Number	Description	Change Type (Field, Design, Spec, Other)	Cost to FPD	Cost to Others	As Bid Line Item #	Original Cost of Associated Line Item	% of Original Line Item	% of Original Contract	Date	Status	Comments
1	Spiral Wound (Slip-Lining)	Spec	\$0.00	\$0.00	6.20	\$ 1,629,000.00	0.00%	0.00%	2/27/2014	Approved	Specification change to coordinate and be consistent with material and methods used by Corps of Engineers
2	Bronze Survey Markers	Spec	\$1,870.00	\$0.00	6.40	\$ 1,039,884.00	0.18%	0.01%	3/18/2014	Approved	Specification change to make consistent with other bid packages. Comments back from Corps of Engineers on other bid packages but was missed on this bid package.
3	Red Flint Filter Pack	Spec	\$132,809.60	\$0.00	6.39 6.40	\$ 1,806,432.00	7.35%	1.03%	6/20/2014	Approved	Specification change as required by the Corp of Engineers. The change order cost of \$132,809.60 is based on original bid quantities and may increase based on final relief well design. If final quantities result in increase of 10% above original line item, Board approval required
4	Air Testing of HDPE Storm Sewer Pipe 12" 18" and 24"	Spec	\$12,040.40	\$0.00	NA	NA	NA	0.09%	7/17/2014	Approved	Specification change to make consistent with other bid packages.
5*	SaniTite pipe upgrade and air testing on 30"-42" pipe	Spec	\$29,566.29	\$0.00	6.25 6.26 6.27	\$ 149,797.00	19.74%	0.23%	7/17/2014	Approved	Specification change to make consistent with other bid packages. Board approval required
6	Vacuum testing manholes	Spec	\$26,950.00	\$0.00	NA	NA	NA	0.21%	7/17/2014	Approved	Specification change to make consistent with other bid packages. Board approval required
7*	Additional Pilot Hole Drilling & Additional Pilot Hole Sampling	Design	\$205,863.75	\$0.00	6.38	\$ 251,775.00	81.76%	1.60%	7/17/2014	Approved	Design change to accommodate actually quantities. Bid quantities were very preliminary since no pilot holes were drilled at the time and Amec had not received the USACE design template for relief wells. Board approval required
8*	Raise to Grade Piezometer	Field	\$4,210.00	\$0.00	6.45	\$ 21,050.00	20.00%	0.03%	7/17/2014	Approved	PZ 689L to be raised to grade to accommodate field conditions. Board approval required
9	Modify Piezometer	Field	\$9,504.00	\$0.00	6.43	\$ 132,960.00	7.15%	0.07%	7/18/2014	Approved	Modify piezometers seal to provide additional concrete
10	Surface Aggregate	Design	\$18,339.63	\$0.00	NA	NA	NA	0.14%	8/25/2014	Approved	12 inch Aggregate Surface Course, Type A" item for driveways and field access roads. This was not included in the original proposal and was added per detail on sheet CC-C513 and various plan sheets showing the locations.
11*	Relief Well Quantity Change	Design	\$1,282,932.15	\$0.00	6.39 6.40	\$ 1,806,432.00	71.02%	9.98%	9/12/2014	Approved	Additional quantities required due to deeper pilot holes required to achieve necessary penetration. Board approval required.
12*	Additional 50VF of Pilot Hole Drilling; Decrease RW Add Riser 1 EA; Add RW Abandonment 1 EA; PZ 679R Convert to Below Grade Piezometer; T&M 2 Clay Cap Undercut	Field	\$37,935.66	\$0.00	6.09 6.38 6.42 6.46 6.32	\$ 575,290.00	6.59%	0.30%	10/10/2014	Approved	See change order summary presented to Board for review and approval in the October 15, 2014 Board Meeting
13*	Hydraulic structure painting of the 84" bulkhead; T&M 3 Clay Cap Undercut; Modify PZ Raise to Grade to PZ Raise to Grade Special	Field	\$43,664.49	\$0.00				0.34%	11/19/2014	Approved	Board approval required
14*	RW Construction Obstruction	Field	\$177,854.69	\$0.00	6.39 6.40	\$ 1,806,432.00	9.85%	1.38%	1/21/2015	Approved	RW Construction Obstruction due to Cobble Layer during drilling. Board approval required.
15	Contract Time Extension	Other	\$0.00	\$0.00	NA	NA	NA	0.00%	2/10/2015	Approved	Contract Time Extension to September 30, 2015

TITLE: CONSTRUCTION CHANGE ORDER LOG

CLIENT: Southwestern Illinois Flood Prevention District Council
PROJECT: Bid Package 06

PROJECT NUMBER: SIFPDC-BP06

Change Request Number	Description	Change Type (Field, Design, Spec, Other)	Cost to FPD	Cost to Others	As Bid Line Item #	Original Cost of Associated Line Item	% of Original Line Item	% of Original Contract	Date	Status	Comments
16*	Concrete Headwall and Flap Gate at RW-200X; HDPE pipe 12 inch added to P-200X; HDPE pipe 12 inch added to 70-C; Manhole – 48 inch deleted JN-70 C; HDPE pipe 12 inch deleted P-S516 for 70C.	Field	\$10,004.04	\$0.00	6.39 6.40	\$ 1,806,432.00	0.55%	0.08%	2/12/2015	Approved	Change Description submitted in change order memo for Board approval 2/18/15
17*	60 Slot Relief Well Redesign	Field	\$63,230.97	\$0.00	6.40	\$ 1,039,884.00	6.08%	0.49%	3/18/2015	Pending	60-slot RW re-design to 40-slot; Board approval required
Total of Project Change Orders			\$1,993,544.70	\$0.00						Total	\$ 1,993,544.70
Original Contract Amount			\$12,857,127.75	% Change from Original Amount							
*Board approval required				15.51%							

CONTRACT INVOICE LOG

Contractor: Kamadulski Excavating & Grading Co., Inc.
 4336 State Route 162
 Granite City, IL 62040

Project: SWILCD 56317001.010.001
Construction Package: BP7A
Original Contract Amount: \$3,076,208.70
Change Order #1: \$13,850.00 Boat Access Ramp
Change Order #2: \$108,897.50 Utility Conflicts
Change Order #3: \$98,660.80 Excavation Levee Slope and Crown Quantity Adjustment
Change Order #4: \$66,693.00 Slurry Wall Quantity Settlement
Change Order #5: \$0.00 Contract Time Extension to June 26, 2015
Total Change Order Amount: \$288,101.30
Total Revised Contract Amount: **\$3,364,310.00**

Payment Request No.	Pay Request Date	Pay Request Recommended Approval Date	Total Completed to Date (\$)	Amount Retained (10% to 50%) then (5% to 95%)	Total Earned Less Retainage	Amount Invoiced (\$)	Date Paid by FPD	Estimate to Complete Including Retainage (\$)
1	10/31/2014	11/3/2014	\$886,675.70	\$88,667.57	\$798,008.13	\$798,008.13	11/18/2014	\$2,292,050.57
2	11/30/2014	12/8/2014	\$1,824,863.95	\$182,486.40	\$1,642,377.55	\$844,369.42	12/18/2014	\$1,556,578.65
3	12/31/2015	1/9/2015	\$2,520,707.13	\$126,035.37	\$2,394,671.76	\$752,294.21	1/26/2015	\$902,945.24
4	2/28/2015	3/10/2015	\$2,587,400.13	\$129,370.02	\$2,458,030.11	\$63,358.35		\$906,279.89

CONTRACT INVOICE LOG

Contractor: Kiewit Infrastructure Co.
302 S. 36st Street, Suite 400
Omaha, NE 68131

Project: SWILCD 56317001.010.001
Construction Package: BP7B
Original Contract Amount: \$10,613,400.00
Total Change Order Amount: \$0.00
Total Revised Contract Amount: \$10,613,400.00

Payment Request No.	Pay Request Date	Pay Request Recommended Approval Date	Total Completed to Date (\$)	Amount Retained (10% to 50%) then (5% to 95%)	Total Earned Less Retainage	Amount Invoiced (\$)	Date Paid by FPD	Estimate to Complete Including Retainage (\$)
1	1/9/2015	1/29/2015	\$425,000.00	\$42,500.00	\$382,500.00	\$382,500.00		\$10,230,900.00

TITLE: CONSTRUCTION CHANGE ORDER LOG

CLIENT: Southwestern Illinois Flood Prevention District Council
PROJECT Bid Package 7B

PROJECT NUMBER: SIFPDC-BP7B

Change Request Number	Description	Change Type (Field, Design, Spec, Other)	Cost to FPD	Cost to Others	As Bid Line Item #	Original Cost of Associated Line Item	% of Original Line Item	% of Original Contract	Date	Status	Comments		
1													
2													
3													
4													
5													
6													
Total of Project Change Orders											\$0.00	\$	-

Original Contract Amount	Revised Contract Amount	% Change from Original Amount
\$10,613,400.00	10,613,400.00	0.00%

*Board approval required



Memo to: Board of Directors
From: Chuck Ewert
Subject: Budget and Disbursement Report for February 2015
Date: March 16, 2015

Current Budget Highlights

Attached is the financial statement for February 2015 prepared by our fiscal agent, CliftonLarsonAllen. The report includes an accounting of revenues and expenditures for the month ending February 28, 2015, as compared to our fiscal year budget.

Accrued expenditures for the current fiscal year beginning on October 1, 2014 are \$18,669,205 while revenues amounted to \$4,752,509 resulting in a deficit of \$13,916,696. A total of approximately \$22,085,668 is held by the counties in their respective FPD sales tax funds and is available for the Council's use on the project.

Monthly sales tax receipts for December 2014 (the latest month reported by the Illinois Department of Revenue) were up by 4.61% from the previous year. Receipts were up 2.93% from last year and the total for 2014 was \$11,349,426, which is \$55,042 more than the previous highest year of 2012.

Monthly Disbursements

Attached is the list of bank transactions for February 2015. Total disbursements for the month were \$3,173,879.98. The largest payments were to Lane Construction for BP #6, Keller Construction for BP #3 and BP #5, Kiewit Infrastructure for BP #7B, Haier plumbing for BP #4, Korte & Luitjohan Contractors for BP #2B, Amec Foster Wheeler and Husch Blackwell.

Recommendation:

Accept the budget report and disbursements for February 2015.



**SOUTHWESTERN ILLINOIS FLOOD PREVENTION
DISTRICT COUNCIL**

**GENERAL FUND
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL**

FIVE MONTHS ENDING FEBRUARY 2015 AND 2014



CliftonLarsonAllen

CliftonLarsonAllen LLP
www.cliftonlarsonallen.com

Board Members
Southwestern Illinois Flood Prevention District Council
Collinsville, Illinois

We have compiled the accompanying General Fund Statement of Revenues and Expenditures – Budget and Actual of Southwestern Illinois Flood Prevention District Council (the “Council”) for the five months ended February 2015 and 2014. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statement on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide assurance that there are no material modifications that should be made to the financial statements. During our compilation we did become aware of departures from accounting principles generally accepted in the United States of America that are described in the following paragraph.

Management has omitted the management discussion and analysis. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

Management has not presented government-wide financial statements to display the financial position and changes in financial position of its governmental activity. Accounting principles generally accepted in the United States of America require the presentation of government-wide financial statements. The change in fund balance for the Council's governmental activity is not reasonably determinable.

Management has not presented a balance sheet for the general fund. Accounting principles generally accepted in the United States of America require the presentation of a balance sheet for each fund contained in the financial statements. The amounts that would be reported in a balance sheet of the general fund for the Council are not reasonably determinable.

Management has not presented a change in fund balance on the Statement of Revenues and Expenditures – Budget and Actual. Accounting principles generally accepted in the United States of America require the Statement of Revenues, Expenditures and Changes in Fund Balance include a presentation of changes in fund balance. The amounts that would be reported in government-wide financial statements for the Council's governmental activity is not reasonably determinable.

Management has also elected to omit substantially all of the disclosures required by generally accepted accounting principles. If the omitted disclosures were included with the financial statements, they might influence the user's conclusions about the Council's results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The accompanying original and final budget amounts presented on the General Fund Statement of Revenues and Expenditures – Budget and Actual presented for the year ending September 30, 2015 and 2014, have not been compiled or examined by us, and, accordingly, we do not express an opinion or any other form of assurance on them.

We are not independent with respect to Southwestern Illinois Flood Prevention District Council.

A handwritten signature in cursive script that reads "Clifton Larson Allen LLP".

CliftonLarsonAllen LLP

St. Louis, Missouri
March 11, 2015

**SOUTHWESTERN ILLINOIS FLOOD PROTECTION DISTRICT COUNCIL
GENERAL FUND
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FIVE MONTHS ENDED FEBRUARY 28, 2015 (Actual)
FISCAL YEAR ENDING SEPTEMBER 30, 2015 (Budget)**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Sales Tax Proceeds From Districts	\$ 11,195,000	\$ 11,195,000	\$ 4,679,606	\$ 6,515,394
Interest Income	60,000	60,000	72,903	(12,903)
Other Contributions	-	-	-	-
Total Revenues	<u>11,255,000</u>	<u>11,255,000</u>	<u>4,752,509</u>	<u>6,502,491</u>
EXPENDITURES				
Current				
Design and Construction				
Engineering Design & Construction Management	8,131,050	8,131,050	1,073,682	7,057,368
Construction	45,791,362	45,791,362	13,962,148	31,829,214
Construction and design by US ACE	-	-	-	-
Federal Cost-Share	-	-	-	-
Total Design and Construction	<u>53,922,412</u>	<u>53,922,412</u>	<u>15,035,830</u>	<u>38,886,582</u>
Professional Services				
Legal & Legislative Consulting	216,000	216,000	101,187	114,813
Diversity Program Manager	64,140	64,140	32,070	32,070
Construction Oversight	-	-	-	-
Other	-	-	-	-
Impact Analysis/Research	-	-	-	-
Financial Advisor	120,000	120,000	3,000	117,000
Bond Underwriter/Conduit Issuer	-	-	6,705	(6,705)
Total Professional Services	<u>400,140</u>	<u>400,140</u>	<u>142,962</u>	<u>257,178</u>
Refund of Surplus Funds to County FPD Accounts				
Madison County	1,882,480	1,882,480	539,901	1,342,579
Monroe County	197,080	197,080	56,523	140,557
St. Clair County	1,920,440	1,920,440	550,788	1,369,652
Total Refund of Surplus Funds to County	<u>4,000,000</u>	<u>4,000,000</u>	<u>1,147,212</u>	<u>2,852,788</u>
Debt Service				
Principal and Interest	7,101,239	7,101,239	2,248,120	4,853,119
Federal Interest Subsidy	(844,610)	(844,610)	-	(844,610)
Total Debt Service	<u>6,256,629</u>	<u>6,256,629</u>	<u>2,248,120</u>	<u>4,008,509</u>
Total Operating Expenses	<u>64,579,181</u>	<u>64,579,181</u>	<u>18,574,124</u>	<u>46,005,057</u>
General and Administrative Costs				
Salaries, Benefits	206,000	206,000	77,036	128,964
Advertising	-	-	-	-
Bank Service Charges	1,500	1,500	601	899
Conference Registration	500	500	311	189
Equipment and Software	2,000	2,000	-	2,000
Fiscal Agency Services	26,500	26,500	12,500	14,000
Audit Services	15,000	15,000	-	15,000
Furniture	-	-	-	-
Meeting Expenses	1,000	1,000	-	1,000
Postage/Delivery	400	400	144	256
Printing/Photocopies	2,500	2,500	1,006	1,494
Professional Services	20,000	20,000	191	19,809
Publications/Subscriptions	250	250	110	140
Supplies	1,500	1,500	762	738
Telecommunications/Internet	2,500	2,500	1,287	1,213
Travel	7,500	7,500	165	7,335
Insurance	1,000	1,000	968	32
Total General & Administrative Costs	<u>288,150</u>	<u>288,150</u>	<u>95,081</u>	<u>193,069</u>
Total Expenditures	<u>64,867,331</u>	<u>64,867,331</u>	<u>18,669,205</u>	<u>46,198,126</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(53,612,331)	(53,612,331)	(13,916,696)	39,695,635
OTHER FINANCING SOURCES				
Proceeds From Borrowing	-	-	-	-
NET CHANGE IN FUND BALANCE	<u>\$ (53,612,331)</u>	<u>\$ (53,612,331)</u>	<u>\$ (13,916,696)</u>	<u>\$ 39,695,635</u>

**SOUTHWESTERN ILLINOIS FLOOD PROTECTION DISTRICT COUNCIL
GENERAL FUND
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FIVE MONTHS ENDED FEBRUARY 28, 2014 (Actual)
FISCAL YEAR ENDING SEPTEMBER 30, 2014 (Budget)**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Sales Tax Proceeds From Districts	\$ 11,237,000	\$ 11,237,000	\$ 4,548,625	\$ 6,688,375
Interest Income	650,000	650,000	388,144	261,856
Other Contributions	-	-	-	-
Total Revenues	<u>11,887,000</u>	<u>11,887,000</u>	<u>4,936,769</u>	<u>6,950,231</u>
EXPENDITURES				
Current				
Design and Construction				
Engineering Design & Construction Management	4,000,000	4,000,000	3,112,600	887,400
Construction	60,000,000	60,000,000	1,975,554	58,024,446
Construction and design by US ACE	1,000,000	1,000,000	1,562,250	(562,250)
Federal Cost-Share	-	-	-	-
Total Design and Construction	<u>65,000,000</u>	<u>65,000,000</u>	<u>6,650,404</u>	<u>58,349,596</u>
Professional Services				
Legal & Legislative Consulting	210,000	210,000	122,443	87,557
Construction Oversight	210,000	210,000	90,090	119,910
Other	-	-	-	-
Impact Analysis/Research	-	-	1,515	(1,515)
Financial Advisor	40,000	40,000	1,320	38,680
Bond Underwriter/Conduit Issuer	100,000	100,000	-	100,000
Total Professional Services	<u>560,000</u>	<u>560,000</u>	<u>215,368</u>	<u>344,632</u>
Refund of Surplus Funds to County FPD Accounts				
Madison County	2,270,400	2,270,400	647,752	1,622,648
Monroe County	220,800	220,800	63,933	156,867
St. Clair County	2,308,800	2,308,800	647,664	1,661,136
Total Refund of Surplus Funds to County	<u>4,800,000</u>	<u>4,800,000</u>	<u>1,359,349</u>	<u>3,440,651</u>
Debt Service				
Principal and Interest	7,107,440	7,107,440	2,273,670	4,833,770
Federal Interest Subsidy	(910,140)	(910,140)	-	(910,140)
Total Debt Service	<u>6,197,300</u>	<u>6,197,300</u>	<u>2,273,670</u>	<u>3,923,630</u>
Total Operating Expenses	<u>76,557,300</u>	<u>76,557,300</u>	<u>10,498,791</u>	<u>66,058,509</u>
General and Administrative Costs				
Salaries, Benefits	192,331	192,331	84,069	108,262
Advertising	-	-	-	-
Bank Service Charges	600	600	570	30
Conference Registration	500	500	372	128
Equipment and Software	4,000	4,000	1,768	2,232
Fiscal Agency Services	23,000	23,000	11,650	11,350
Furniture	-	-	-	-
Meeting Expenses	1,000	1,000	28	972
Postage/Delivery	400	400	168	232
Printing/Photocopies	2,500	2,500	1,029	1,471
Professional Services	20,000	20,000	38,511	(18,511)
Publications/Subscriptions	250	250	2,124	(1,874)
Supplies	1,500	1,500	793	707
Telecommunications/Internet	2,000	2,000	1,732	268
Travel	15,000	15,000	2,100	12,900
Insurance	1,000	1,000	981	19
Total General & Administrative Costs	<u>264,081</u>	<u>264,081</u>	<u>145,895</u>	<u>118,186</u>
Total Expenditures	<u>76,821,381</u>	<u>76,821,381</u>	<u>10,644,686</u>	<u>66,176,695</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	(64,934,381)	(64,934,381)	(5,707,917)	59,226,464
OTHER FINANCING SOURCES				
Proceeds From Borrowing	10,000,000	10,000,000	-	10,000,000
NET CHANGE IN FUND BALANCE	<u>\$ (54,934,381)</u>	<u>\$ (54,934,381)</u>	<u>\$ (5,707,917)</u>	<u>\$ 49,226,464</u>

Flood Prevention District Sales Tax Trends 2009-2014

2009												County Share		
	Jan	Feb	March	April	May	June	July	August	Sept	October	November	December	Total	
Madison	\$321,968	\$336,765	\$397,425	\$387,385	\$414,350	\$421,402	\$399,616	\$401,188	\$400,090	\$404,847	\$405,930	\$492,814	\$4,783,780	46.319%
St. Clair	\$337,979	\$362,696	\$424,556	\$398,395	\$419,126	\$438,230	\$411,968	\$410,484	\$429,852	\$412,637	\$446,806	\$581,721	\$5,074,450	49.134%
Monroe	\$31,641	\$32,903	\$37,830	\$38,757	\$41,326	\$40,847	\$37,817	\$37,497	\$38,652	\$42,270	\$40,332	\$49,755	\$469,627	4.547%
Total Month	\$691,588	\$732,364	\$859,811	\$824,537	\$874,802	\$900,479	\$849,401	\$849,169	\$868,594	\$859,754	\$893,068	\$1,124,290	\$10,327,857	
Cumulative Total	\$691,588	\$1,423,952	\$2,283,763	\$3,108,300	\$3,983,102	\$4,883,581	\$5,732,982	\$6,582,151	\$7,450,745	\$8,310,499	\$9,203,567	\$10,327,857		
2010														
Madison	\$353,146	\$374,416	\$456,795	\$462,697	\$440,815	\$452,308	\$427,329	\$433,047	\$419,455	430,210	\$442,904	\$529,069	\$5,222,191	47.272%
St. Clair	\$367,458	\$399,480	\$464,089	\$439,748	\$439,139	\$458,299	\$421,447	\$423,718	\$424,971	\$429,581	\$457,927	587067	\$5,312,924	48.094%
Monroe	\$36,770	\$34,324	\$39,884	\$43,769	\$44,358	\$43,102	\$46,499	\$41,816	\$42,207	\$42,746	\$45,411	\$51,004	\$511,890	4.634%
Total Month	\$757,374	\$808,220	\$960,768	\$946,214	\$924,312	\$953,709	\$895,275	\$898,581	\$886,633	\$902,537	\$946,242	\$1,167,140	\$11,047,005	
Cumulative Total	\$757,374	\$1,565,594	\$2,526,362	\$3,472,576	\$4,396,888	\$5,350,597	\$6,245,872	\$7,144,453	\$8,031,086	\$8,933,623	\$9,879,865	\$11,047,005		
% change/month	9.51%	10.36%	11.74%	14.8%	5.7%	5.9%	5.4%	5.8%	2.1%	5.0%	6.0%	3.8%		
% change/total	9.51%	9.95%	10.62%	11.72%	10.39%	9.56%	8.95%	8.54%	7.79%	7.50%	7.35%	6.96%	6.96%	
2011														
Madison	\$380,021	\$383,976	\$460,129	\$454,562	\$466,904	\$477,396	\$436,637	\$473,303	\$448,256	\$444,204	\$455,842	\$538,000	\$5,419,230	48.108%
St. Clair	\$363,984	\$395,231	\$455,562	\$437,820	\$436,490	\$475,972	\$433,460	\$433,777	\$441,030	\$412,793	\$451,390	\$594,129	\$5,331,638	47.330%
Monroe	\$38,315	\$34,759	\$41,192	\$44,975	\$41,786	\$45,836	\$44,887	\$43,323	\$42,564	\$42,690	\$42,252	\$51,266	\$513,845	4.562%
Total Month	\$782,320	\$813,966	\$956,883	\$937,357	\$945,180	\$999,204	\$914,984	\$950,403	\$931,850	\$899,687	\$949,484	\$1,183,395	\$11,264,713	
Cumulative Total	\$782,320	\$1,596,286	\$2,553,169	\$3,490,526	\$4,435,706	\$5,434,910	\$6,349,894	\$7,300,297	\$8,232,147	\$9,131,834	\$10,081,318	\$11,264,713		
% change/month	3.29%	0.71%	-0.40%	-0.94%	2.26%	4.77%	2.20%	5.77%	5.10%	-0.32%	0.34%	1.39%		
% change/total	3.29%	1.96%	1.06%	0.52%	0.88%	1.58%	1.67%	2.18%	2.50%	2.22%	2.04%	1.97%	1.97%	
2012														
Madison	\$381,470	\$406,476	\$473,049	\$471,191	\$481,989	\$477,254	\$427,562	\$434,603	\$428,193	\$428,521	\$429,127	\$523,240	\$5,362,675	47.481%
St. Clair	\$361,727	\$415,491	\$468,490	\$432,173	\$468,782	\$473,567	\$425,923	\$441,838	\$438,184	\$424,289	\$454,916	\$589,183	\$5,394,563	47.763%
Monroe	\$37,471	\$38,904	\$46,086	\$46,051	\$46,231	\$45,671	\$43,063	\$45,307	\$45,641	\$46,230	\$45,429	\$51,062	\$537,146	4.756%
Total Month	\$780,668	\$860,871	\$987,625	\$949,415	\$997,002	\$996,492	\$896,548	\$921,748	\$912,018	\$899,040	\$929,472	\$1,163,485	\$11,294,384	
Cumulative Total	\$780,668	\$1,641,539	\$2,629,164	\$3,578,579	\$4,575,581	\$5,572,073	\$6,468,621	\$7,390,369	\$8,302,387	\$9,201,427	\$10,130,899	\$11,294,384		
% change/month	-0.21%	5.76%	3.21%	1.29%	5.48%	-0.27%	-2.01%	-3.02%	-2.13%	-0.07%	-2.11%	-1.68%		
% change/total	-0.21%	2.83%	2.98%	2.52%	3.15%	2.52%	1.87%	1.23%	0.85%	0.76%	0.49%	0.26%	0.26%	

Flood Prevention District Sales Tax Trends 2009-2014

2013

	Jan	Feb	March	April	May	June	July	August	Sept	October	November	December	Total
Madison	\$375,398	\$383,170	\$424,507	\$425,469	\$457,212	\$451,494	\$436,686	\$442,449	\$430,541	\$429,499	\$432,541	\$500,233	\$5,189,199
St. Clair	\$381,645	\$395,527	\$449,397	\$434,001	\$457,942	\$462,603	\$422,892	\$432,195	\$430,014	\$419,350	\$448,076	\$560,165	\$5,293,807
Monroe	\$37,888	\$39,679	\$45,689	\$45,913	\$48,212	\$47,694	\$42,672	\$45,143	\$44,733	\$44,723	\$47,111	\$53,853	\$543,310
Total Month	\$794,931	\$818,376	\$919,593	\$905,383	\$963,366	\$961,791	\$902,250	\$919,787	\$905,288	\$893,572	\$927,728	\$1,114,251	\$11,026,316
Cumulative Total	\$794,931	\$1,613,307	\$2,532,900	\$3,438,283	\$4,401,649	\$5,363,440	\$6,265,690	\$7,185,477	\$8,090,765	\$8,984,337	\$9,912,065	\$11,026,316	
% change/month	1.83%	-4.94%	-6.89%	-4.64%	-3.37%	-3.48%	0.64%	-0.21%	-0.74%	-0.61%	-0.19%	-4.23%	
% change/total	1.83%	-1.72%	-3.66%	-3.92%	-3.80%	-3.74%	-3.14%	-2.77%	-2.55%	-2.36%	-2.16%	-2.37%	-2.37%

2014

	Jan	Feb	March	April	May	June	July	August	Sept	October	November	December	Total
Madison	\$373,895	\$383,909	\$456,964	\$457,729	\$484,657	\$491,911	\$455,629	\$454,995	\$442,808	\$447,128	\$452,169	\$521,522	\$5,423,317
St. Clair	\$354,762	\$395,885	\$460,143	\$436,379	\$458,819	\$470,546	\$426,263	\$434,064	\$445,419	\$433,077	\$446,001	\$591,387	\$5,352,747
Monroe	\$42,321	\$39,665	\$47,587	\$47,796	\$52,206	\$49,022	\$47,357	\$46,167	\$50,056	\$48,920	\$49,552	\$52,714	\$573,362
Total Month	\$770,978	\$819,459	\$964,694	\$941,905	\$995,682	\$1,011,479	\$929,249	\$935,226	\$938,283	\$929,126	\$947,722	\$1,165,623	\$11,349,426
Cumulative Total	\$770,978	\$1,590,437	\$2,555,131	\$3,497,036	\$4,492,718	\$5,504,197	\$6,433,446	\$7,368,671	\$8,306,955	\$9,236,081	\$10,183,803	\$11,349,426	
% change/month	-3.01%	0.13%	4.90%	4.03%	3.35%	5.17%	2.99%	1.68%	3.64%	3.98%	2.16%	4.61%	
% change/total	-3.01%	-1.42%	0.88%	1.71%	2.07%	2.62%	2.68%	2.55%	2.67%	2.80%	2.74%	2.93%	2.93%

**SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
SUPPLEMENTARY SUPPORTING SCHEDULE
BANK TRANSACTIONS
February 28, 2015**

Beginning Bank Balance February 1		\$ 891,014.70
Receipts		
UMB	02/17/2015 Funds Transfer Construction	2,744,615.23
UMB	02/17/2015 Funds Transfer Admin	9,610.04
The Bank of Edwardsville	02/27/2015 Interest February	92.74
		2,754,318.01
Disbursements		
Kiewit Infrastructure Co	02/02/2015 Construction	382,500.00
FedEx	02/03/2015 Postage, Mailings	21.00
Microsoft Office	02/03/2015 Subscriptions	107.23
Office Depot	02/03/2015 Office Supplies	29.24
Smith Dawson & Andrews	02/04/2015 Professional Services	5,000.00
Harold Lindhorst & Sons	02/04/2015 Construction	1,300.00
Elizabeth A Stevens	02/04/2015 Construction	200.00
City of Alton	02/04/2015 Construction	100.00
Village of Roxana	02/04/2015 Construction	100.00
BuyOnLineNow	02/06/2015 Office Supplies	53.76
Haier Plumbing	02/13/2015 Construction	334,295.13
AMEC Earth & Environmental, Inc.	02/13/2015 Construction	215,306.59
Husch Blackwell Sanders	02/13/2015 Construction	54,921.54
M.Joseph Hill	02/13/2015 Construction	15,662.00
CliftonLarsonAllen	02/13/2015 Fiscal Agent	3,100.00
Columbia Capital	02/13/2015 Financial Advisor	600.00
Sprague & Urban, Attorneys at Law	02/13/2015 Construction	225.00
The Bank-Service Fees	02/17/2015 Wire Fee	10.00
The Bank-Service Fees	02/17/2015 Wire Fee	10.00
The Lane Construction Corporation	02/18/2015 Construction	1,467,759.77
Keller Construction Inc	02/18/2015 Construction	600,291.97
Endicia	02/18/2015 Postage Meter	50.00
Walmart	02/18/2015 Office Supplies	21.75
Korte & Luitjohan Contractors Inc	02/18/2015 Construction	54,454.00
Marks & Associates	02/18/2015 Construction	7,180.00
Village of Cahokia	02/18/2015 Construction	1,200.00
Cost Less Copy Center	02/18/2015 Boarding Meeting Materials	176.00
The Bank-Service Fees	02/18/2015 Wire Fee	15.00
The Bank-Service Fees	02/18/2015 Wire Fee	15.00
The Bank-Service Fees	02/18/2015 Wire Fee	15.00
The Bank-Service Fees	02/18/2015 Wire Fee	15.00
The Bank-Service Fees	02/18/2015 Wire Fee	15.00
Phillip L. Johnson	02/23/2015 Construction	25,800.00
Illinois Secretary of State	02/23/2015 Registration, Filing Fees	311.00
Dorgan, McPike & Assoc, LTD	02/23/2015 Professional Services	3,000.00
The Bank-Service Fees	02/27/2015 Bank service fees	19.00
		3,173,879.98
		\$ 471,452.73



Memo to: Board of Directors
From: Chuck Etwert
Subject: Fiscal Year 2014 Audit Report and Financial Statements
Date: March 16, 2014

Attached is the fiscal year 2014 audit report and financial statements prepared by our auditor, Scheffel Boyle. Mr. Michael Brokering of the firm will be at our March Board meeting to present the report and answer questions.

The report will be submitted to the county boards as required by our authorizing legislation and submitted to the bond rating agencies to meet their requirements.

Recommendation: Accept the Fiscal Year 2014 Audit Report and Financial Statements and forward copies to the counties and to the bond rating agencies.

SOUTHWESTERN ILLINOIS FLOOD
PREVENTION DISTRICT COUNCIL

ANNUAL FINANCIAL REPORT

YEAR ENDED SEPTEMBER 30, 2014

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
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ALTON EDWARDSVILLE BELLEVILLE HIGHLAND
JERSEYVILLE COLUMBIA CARROLLTON BARTELSON BETHALTO

INDEPENDENT AUDITOR'S REPORT

February 18, 2015

To the Southwestern Illinois Flood
Prevention District Council

We have audited the accompanying financial statements of the governmental activities and major fund of the Southwestern Illinois Flood Prevention District Council (the Council) as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

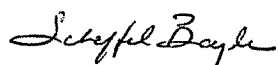
Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the Southwestern Illinois Flood Prevention District Council, as of September 30, 2014, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 6 and 25 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



Edwardsville, Illinois

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2014

This section of the Southwestern Illinois Flood Prevention District Council's (the Council) annual financial report offers a narrative overview and analysis of the financial activities during the fiscal year ended September 30, 2014. It should be read in conjunction with the Council's financial statements, which follow this section.

Southwestern Illinois Flood Prevention District Council's Overview

The formation of the Council was authorized by the Illinois Flood Prevention District Act (70 ILCS 750). The Council was formed in June of 2009 by an intergovernmental agreement between county flood prevention districts in Madison, St. Clair and Monroe counties and is governed by a nine member Board of Directors, three from each county. The Council's fiscal year end is September 30. The purpose of the Council is to finance, design and manage the reconstruction of the flood protection systems along the Mississippi River in the Illinois counties of Madison, St. Clair and Monroe. The Council's activities are funded by a ¼ cent sales tax collected in the three counties.

Required Financial Statements

This discussion and analysis is intended to serve as an introduction to the Council's basic financial statements. The Council's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The government-wide financial statements report information of the Council and its component activities using accounting methods similar to those used by private sector companies and offer short and long-term financial information about the fiscal year 2014.

The statement of net position presents information on all of the assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Council is improving or deteriorating.

The current year's revenue and expenses are accounted for in the statement of activities regardless of when cash is received or paid. All of the operations and programs are included here.

The fund-based financial statements consist of a series of statements that provide information about the Council's only governmental fund, the general fund.

Governmental fund financial statements are prepared using the current financial resources measurement focus and modified accrual basis of accounting. The statements consist of a balance sheet and statement of revenues, expenditures, and changes in fund balance.

The fund financial statements include reconciliations between the government-wide and fund financial statements because of the differences in basis of accounting. The differences are primarily in how capital assets and bonds are treated and the timing for recording some revenues and expenses.

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

Financial Analysis of the Council's Government-Wide Financial Statements

Net position as of September 30, 2014, was an overall deficit of (\$32,967,116), a decrease of \$23,161,827 compared to an overall deficit of (\$9,805,289) as of September 30, 2013, decreasing the Council's capital position.

Total assets and liabilities reflect the issuance of term and serial bonds in November 2010 to finance the levee improvements in the Illinois counties of Madison, St. Clair, and Monroe.

Condensed Statement of Net Position (Compared to 2013)

	<u>2014</u>	<u>2013</u> (Restated)	<u>Difference</u>
Current Assets	\$ 53,303,001	\$ 77,082,310	\$ (23,779,309)
Noncurrent Assets	6,743,286	6,197,711	545,575
Total Assets	<u>\$ 60,046,287</u>	<u>\$ 83,280,021</u>	<u>\$ (23,233,734)</u>
Current Liabilities	\$ 8,486,889	\$ 6,375,129	\$ 2,111,760
Long-Term Liabilities	84,526,514	86,710,181	(2,183,667)
Total Liabilities	<u>\$ 93,013,403</u>	<u>\$ 93,085,310</u>	<u>\$ (71,907)</u>
Net Investment in Capital Assets	\$ 2,700	\$ 3,288	\$ (588)
Restricted	51,202,912	76,572,224	(25,369,312)
Unrestricted (Deficit)	(84,172,728)	(86,380,801)	2,208,073
Total Net Position (Deficit)	<u>\$ (32,967,116)</u>	<u>\$ (9,805,289)</u>	<u>\$ (23,161,827)</u>
Total Liabilities and Net Position	<u>\$ 60,046,287</u>	<u>\$ 83,280,021</u>	<u>\$ (23,233,734)</u>

Statement of Activities (Compared to 2013)

	<u>2014</u>	<u>2013</u> (Restated)	<u>Difference</u>
Revenues			
District Sales Tax	\$ 11,242,506	\$ 11,082,764	\$ 159,742
Less: Return of Excess Sales Tax to Districts	(5,739,485)	(4,109,580)	(1,629,905)
Intergovernmental Grant	100,000	-	100,000
Interest Income	670,341	782,144	(111,803)
Unrealized Loss on Investments	(203,806)	-	(203,806)
Total Revenues	<u>\$ 6,069,556</u>	<u>\$ 7,755,328</u>	<u>\$ (1,685,772)</u>
Expenses			
General and Administration	\$ 266,964	\$ 271,516	\$ (4,552)
Design and Construction	25,040,804	5,239,838	19,800,966
Professional Services	383,376	343,337	40,039
Interest and Fiscal Charges (Net of Subsidy)	3,540,239	3,552,629	(12,390)
Total Expenses	<u>\$ 29,231,383</u>	<u>\$ 9,407,320</u>	<u>\$ 19,824,063</u>
Change in Net Position	\$ (23,161,827)	\$ (1,651,992)	\$ (21,509,835)
Net Position (Deficit) - Beginning of Year	(9,805,289)	(8,153,297)	(1,651,992)
Net Position (Deficit) - End of Year	<u>\$ (32,967,116)</u>	<u>\$ (9,805,289)</u>	<u>\$ (23,161,827)</u>

Current assets decreased by \$23,779,309 mainly due to expenditure of bond issue proceeds on design and construction activities and debt service payments on bonds.

Noncurrent assets increased by \$545,575 mainly due to change in presentation of unamortized bond discount. In prior years, the discount was netted with the premium.

Current liabilities increased by \$2,111,760 mainly due to increase in payables on design and construction activities.

Long-term liabilities decreased by \$2,183,667 reflecting the reduction in bonds payable and unamortized premium on the bonds.

District sales tax increased by \$159,742. These receipts represent the ¼ cent sales tax collected in Madison, St. Clair and Monroe County Flood Prevention Districts.

Under the terms of the series 2010 bond indenture, all flood prevention district sales tax is remitted to the bond trustee by the State of Illinois. After payment of principal, interest and other costs, any excess sales tax is sent by the trustee to the county flood prevention districts in an amount proportional to the sales tax collections in each county. This reimbursement totaled \$5,739,485, an increase of \$1,629,905. This fluctuation is mainly due to timing of receipts and expenditures.

Intergovernmental grant increased by \$100,000 due to a grant received from the State of Illinois Capital Development Board.

Interest income decreased by \$111,803 due to the reduction in investments as a result of design and construction expenditures and debt service payments on bonds.

Unrealized loss on investments increased by \$203,806 due to purchase of corporate and municipal bond investments at a premium.

Overall expenditures increased by \$19,824,063. Design and construction costs for the levee improvements increased by approximately \$19,800,966 from prior year due to increased design and construction activity and cost share funding with the Corps of Engineers on various levee projects. The remaining increase was mainly due to legal and consulting services.

Financial Analysis of the Council's Fund Financial Statements

The financial analysis of the Council's governmental fund is not provided since the differences are primarily in how capital assets and bonds are treated and the timing for recording some revenues and expenses. The difference in the net change in net position/fund balance between the government-wide and fund financial statements is \$2,652,055, which is primarily the result of the \$2,555,000 repayment of bonds. The repayment of bonds is reported as an expenditure in the governmental funds but as a reduction of principal outstanding in the statement of net position.

General Fund Budgetary Highlights

Actual General Fund revenues are \$952,596 below the final budget amount, actual expenditures are \$40,073,095 below the final budget, and actual other financing sources are \$10,000,000 below the final budget. This amounts to a total net increase in fund balance of \$29,120,499 below budget. The significant variance in budgeted revenues is mainly due to \$841,642 increase in return of excess sales tax to districts as a result of timing of receipts and expenditures. The significant variance in budgeted expenditures is mainly due to delays in the start of construction of the projects and the continuing process of obtaining project permits, approvals, and permissions from regulatory agencies. The project is still on track for completion by the end of 2015 or early 2016, but disruptions in the anticipated schedule because of external factors such as regulatory, weather events, or high river elevations are a continuing risk. The significant variance in budgeted other financing sources is due to projected additional borrowings not needed.

Long-Term Debt

The Council issued \$94,195,000 of revenue bonds in fiscal year 2011. The maturity of the bonds varies from 2012 through 2035. See the accompanying financial statement notes for additional information related to outstanding debt.

Economic Conditions

The Council continues to rely on the ¼ cent sales tax collected in the three Illinois counties of Madison, Monroe, and St. Clair. Retail sales have been affected by the difficult economic conditions. Tax receipts increased by approximately \$160,000 or 1.42% in fiscal year 2014. Design of levee system improvements along the Mississippi river in the three counties is complete. As of September 30, 2014 the amount of construction completed on the first six projects was \$14,535,971, which represented 35.6% of the total cost of these projects. To control costs and continue its commitment to the local workforce, the Council assumed responsibility for the remaining two projects. These two projects were bid in August 2014 and awarded in September 2014. Easement obtainment, high river, and weather have delayed the project completion to late 2015 or early 2016, with accreditation by FEMA to follow in 2016. We remain confident that the Council's financial position is strong to complete the overall project and provide the Council with additional financial capacity for future maintenance and capital improvements.

Contacting the Council's Financial Management

This financial report is designed to provide a general overview of the Council's finances for all those with an interest in the Council. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Supervisor of Construction and the Works, Southwestern Illinois Flood Prevention District Council, 104 United Drive, Collinsville, IL 62234.

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
STATEMENT OF NET POSITION
SEPTEMBER 30, 2014

	Governmental Activities
<u>ASSETS:</u>	
Current Assets:	
Cash and Investments	\$ 51,462,586
Accounts Receivable, Net	1,441,268
Interest Receivable	339,978
Prepaid Expenses	3,660
Unamortized Discount on Bond Issuance	55,509
Total Current Assets	\$ 53,303,001
Noncurrent Assets:	
Investments - Bond Reserve	\$ 6,194,424
Unamortized Discount on Bond Issuance (Net of Current Portion)	546,162
Capital Assets, Net of Accumulated Depreciation	2,700
Total Noncurrent Assets	\$ 6,743,286
Total Assets	\$ 60,046,287
<u>LIABILITIES AND NET POSITION:</u>	
Current Liabilities:	
Accounts Payable and Accrued Interest	\$ 5,701,551
Bonds Payable	2,605,000
Unamortized Premium on Bond Issuance	180,338
Total Current Liabilities	\$ 8,486,889
Noncurrent Liabilities:	
Bonds Payable (Net of Current Portion)	\$ 84,075,000
Unamortized Premium on Bond Issuance (Net of Current Portion)	451,514
Total Noncurrent Liabilities	\$ 84,526,514
Total Liabilities	\$ 93,013,403
Net Position:	
Net Investment in Capital Assets	\$ 2,700
Restricted for:	
Capital Projects	44,462,038
Debt Service	546,450
Bond Reserve	6,194,424
Unrestricted (Deficit)	(84,172,728)
Total Net Position (Deficit)	\$ (32,967,116)
Total Liabilities and Net Position	\$ 60,046,287

See accompanying notes to the basic financial statements.

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Assets</u>	
<u>Function/Programs</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Total Governmental Activities</u>
Primary Governmental Activities:					
General and Administrative	\$ 266,964	\$ -	\$ -	-	\$ (266,964)
Design and Construction	25,040,804	-	100,000	-	(24,940,804)
Professional Services	383,376	-	-	-	(383,376)
Interest (Net of Subsidy)	3,540,239	-	-	-	(3,540,239)
Total Governmental Activities	<u>\$ 29,231,383</u>	<u>\$ -</u>	<u>\$ 100,000</u>	<u>\$ -</u>	<u>\$ (29,131,383)</u>
General Revenues:					
District Sales Tax				\$ 11,242,506	
Less: Return of Excess Sales Tax to Districts				(5,739,485)	
Interest Income				670,341	
Unrealized Loss on Investments				(203,806)	
Total General Revenues				<u>\$ 5,969,556</u>	
Changes in Net Position					\$ (23,161,827)
Net Position (Deficit) - Beginning					(8,838,185)
Prior Period Adjustment					(967,104)
Net Position (Deficit) - Ending					<u>\$ (32,967,116)</u>

See accompanying notes to the basic financial statements.

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
BALANCE SHEET - GOVERNMENTAL FUND
SEPTEMBER 30, 2014

ASSETS

Cash and Investments	\$ 51,462,586
Accounts Receivable, Net	1,441,268
Interest Receivable	339,978
Prepaid Expenses	3,660
Investments - Bond Reserve	<u>6,194,424</u>

Total Assets	<u>\$ 59,441,916</u>
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LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE

Liabilities:

Accounts Payable	<u>\$ 3,640,775</u>
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Deferred Inflows of Resources:

Unearned Revenue - Sales Tax	<u>\$ 484,453</u>
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Fund Balance:

Nonspendable	\$ 3,660
Restricted	53,263,688
Unassigned	<u>2,049,340</u>
Total Fund Balance	<u>\$ 55,316,688</u>

Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 59,441,916</u>
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See accompanying notes to the basic financial statements.

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUND
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2014

Total governmental fund balance	\$ 55,316,688
Amounts reported for governmental activities in the statement of net position are different because:	
Sales tax proceeds from districts (net of return of excess sales tax to districts) received more than sixty days after the end of the fiscal year are not financial resources and therefore are reported in the governmental funds as unearned revenue.	484,453
Capital assets used in the governmental activities are not financial resources and, therefore are not reported in the funds.	2,700
Bond premiums and discounts are recognized as other financing sources and uses in the governmental funds but are required to be amortized over the life of the bond issuance.	(30,181)
Interest on long-term debt is not accrued in governmental funds but rather is recognized as an expenditure when due.	(2,060,776)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(86,680,000)</u>
Net position (deficit) of governmental activities	<u>\$ (32,967,116)</u>

See accompanying notes to the basic financial statements.

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014

REVENUES:	
District Sales Tax	\$ 11,209,511
Less: Return of Excess Sales Tax to Districts	(5,641,642)
Intergovernmental Grant	100,000
Interest Income	670,341
Unrealized Loss on Investments	<u>(203,806)</u>
Total Revenues	<u>\$ 6,134,404</u>
EXPENDITURES:	
Current:	
General and Administrative	\$ 265,323
Design and Construction	25,040,804
Professional Services	383,376
Debt Service:	
Principal	2,555,000
Interest	4,547,339
Less: Federal Interest Subsidy	(844,610)
Capital Outlay	<u>1,054</u>
Total Expenditures	<u>\$ 31,948,286</u>
NET CHANGE IN FUND BALANCE	\$ (25,813,882)
FUND BALANCE:	
Beginning of Year	<u>81,130,570</u>
End of Year	<u>\$ 55,316,688</u>

See accompanying notes to the basic financial statements.

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUND
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2014

Net change in fund balance - total governmental funds	\$ (25,813,882)
Amounts reported for governmental activities in the statement of activities are different because:	
Sales tax proceeds from districts (net of return of excess sales tax to districts) received more than sixty days after the end of the fiscal year are reported as deferred revenue in the governmental funds. However, in the government-wide financial statements this is treated as revenues.	(64,848)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.	(588)
Bond premiums and discounts are recognized as other financing sources and uses in the governmental funds but are required to be amortized over the life of the bond issuance.	139,069
Interest on long-term debt is not accrued in governmental funds but rather is recognized as an expenditure when due.	23,422
The repayment of long-term debt is reported as an expenditure when due in the governmental funds but as a reduction of principal outstanding in the statement of net position.	<u>2,555,000</u>
Change in net position of governmental activities	<u>\$ (23,161,827)</u>

See accompanying notes to the basic financial statements.

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Southwestern Illinois Flood Prevention District Council (the Council) was formed in June 2009 as authorized by the Illinois Flood Prevention Council Act (70 ILCS 750). The Council is responsible for the reconstruction of flood protection systems along the Mississippi River in parts of three Illinois counties - Madison, St. Clair, and Monroe; and four levee districts – Fish Lake, Prairie DuPont, Metro East Sanitary District, and Wood River. The initial design and cost estimates for the project total approximately \$160 million.

The accounting policies of the Council conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB). The following is a summary of the significant accounting policies:

A. Reporting Entity

The Council defines its reporting entity in accordance with provisions established by the Governmental Accounting Standards Board (GASB). GASB requirements for inclusion of component units are based upon whether the Council's governing body has a significant amount of financial accountability for another entity.

The following criteria have been developed to determine whether related organizations should be included within the financial reporting entity. The criteria include, but are not limited to, whether the Council exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public services, and special financing relationships.

The Council has determined that no other outside agency meets any of the above criteria (except scope of public service) and therefore, no other agency has been included as a component unit in the Council's financial statements. The Council is not a component unit of any other government.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Currently, the Council does not have any business-type activities.

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Fund Accounting

The accounts of the Council are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions.

Funds are classified into three categories: governmental, proprietary, and fiduciary. The Council does not have any proprietary and fiduciary funds.

Governmental Funds

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital projects funds) and the servicing of debt (debt service funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

The Council reports the following major governmental funds:

General Fund - The General Fund is the operating fund of the Council. It accounts for all financial resources that are not required to be accounted for in another fund. It is currently the only fund of the Council.

D. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers revenues to be available if collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However interest on long-term debt is recognized when paid. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds.

E. Budgets and Budgetary Accounting

The Council follows these procedures in establishing the budgetary data reflected in the financial statements:

The Council adopts its annual budget prior to the commencement of the fiscal year to allow time for the budget to be reviewed and approved by each flood prevention district prior to August 31. The budget is prepared on the modified accrual basis of accounting. All annual fund appropriations lapse at the end of the fiscal year.

The Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual presents a comparison of budgetary data to actual results. The fund utilizes the same basis of accounting for both budgetary purposes and actual results.

F. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

G. Cash and Investments

The Council has defined cash to include cash on hand and demand deposits.

Investments are stated at fair value and are comprised of certificates of deposit, money market mutual funds, municipal bonds, and a repurchase agreement.

H. Receivables

All receivables are reported net of estimated return of excess sales tax to Districts and allowance for doubtful accounts. As of September 30, 2014, the Council's estimated return of excess sales tax to Districts and allowance for doubtful accounts was \$1,361,490 and \$-0-, respectively.

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

I. Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid expenses.

J. Capital Assets

Capital assets, which include equipment and software, are reported in the government-wide financial statements. All capital assets are defined by the Council as assets with an initial, individual cost of more than \$200. Fixed assets are valued at cost.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Assets capitalized are depreciated using the straight-line method. Estimated useful lives are as follows: software (3 years), equipment (3-5 years), and furniture (10 years).

K. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported gross of the applicable bond premium or discount. Bond issuance costs are expensed in the year incurred and reported as debt service expenditures.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as another financing source. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance cost, whether or not withheld from the actual debt proceeds received are reported as debt service expenditures.

L. Net Position

Net position is the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets is capital assets, less accumulated depreciation and any outstanding debt related to the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the Council applies the expense to restricted resources first.

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

M. Fund Balance

According to Government Accounting Standards, fund balance is to be classified into five major classifications; nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance. Below are definitions of the differences and how these balances are reported:

Nonspendable Fund Balance - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example inventories or prepaid amounts.

Restricted Fund Balance - Includes fund balance amounts with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments or, 2) law through constitutional provisions or enabling legislation.

Committed Fund Balance - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. The Board of Directors through a formal action (ordinance or resolution) commits fund balance amounts for the Council. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Council that originally created the commitment. The Council does not have committed funds at September 30, 2014.

Assigned Fund Balance - Includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. Intent may be expressed by the Board of Directors itself to assign amounts to be used for specific purposes. The Council does not have assigned funds at September 30, 2014.

Unassigned Fund Balance - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any other governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes.

The Council had not adopted a fund balance spending policy at September 30, 2014. GASB Statement No. 54 set the default spending policy for fund balance as follows: expenditures are spent from restricted fund balances first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, unless there are legal requirements that prohibit doing this. When restricted fund balances are not available, the default policy considers expenditures to be spent from committed fund balance first, then assigned and then unassigned. Expenditures for a specifically identified purpose will act to reduce the specific classification of the fund balance that is identified.

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

N. New GASB Pronouncements

The Governmental Accounting Standards Board has issued several new pronouncements that the Council has reviewed for application to their accounting and reporting.

For the year ended September 30, 2014, the Council has adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, effective for periods beginning after December 15, 2012, which requires the reclassification of some assets and liabilities to deferred outflows and inflows of resources. In addition, GASB Statement No. 65 requires the removal of bond issuance costs from assets, when applicable, in the government-wide financial statements as a change in accounting standards.

O. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position and the balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position or fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The Council has no items that qualify for reporting in this category.

In addition to liabilities, the statement of net position and the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Council has only one type of this item, which arise only under a modified accrual basis of accounting that qualifies for reporting in this category in the governmental funds. There is sales tax revenue which is collected more than 60 days after year-end. According, this item, unearned revenue – sales tax, is reported only in the governmental funds balance sheet.

NOTE 2. CASH AND INVESTMENTS

Illinois Compiled Statutes authorize the Council to invest in interest-bearing savings accounts, certificates of deposit, other time deposits, obligations of savings and loan associations incorporated under the laws of Illinois or any other state or under the laws of the United States, obligations of the U.S. Treasury and U.S. government agencies, short-term obligations of the Federal National Mortgage Associations, and in short-term obligations of corporations organized in the United States with assets exceeding \$500 million if (i) such obligations are rated at the time of purchase at one of the three highest classifications established by at least two standard rating services and mature not later than 270 days from the date of purchase, (ii) such purchases do not exceed 10% of the corporation's outstanding obligations, and (iii) no more than 1/3 of the public agency's funds may be invested in short-term obligations of corporations.

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

NOTE 2. CASH AND INVESTMENTS (CONT'D)

In addition, the Council may invest its funds in interest bearing bonds of any county, township, city, village, incorporated town, municipal corporation, or school district, of the State of Illinois, of any other state, or of any political subdivision or agency. The bonds shall be registered in the name of the governmental entity or held under a custodial agreement at a bank. The bonds shall be rated at the time of purchase within the four highest general classifications established by a rating service of nationally recognized expertise in rating bonds of states and their political subdivisions.

As of September 30, 2014, the carrying value of the Council's cash was \$382,359 and the total bank balances were \$1,546,104.

Amount insured by the FDIC	\$	250,000
Amount collateralized with securities held by a Pledging institution's trust department or agent in the Council's name		1,296,104
Uncollateralized		<u>-</u>
Total	\$	<u>1,546,104</u>

As of September 30, 2014, the Council had the following investments:

<u>Investment Type</u>	<u>Cost</u>	<u>Fair Value</u>
Repurchase Agreement	\$ 6,194,424	\$ 6,194,424
Money Market Mutual Funds	15,893,190	15,893,190
Certificates of Deposit	6,950,951	6,943,922
Municipal Bonds	<u>28,439,892</u>	<u>28,243,115</u>
Total	\$ <u>57,478,457</u>	\$ <u>57,274,651</u>

A. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Council manages its exposure to interest rate risk is by purchasing shorter term investments as necessary to provide the cash flow and liquidity needed for operations. The Council uses the segmented time distribution method to analyze interest rate risk as follows:

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

NOTE 2. CASH AND INVESTMENTS (CONT'D)

<u>Investment Type</u>	<u>Fair Value</u>	<u>Segmented Time Distribution</u> <u>Investment Maturities (in Years)</u>			
		<u><1</u>	<u>1-5</u>	<u>6-10</u>	<u>>10</u>
Repurchase Agreement	\$ 6,194,424	\$ -	\$ -	\$ -	\$ 6,194,424
Money Market Mutual Funds	15,893,190	15,893,190	-	-	-
Certificates of Deposit	6,943,922	6,943,922	-	-	-
Municipal Bonds	28,243,115	27,214,568	51,086	508,810	468,651
Total	\$ 57,274,651	\$ 50,051,680	\$ 51,086	\$ 508,810	\$ 6,663,075

B. Credit Risk

Credit risk is the risk that the security issuer or backer will not fulfill its obligations. The Council minimizes credit risk by prequalifying the financial institutions and advisors with which the District will do business. The Council diversifies the portfolio so that potential losses on individual securities will be minimized.

The Council's investments in money market mutual funds of \$15,893,190 are rated AAA by Standard and Poor's and Aaa by Moody's.

The Council's investments in municipal bonds are rated as follows:

<u>Credit Rating (S&P/Moody's)</u>	<u>S&P</u>	<u>Moody's</u>
AAA/Aaa	\$ 2,361,202	\$ 2,164,960
AA+/Aa1	2,348,037	1,671,810
AA/Aa2	13,431,345	4,354,671
AA-/Aa3	1,209,513	6,043,569
A+/A1	1,318,845	2,516,216
A/A2	540,272	1,423,469
A-/A3	4,327,207	4,605,263
Not Rated	2,706,694	5,463,157
Total	\$ 28,243,115	\$ 28,243,115

All municipal bond securities are rated by either S&P or Moody's.

C. Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a financial institution, a government will not be able to recover its investments or will not be able to recover collateral securities that are in the possession of an outside party.

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

NOTE 2. CASH AND INVESTMENTS (CONT'D)

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. As of September 30, 2014, the \$6,194,424 in securities underlying the repurchase agreement were uninsured and held by the custodian's trust department, not in the name of the District.

D. Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the Council's investment in a single issuer. At September 30, 2014, the Council had investments greater than 5 percent of its total portfolio as follows:

<u>Investments</u>	<u>Fair Value</u>	<u>% of Total</u>
Repurchase Agreement		
Deutsche Bank Securities, Inc.	\$ 6,194,424	10.82%
Money Market Mutual Fund		
Fidelity Institutional Money Market		
Treasury Portfolio - Class III	15,893,190	27.75%
Municipal Bonds		
Illinois State	4,939,231	8.62%
JobsOhio Beverage System Ohio State	4,005,800	7.00%

NOTE 3. CAPITAL ASSETS

A summary of capital assets follows:

	<u>Beginning</u> <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending</u> <u>Balance</u>
Capital Assets:				
Furniture & Equipment	\$ 10,627	\$ 1,054	\$ -	\$ 11,681
Software	1,477	-	-	1,477
Subtotal	<u>\$ 12,104</u>	<u>\$ 1,054</u>	<u>\$ -</u>	<u>\$ 13,158</u>
Accumulated Depreciation:				
Furniture & Equipment	\$ 7,461	\$ 1,575	\$ -	\$ 9,036
Software	1,355	67	-	1,422
Subtotal	<u>\$ 8,816</u>	<u>\$ 1,642</u>	<u>\$ -</u>	<u>\$ 10,458</u>
Net Capital Assets	<u>\$ 3,288</u>	<u>\$ (588)</u>	<u>\$ -</u>	<u>\$ 2,700</u>

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

NOTE 3. CAPITAL ASSETS (CONT'D)

Depreciation expense of \$1,642 was charged to the General and Administrative function of the primary government.

NOTE 4. LONG-TERM DEBT

Southwestern Illinois Development Authority on behalf of the Council issued \$94.195 million in revenue bonds providing funds for the costs of design and construction of improvements to levees and related facilities that protect large areas in Madison, St. Clair, and Monroe counties from flooding of the Mississippi River and certain tributaries. These bonds are payable from sales tax revenues from Madison, St. Clair, and Monroe County Flood Prevention Districts. \$59.145 million were issued as term bonds and \$35.050 million were issued as serial bonds.

Of the bonds issued, \$9.05 million are Build America Bonds and \$21.130 million are Recovery Zone Economic Development Bonds. The Council is to receive a direct federal subsidy payment from the U.S. Government for a portion of their borrowing costs equal to a percentage of the total coupon interest paid to investors. The Build America Bonds receive a 35% interest subsidy and the Recovery Zone Economic Development bonds receive a 45% interest subsidy.

As a result of federal sequestration, the Council's interest subsidy on the Build America and Recovery Zone Economic Development Bonds was reduced by 7.2% for fiscal year 2014.

Revenue bonds payable consist of the following:

	<u>Beginning</u> <u>Balance</u>		<u>Additions</u>		<u>Deductions</u>		<u>Ending</u> <u>Balance</u>		<u>Amount</u> <u>Due in</u> <u>One Year</u>
Series A Bonds									
Dated November 23, 2010									
2.00% to 5.00%, payable in									
varying amounts through									
2030	\$ 59,055,000	\$	-	\$	2,555,000	\$	\$ 56,500,000	\$	2,605,000
Series B Bonds									
Dated November 23, 2010									
7.03%, payable									
April 15, 2032	9,050,000		-		-		9,050,000		-
Series C Bonds									
Dated November 23, 2010									
7.23%, payable									
October 15, 2035	<u>21,130,000</u>		<u>-</u>		<u>-</u>		<u>21,130,000</u>		<u>-</u>
Total	<u>\$ 89,235,000</u>	<u>\$</u>	<u>-</u>	<u>\$</u>	<u>2,555,000</u>	<u>\$</u>	<u>86,680,000</u>	<u>\$</u>	<u>2,605,000</u>

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

NOTE 4. LONG-TERM DEBT (CONT'D)

The following is a summary of the Council's future annual debt service requirements net of federal interest subsidy on long-term obligations:

<u>Year Ending</u> <u>September 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Subsidy</u>	<u>Total</u>
2015	\$ 2,605,000	\$ 4,496,239	\$ (844,610)	\$ 6,256,629
2016	2,685,000	4,418,089	(844,610)	6,258,479
2017	2,820,000	4,283,839	(844,610)	6,259,229
2018	2,950,000	4,150,339	(844,610)	6,255,729
2019	3,070,000	4,032,339	(844,610)	6,257,729
2020-2024	16,955,000	18,553,870	(4,223,049)	31,285,821
2025-2029	20,695,000	14,818,945	(4,223,049)	31,290,896
2030-2034	4,720,000	8,876,707	(3,027,676)	10,569,031
2035-2036	<u>30,180,000</u>	<u>775,237</u>	<u>(312,347)</u>	<u>30,642,890</u>
Total	\$ <u>86,680,000</u>	\$ <u>64,405,604</u>	\$ <u>(16,009,171)</u>	\$ <u>135,076,433</u>

NOTE 5. FUND BALANCES

Governmental fund balances reported on the fund financial statements at September 30, 2014 include the following:

Nonspendable	
Prepaid Expenses	\$ 3,660
Restricted	
Capital Projects	44,462,038
Debt Service	2,607,226
Bond Reserve	6,194,424
Unassigned	<u>2,049,340</u>
Total	\$ <u>55,316,688</u>

NOTE 6. LEASING ARRANGEMENT

The Council has an office and meeting space and services lease with the Metro East Park and Recreation District. The lease expires in February 2015, unless extended by the written consent of both parties. No rent will be charged by the Metro East Park and Recreation District for the office and meeting space. The Council agrees to pay any fees and expenses related to its use of the premises, including, but not limited to, the costs of cleaning and janitorial services, equipment use or rental, repairs or damages to the premises, insurance, utilities, postage, facsimile or copy costs and/or secretarial services.

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

NOTE 7. CONSTRUCTION COMMITMENTS

Outstanding construction commitments were approximately \$37,053,723 at September 30, 2014.

NOTE 8. RISK MANAGEMENT

The Council is exposed to various risks of loss for which it carries commercial general liability and property insurance. The Council purchases this insurance from a third party and thus retains no significant amount of risk. No settlements have exceeded insurance coverage for the past three years. There has been no material changes in insurance coverage limits during the year ended September 30, 2014.

NOTE 9. PRIOR PERIOD ADJUSTMENT

The government-wide financial statements contain a prior period adjustment for \$967,104 to remove deferred bond issuance costs from the statement of net position. This is a result of a change in accounting standard due to the implementation of GASB Statement No. 65.

NOTE 10. SUBSEQUENT EVENTS

The effect of subsequent events on the financial statements has been evaluated through the report date, which is the date the financial statements were available to be issued.

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL - GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>ACTUAL OVER (UNDER) BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
Sales Tax Proceeds From Districts	\$ 11,237,000	\$ 11,237,000	\$ 11,209,511	\$ (27,489)
Less: Return of Excess Sales Tax to Districts	(4,800,000)	(4,800,000)	(5,641,642)	(841,642)
Intergovernmental Grant	-	-	100,000	100,000
Interest Income	650,000	650,000	670,341	20,341
Unrealized Loss on Investments	-	-	(203,806)	(203,806)
Total Revenues	<u>\$ 7,087,000</u>	<u>\$ 7,087,000</u>	<u>\$ 6,134,404</u>	<u>\$ (952,596)</u>
EXPENDITURES:				
Current:				
General and Administrative	\$ 260,081	\$ 260,081	\$ 265,323	\$ 5,242
Design and Construction	65,000,000	65,000,000	25,040,804	(39,959,196)
Professional Services	560,000	560,000	383,376	(176,624)
Debt Service:				
Principal	2,555,000	2,555,000	2,555,000	-
Interest	4,552,440	4,552,440	4,547,339	(5,101)
Less: Federal Interest Subsidy	(910,140)	(910,140)	(844,610)	65,530
Capital Outlay	4,000	4,000	1,054	(2,946)
Total Expenditures	<u>\$ 72,021,381</u>	<u>\$ 72,021,381</u>	<u>\$ 31,948,286</u>	<u>\$ (40,073,095)</u>
OTHER FINANCING SOURCES:				
Proceeds from Borrowing	<u>\$ 10,000,000</u>	<u>\$ 10,000,000</u>	<u>\$ -</u>	<u>\$ (10,000,000)</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ (54,934,381)</u></u>	<u><u>\$ (54,934,381)</u></u>	<u><u>\$ (25,813,882)</u></u>	<u><u>\$ 29,120,499</u></u>
FUND BALANCE, BEGINNING OF YEAR			<u>81,130,570</u>	
FUND BALANCE, END OF YEAR			<u><u>\$ 55,316,688</u></u>	

See accompanying notes to the basic financial statements.



Memo to: Board of Directors

From: Chuck Etwert

Subject: Change Orders BP #3 & BP #6

Date: March 16, 2015

Per the Board's Construction Change Order Policy, any change order which causes a line item to increase by more than ten percent must be approved by the Board. Board approval is also required on all change orders if the total of all change orders on a project exceed ten percent of a project's original cost, which currently applies Bid Packages 3 & 6.

We have one change order on Bid Package 3 and one on Bid package 6, which Amec Foster Wheeler will be explaining at the meeting.

Bid Package 3 – Change Order 11 - Relief Well Construction Obstructions \$500,000.

Relief well drilling depths varies throughout the bid package projects and may be over 100 feet deep. Once a relief well hole is initiated, the drillers continue the installation until the well is completed, otherwise the well hole will collapse and installation would start over. During relief well drilling, we expect that the drillers will encounter layers that contain large diameter (greater than 5 ½ inches) cobbles as has been the case on other reaches of the levee. These layers range in thickness from a few feet to over 10 feet.

The Contract requires that the contractors provide and use drills and equipment capable of drilling through and removing cobbles up to 5 ½ inches in diameter. This requirement is met with all the relief well drilling contractors. A construction obstruction is determined to exist if the contractor is required to drill through a layer with cobbles greater than 5 ½ inch in diameter.

Amec Foster Wheeler will have a full time construction inspector on site observing the entire well installation and drilling operations. Amec Foster Wheeler determines when further efforts to advance the drill hole are impracticable. Per the Contract, such demonstration includes continuing drilling operations when no gain in depth is being made for a minimum of 30 minutes. When this is the case, the Contractor must change his drilling operations, and this would be considered to be above the contract requirements (change order).

When these construction obstructions are encountered Amec Foster Wheeler engineers evaluate the situation and determine whether to continue the drilling efforts and to what depth. Instead of abandoning the well, which is not cost effective, the Amec Foster Wheeler engineers review the new aquifer penetration and calculated screen entrance velocities, review other adjacent well depths and review the design requirements. When feasible, the wells will be terminated shorter than the design depth. The reduced depth is a cost savings to the contract but, there is a cost associated with drilling the construction obstruction layer. There are 84 relief wells planned in bid package 3.

Amec Foster Wheeler has negotiated a time and material cost rate with the contractor for drilling through construction obstruction layers. Please note that AMEC anticipates relief wells may encounter conditions outside the scope of the current contract and AMEC recommends approving \$500,000. This is similar to the action taken for relief well construction obstruction on BP 5 and BP 6 in January.

Bid Package 6 – Change Order 17 - 60 Slot Relief Well Designs \$63,230.97

Re-design relief well to use a 40-slot screen and RF40 filter pack instead of 60-slot screen and RF60. During the pump tests in Bid Package 05, two of the three 60-slot size relief wells failed due to sanding. This indicates the possibility for undiscovered fine layer sand that was not retained by the filter pack. In coordination with USACE, the 60-slot size will change to 40-slot size (with appropriate filter packs). Install RW 18X, 22C, 22D, 51A, and 112X, remove failed 60-slot original 18X, purchase of 60-slot screen, riser sections and filter pack.

Recommendation: Authorize the Chief Supervisor to approve BP03 Change Order 11 for a total cost not to exceed **\$500,000**. with Keller Construction and BP06 Change Order 17 for a total cost not to exceed **\$63,230.97** with Lane Construction.



Memo to: Board of Directors

From: Chuck Etwert

Subject: Office Lease

Date: March 16, 2015

The Council has had a lease to occupy office space with the Metro-East Park and Recreation District at 104 United Drive in Collinsville since July 2009. The current two year extension has recently expired.

There is no cost to the Council, other than internet service and maintaining liability insurance on the space. The arrangement has worked out very well for the Council and contributes to the very low administrative costs for the project.

The MEPRD has agreed to extend the lease for three years to December 31, 2017, under the same terms as conditions. A copy of the lease is attached.

Recommendation: Approve the three year extension of the existing lease for office space, from the Metro-East Park and Recreation District, to December 2017.

LEASE AND SERVICES AGREEMENT

METRO EAST PARK AND RECREATION DISTRICT (“MEPRD”), Lessor, in consideration of the agreements, terms and conditions set forth in this Lease and Services Agreement, leases to the Southwestern Illinois Flood Prevention District Council (“FPDC”) office and meeting space and services as more fully described hereafter in the MEPRD building located at 104 United Drive, Collinsville, Madison County, Illinois.

WITNESSETH:

Section 1. Term.

This Lease and Services Agreement is for a term of two (3) years commencing January 1, 2015 and ending December 31, 2017, unless extended by the written consent of both parties, or terminated as set forth below.

Section 2. Premises.

The premises shall consist of a currently unoccupied office space consisting of no more than 130 + - sq. ft. within the MEPRD building at 104 United Drive, Collinsville, Madison County, Illinois, which shall be used as the office of the FPDC Director; FPDC will also be allowed to use meeting, storage and equipment space within the MEPRD building at various times and occasions with the expressed permission given in advance and in writing by the MEPRD Executive Director or his designee at his sole discretion; that FPDC shall not schedule meetings or other events on the premises if they would conflict with other scheduled uses of the premises.

Section 3. Rent, Fees and Expenses.

During the initial term of this Lease and Services Agreement no rent will be charged by MEPRD to FPDC for the office space used by the FPDC Director, nor will rents or fees be charged during the initial term for meeting, storage and equipment space used by FPDC; during any extension of this Lease and Services Agreement, MEPRD may charge rentals or fees not to exceed the then existing market rates for similar premises as mutually agreed upon in writing by the parties.

FPDC agrees to pay any fees and expenses related to its use of the premises, including, but not limited to, the costs of cleaning and janitorial services, equipment use or rental, repairs or damages to the premises, insurance, utilities, postage, facsimile or copy costs and/or secretarial services, within thirty (30) days after being invoiced therefor.

Section 4. Use.

FPDC agrees to use the premises for the business purposes of that organization and not for any private use.

Section 5. Repair.

FPDC agrees to keep the premises in as good repair as they are in at the commencement of the term and during any extension thereof, wear and tear arising from the reasonable use of the same and damage by the elements excepted.

Section 6. Liability/Indemnity.

FPDC agrees to obtain and keep in force at all times renter's and liability insurance to cover any losses or claims experienced by persons or its property or belongings, or that of its officers, employees, agents, invitees or guests, brought to or kept within the premises, including, but not limited to, personal injuries, office furniture and equipment, books, records, machinery, telephones, computers, plans, drawings or other official documents, during the term or any extension thereof; FPDC also agrees to indemnify and hold MEPRD harmless for any such losses or claims.

Section 7. Assumption of Risk.

FPDC, its officers, employees, agents, invitees and guests agree to assume the risks associated with the use and enjoyment of the premises.

Section 8. Communication Systems.

FPDC agrees it is solely responsible for the cost of purchase, installation and removal of any communication systems it may install within the premises with any such installation being made only after receiving written permission to do so from the Executive Director of MEPRD, said permission not to be unreasonably refused; FPDC further agrees upon its vacation of the premises it will return the premises to its pre-lease condition relative to any installed communication system.

Section 9. Building and Repairs.

FPDC agrees it will not build or repair anything on or within the premises without the written permission of the MEPRD Executive Director.

Section 10. Termination.

MEPRD may terminate this Lease and Services Agreement if FPDC breaches any of the terms and conditions herein upon giving fifteen (15) days notice following which MEPRD may reenter the premises, remove FPDC and its property and immediately terminate the Lease and Services Agreement.

Section 11. Strict Performance.

Failure of MEPRD to insist on strict performance of any term or condition hereof will not constitute or be construed as a waiver or relinquishment of its right to enforce any term or condition, and its right to do so will continue in full force and effect during the full term or any extension hereof.

Section 12. Damages to Premises.

If the premises are damaged or destroyed by fire, the elements, an Act of God or other cause rendering them uninhabitable during the term or any extension thereof, this Lease and Services Agreement will cease and become null and void from the date of said damage or destruction, and FPDC must immediately surrender the premises to MEPRD without claim for any losses incurred thereby.

DATED this ____ day of _____, 2015.

METRO EAST PARK AND RECREATION DISTRICT

By: _____
Harold Byers, President

ATTEST: _____
Gene Peters, Secretary

DATED this ____ day of _____, 2015.

SOUTHWESTERN ILLINOIS FLOOD PREVENTION
DISTRICT COUNCIL

By: _____

ATTEST: _____



Memo to: Board of Directors

From: Chuck Etwert

Subject: Renewal of Contract for Government Relations and Advocacy Services with Smith Dawson & Andrews

Date: March 16, 2015

Smith Dawson and Andrews (SDA) has provided federal government relations and advocacy services to the Council for the last two years.

Their initial efforts were focused on the reauthorization of the Water Resources Development Act, assisting the FPD with the local Illinois Congressional delegation, Senators Durbin & Kirk, Representatives Davis, Enyart/Bost & Shimkus and the Committee staff of the Authorizing Committees, House Transportation & Infrastructure and the Senate Environment & Public Works Committees, the House and Senate Energy and Water Development Appropriations subcommittees, and several national water coalitions.

SDA continues, on the FPD's behalf, to interact with the Congressional delegation Washington based staff on the labor issues with USACE, the execution of provisions related to FPD projects addressing cost share, project crediting, treating the individual levee system projects as a single system entity, the public private partnership pilot program, and monitoring program guidance and implementation of the WRRDA bill.

The Corps' continued resistance to "requiring" PLAs remains a significant problem, despite the delegations efforts to engage. However, the Congressional delegation remains supportive of the FPD's position on PLAs which has been reinforced by the FPD's Resolution passed on February 18, 2015.

SDA will continue to work with the FPD to execute a legislative and administrative agenda and continue to maintain good relationships with the delegations Washington staff as well as Committee staff. It will be important to maintain contact and to keep the delegation members and staff apprised of the FPD's progress in addressing the levee upgrades. There are a number of new staff members working on this issue that will be engaged as we go forward.

Services to be provided include:

- Continuing to work with the FPD on strategies aimed at changing USACE policy on PLAs;
- Assisting the FPD in consultations with the Congress and the Executive Branch regarding priorities, including the Illinois Congressional delegation, relevant Congressional Committees, the White House and other federal agencies, as necessary;
- Beginning to identify legislative issues for the next WRDA bill (every 2 years going forward), identify other authorities and agencies, potential supporters and allies prior to its expiration;
- Keeping the FPD up-to-date on USACE program guidance related to WRRDA implementation;
- Continuing to consult with the FPD on strategic recommendations to bring pressure on the USACE on PLAs and to expedite the review and approval process;
- Providing assistance and consultation to the FPD on drafting letters, Congressional report language for the delegation, their staffs and congressional committees, as necessary;
- Providing logistical support for FPD visits, if necessary, to Washington including arranging appointments and meetings with delegation members and staff and federal agencies, as needed and assist in the development of relevant materials for the meetings;
- Assisting in the planning and coordination of on-site tours and briefings by the FPD for members, staff and other relevant federal agencies or organizations;
- Transmitting documents, news and agency reports and other information to the FPD on federal issues relevant to the proposed levee improvements and funding;
- Providing updates to the FPD on a regular basis.

Mr. Andrews has been quite helpful keeping us informed and advocating our position to members of our congressional staff on Projects Labor Agreements (PLAs), the WRRDA 2014 provision allowing consolidation of levee projects, and our interest in the Corps' Public-Private Partnership Pilot Program also allowed by WRRDA 2014.

We will continue to have legislative, regulatory, and financial interests at the federal level dealing with the Corps of Engineers and the Federal Emergency Management Agency, as well as new issues as they arise, such as, the recent executive order establishing a new Federal Flood Risk Management Standard.

I believe it would be advantageous to continue our agreement with Smith Dawson & Andrews to provide government relations and advocacy services to the Council at a cost of \$5,000/month thru April 2016. The agreement can be terminated with thirty days' notice. This rate is under the market rate for this type of representation.

Recommendation:

Authorize the Chief Supervisor to continue the engagement of Smith Dawson & Andrews at a cost of \$5,000 a month to provide federal government relations and advocacy services to the Council thru April 2016.