



**SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
BOARD OF DIRECTORS MEETING
August 19, 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 July 15, 2015
3. Public Comment on Pending Agenda Items
4. Program Status Report
Chuck Etwert, Chief Supervisor
5. Budget Update and Approval of Disbursements
Chuck Etwert, Chief Supervisor
6. Design and Construction Update
Jay Martin, Amec Foster Wheeler
7. FY2016 Flood Prevention District Budget
Chuck Etwert, Chief Supervisor
8. Flood Prevention District Annual Report
Chuck Etwert, Chief Supervisor
9. Resolution Requesting Approval from the County Boards and County Flood Prevention Districts to Issue Sales Tax Revenue Bonds to Finance Authorized Level Levee Improvement Projects
Jeff White, Columbia Capital
Chuck Etwert, Chief Supervisor
10. Selection of Bond Underwriters
Jeff White, Columbia Capital
Chuck Etwert, Chief Supervisor

AGENDA

11. Change Orders – BP #3 & BP #6
AMEC Environment & Infrastructure
Chuck Etwert, Chief Supervisor
12. Metro East Sanitary District Authorized Level Project Summary Report
AMEC Environment & Infrastructure
Chuck Etwert, Chief Supervisor
13. Diversity Program Manager Contract Extension
Chuck Etwert, Chief Supervisor
14. Update from Corps of Engineers
Tracey Kelsey, U.S. Army Corps of Engineers
15. Election of Officers for 2015-2016
16. Public Comment

Executive Session (if necessary)
17. Resolution of Appreciation
18. Other Business
19. Adjournment

Next Meeting: September 16, 2015

MINUTES

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL BOARD OF DIRECTORS MEETING July 15, 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 July 15, 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)
Paul Bergkoetter, St. Clair County Flood Prevention District
Alvin Parks, Jr., St. Clair County Flood Prevention District
Tom Long, Madison County Flood Prevention District
Bruce Brinkman, Monroe County Flood Prevention District
Ronald Polka, Monroe County Flood Prevention District

Members Absent

Ron Motil, Madison County Flood Prevention District

Others in Attendance

Alan Dunstan, Madison County Board Chair
Mark Kern, St. Clair County Board Chair
Chuck Etwert, SW Illinois FPD Council
Rich Conner, Levee Issues Alliance
Tim Eagleton, FM Global
Mike Feldmann, U.S. Army Corps of Engineers
Walter Greathouse, Metro-East Sanitary District
Gary Hoelscher, Millennia Professional Services
David Human, Husch Blackwell LLP
Phil Johnson, Phil Johnson Realtor
Ronald S. Kaempfe, IUOE Local 520
Steve Kochan, Wood River Levee & Drainage District
Ellen Krohne, Leadership Council SW Illinois
Rick Mauch, SCI Engineering
Jay Martin, Amec Foster Wheeler Environment & Infrastructure
Jack Norman, Southern Illinois Groundwater Advisory Council
David Oates, Oates Associates
Jon Omvig, Amec Foster Wheeler Environment & Infrastructure
Joe Parente, Madison County

Ken Slavens Husch Blackwell LLP
Dale Stewart, Southwestern Illinois Building Trades Council
Deanne Strauser, U.S. Army Corps of Engineers

Call to order

President John Conrad noted the presence of a quorum and called the meeting to order at 7:30 am.

Approval of Minutes of June 17, 2015

A motion was made by Tom Long, seconded by Jim Pennekamp, to approve the minutes of the Board meeting held on June 17, 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 – absent
- 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.

He indicated that approximately 75% of the \$47.1 million of construction, involved in the eight current construction bid packages (not including BP 7B), has been completed thru June. There was 1.1 million dollars’ worth of construction completed in June, and the total amount of construction completed is now \$35.6 million.

There has now been high river conditions for the last seven weeks which has slowed construction and pushed back completion dates. Amec Foster Wheeler will be reporting on the high water conditions and the problems that have been encountered at various locations.

There are two change orders for BP #6 on this month’s agenda. They involve the emergency work required due to high river conditions and modifications to three piezometers in the Prairie

Du Pont/Fish Lake Levee System. Amec Foster Wheeler will be explaining them later in the meeting.

Next he indicated that he and Amec Foster Wheeler continue to meet with the Corps of Engineers regarding the process of the Council moving ahead with 500-year level of protection projects and ensuring that work the Council does is eligible for future Work In-Kind Credit.

The Corps has informed the Council that the Integral Determination Reports (IDRs) for Wood River and East St. Louis originally projected for approval in September, have been delayed due to WRRDA 2014 implementation guidance not being issued. Once issued, the approval process is estimated to take four months. Therefore, the earliest we can expect approval of the IDRs is probably November. The IDRs, which identify the work that will be eligible for Work-In-Kind Credit, reduce the risk of not receiving credit for work performed. All risk is eliminated after approval of the revised Project Partnership Agreements (PPAs), which take approximately a year to complete after approval of the IDRs. We are currently working under memorandums of understanding.

Next he discussed the response letter to Colonel Mitchell's letter of June 16, 2015, regarding the Corps' proposed revised solicitation procedures for the construction of Metro East Levee projects. The letter indicated, that the Council looks forward to receiving additional information explaining the criteria and the process, prior to making any decision regarding sponsor cost share funding.

Also discussed was a letter, from the Department Of The Army to the Corps of Engineers, indicating that it will be working with the St. Louis District on the development of how the "extra credit" for bids with PLA will work. This letter was forwarded to the Council by Senator Durbin's office.

He then discussed a letter received from the Corps expressing their appreciation of Amec Foster Wheeler's proactive communication and coordination with the Corps regarding the recent flood event. The letter also requested that the Corps be provided an assessment of the damages and the implementation of any repairs once the river has receded.

He discussed the draft budget for the coming year which is presented at the July Board meeting and the past practice of also providing a project estimate of revenues and expenses.

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

The Board was provided copies of Amec Foster Wheeler's Monthly Progress Report for July and an article from the St. Louis Post-Dispatch regarding the Council moving ahead with the 500-Year Authorized Level projects.

Mr. Parks arrived during the presentation.

A motion was made by Mr. Polka, seconded by Mr. Parks to accept the Program Status Report for July 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 – absent
Mr. Parks – Aye
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 June 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 June 30, 2015, as compared to the fiscal year budget.

Accrued expenditures for the current fiscal year beginning on October 1, 2014 are \$34,882,408 while revenues amounted to \$8,691,414 resulting in a deficit of \$26,190,994. A total of approximately \$23,467,977 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 April 2015 (the latest month reported by the Illinois Department of Revenue) were down by .51% from the previous year. In general, receipts are still up .87% from last year, which was our highest year.

The report included bank transactions for June 2015. Total disbursements for the month were \$2,280,946.03. The largest payments were to Keller Construction for BP #3 and BP #5, Lane Construction for BP #6, Kamadulski Excavating & Grading Co. for BP #7A, , Amec Foster Wheeler and Husch Blackwell.

Also, for the Board’s review and anyone else who was interested, Mr. Etwert provided copies of each requisition, which was represented on the June 2015 Bank Transaction Schedule prepared by CliftonLarsonAllen.

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

A motion was made by Mr. Pennekamp seconded by Mr. Bergkoetter, to accept the budget report and approve the disbursements for June 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 – absent
Mr. Parks – Aye
Mr. Pennekamp – Aye

The motion was approved unanimously.

Design and Construction Update

Mr. Conrad called on Jay Martin, Amec Foster Wheeler’s program manager, to provide a report. Mr. Martin used a slide presentation to illustrate his remarks. He indicated that due to the high river conditions that there wasn’t much progress made during the last month. His presentation, including a few site photos, focused on the status of each bid package and the effects of the flood event as follows:

Construction Status

Bid Packages 3, 4, 5 & 6 – Weather and River Levels have stalled progress

The USACE 408 Permit prohibits excavation/drilling when the Mississippi River Stage is at or above select levels. Most construction operations have been delayed since May 27, 2015

Bid Package 7B – Wood River Lower (Deep) Cutoff Wall

- Pre-Construction Meeting held June 15, 2015
- TREVIICOS has provided pre-construction submittals
- Currently being reviewed by us and the District
- Test section was originally scheduled for July 24th currently looking at early August (likely at least 3 week delay)
- Cutoff Wall scheduled to be completed by end of 2015
- Remaining work to be completed May 1, 2016

Construction Photos

Bid Package 3 – Wood River – Losch Pond Box Culvert

Bid Package 3 – Wood River – Weir #4

Bid Package 5 – MESD - Flooding at Protruding Clay Cap

Bid Package 6 – Prairie Du Pont/Fish Lake – Flooding at Flush Clay Cap

He next discussed the flood event and its consequences, which included regular observations with and supporting the Corps, “back-tracking” on some progress to manage risk, and the performance of improvements under flood conditions.

The Corps operated Phase I to II levels and established EOC (Emergency Operations Center) for a period of time. Amec Foster Wheeler provided additional support by providing daily or more reviews of the improvements the Council has ongoing across the system.

As far as “back tracking”, there were excavations that were open below grade in BP #6 that needed to be backfilled to prevent underseepage. Additionally, there were some partly completed relief wells that had to be backfilled.

In general, performance of improvements went well:

Pump stations generally operated as planned

All completed new relief wells across WR, MESD, and PDP/FL – Operated as planned

All completed seepage berms – Operated as planned

All completed blanket drains – Operated as planned

Shallow cutoff – Operated as planned

What didn’t go as planned, was pump station #5 which had a problem with a relief well collection pipe at the point of the pump station wall penetration, which caused backfill subsidence and the taking of the pump station off line to prevent the transportation of solids and the creation of a seepage path. The other problem area was at Junction box JN-69B where it was determined that there was a bad joint seal on a manhole.

Flood Event Photos

Pump Station #5 – Backfill subsidence

Pump Station #5 – Pipe Penetration

Junction Box JN-69B – Cone Shaped Section Seal

Sandbagging – Around Junction Box JN-69B

There was a brief discussion regarding the operating costs of the new pump stations. It was indicated that bills hadn't been received yet, so operating costs were unknown at this time.

It was asked if this work, was warranty work and what type of warranty was required, to which Mr. Martin responded it was yet to be determined for this event and overall there was no specific warranty term but each contractor was required to perform to a specific level of expectation and would be held accountable.

Mr. Conrad asked for a motion to accept Mr. Martin's progress report. A motion was made by Mr. Maher with a second by Mr. Brinkman to accept the Amec Foster Wheeler 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 – absent
- Mr. Parks – Aye
- Mr. Pennekamp – Aye

The motion was approved unanimously.

Draft FY2016 Flood Prevention District Budget

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

He explained that it is the custom of the Board to first review the draft budget for the coming fiscal year at the July Board meeting, with final adoption at the August meeting. By law, the Council's budget must be adopted by August 31 of each year for the fiscal year beginning October 1. The budget must be submitted to the county boards for approval after which they have 30 days to act on it.

With 58% of construction of the project completed at the end of June, the FY2016 budget focuses on the completion of all construction needed to achieve FEMA accreditation. Unfortunately, during FY2015 delays were experienced due to the obtainment of necessary easements, high river conditions and a contract termination on the Wood River Deep Cutoff Wall Project. This has pushed the accreditation schedule back a year.

FY2016 will begin with four of the current nine contract packages complete, and three more being completed by the end of the calendar year. This will leave only BP #3, which was delayed due to easement obtainment, and BP #7B, the Wood River Deep Cutoff Wall Project, which was rebid, to be completed. BP #3 should be completed by February and BP #7B should have the

cutoff wall portion completed by the end of the year and grading and turf restoration completed by May 2016.

Certification Packages, as outlined in the Amec Foster Wheeler Work Order #12, will be submitted as each levee system is completed. Amec Foster Wheeler will submit each certification package approximately four months after completion of the construction, with FEMA accreditation anticipated in another four months.

He indicated that he prepared a cash flow budget, in addition to our regular proposed budget, which will take us through fiscal year 2016 and includes all costs for the completion of the 100-Year Projects and initial costs for the 500-Year Authorized Level Projects. This cash flow budget provides an additional breakdown of expected design and construction costs. It has been revised from a calendar year basis (as previously presented) to a fiscal year basis and reflects expected revenues and expenditures for the fiscal years 2015 and 2016. I have continued the past practice of making conservative revenue and expenditure assumptions. Key assumptions are:

1. Project construction will be complete by May 31, 2016 and FEMA certification will be achieved by December 31, 2016.
2. A 10% construction cost contingency is included for all remaining construction on all projects still being built.
3. Sales tax revenue is estimated to increase by 1.00% over last year, our highest level of receipts. Our current increase level thru June of this year is .87%.
4. Cash flow is based on current available revenue and does not include additional debt financing for the 500-Year Authorized Level Projects.
5. The Council will assist levee districts in establishing funding sources, where and if needed, for the maintenance and operations of the 100-Year improvements being built.
6. County FPD sales tax accounts will be used for the 500-Year Authorized Level Projects.
7. The Council's general and administrative expenses remain the same.

Next he went over the results of the cash flow budget which was shown on four tables.

Table 1 indicated the estimated project costs for design, construction and Council operations.

Table 2 indicated the estimated revenue available to the project. At the start of this calendar year \$50.6 million raised from the Series 2010 bonds remained available. As stated earlier, minimum growth is assumed in the sales tax revenues in 2016 based on receipts thru June of this year. Interest income is based on information received from our financial advisor.

Table 3 compared expenses to revenues. The table illustrated that \$14 million of funds in the County FPD sales tax accounts or the new proposed bond issue would have to be utilized to balance the budget.

Table 4 illustrated that even after expenditures of \$12.9 million on the Authorized Level Projects in FY2015 and FY2016, there would be a balance of \$9.4 million remaining for future 500-Year Authorized Level Projects.

The projected surplus of funds from the completion of the 100-Year Level Projects is \$22.3 million. The accumulation is higher than identified a year ago, due to construction delays, reduced contingencies, and an additional nine months of sales tax revenues (previous cash flow report terminated on at the end of calendar year 2015) which offset change orders and the rebid of BP 7B.

These tables illustrated that the Council will meet their goal of achieving FEMA certification with the revenue available from the dedicated FPD sales tax. Easements, high river stages, and construction delays have push accreditation back but the Council is well on its way to achieving accreditation by the end of 2016.

There was a brief discussion on the cash flow budget, where Mr. Etwert indicated that \$12,817,840 would be spent on the 500-Year Authorized Level Projects in FY2015 and FY2016. There would be \$9,430,917 remaining from the 100-Year Projects, that could be used on future 500-Year Authorized Level Projects.

Next he discussed the draft FY2015 budget which was shown on table 5.

As previously indicated, the construction of the project did not progress as fast as expected in the FY2015. After completing \$16.6 million of construction FY2014, it appears that \$32.5 million will be completed in FY 2015, leaving a balance of \$24.2 million to be completed in FY2016. However, construction of all of the 100-Year Projects will be completed in FY2016. Administrative expenditures, which are a relatively small portion of our costs, remain virtually unchanged for the next year.

In general, expenditures for next year's budget are based on completion of the 100 year level of protection projects, and the start of the 500-Year Authorized Level Projects.

Key assumptions are:

1. Project construction will be completed by May 31, 2016 and FEMA certification will be achieved by December 31, 2016.
2. The level of Council staffing does not change in FY2016, and general and administrative costs remain a very small portion of the project expenditures (less than 1%). Staff resources are supplemented however, by the continued significant use of consulting and professional services.

3. In accordance with the bond indenture, all sales tax receipts are intercepted by the Trustee and any surpluses after payment of debt service and Council administrative costs will be transferred back to the county FPD funds for use in future project financing. These transfers are shown as expenditures in the budget, as in previous years.
4. A 10% construction cost contingency is included for all remaining construction on all projects still being built.
5. Sales tax revenue is estimated to increase by 1.00% over last year, our highest level of receipts. This is our current increase level thru June of this year.
6. Additional debt financing of \$65,000,000 (current conservative estimate) for the 500-Year Authorized Level Projects is included in this year's budget.
7. The Council will assist levee districts in establishing funding sources, where and if needed, for the maintenance and operations of the 100-Year improvements being built.
8. County FPD sales tax accounts will be used for the 500-Year Authorized Level Projects.

It should be noted that the Corps' Estimate of Authorized Level Costs (Wood River only) was received late last week and is still being reviewed. However, costs projected by the Corps appear to be high when compared to the projected AMEC Foster Wheeler Work Order #13 costs.

For Wood River Amec Foster Wheeler Work Order #13 costs for Field Investigation and Design are \$2,462,000. The Corps has indicated that their cost to assist Amec Foster Wheeler would be \$3,978,150, with the Corps providing 65% share of \$2,585,810 and the Council's 35% share being \$1,392,340. He and Amec Foster Wheeler believe these costs are high and are going to work with the Corps to see if these costs can be reduced or if Amec Foster Wheeler can do more of the work. It doesn't make sense that the Corps assistance would be \$3,978,150 in addition to Amec Foster Wheeler's cost of \$2,462,000.

He indicated that all options are being reviewed, including the option of going the 408 route, instead of the IDR route, to see if it would be more economical.

He also noted, that at this time, no funds for Corps Authorized Level costs involving MESD or Prairie Du Pont/Fish Lake have been included. However, the Wood River costs need to be worked out first.

There was a discussion regarding the Corps benefit cost ratio for the Prairie Du Pont/Fish Lake System for 500-Year Authorized Level improvements and reevaluation of assets in the area. The Corps indicated they are in the process of updating the economics side of the formula and would appreciate the Council's support working with PDP/FL businesses to provide feedback to the Corps to make an accurate assessment of the value and benefits.

It was clarified that the budget included only the Wood River Field Activities and Design, that no construction was anticipated for Wood River in FY2016.

With the \$65,000,000 in bond issuance proceeds, there should be an overall total of \$85,000,000 available for 500-Year Authorized Level Projects.

It was explained, that only legal fees were budgeted for litigation, \$1.97 million was budgeted for construction contingencies and \$1.6 was budgeted for Hazardous Material removal if encountered.

After considering any comments or suggestions over the next month, a final FY2016 budget will be presented at the August Board meeting for adoption and forwarding to the county boards for their approval.

Mr. Conrad asked for a motion to accept Mr. Etwert's report on the Draft FY2016 Flood Prevention District Budget. A motion was made by Mr. Parks with a second by Mr. Maher to accept Mr. Etwert's report on the Draft FY2016 Flood Prevention District Budget. 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 – absent
Mr. Parks – Aye
Mr. Pennekamp – Aye

The motion was approved unanimously.

Change Orders - BP #6

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

He explained that board approval is 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 is the case for Bid Package 6.

Mr. Omgig provided the following explanation for the two change orders on the agenda.

Bid Package 06 – Emergency T&M Work - Flood Event June 2015 - \$9,115.83

Emergency action work in preparation for high river elevations on the Prairie Du Pont and Fish Lake Levee System. All work completed was on a T&M basis:



Emergency T&M Work - Flood Event June 2015

TYPE OF WORK COMPLETED ON T&M BASIS

Work associated with emergency action in preparation for high river elevations at direction by AMEC FW.

SWILFPDC
BP 06 LEVEE IMPROVEMENTS
PROJECT # 563170001

EMPLOYEE	TRADE	6/18/15		6/20/15		6/26/15		TOTAL STRAIGHT TIME	TOTAL OVER TIME	RATE	INSUR RATE	PAYROLL RATE
		STRAIGHT TIME	OVER TIME	STRAIGHT TIME	OVER TIME	STRAIGHT TIME	OVER TIME					
Lane Supervision	O	4.00	0.00	0.00	4.00	2.00	0.00	6.00	4.00	30.00	300.00	360.00
Operator Foreman		8.00	0.00	0.00	4.00	4.00	0.00	12.00	4.00	38.70	619.20	696.60
Laborer	L	8.00	0.00	0.00	4.00	8.00	0.00	16.00	4.00	29.90	598.00	657.80
								0.00	0.00		0.00	0.00
								0.00	0.00		0.00	0.00
								0.00	0.00		0.00	0.00
											1,517.20	1,714.40

	HOURS	RATE	TOTAL
*LABOR PENSION AND WELFARE FUNDS-	30.00	19.92	597.60
*OPERATOR PENSION & WELFARE FUND-	16.00	29.45	471.20

SUBTOTAL LABOR	2,783.20
PLUS 15%	417.48
SUBTOTAL LABOR	3,200.68

*PLUS : WORKMENS COMP	8.25 %	1,714.40	141.44
*FEDERAL UNEMPLOYMENT TAX	0.12 %	1,714.40	2.06
*STATE UNEMPLOYMENT TAX	12.85 %	1,714.40	220.30
*FICA / MEDICARE TAX	7.65 %	1,714.40	131.15
TOTAL PAYROLL ADDITIVES			494.95
PLUS 15%			74.24

TOTAL LABOR = 3,769.87

EQUIPMENT EXPENSES	UNIT	6/18/15 6/20/15 6/26/15			TOTAL	RATES	TOTAL
		QUAN	QUAN	QUAN			
330 EXCAVATOR		2.00	4.00		6.00	121.01	726.06
3" WATER PUMP		4.00			4.00	15.00	60.00
D6 DOZER		4.00			4.00	99.60	398.40
JOHN BOAT				2.00	2.00	25.00	50.00
BOBCAT		2.00			2.00	35.00	70.00
JOB TRUCK AND TRAILER				4.00	4.00	23.00	92.00
JOB TRUCK (DODGE 2500)			2.00		2.00	20.00	40.00
SUPERVISOR PICKUP		4	4.00	2.00	10.00	20.00	200.00
							1,636.46
						+15% =	245.47
						TOTAL EQUIPMENT =	3,518.39

MATERIAL	UNIT	6/18/15 QUAN	6/20/15 QUAN	6/26/15 QUAN	TOTAL	COST	TOTAL
FLOWABLE FILL	CY		2.00		2.00	134.00	268.00
12" SDR 35 PIPE (LESS 50% SALVAGE)	LF	40			40.00	8.06	322.40
10" RISER PIPE (LESS 50% SALVAGE)	LF			10	10.00	51.50	515.00
							1,105.40
						+15%=	165.81
TOTAL MATERIAL =							1,271.21
TOTAL LABOR=							3,769.87
TOTAL EQUIPMENT=							3,518.39
TOTAL MATERIAL=							1,271.21
SUBTOTAL BILL=							8,559.47
LANE M/U 5%							427.97
PLUS 1.5% BOND							128.39
TOTAL BILL =							9,115.83

Bid Package 06 – Modifications to PDP/FL Piezometers 204L, 537L, and 679L - \$29,097.93

LANE

Description	Added Qty	Unit Price	Total
Piezometer	2	\$8,310.00	\$16,620.00
Abandon Piezometer	3	\$1,440.00	\$4,320.00
Piezometer Modifications	3	\$594.00	\$1,782.00

Mobilization and demobilization costs for bringing drill rig from off site:

Mob Costs = \$2,900.00

Demob costs = \$1,700.00

Lane Markup and Bond (6.5%) = \$1,775.93

TOTAL = \$29,097.93

There was a brief discussion regarding the condition, function and operation of the piezometers.

Mr. Etwert requested that the Chief Supervisor be authorized to approve BP06 requested change order for the Emergency T&M Work for the June 2015 Flood Event for \$9,115.83 and

Modifications to PDP/FL Piezometers 204L, 537L, and 679L for \$29,097.93; for a total not to exceed \$38,213.76.

Mr. Conrad asked for a motion to accept the recommendation on the change orders. A motion was made by Mr. Pennekamp with a second by Mr. Long to authorize the Chief Supervisor to approve BP06 requested change order for the Emergency T&M Work for the June 2015 Flood Event for \$9,115.83 and Modifications to PDP/FL Piezometers 204L, 537L, and 679L for \$29,097.93; for a total not to exceed \$38,213.76.

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 – absent
Mr. Parks – Aye
Mr. Pennekamp – Aye

The motion was approved unanimously.

Approval of Amec Foster Wheeler Work Order 13

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

He explained, that he had provided the Board an updated Work Order 13, for the Wood River Authorized Level Field Investigation and Design, that included several additional highlighted paragraphs, however, the overall fee had not changed. In the preamble, it was noted that Amec Foster Wheeler for the Authorized Level projects will be relying on the USACE for identification of deficiencies and improvements. Amec Foster Wheeler's services do not included an analysis of the existing condition of the levees or an analysis of whether the improvements recommended in the USACE Reports provide the level of protection indicated and/or desired by the USACE.

Other paragraphs added for the clarification of activities and responsibilities were 3.4 Drill Seepage Berm Soil Borings, 4.6 Drill Pilot Holes, and 5.4 Drill Pump Station Borings.

The scope of work involves the Field Investigation and Design of three bid packages for Authorized Level Improvements in the Wood River Levee System, involving approximately forty-six relief wells, three pump stations, and two seepage berms.

There was a brief discussion clarifying that the USACE has identified levee issues by segment and has also identified the recommended improvements to correct the issues. The Corps will be informing Amec Foster Wheeler what has to be designed and how it must perform to meet the

authorized requirements of the federal government. Amec Foster Wheeler will be sealing the plans, indicating the improvements have been properly engineered and designed to Corps standards, but will not be providing any certifications. Once improvements are properly completed, there is no formal signoff by the Corps. The Corps considers the issues of a segment have been eliminated by the improvements and the segment will perform as originally authorized. There is no formal 500-Year certification.

It was noted that based on current Council policies, this is the path forward to ensure that current expenditures of funds will be eligible for future credit matches with the Corps.

Mr. Conrad asked for a motion to authorize the Chief Supervisor to execute Work Order 13 with Amec Foster Wheeler Environment & Infrastructure Inc. for the Wood River Authorized Level Field Investigation and Design, as shown in the attachment, in the amount of \$2,462,000.

A motion was made by Mr. Maher with a second by Mr. Parks to authorize the Chief Supervisor to execute Work Order 13 with Amec Foster Wheeler Environment & Infrastructure Inc. for the Wood River Authorized Level Field Investigation and Design, as shown in the attachment, in the amount of \$2,462,000. 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 – absent
Mr. Parks – Aye
Mr. Pennekamp – Aye

The motion was approved unanimously.

Corps of Engineers Update

Mr. Conrad asked Mr. Feldmann to provide the report from the Corps.

Mr. Feldmann then used a PowerPoint® presentation to provide an update on the project status of the Metro East Projects as follows:

He first discussed, the Corps' ongoing Wood River Reconstruction Projects which were also delayed by the high water conditions, but should still be completed by the end of summer.

He indicated the delay of a relief well construction contract planned in the Mel Price underseepage reach, to replace existing damaged wells which do not currently operate properly for underseepage or during the Corps Interim Operating Plan.

He also commented on the prompt joint response to the recent high water event that Amec Foster Wheeler discussed earlier in the meeting and emphasized the need for resilient repairs.

He indicated that a team has been assembled to address the PLA weighting process. It is a complicated process and he will be working closely with the team.

He asked if there was any change in the Council's current thoughts on cost sharing for the next year that the Corps be notified next month.

He briefly discussed Work In-Kind Credit and his priority, to the extent possible, to provide the opportunity for it to be received by the Council. He mentioned the volume of work in the Wood River is greater than our cost share amount. There are WRRDA provisions that appear to provide for the opportunity of having excess credits to spill over into other projects. The Council may want to consider assembling a comprehensive plan to maintain credit eligibility.

He indicated that the Council is making progress on the process of reducing risk, but it is not a traditional process, and because of the handoffs it is not efficient. Corps estimates are always conservative, because the Corps cannot take a loss. In practice, the Corps is usually inefficient the first time it does a process, but efficiency improves with repetitiveness. He feels this will be the case in this process.

Next, he discussed the accreditation status of the Upper Wood River System. The draft reports are generally ready to go, still need as-builts and O & M manuals. Work delayed due to high water, with expected completion date now December or February. The Corps will submit to FEMA as soon as possible after work is completed.

Lastly, he discussed the Chain of Rocks/MESD System accreditation which is being performed by Amec Foster Wheeler. He knows that there have been some technical issues that haven't been resolved and is concerned that there may be expectations that cannot be met.

He offered to do the MESD accreditation while he still has the technical capability and the authority to still do it. However, his ability to do it will go away very soon as the Chain of Rock is closed out.

There was a brief discussion of the certification process and the fact that consulting engineers' submittals to FEMA's are different than what the FEMA accepts from the Corps. Amec Foster Wheeler is working with Husch Blackwell, to find a solution that would be acceptable to FEMA. A decision needs to be made prior to the Corps losing its' authority to do the accreditation.

A motion was made by Mr. Pennekamp with a second by Mr. Brinkman 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 – absent
Mr. Parks – Aye
Mr. Pennekamp – Aye

The motion was approved unanimously.

Public Comment

Mr. Conrad asked if there is any public comment. There was none.

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

Mr. Long made a motion at 8:44 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. Maher. Mr. Etwert indicated that all Board members and County Chairs should be present, along with David Human, Ken Slavens, Jon Omgig, Jay Martin, 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 – absent
Mr. Parks – Aye
Mr. Pennekamp – Aye

The motion was approved unanimously.

Mr. Long made a motion to adjourn the executive session at 8:55 am and to go back into public session. Mr. Bergkoetter 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 – absent
Mr. Parks – Aye
Mr. Pennekamp – Aye

Mr. Conrad called the meeting to order.

Other Business

There was no other business.

Adjournment

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

Respectfully submitted,

Dan Maher,
Secretary/Treasurer, Board of Directors



DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY OF THE ARMY
ACQUISITION LOGISTICS AND TECHNOLOGY
103 ARMY PENTAGON
WASHINGTON, DC 20310-0103

JUL 10 2015

Mr. Stuart Hazlett
Director of Contracting
United States Army Corps of Engineers
441 G Street NW
Room 3A14
Washington, DC 20314-1000

Dear Mr. Hazlett:

As expressed in Colonel Anthony Mitchell's letter to the Southwestern Illinois Flood Prevention District Council dated June 16, 2015, the Army is dedicated to restoring the Metro East levee systems and reducing flood risk to the local community. Headquarters Department of the Army (HQDA) fully supports the United States Army Corps of Engineers' (USACE) efforts to move the levee projects toward completion by modifying the acquisition strategy to evaluate the benefits of Project Labor Agreements (PLAs) in proposals and by drafting a solicitation to reflect that proposals will be evaluated using a best value tradeoff selection process.

As this is a complex process, HQDA will work closely with the USACE to develop both the Request for Proposal and the evaluation criteria, which may potentially give greater weight to proposals that address the benefits of PLAs with a demonstrated ability to achieve economy and efficiency. My office stands ready to provide guidance and support where appropriate throughout the entirety of the source selection process. Mr. John Sacks, who is already in communication with the USACE team, is my point of contact supporting this effort and can be reached at 703-617-0374 or john.r.sacks.civ@mail.mil.

I believe this collaboration between HQDA and the USACE will ensure responsible use of taxpayer dollars while positive progress is made to restore the levee systems and reduce flood risk to those living and working behind the levees.

Please do not hesitate to contact me should you have any questions or concerns.

Sincerely,

A handwritten signature in blue ink that reads "Harry P. Hallock".

Harry P. Hallock
Deputy Assistant Secretary
of the Army (Procurement)



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
ST. LOUIS DISTRICT, CORPS OF ENGINEERS
1222 SPRUCE STREET
ST. LOUIS MO 63103-2833

Engineering and Construction Division

Mr. Charles Etwert
Chief Supervisor of Construction and the Works
Southwestern Illinois Flood Prevention District Council
104 United Drive
Collinsville, Illinois 62234

Dear Mr. Etwert:

On July 6, 2015, the St. Louis District received the attached report from Mr. James Solari of AMEC regarding Flood Events, Metro East Levee Systems. The report details the events of the June/July 2015 flood event and actions taken by AMEC during the event within the Prairie du Pont levee system. We appreciate your proactive communication and coordination with us during this high water event. We understand that this is an ongoing construction contract between AMEC and the Southwestern Illinois Flood Prevention District Council (FPD) and that a full assessment of the damages and implementation of repairs to the system to ensure compliance with the Section 408 permit is the responsibility of these two parties.

After our review of the report, evaluation of real time performance data of system operation during the event and a review of collector pipe test data, the District has potential concerns regarding the collector system performance with respect to the requirements in the Section 408 permit. While we understand that this is an active construction project, the performance of the collector pipe system during this event is of concern and we would like to request information on your path forward to ensure compliance with the Section 408 permit.

Please continue with your proactive communication and coordination and notify us of any additional assessments, field testing, and subsequent design and construction of any corrective actions to the collector pipe systems within the Southwestern Illinois Flood Prevention District boundaries. As these activities are scheduled by AMEC, please coordinate scheduling with USACE through Lydia Oswald by email lydia.u.oswald@usace.army.mil or by telephone (314) 331-8497. A copy of this letter will be sent to Michael Sullivan, Prairie du Pont Levee and Sanitary District, Gary Stumpf, Fish Lake Drainage and Levee District, Robert Shipley, Metro East Sanitary District and Steve Kochan, Wood River Drainage and Levee District.

A handwritten signature in black ink, appearing to read "David Busse", with a long horizontal flourish extending to the right.

David Busse, P.E.
Chief, Engineering and
Construction Division

ST. LOUIS POST-DISPATCH

Metro East levee district is getting a jump on upgrades



JULY 10, 2015 3:30 AM • BY JACOB BARKER

Months away from finishing projects meant to bring Metro East's river protection system back into minimum federal flood-prevention rules, levee officials don't plan to miss a beat.

They're already gearing up for a new round of projects and another bond sale before the end of the year that could finance work on

an even higher level of protection.

And they're not waiting for the U.S. Army Corps of Engineers to do it.

"What the board decided is why should we wait?" said Chuck Etwert, chief supervisor of the Southwestern Illinois Flood Prevention District Council. "Let's keep moving forward."

The levee district voted last month to work on a bond financing package that, combined with savings of some \$15 million on existing projects, could put an estimated \$80 million toward additional work.

Leaders see the additional projects as essential to protect property and lives from the volatile Mississippi River, which experts warn is flooding higher and making federal flood risk calculations less and less accurate.

The hope is the new work can be counted as a local match to any future federal funding toward projects to bring the levees back to what they were built to withstand some 70 years ago: a flood estimated to occur only once every 500 years.

Waiting for the corps to sign off on whether the levee district's projects are an acceptable local match to any federal funds for levee work and "we'd waste another year and a half," Etwert said.

Corps spokesman Mike Petersen said it's a "relatively new" development to apply in-kind work on these types of projects. But the projects are bringing down risk — every little bit of which is important to protect the "\$8 billion of investment and thousands and thousands of lives behind those levees," he said.

So the corps is doing what it can to allow the work to be counted toward federal matching requirements.

“We continue to communicate with the flood prevention district council and work with their engineers to make sure the investments they’re making pay off the way they need them to,” Petersen said.

For several years, the district has been working to get levees back into compliance with 100-year flood protection. That’s the level the Federal Emergency Management Agency deems strong enough to withstand a flood officially estimated to have a 1 percent annual chance of occurring.

A quarter-cent sales tax in Metro East funded bonds to finance the roughly \$110 million worth of work that Etwert said should be finished by the end of this year. Much of that work didn’t qualify for federal matching funds.

By next year officials hope to get approval from FEMA that the levees are again certified to withstand the 100-year flood.

Winning back the 100-year protection is seen as vital to the economy of a portion of Metro East that covers all or parts of many communities, including East St. Louis, Granite City, Alton, Cahokia, Wood River, Roxana, Sauget and Hartford.

Without 100-year accreditation, the roughly 150,000 people and 7,000 businesses would be required to purchase expensive flood insurance, stymieing economic growth in a portion of the region some say can least afford it.

Etwert and corps officials know that just settling for 100-year is not enough. But with an estimated \$270 million of work left to reach the 500-year level, which the corps has said could take nearly 30 years, plenty of work remains.

“Any work toward the 500-year is good work,” Etwert said.

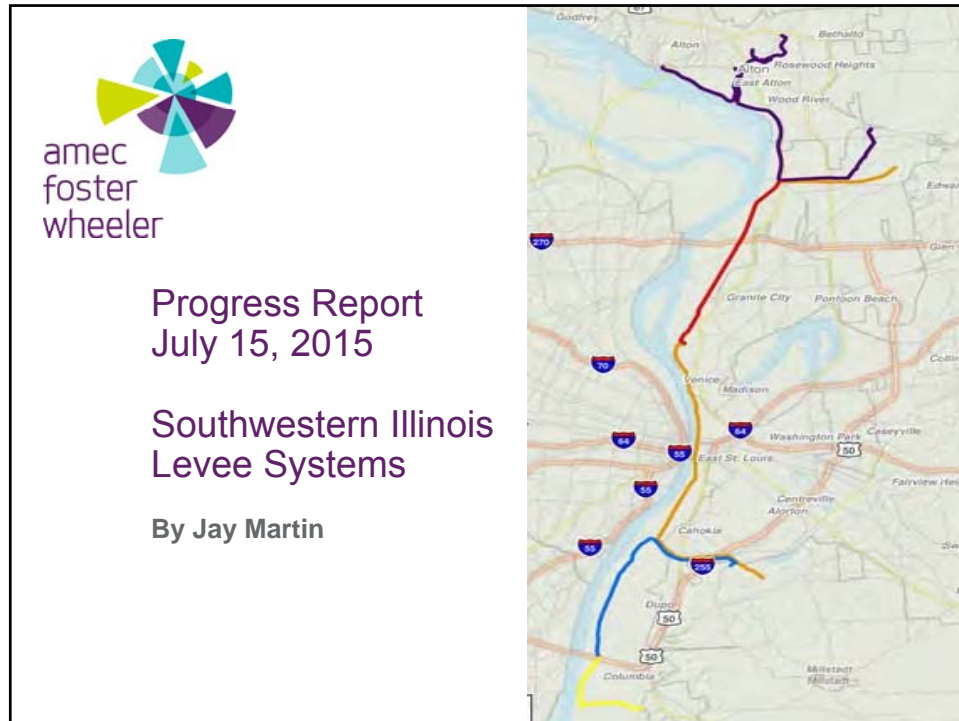
Petersen, though, pointed out that no federal appropriations is available now. He said the district missed out on about \$9.5 million in federal funds toward 500-year flood work last year because it didn’t match the federal money.

There was no local match because the levee district insisted on using union labor for the work, which Petersen said the corps can’t mandate. However, the in-kind approach could resolve that issue, and Etwert said the corps may give more weight to union labor in its bidding process.

Meanwhile, flood experts warn that federal flood guidelines for 100-year and 500-year floods may be underestimating the river’s risk. A study from Washington University professor Bob Criss just last month estimated the 100-year flood height on the Mississippi River at St. Louis was underestimated by more than five feet.

The Dutch protect their infrastructure from 1,250-year river floods and U.S. standards are already underestimating risk, said Nicholas Pinter, a geology professor at Southern Illinois University Carbondale.

“A 100-year protection level is, by international standards, not a lot of protection,” Pinter said. “I think (Metro East levee district officials) are aware that what is called the 100-year protection level is optimistic.”



Construction Status



- ▶ Bid Package 3, 4, 5 & 6 – Weather and River Levels have stalled progress
- ▶ The USACE 408 Permit prohibits excavation/drilling when the Mississippi River Stage is at or above select levels. Most construction operations have been delayed since May 27, 2015.
- ▶ Bid Package 7B – Wood River Lower (Deep) Cut-off Wall
 - ▶ Pre-Construction Meeting held June 15, 2015.
 - ▶ TREVVICOS has provided pre-construction submittals.
 - ▶ Currently being reviewed by us and the District
 - ▶ Test section was originally scheduled for July 24th currently looking at early August (likely at least a 3 week delay)
 - ▶ Cutoff Wall scheduled to be complete by end of 2015
 - ▶ Remaining work to be complete May 1, 2016

Bid Package 3 – Wood River



Losch Pond
Box Culvert

06/29/2015 14:01

Bid Package 3 – Wood River



Weir #4

07/01/2015 14:57

Bid Package 5 – MESD



Flooding at
Protruding Clay
Cap



06/21/2015 18:55

Bid Package 6 – Prairie du Pont / Fish Lake



Flooding at
Flush Clay
Cap



06/18/2015 07:57

Flood Watch and Consequences



- ▶ Regular observations with and supporting the Corps
- ▶ “Back-tracking” on some progress to manage risk
- ▶ Performance of improvements under flood conditions

7

Regular observations



- ▶ Corps operated Phase I to II levels and established EOC (Emergency Operations Center) for a period of time.
- ▶ Daily (sometimes more) reviews of ongoing improvements across the levees evaluating the system.

8

“Back-tracking”



- ▶ Excavations that were open below grade needed to be backfilled
- ▶ Partly completed RW needed to be backfilled

9

Performance of Improvements



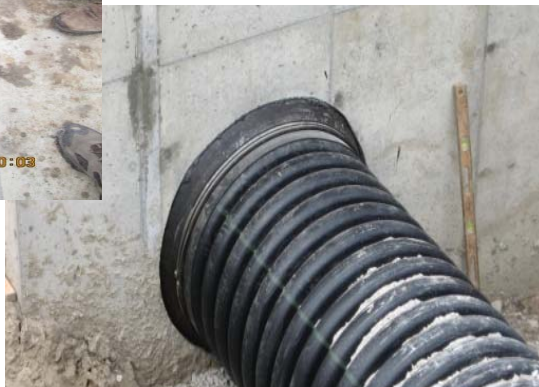
- ▶ Pump stations generally operated as planned
- ▶ All completed new relief wells across WR, MESD and PdP/FL - Operated as planned
- ▶ All completed seepage berms - Operated as planned
- ▶ All completed blanket drains - Operated as planned
- ▶ Shallow cut wall - Operated as planned
- ▶ What didn't go as planned...
 - ▶ Pump station #5 - Relief well collection pipe/penetration
 - ▶ Junction box (JN-69B) – joint seal

10

Pump Station #5



Pump Station #5



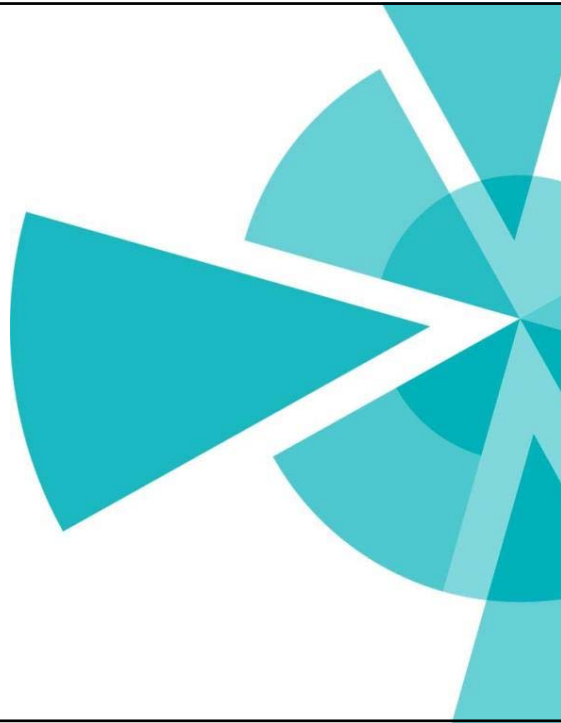
Junction Box



Sandbagging



Questions?



U.S. Army Corps of Engineers
St. Louis District
1222 Spruce Street
St. Louis, MO 63103-2833

Metro East Projects, IL

CURRENT STATUS

- Ongoing Construction Update
- High Water Event Response
- Path Forward on Cost Shared Construction
- Path Forward on Work in Kind eligible FPD construction
- Accreditation Status



BUILDING STRONG®



Memo to: Board of Directors
From: Chuck Etwert
Subject: Program Status Report for August 2015
Date: August 17, 2015

High river conditions have slowly receded during the last month, thus limiting construction and pushing back project completion times an additional thirty days. Approximately 59% of the \$61.2 million of construction, involved in all nine current construction bid packages, has been completed thru July. Slightly less than one million dollars' worth of construction was completed in July. The total amount of construction completed is \$36.5 million.

We have three change orders on this month's agenda. They involve BP #3 for additional pollution insurance coverage and pilot hole drilling, and BP #6 for collection Pipe P 145X. Amec Foster Wheeler will be explaining them at the meeting.

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 and ensuring that work the Council does is eligible for future Work In-Kind Credit.

The Corps of Engineers has suggested (letter attached), to avoid potential procedural details that may prevent the Council from taking advantage of Section 1020 of WRRDA 2014, Transfer of Excess Credit, that a comprehensive plan be submitted directly to the Secretary of the Army. Husch Blackwell and Amec Foster Wheeler are currently preparing the suggested plan.

We continue to wait for the WRRDA Implementation Guidelines to be issued, in order, for the Integral Determination reports (IDR) to proceed.

Earlier today, Senator Durbin and the Department of the Army held a meeting at the Council's offices to discuss the Corps' strategy for contracting by a Best Value Tradeoff approach instead of a Lowest-Price Technically Acceptable approach.

They will be developing specific evaluation criteria to achieve proposals that provide for the efficient and timely completion of a project and in recognition that these are cost-shared projects, proposals that provide local economic benefit, with or without a Project Labor Agreement.

The Council and the local community will have an opportunity to make comments and offer suggestions on the draft solicitation which is currently scheduled to be released in September. It should be noted, this meeting was originally posted as a Council meeting, but due to the lack of a quorum, was canceled and held as a meeting hosted by Senator Durbin and the Department of the Army. A copy of their presentation will be provided to those Board member that weren't able to attend.

To date, we have not received a response to our August 5, 2015 letter (copy attached) sent, to the City of East St. Louis and MESD, expressing our concern regarding the repair of a sinkhole at the East St. Louis 10.5 ft. diameter combined sewer located on the landside of the Metro East Sanitary District Levee. This condition has existed for quite some time and needs to be corrected in a timely manner, in order, to not delay the certification to FEMA process.

At the meeting on Wednesday, Jeff White of Columbia Capital will be presenting the Resolution Requesting Approval from the County Boards and County Flood Prevention Districts to Issue Sales Tax Revenue Bonds to Finance Authorized Level Levee Improvement Projects and Columbia Capital's recommendations on Selection of Bond Underwriters.

Amec Foster Wheeler will be presenting the Metro East Sanitary District Levee Authorized Level Project Summary Report at the meeting.

The August Board meeting is also the "annual meeting" of the Council where the Board adopts a budget and annual report for submittal to the county boards for approval, and where new officers are elected for the coming fiscal year.

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



DEPARTMENT OF THE ARMY
ST. LOUIS DISTRICT CORPS OF ENGINEERS
1222 SPRUCE STREET
ST. LOUIS, MISSOURI 63103-2833

REPLY TO

JUL 30 2015

Programs and Project
Management Division

Mr. Charles Etwert
Chief Supervisor of Construction and the Works
Southwestern Illinois Flood Prevention District Council
104 United Drive
Collinsville, Illinois 62234

RE: WRRDA 2014 Section 1020 – Transfer of Excess Credit

Dear Mr. Etwert:

I am writing in regard to Section 1020 of WRRDA 2014, Transfer of Excess Credit. The Act provides general requirements for the application of excess credit and states a comprehensive plan is to be submitted to and approved by the Secretary of the Army. In light of the plan for additional design and construction in the Wood River area that appears to be in excess of your cost share requirements for that project, my objective is to inform the Southwestern Illinois Flood Prevention District Council (FPD) of these requirements and avoid potential procedural details that may prevent them from taking advantage of this provision.

At this time, I would recommend a comprehensive plan be formulated to address the conditions and additional criteria set forth in Section 1020. The plan should be submitted directly to the Secretary of the Army prior to initiation of work the FPD may want to apply as excess credit. We would be happy to work with you on development and preliminary review of the plan.

The goal is to maintain your ability to apply WRRDA 2014 authorities for the Metro East projects. Do not hesitate to ask questions or request our involvement in initiation of the comprehensive plan. Please contact me at 314.331.8477 or tracey.b.kelsey@usace.army.mil if you have questions.

Sincerely,

A handwritten signature in black ink that reads "Tracey Kelsey".

Tracey Kelsey, P.E., PMP
Program Manager
Programs and Project Management Division



**Southwestern
Illinois
Flood Prevention
District Council**

104 United Drive
Collinsville, IL 62234

618-343-9120
Fax 618-343-9132

www.floodpreventiondistrict.org

August 5, 2015

Board of Directors

John Conrad
President

Jim Pennkamp
Vice President

Dan Maher
Secretary-Treasurer

Paul Bergkoetter
Bruce Brinkman
Thomas Long
Ron Motil

Alvin L. Parks Jr.
Ronald Polka

Charles M. Etwert
Chief Supervisor of
Construction and the Works

Mr. Roy Mosley, Jr.
Director of Public Works
Public Works Department
613 N. 20th Street
East St. Louis, Illinois 62205

Mr. Robert Shipley
Executive Director, MESD
1800 Edison Avenue
P.O. Box 1366
Granite City, Illinois 62040

**RE: Sinkhole at East St. Louis 10.5 ft. Diameter Combined Sewer
Metro East Sanitary District (MESD) Levee**

Dear Mr. Mosley & Mr. Shipley:

The Southwestern Illinois Flood Prevention District Council continues to complete improvements required to bring the Metro-East Levee Systems up to the 100-year flood protection level and achieve FEMA accreditation. However, there is concern regarding the timely correction of the landside levee slope sinkhole above the East St. Louis 10.5 ft. diameter combined sewer on the Metro East Sanitary District (MESD) Levee.

As you are aware, from the enclosed Corps of Engineers' letter of May 18, 2015, by Tracey Kelsey, probable voids exist along the outer circumference of the pipe, leaving seepage flowage conduits able to further erode the levee embankment and foundation material.

The Corps has recommended that a hydraulic conveyance study be conducted to determine if the current 10.5 foot combined sewer is necessary and depending on the results, either eliminate the sewer, rehabilitate the sewer with elimination of all

a regional partnership to rebuild Mississippi River flood protection

voids, or replace the sewer with a sewer having the proper capacity. Any solution, will require that the construction be performed during non-high river stages.

This sinkhole condition has existed since our consultant Amec Foster Wheeler performed their initial investigations of the levee systems and at the time, was told that it was being fixed. This is a maintenance issue and not a design deficiency issue.

Failure to correct this situation in a timely manner, will result in Amec Foster Wheeler not being able to provide certification to FEMA in 2016 and puts the MESD and Chain of Rocks portion of the levee system in danger of not being reaccredited and facing higher insurance rates when new FEMA maps are issued.

Your prompt attention to this situation would be appreciated.

Sincerely,



Charles M. Etwert
Chief Supervisor of Construction and the Works
Southwestern Illinois Flood Prevention District Council

cc. FPD Board Members
Mark Kern, St. Clair County Board Chair
Alan Dunstan, Madison County Board Chair
Terry Liefer, Monroe County Board Chair
Emeka Jackson-Hicks, East St. Louis Mayor
Traycee V. Chapman, East St. Louis City Manager
Walter Greathouse, Metro-East Sanitary District
Mike Feldmann, U.S. Army Corps of Engineers
Tracey Kelsey, U.S. Army Corps of Engineers
Jim Reisch, Reisch Companies
Jon Omvig, Amec Foster Wheeler



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

Monthly Project Progress Report August 2015

AMEC FOSTER WHEELER Project No. 563170001
Period Ending Date: August 10, 2015

Date of Issue: August 14, 2015

Table of Contents

1. OVERVIEW	4
1.1 PROJECT DESCRIPTION	4
1.2 AMEC FOSTER WHEELER SCOPE	4
1.3 KEY CONTACTS / PEOPLE	4
2. HEALTH, SAFETY, SECURITY, ENVIRONMENT (HSSE)	5
2.1 HSSE REPORTS	5
3. PROJECT STATUS UPDATE	6
3.1 BID PACKAGE 2A	6
3.1.1 Calendar	6
3.1.2 Progress	6
3.1.3 Property Acquisition.....	6
3.1.4 Levee Board Considerations	6
3.1.5 Submittals	6
3.1.6 Change Orders	6
3.1.7 Field Activities and Look Ahead	6
3.1.8 QC/QA Activities	6
3.1.9 Considerations	6
3.1.10 Payment Progress	6
3.2 BID PACKAGE 2B	7
3.2.1 Calendar	7
3.2.2 Progress	7
3.2.3 Property Acquisition – All property is acquired.....	7
3.2.4 Levee Board Considerations – None	7
3.2.5 Submittals	7
3.2.6 Change Orders – See Change Order Log attached	7
3.2.7 Field Activities and Look Ahead	7
3.2.8 QC/QA Activities	7
3.2.9 Considerations	7
3.2.10 Payment Progress	7
3.3 BID PACKAGE 2C	8
3.3.1 Calendar	8
3.3.2 Progress	8
3.3.3 Property Acquisition.....	8
3.3.4 Levee Board Considerations	8
3.3.5 Submittals	8
3.3.6 Change Orders	8
3.3.7 Field Activities and Look Ahead	8
3.3.8 QC/QA Activities	8
3.3.9 Considerations	8
3.3.10 Payment Progress	8
3.4 BID PACKAGE 3.....	9
3.4.1 Calendar	9
3.4.2 Progress	9
3.4.3 Property Acquisition.....	9
3.4.4 Levee Board Considerations	9
3.4.5 Submittals	9
3.4.6 Change Orders	9
3.4.7 Field Activities and Look Ahead	10
3.4.8 QC/QA Activities	10
3.4.9 Considerations	10
3.4.10 Payment Progress	10
3.5 BID PACKAGE 4.....	11
3.5.1 Calendar	11
3.5.2 Progress	11
3.5.3 Property Acquisition – All property is acquired.....	11

3.5.4	Levee Board Considerations	11
3.5.5	Submittals – on-going	11
3.5.6	Change Orders	11
3.5.7	Field Activities and Look Ahead	11
3.5.8	QC/QA Activities	11
3.5.9	Considerations	11
3.5.10	Payment Progress	11
3.6	BID PACKAGE 5	12
3.6.1	Calendar	12
3.6.2	Progress	12
3.6.3	Property Acquisition	12
3.6.4	Levee Board Considerations	12
3.6.5	Submittals	12
3.6.6	Change Orders	12
3.6.7	Field Activities and Look Ahead	12
3.6.8	QC/QA Activities	12
3.6.9	Considerations	12
3.6.10	Payment Progress	12
3.7	BID PACKAGE 6	13
3.7.1	Calendar	13
3.7.2	Progress	13
3.7.3	Property Acquisition	13
3.7.4	Levee Board Considerations - None	13
3.7.5	Submittals – on-going	13
3.7.6	Change Orders – See Change Order Log attached	13
3.7.7	Field Activities and Look Ahead – See table above	13
3.7.8	QC/QA Activities - ABNA is testing material; Geotechnology performing QA testing	13
3.7.9	Considerations - None	13
3.7.10	Payment Progress - See Contract Invoice Log attached	13
3.8	BID PACKAGE 7A	14
3.8.1	Calendar	14
3.8.2	Progress	14
3.8.3	Property Acquisition – Not applicable	14
3.8.4	Levee Board Considerations - None	14
3.8.5	Submittals – on-going	14
3.8.6	Change Orders - None	14
3.8.7	Field Activities and Look Ahead	14
3.8.8	QC/QA Activities – None	14
3.8.9	Considerations - None	14
3.8.10	Payment Progress – See Contract Invoice Log attached	14
3.9	BID PACKAGE 7B	15
3.9.1	Calendar	15
3.9.2	Progress	15
3.9.3	Property Acquisition	15
3.9.4	Levee Board Considerations	15
3.9.5	Submittals – Once contract is signed	15
3.9.6	Change Orders - None	15
3.9.7	Field Activities and Look Ahead	15
3.9.8	QC/QA Activities	15
3.9.9	Considerations	15
3.9.10	Payment Progress - None	15

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 Foster Wheeler 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 Foster Wheeler 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 Foster Wheeler continues to conduct monthly safety meetings with the contractors every third Tuesday.</p> <p>MSI, a subcontractor for Keller, on Bid Package 3, had a lost time injury this period. The injury report to follow.</p>																														
Security																														
<p>No issues during this reporting period.</p>																														
Environment (SWPPP)																														
<p>An Amec Foster Wheeler environmental representative is inspecting the SWPPP efforts on a weekly basis.</p>																														
River Stage																														
<p>The USACE 408 permit dictates that excavations shall cease when the Mississippi River Stage is:</p> <table border="1"><thead><tr><th>Bid Package</th><th>River Stage</th><th>River Elevation</th></tr></thead><tbody><tr><td>2A</td><td>17.0</td><td>396.94</td></tr><tr><td>2B</td><td>27.06</td><td>407.00</td></tr><tr><td>2C</td><td>15.03</td><td>394.97 (Mel Price)</td></tr><tr><td>3</td><td>16.0</td><td>411.48 (Mel Price)</td></tr><tr><td>4</td><td>25.0</td><td>404.94</td></tr><tr><td>5</td><td>25.0</td><td>404.94</td></tr><tr><td>6</td><td>25.0</td><td>404.94</td></tr><tr><td>7A</td><td>21.52</td><td>417.0 (Mel Price)</td></tr><tr><td>7B</td><td>21.52</td><td>417.0 (Mel Price)</td></tr></tbody></table> <p>The 408 permit river restrictions have ceased and critically delayed excavation, well drilling, etcetera from May 27, 2015 to the first week of August.</p>	Bid Package	River Stage	River Elevation	2A	17.0	396.94	2B	27.06	407.00	2C	15.03	394.97 (Mel Price)	3	16.0	411.48 (Mel Price)	4	25.0	404.94	5	25.0	404.94	6	25.0	404.94	7A	21.52	417.0 (Mel Price)	7B	21.52	417.0 (Mel Price)
Bid Package	River Stage	River Elevation																												
2A	17.0	396.94																												
2B	27.06	407.00																												
2C	15.03	394.97 (Mel Price)																												
3	16.0	411.48 (Mel Price)																												
4	25.0	404.94																												
5	25.0	404.94																												
6	25.0	404.94																												
7A	21.52	417.0 (Mel Price)																												
7B	21.52	417.0 (Mel Price)																												

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

- The construction portion of this project is complete and the retainage has been released.
- Amec Foster Wheeler (AFW) preparing closeout documents for USACE.

3.1.3 Property Acquisition

- The construction portion of the project is complete.

3.1.4 Levee Board Considerations

- None

3.1.5 Submittals

- Contractor submittals complete.

3.1.6 Change Orders

- See Change Order Log attached. The construction portion of the project is complete.

3.1.7 Field Activities and Look Ahead

- The construction portion of the project is complete.

3.1.8 QC/QA Activities

- The construction portion of the project is complete.

3.1.9 Considerations

- The construction portion of the project is complete.

3.1.10 Payment Progress

- See Contract Invoice Log attached. The project is complete and the retainage is released.

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	Awaiting the handrail change order completion and the potential Site 5 warranty issue resolution.
Final Acceptance	

3.2.2 Progress

- The construction portion of the pump project is complete. Close-out paperwork being processed. Retainage will not be released until the change order completion and the potential Site 5 warranty issues are resolved.

3.2.3 Property Acquisition – All property is acquired.

3.2.4 Levee Board Considerations – None

3.2.5 Submittals

- Final project closeout submittals being reviewed by Amec.

3.2.6 Change Orders – See Change Order Log attached.

- Modification to construct guardrail at Site 12 is 95% complete.

3.2.7 Field Activities and Look Ahead

- Modification to construct guardrail at Site 12 is 95% complete.

3.2.8 QC/QA Activities

- The construction portion of the project is complete, except for the handrail change order and potential warranty issues at Site 5.

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

1. The contract was executed on February 9, 2015.
2. The Notice-to-Proceed was issued on March 5, 2015
3. Contractor preparing and Amec is reviewing submittals.
4. The site work cannot begin until October 15th per the 408 permit.

3.3.3 Property Acquisition

- All property is acquired.

3.3.4 Levee Board Considerations

- None

3.3.5 Submittals

- AMEC reviewing submittals. All submittal submitted have been approved to date.

3.3.6 Change Orders

- None

3.3.7 Field Activities and Look Ahead

- None until October 15, 2015 per 408 permit.

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 was delayed due to design modifications, river, weather and RR land acquisition. Keller evaluating a recent major design revision to Blanket Drain 4 and will submit an updated schedule the first week of September.</i>
Final Walk Through	
Final Acceptance	

3.4.2 Progress

- The 408 permit river restrictions have ceased and critically delayed excavation, well drilling, etcetera from May 27, 2015 to the first week of August.
- Union Pacific land acquisition is complete and NTP was issued on June 10, 2015:
 - Blanket Drain 6, Seepage Berms 1-4, and random fill areas 1 & 2 can now begin as weather and river elevation permit.
- Blanket Drain 2 - Approved by the board in late February. The high river shut down the work. Keller to begin work again on August 17, 2015.
- Blanket Drain 4 - Critical Delay - Amec Foster Wheeler Engineering revising the scope of work. The Contractor was provided drawing on August 11, 2015 for review.
- Piezometer installation continues (43 out of 51 installed)
- Relief Wells - Critical Delay due to high river level. The Contractor installed two relief wells this period. (15 of 85 have been installed). There are 18 Upper Wood River and 67 Lower Wood River Relief Wells.
- Blanket Drain 3, Blanket Drain 5 construction and Weir 1 - Substantial Completion on May 13, 2015.
- Blanket Drain 7 and weir 4 was Substantial Completion on July 31, 2015.

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 / UP railroad parcels which encompass 6 sites. Due to recent land acquisition, an additional partial NTP was issued January 14, 2015.
- Due to the railroad land acquisition, a partial NTP was given on June 9, 2015 for the UP portion of the project.

3.4.4 Levee Board Considerations

- Critical Delay: The slow progress of land acquisition has critically affected the levee certification schedule. The delayed railroad acquisition affected: Blanket Drain 6, Seepage Berms 1-4 and Random Fill areas 1&2. Revised schedule to follow the first week of September.

3.4.5 Submittals

- Submittal process ongoing.

3.4.6 Change Orders

- Major Upcoming Change Orders:

- Modifications to Blanket Drain 4. Contractor to provide schedule for completion once the modifications have been approved.

- See Change Order Log attached.

3.4.7 Field Activities and Look Ahead

- As indicated above.

3.4.8 QC/QA Activities

Testing as required.

3.4.9 Considerations

- Critical Delay: Current contract completion date was not met due to land acquisition delays, etcetera.

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). This date to be revised due to the High River days.</i>
Final Walk Through	
Final Acceptance	

3.5.2 Progress

- The 408 permit river restrictions have ceased and critically delayed the project from May 27, 2015 to August 17, 2015.
- Clay cap earthwork has started on August 17, 2015.
- Site 09 pump station in progress and approximately 95% complete.
- RW collector system - The 24 inch diameter pipe did not pass the air tests and the deflection or the mandrel tests. Contractor submitted RFI. Amec Foster Wheeler (AFW) is reviewing. The Relief Well conversions and abandonments on hold until resolved.

3.5.3 Property Acquisition – All property is acquired.

3.5.4 Levee Board Considerations

- None

3.5.5 Submittals – on-going

3.5.6 Change Orders

- See Change Order Log attached.

3.5.7 Field Activities and Look Ahead

- See above

3.5.8 QC/QA Activities

- Clay material testing is on-going.

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). Completion date dependent on the acceptance or rejection of the protruding clay cap value engineering suggestion. The schedule to be revised accordingly.</i>
Final Walk Through	
Final Acceptance	

3.6.2 Progress

- The 408 permit river restrictions have ceased and critically delayed excavation, well drilling, etcetera from May 27, 2015 to August 17, 2015. The 208,000 cubic yards of clay placement is on-hold as AFW evaluates a potential protruding clay cap value engineering proposal.
- Relief Wells and Piezometers - Relief Well and Piezometer work complete. Transducers to be installed in the Piezometers.
- RW collector system - Portions of the collector pipe did not pass the deflection or the mandrel tests. Contractor submitted RFI. AFW evaluating.
- Sluice Gate rehabilitation at MoPac and 408 Pump Station in progress - Submittals approved and material delivered.

3.6.3 Property Acquisition

- All property is acquired.

3.6.4 Levee Board Considerations

- None.

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

- The 408 permit river restrictions have ceased and critically delayed the project from May 27, 2015 to August 10, 2015.
- Seepage Berms – work continues as weather allows.
- Clay Caps will continue once the river and weather allows.
- Relief Wells and Piezometers - Relief well drilling complete (67).
- 15 of 16 PZs are complete.
- Relief well collector system is 85% complete.

3.7.3 Property Acquisition

- All property is acquired.

3.7.4 Levee Board Considerations - None

3.7.5 Submittals – on-going

3.7.6 Change Orders – See Change Order Log attached

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 - None

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

- This project is complete.
- AFW preparing closeout documentation.

3.8.3 Property Acquisition – Not applicable

3.8.4 Levee Board Considerations - None

3.8.5 Submittals – on-going

3.8.6 Change Orders - None

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.
- This project is complete.

3.8.8 QC/QA Activities – None

3.8.9 Considerations - None

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	June 19, 2015
Anticipated start of field activities	August 2015
Start of field activities	
Anticipated completion date	May 2016
Final Walk Through	
Final Acceptance	

3.9.2 Progress

- TREVIICOS received Notice-to-Proceed June 9, 2015
- Pre-Construction Meeting held June 15, 2015
- Treviicos mobilizing July 2015 and continuing into August.
- Work Progress:
 - Treviicos clearing and grubbing
 - Treviicos installing silt fence
 - Treviicos installing access roads.
- Cutoff Wall Scheduled to be complete by December 2015
- Remaining work to be complete May 1, 2016

3.9.3 Property Acquisition

3.9.4 Levee Board Considerations

3.9.5 Submittals – Once contract is signed.

3.9.6 Change Orders - None

3.9.7 Field Activities and Look Ahead

3.9.8 QC/QA Activities

3.9.9 Considerations

3.9.10 Payment Progress – See Contract Invoice Log attached.

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 (\$)
<u>1</u>	11/15/2013	11/27/2013	\$11,000.00	\$1,100.00	\$9,900.00	\$9,900.00	11/1/2013	\$737,600.00
<u>2</u>	2/5/2014	2/10/2014	\$76,000.00	\$7,600.00	\$68,400.00	\$58,500.00	2/18/2014	\$679,100.00
<u>3</u>	3/6/2014	3/13/2014	\$228,500.00	\$22,850.00	\$205,650.00	\$137,250.00	3/25/2014	\$541,850.00
<u>4</u>	3/31/2014	4/15/2014	\$372,400.00	\$37,240.00	\$335,160.00	\$129,510.00	4/22/2014	\$420,504.00
<u>5</u>	4/30/2014	5/13/2014	\$432,500.00	\$43,250.00	\$389,250.00	\$54,090.00	5/22/2014	\$366,414.00
<u>6</u>	5/31/2014	6/10/2014	\$635,890.00	\$50,742.00	\$585,148.00	\$195,898.00	6/19/2014	\$170,516.00
<u>7</u>	6/30/2014	7/14/2014	\$684,000.00	\$53,147.00	\$630,853.00	\$45,705.00	7/17/2014	\$124,811.00
<u>8</u>	7/31/2014	8/12/2014	\$753,929.00	\$37,895.45	\$716,033.55	\$85,180.55	8/19/2014	\$39,630.45
<u>9</u>	8/31/2014	9/9/2014	\$759,118.21	\$37,895.45	\$721,222.76	\$5,189.21	9/15/2014	\$41,875.45
<u>10</u>	11/30/2014	12/12/2014	\$797,599.53	\$38,094.45	\$759,505.08	\$38,282.32	12/18/2014	\$38,094.45
<u>11</u>	12/31/2014	1/15/2015	\$797,599.53	\$1,800.00	\$795,799.53	\$36,294.45	1/26/2015	\$1,800.00
12	3/31/2015	4/10/2015	\$797,599.53	\$0.00	\$797,599.53	\$1,800.00	4/16/2015	\$0.00

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
Change Order #10: \$10,276.92 Site 12 Guard Rail
Total Change Order Amount: \$156,805.92
Total Revised Contract Amount: \$4,022,210.92

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	\$646,098.00
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	3/19/2015	\$342,406.00
15	3/31/2015	4/10/2015	\$4,011,934.00	\$200,596.00	\$3,811,338.00	\$141,810.00	4/16/2015	\$200,596.00
16	4/30/2015	5/12/2015	\$4,011,934.00	\$10,000.00	\$4,001,934.00	\$190,596.00	5/18/2015	\$20,276.92
17	7/31/2015	8/11/2015	\$4,022,210.92	\$10,000.00	\$4,012,210.92	\$10,276.92		\$10,000.00

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.
10	Site 12 Guard Rail	Field	\$10,276.92	\$0.00	NA	NA	NA	0.27%	4/17/2015	Approved	Install approximately 74 LF of FRP handrails per the attached drawings for OSHA compliance
Total of Project Change Orders										Total	\$ 156,805.92
Original Contract Amount			Revised Contract Amount			% Change from Original Amount					
\$3,865,405.00			4,022,210.92			4.06%					

Approved

*Board approval required

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
PROJECT Bid 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	\$558,066.80	\$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 & RW 1077 to 1080 Changes	Other	\$477,917.72	\$0.00				4.74%	2/18/2015	Approved	Change Description submitted in change order memo for Board approval 2/18/15; change order pending credit before processing
11	Blanket Drain 1 Revisions	Other	\$ (59.97)	\$0.00	3.08	\$ 15,160.00	-0.40%	0.00%	2/26/2015	Approved	Revised limits of Blanket Drain 1 and change surface aggregate material
12	Toe Wall and Handrails Wiers 2, 3, and 4	Field	\$ 60,362.00	\$0.00	3.48 3.49 3.50	\$ 381,000.00	15.84%	0.60%	4/15/2015	Approved	Toe wall for additional structural support due to the field conditions and soil types the weirs are being installed in. The toe walls were added to mitigate this potential failure. Handrails were added to the weirs as a result of OSHA regulations and for added maintenance personnel safety during inspections and flood events.
	Relief Well Construction Obstruction Budget	Other	\$500,000.00	\$0.00	3.38 3.39	\$3,507,071.90	14.26%	4.96%	3/18/2015	Budget Approved	RW Construction Obstruction due to Cobble Layer; Board approval required; 3/18/15 Board approved budget; to process change orders as needed

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
	Time Extension	Other								Pending	Anticipated change order to extend contract time due to land acquisition impact on construction
Total of Project Change Orders			\$1,460,895.39	\$0.00						Total	\$ 1,460,895.39

Original Contract Amount \$10,082,345.00
 Revised Contract Amount 11,543,240.39
 % Change from Original Amount 14.49%

*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 #14:	\$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	3/19/2015	\$1,225,313.45
10	3/31/2015	4/10/2015	\$2,512,569.69	\$251,256.97	\$2,261,312.72	\$98,712.18	4/16/2015	\$1,136,531.69
11	4/30/2015	5/12/2015	\$2,599,540.09	\$259,954.01	\$2,339,586.08	\$78,273.36	5/18/2015	\$1,058,258.33
12	6/30/2015	7/7/2015	\$2,608,521.08	\$260,852.12	\$2,347,668.96	\$8,082.50	7/9/2015	\$1,050,175.45

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
PROJECT: Bid 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 MESD 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%	4/16/2015	Approved	Delete piezometer seal modifications
13	Remaining Relief Well Permits	Other	\$9,056.25	\$0.00	NA	NA	NA	0.11%	4/16/2015	Approved	Per spec sec 00 800 par 6.4-Owner will be responsible for all permits and fees
14	60 Slot Relief Well Redesign	Field	\$110,334.93	\$0.00	5.27 5.28	\$ 3,204,234.48	3.44%	1.34%	4/16/2015	Approved	60 Slot Relief Well Redesign

TITLE: CONSTRUCTION CHANGE ORDER LOG

CLIENT: Southwestern Illinois Flood Prevention District Council
PROJECT Bid 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
15	RW Construction Obstruction	Field	\$83,011.64	\$0.00	5.27 5.28	\$ 3,204,234.48	2.59%	1.01%	5/15/2015	Within approved budget	RW Construction Obstruction due to Cobble Layer during drilling; submitted January 21, 2015 for Board appro

\$479,683.48

Total of Project Change Orders
 Original Contract Amount **\$8,256,481.84**
 Revised Contract Amount **8,736,165.32**
 % Change from Original Amount **5.81%**
\$19,698.78
 % Change from Original Amount **5.81%**

*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
Change Order #17:	(\$10,106.25)	Credit-Remove Vacuum Testing of Manholes
Change Order #18:	\$63,230.97	60 Slot Relief Well Redesign
Change Order #19:	\$20,923.32	Relief Well Construction Obstruction
Change Order #20:	\$17,910.08	Abandon Existing PZ P37 12" Agg Surface Abandon Existing PZ 239L and install new PZ
Change Order #21:	\$4,562.64	Relief Well Construction Obstruction
Change Order #22:	\$83,071.89	RCP at Pulcher's Driveway and Increase in Relief Well Quantities
Change Order #23:	\$38,213.76	Emergency T&M Work - Flood Event June 2015; Modifications to PDP/FL Piezometers 204L, 537L, and 679L

Total Change Order Amount: \$2,211,351.11
Total Revised Contract Amount: \$15,068,478.86

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

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 (\$)
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	3/19/2015	\$4,249,455.94
17	4/1/2015	4/10/2015	\$12,128,575.99	\$606,428.80	\$11,522,147.19	\$920,930.68	4/16/2015	\$3,381,649.98
18	5/1/2015	5/8/2015	\$13,089,041.43	\$654,452.07	\$12,434,589.36	\$912,442.17	5/18/2015	\$2,490,131.13
19	6/1/2015	6/5/2015	\$13,723,208.55	\$686,160.43	\$13,037,048.13	\$602,458.77	6/16/2015	\$1,910,145.08
20	7/1/2015	7/6/2015	\$14,005,443.45	\$700,272.17	\$13,305,171.28	\$268,123.15	7/14/2015	\$1,725,093.82
21	8/1/2015	8/7/2015	14045434.28	702271.71	\$13,343,162.57	\$37,991.28		\$1,725,316.29

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	NA	NA	NA	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	Credit-Remove Vacuum Testing of Manholes		\$ (10,106.25)	\$0.00	NA	NA	NA	-0.08%	3/4/2015	Approved	PCN approved to remove the requirements for ASTM C1244 Standard Test Method for Concrete Sewer
18*	60 Slot Relief Well Redesign	Field	\$63,230.97	\$0.00	6.40	\$ 1,039,884.00	6.08%	0.49%	3/18/2015	Approved	60-slot RW re-design to 40-slot; Board approval required
19	RW Construction Obstruction	Field	\$20,923.32	\$0.00	6.39 6.40	\$ 1,806,432.00	1.16%	0.16%	5/8/2015	Approved	RW Construction Obstruction due to Cobble Layer during drilling. To be processed under budget Board approved 1/21/15
20*	Abandon Existing PZ P37 12" Agg Surface Abandon Existing PZ 239L and install new PZ	Field	\$17,910.08	\$0.00	6.04 6.43 6.44	\$ 554,700.00	3.23%	0.14%	5/15/2015	Approved	Changes proposed to accommodate field conditions. Board approval required.
21	RW Construction Obstruction	Field	\$4,562.64	\$0.00	6.39 6.40	\$ 1,806,432.00	0.25%	0.04%	5/29/2015	Approved	RW Construction Obstruction due to Cobble Layer during drilling. To be processed under budget Board approved 1/21/15
22*	RCP at Pulcher's Driveway Increase in Relief Well Quantities	Field	\$83,071.89	\$0.00	6.39 6.40	\$ 1,806,432.00	4.60%	0.65%	6/17/2015	Approved	RCP at Pulcher's Driveway Increase in Relief Well Quantities Board approval required
23*	Emergency T&M Work - Flood Event June 2015; Modifications to PDP/FL Piezometers 204L, 537L, and 679L	Field	\$38,213.76	\$0.00	NA	NA	NA	0.30%	7/15/2015	Approved	Emergency T&M Work - Flood Event June 2015; Modifications to PDP/FL Piezometers 204L, 537L, and 679L
			Total of Project Change Orders	\$2,211,351.11	\$0.00						
			Original Contract Amount	\$12,857,127.75	\$15,068,478.86						
				17.20%							
			*Board approval required								
										Total	\$ 2,211,351.11

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
Change Order #6: \$7,500.00 Site demolition and restoration as required by City of Alton
Change Order #7: \$3,540.25 Clay Cap Volume Change
Total Change Order Amount: \$299,141.55
Total Revised Contract Amount: **\$3,375,350.25**

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	3/19/2015	\$906,279.89
5	3/31/2015	4/10/2015	\$2,727,400.13	\$136,370.02	\$2,591,030.11	\$133,000.00	4/16/2015	\$773,279.89
6	5/4/2015	5/10/2015	\$3,278,416.10	\$163,920.82	\$3,114,495.28	\$523,465.17	5/18/2015	\$249,814.72
7	6/5/2015	6/12/2015	\$3,371,810.00	\$67,436.20	\$3,304,373.80	\$189,878.52	6/16/2015	\$67,436.20
7	7/8/2015	7/8/2015	\$3,375,350.25	\$0.00	\$3,375,350.25	\$70,976.45	7/14/2015	\$0.00



Memo to: Board of Directors
From: Chuck Ewert
Subject: Budget and Disbursement Report for July 2015
Date: August 17, 2015

Current Budget Highlights

Attached is the financial statement for July 2015 prepared by our fiscal agent, CliftonLarsonAllen. The report includes an accounting of revenues and expenditures for the month ending July 31, 2015, as compared to our fiscal year budget.

Accrued expenditures for the current fiscal year beginning on October 1, 2014 are \$36,601,711 while revenues amounted to \$9,635,099 resulting in a deficit of \$26,966,612. A total of approximately \$23,467,977 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 May 2015 (the latest month reported by the Illinois Department of Revenue) were down by .81% from the previous year. In general, receipts are still up .50% from last year, which was our highest year.

Monthly Disbursements

Attached is the list of bank transactions for July 2015. Total disbursements for the month were \$1,716,528.48. The largest payments were to Keller Construction for BP #3 and BP #5, Lane Construction for BP #6, TREVIICOS South for BP #7B, Amec Foster Wheeler and Husch Blackwell.

Recommendation:

Accept the budget report and disbursements for July 2015.



**SOUTHWESTERN ILLINOIS FLOOD PREVENTION
DISTRICT COUNCIL**

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

TEN MONTHS ENDING JULY 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 ten months ended July 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 "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

St. Louis, Missouri
August 7, 2015

**SOUTHWESTERN ILLINOIS FLOOD PROTECTION DISTRICT COUNCIL
GENERAL FUND
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
TEN MONTHS ENDED JULY 31, 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	\$ 9,372,773	\$ 1,822,227
Interest Income	60,000	60,000	262,326	(202,326)
Other Contributions	-	-	-	-
Total Revenues	<u>11,255,000</u>	<u>11,255,000</u>	<u>9,635,099</u>	<u>1,619,901</u>
EXPENDITURES				
Current				
Design and Construction				
Engineering Design & Construction Management	8,131,050	8,131,050	2,346,271	5,784,779
Construction	45,791,362	45,791,362	24,547,480	21,243,882
Construction and design by US ACE	-	-	-	-
Federal Cost-Share	-	-	-	-
Total Design and Construction	<u>53,922,412</u>	<u>53,922,412</u>	<u>26,893,751</u>	<u>27,028,661</u>
Professional Services				
Legal & Legislative Consulting	216,000	216,000	233,722	(17,722)
Diversity Program Manager	64,140	64,140	53,610	10,530
Construction Oversight	-	-	-	-
Other	-	-	-	-
Impact Analysis/Research	-	-	-	-
Financial Advisor	120,000	120,000	10,278	109,722
Bond Underwriter/Conduit Issuer	-	-	9,778	(9,778)
Total Professional Services	<u>400,140</u>	<u>400,140</u>	<u>307,388</u>	<u>92,752</u>
Refund of Surplus Funds to County FPD Accounts				
Madison County	1,882,480	1,882,480	1,190,443	692,037
Monroe County	197,080	197,080	124,629	72,451
St. Clair County	1,920,440	1,920,440	1,214,448	705,992
Total Refund of Surplus Funds to County	<u>4,000,000</u>	<u>4,000,000</u>	<u>2,529,520</u>	<u>1,470,480</u>
Debt Service				
Principal and Interest	7,101,239	7,101,239	7,101,239	-
Federal Interest Subsidy	(844,610)	(844,610)	(421,850)	(422,760)
Total Debt Service	<u>6,256,629</u>	<u>6,256,629</u>	<u>6,679,389</u>	<u>(422,760)</u>
Total Operating Expenses	<u>64,579,181</u>	<u>64,579,181</u>	<u>36,410,048</u>	<u>28,169,133</u>
General and Administrative Costs				
Salaries, Benefits	206,000	206,000	158,844	47,156
Advertising	-	-	-	-
Bank Service Charges	1,500	1,500	1,251	249
Conference Registration	500	500	311	189
Equipment and Software	2,000	2,000	25	1,975
Fiscal Agency Services	26,500	26,500	23,000	3,500
Audit Services	15,000	15,000	-	15,000
Furniture	-	-	-	-
Meeting Expenses	1,000	1,000	-	1,000
Postage/Delivery	400	400	273	127
Printing/Photocopies	2,500	2,500	2,172	328
Professional Services	20,000	20,000	192	19,808
Publications/Subscriptions	250	250	115	135
Supplies	1,500	1,500	2,397	(897)
Telecommunications/Internet	2,500	2,500	1,950	550
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>191,663</u>	<u>96,487</u>
Total Expenditures	<u>64,867,331</u>	<u>64,867,331</u>	<u>36,601,711</u>	<u>28,265,620</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(53,612,331)	(53,612,331)	(26,966,612)	26,645,719
OTHER FINANCING SOURCES				
Proceeds From Borrowing	-	-	-	-
NET CHANGE IN FUND BALANCE	<u>\$ (53,612,331)</u>	<u>\$ (53,612,331)</u>	<u>\$ (26,966,612)</u>	<u>\$ 26,645,719</u>

**SOUTHWESTERN ILLINOIS FLOOD PROTECTION DISTRICT COUNCIL
GENERAL FUND
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
TEN MONTHS ENDED JULY 31, 2014 (Actual)
FISCAL YEAR ENDING SEPTEMBER 30, 2014 (Budget)**

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
REVENUES				
Sales Tax Proceeds From Districts	\$ 11,237,000	\$ 11,237,000	\$ 9,159,913	\$ 2,077,087
Interest Income	650,000	650,000	766,276	(116,276)
Other Contributions	-	-	100,000	(100,000)
Total Revenues	<u>11,887,000</u>	<u>11,887,000</u>	<u>10,026,189</u>	<u>1,860,811</u>
EXPENDITURES				
Current				
Design and Construction				
Engineering Design & Construction Management	4,000,000	4,000,000	2,182,383	1,817,617
Construction	60,000,000	60,000,000	14,080,257	45,919,743
Construction and design by US ACE	1,000,000	1,000,000	2,477,634	(1,477,634)
Federal Cost-Share	-	-	-	-
Total Design and Construction	<u>65,000,000</u>	<u>65,000,000</u>	<u>18,740,274</u>	<u>46,259,726</u>
Professional Services				
Legal & Legislative Consulting	210,000	210,000	122,476	87,524
Construction Oversight	210,000	210,000	164,780	45,220
Other	-	-	-	-
Impact Analysis/Research	-	-	2,856	(2,856)
Financial Advisor	40,000	40,000	12,838	27,162
Bond Underwriter/Conduit Issuer	100,000	100,000	-	100,000
Total Professional Services	<u>560,000</u>	<u>560,000</u>	<u>302,950</u>	<u>257,050</u>
Refund of Surplus Funds to County FPD Accounts				
Madison County	2,270,400	2,270,400	1,658,533	611,867
Monroe County	220,800	220,800	165,179	55,621
St. Clair County	2,308,800	2,308,800	1,664,449	644,351
Total Refund of Surplus Funds to County	<u>4,800,000</u>	<u>4,800,000</u>	<u>3,488,161</u>	<u>1,311,839</u>
Debt Service				
Principal and Interest	7,107,440	7,107,440	7,102,339	5,101
Federal Interest Subsidy	(910,140)	(910,140)	(422,305)	(487,835)
Total Debt Service	<u>6,197,300</u>	<u>6,197,300</u>	<u>6,680,034</u>	<u>(482,734)</u>
Total Operating Expenses	<u>76,557,300</u>	<u>76,557,300</u>	<u>29,211,419</u>	<u>47,345,881</u>
General and Administrative Costs				
Salaries, Benefits	192,331	192,331	175,477	16,854
Advertising	-	-	-	-
Bank Service Charges	600	600	1,177	(577)
Conference Registration	500	500	372	128
Equipment and Software	4,000	4,000	1,768	2,232
Fiscal Agency Services	23,000	23,000	35,500	(12,500)
Furniture	-	-	-	-
Meeting Expenses	1,000	1,000	28	972
Postage/Delivery	400	400	218	182
Printing/Photocopies	2,500	2,500	1,895	605
Professional Services	20,000	20,000	8,663	11,337
Publications/Subscriptions	250	250	2,124	(1,874)
Supplies	1,500	1,500	1,769	(269)
Telecommunications/Internet	2,000	2,000	2,299	(299)
Travel	15,000	15,000	2,317	12,683
Insurance	1,000	1,000	981	19
Total General & Administrative Costs	<u>264,081</u>	<u>264,081</u>	<u>234,588</u>	<u>29,493</u>
Total Expenditures	<u>76,821,381</u>	<u>76,821,381</u>	<u>29,446,007</u>	<u>47,375,374</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	(64,934,381)	(64,934,381)	(19,419,818)	45,514,563
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>\$ (19,419,818)</u>	<u>\$ 35,514,563</u>

Flood Prevention District Sales Tax Trends 2009-2015

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%	

**SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
SUPPLEMENTARY SUPPORTING SCHEDULE
BANK TRANSACTIONS
July 31, 2015**

Beginning Bank Balance July 1		\$	344,892.46
Receipts			
Cockriel & Christofferson	07/09/2015 Refund of mediation fees	3,600.00	
UMB	07/09/2015 Funds Transfer/Construction	1,294,590.55	
UMB	07/09/2015 Funds Transfer/Admin	26,140.08	
UMB	07/10/2015 Funds Transfer/Construction	369,780.65	
The Bank of Edwardsville	07/31/2015 June Interest	88.05	1,694,199.33
Disbursements			
CDW Government	07/01/2015 Office Supplies	141.86	
Dianne M & Rector L Selhime	07/02/2015 Construction	100.00	
Eugene Pulcher Trust	07/02/2015 Construction	852.50	
Lahuko Farms- c/o Alfon W. Larson	07/02/2015 Construction	2,000.00	
Lloyd Pulcher Trust	07/02/2015 Construction	1,705.00	
Mary Pulcher Trust	07/02/2015 Construction	852.50	
Pulcher Farms, Inc.	07/02/2015 Construction	990.00	
S Shafer Excavating Inc	07/02/2015 Construction	300.00	
Smith Dawson & Andrews	07/02/2015 Professional Services	5,000.00	
Sprague & Urban, Attorneys at Law	07/02/2015 Construction	1,650.00	
Terminal Railroad Association of St Louis	07/02/2015 Construction	500.00	
Microsoft Office	07/03/2015 Subscription	0.99	
Family Phone	07/09/2015 Office Phone	110.00	
Advantage, Inc	07/09/2015 Office Small Equipment	24.97	
CliftonLarsonAllen LLP	07/09/2015 Fiscal Agent	2,100.00	
Columbia Capital	07/09/2015 Financial Advisor	600.00	
Haier Plumbing	07/09/2015 Construction	8,083.50	
Marks & Associates	07/09/2015 Professional Services	3,590.00	
Amec Foster Wheeler Environment & Infracore	07/10/2015 Design & Construction	220,754.87	
The Bank-Service Fees	07/10/2015 Wire Fee	10.00	
The Bank-Service Fees	07/10/2015 Wire Fee	10.00	
Kamadulski Excavating & Grading CO, Inc	07/14/2015 Construction	70,976.45	
Keller Construction Inc	07/14/2015 Construction	633,720.01	
The Lane Construction Corporation	07/14/2015 Construction	268,123.15	
Keller Construction Inc	07/14/2015 Construction	55,078.52	
The Bank-Service Fees	07/14/2015 Wire Fee	15.00	
The Bank-Service Fees	07/14/2015 Wire Fee	15.00	
The Bank-Service Fees	07/14/2015 Wire Fee	15.00	
The Bank-Service Fees	07/14/2015 Wire Fee	15.00	
AT & T	07/15/2015 Office Phone	92.76	
Columbia Capital	07/16/2015 Financial Advisor	2,327.50	
Cost Less Copy Center	07/16/2015 Board Member Materials	306.00	
Husch Blackwell	07/16/2015 Legal & Legislative	10,296.90	
Husch Blackwell	07/16/2015 Legal & Legislative	2,906.34	
Husch Blackwell	07/16/2015 Construction Legal	41,577.41	
The Bank-Service Fees	07/17/2015 Wire Fee	10.00	
The Bank-Service Fees	07/20/2015 Wire Fee	15.00	
TREVIIICOS South	07/20/2015 Construction	315,000.00	
ABNA	07/23/2015 Design & Construction	506.00	
ABNA	07/23/2015 Design & Construction	3,590.20	
Walmart	07/23/2015 Office Supplies	26.07	
Edward L Gillham	07/24/2015 Construction	9,885.50	
Lucie G Cizek	07/24/2015 Construction	9,885.50	
Dorgan, McPike & Assoc, LTD	07/28/2015 Legal & Legislative	3,000.00	
Juneau Associates	07/28/2015 Design & Construction	18,511.08	
East-West Gateway Council of Governments	07/29/2015 Supervisory Mgt Services	17,940.87	
Juneau Associates	07/29/2015 Design & Construction	2,732.68	
Juneau Associates	07/29/2015 Design & Construction	359.70	
Juneau Associates	07/29/2015 Design & Construction	189.75	
Office Depot	07/31/2015 Office Supplies	16.02	
The Bank-Service Fees	07/31/2015 Bank Service Fee	18.88	1,716,528.48
			\$ 322,563.31



Memo to: Board of Directors
From: Chuck Etwert
Subject: FY 2015 Annual Budget
Date: August 17, 2015

By law, the Council's budget for the upcoming year must be adopted by August 31 of each year for the fiscal year beginning October 1. The budget must be submitted to the county boards for approval after which they have 30 days to act on it. A draft budget was presented to the Board of Directors at the July meeting. Accompanying the draft was a cash budget through 2016, when all construction will be completed.

With 59% of construction of the project completed at the end of July, the FY2016 budget focuses on the completion of all construction needed to achieve FEMA accreditation. Unfortunately, during FY2015 we experienced delays due to the obtainment of necessary easements, high river conditions and a contract termination on the Wood River Deep Cutoff Wall Project. This has pushed the accreditation schedule back a year.

We will enter FY2016 with four of the current nine contract packages complete, and three more being completed by the end of the calendar year. This will leave only BP #3, which was delayed due to easement obtainment, and BP #7B, the Wood River Deep Cutoff Wall Project to be completed. BP #3 should be completed by March and BP #7B should have the cutoff wall portion complete by the end of the year and grading and turf restoration completed by May 2016. Certification Packages will be submitted as each levee system is completed.

The recommended FY2016 budget is shown in Table 1.

The draft budget has been adjusted to reflect a \$153,095 (\$1,392,340 to \$1,239,245) reduction in the estimated Corps of Engineers costs for the Authorized Level Projects in the Wood River Levee System.

Also, an adjustment was made to include an estimate of Corps of Engineers costs for Authorized Level Projects in the MESD and the Prairie Du Pont/Fish Levee Systems. This added \$1,500,000 to the proposed budget, and is based on Mr. Feldman's discussion last month where he indicated that the Corps' efficiency improves as a process is repeated. The process of the Council moving ahead on the Authorized level Projects is a new process to the Corps.

True estimated costs cannot be determined until Amec Foster Wheeler has completed the Authorized Level Project Summary Reports for the MESD and Prairie Du Pont/Fish Lake and identify projects. We will continue discussions with the Corps regarding additional reductions to their estimated costs for the Authorized Level Projects in the Wood River Levee System. It is felt that the total of \$2,739,245, currently budgeted for the Corps, will be sufficient for FY2016.

Due to the recent high water event, approximately \$2.4 million of construction funding has been moved from the FY2015 to FY2016.

The construction of the project did not progress as fast as expected in the FY2015. After completing \$16.6 million of construction in FY2014, it appears that \$30.0 million will be completed in FY2015, leaving a balance of \$26.6 million to be completed in FY2016. However, construction of all of the 100-Year Projects will be completed in FY2016. Administrative expenditures, which are a relatively small portion of our costs, remain virtually unchanged for the next year.

In general, expenditures for next year's budget are based on completion of the 100 year level of protection projects, and the start of the 500-Year Authorized Level Projects.

Key assumptions are:

1. Project construction will be completed by May 31, 2016 and FEMA certification will be achieved by December 31, 2016.
2. The level of Council staffing does not change in FY2016, and general and administrative costs remain a very small portion of the project expenditures (less than 1%). Staff resources are supplemented however, by the continued significant use of consulting and professional services.
3. In accordance with the bond indenture, all sales tax receipts are intercepted by the Trustee and any surpluses after payment of debt service and Council administrative costs will be transferred back to the county FPD funds for use in future project financing. These transfers are shown as expenditures in the budget.
4. A 10% construction cost contingency is included for all remaining construction on all projects still being built.
5. Sales tax revenue is estimated to increase by 1.00% over last year, our highest level of receipts. This is our current increase level thru June of this year.
6. Additional debt financing of \$65,000,000 (current estimate) for the 500-Year Authorized Level Projects is included in this year's budget.
7. The Council will assist levee districts in establishing funding sources, where and if needed, for the maintenance and operations of the 100-Year improvements being built.
8. County FPD sales tax accounts will be used for the 500-Year Authorized Level Projects.

The cash budget through FY2016 (shown on Tables 2 thru 5), when all construction will be completed, has also been updated to reflect, the lower Corps of Engineers Authorized Level expenses for Wood River, the additional Corps of Engineers Authorized Level expenses for MESD and Prairie Du Pont/Fish Lake, and the shifting of construction expenses due to high river stage. All Corps expenses are in-house costs. Our estimated surplus at the end of the 100-Year FEMA Projects is currently estimated to be \$22.2 million.

Recommendation: Authorize the Chief Supervisor to submit the proposed FY2016 annual budget for the Council to the Boards of St. Clair, Madison, and Monroe Counties as presented.

Table 1
SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
PROPOSED BUDGET
OCTOBER 1, 2015 THRU SEPTEMBER 30, 2016

	AUDITED		PROJECTED		PROPOSED	
	EXPENDITURES		EXPENDITURES		BUDGET	
	OCTOBER 1, 2013 THRU		OCTOBER 1, 2014 THRU		OCTOBER 1, 2015 THRU	
	SEPTEMBER 30, 2014		SEPTEMBER 30, 2015		SEPTEMBER 30, 2016	
REVENUES						
Sales Tax Proceeds From Districts	\$ 11,242,506		\$ 11,379,933		\$ 11,500,000	
Interest Income	670,341		270,788		75,000	
Other Contributions			-			
Total Revenues	\$ 11,912,847		\$ 11,650,721		\$ 11,575,000	
EXPENDITURES						
Design and Construction						
Engineering Design & Construction	5,931,237		3,386,102		13,939,900	
Management			-			
Construction	16,631,933		30,099,793		26,597,316	
USACE Authorized Level Costs	2,477,634		-		2,739,245	
Total Design and Construction	\$ 25,040,804		\$ 33,485,895		\$ 43,276,461	
Professional Services						
Legal & Legislative Consulting	148,005		278,325		391,000	
Diversity Program Manager	189,875		64,380		25,130	
Construction Oversight	13,505		-		-	
Other	2,150		-		-	
Financial Advisor	26,026		44,725		83,200	
Bond Trustee Fee	3,816		9,778		10,000	
Total Professional Services	\$ 383,377		\$ 397,208		\$ 509,330	
Refund of Surplus Funds to County FPD Accounts						
Total Refund of Surplus Funds to County	\$ 5,739,485		\$ 4,221,521		\$ 4,000,000	
Debt Service						
Principal and Interest	7,086,037		7,101,239		7,103,089	
Federal Interest Subsidy	(844,610)		(843,700)		(843,700)	
Total Debt Service	\$ 6,241,427		\$ 6,257,539		\$ 6,259,389	
Total Design & Construction Expenses	\$ 37,405,093		\$ 44,362,163		\$ 54,045,180	
General and Administrative Costs						
Salaries, Benefits	202,740		190,754		196,500	
Advertising	-		-		-	
Bank Service Charges	1,514		1,502		1,500	
Annual IL Lobbyist Registration	372		311		350	
Equipment and Software	-		-		2,000	
Fiscal Agency Services	25,300		27,200		29,000	
Audit Services	14,100		14,100		15,000	
Meeting Expenses	28		-		1,000	
Postage/Delivery	314		363		400	
Printing/Photocopies	2,518		2,488		2,500	
Professional Services	8,663		191		10,000	
Publications/Subscriptions	718		117		250	
Supplies	2,903		2,956		3,000	
Telecommunications/Internet	2,622		2,956		3,000	
Travel	2,548		565		5,000	
Insurance	982		968		1,000	
Total General & Administrative Costs	\$ 265,322		\$ 244,471		\$ 270,500	
Total Expenditures	\$ 37,670,415		\$ 44,606,634		\$ 54,315,680	
EXCESS (DEFICIENCY) OF REVENUES						
OVER EXPENDITURES	\$ (25,757,568)		\$ (32,955,913)		\$ (42,740,680)	
OTHER FINANCING SOURCES						
Proceeds From Borrowing	-				\$ 65,000,000	
NET CHANGE IN FUND BALANCE	\$ (25,757,568)		\$ (32,955,913)		\$ 22,259,320	

Table 2
Estimated Project Expenditures 10.1.2014 -9.30.2016

Design & Construction Management			TOTAL 2
	FY 2015	FY 2016	YEAR COST
Engineering Design			
<i>W. O. #1 Program Mgmt.</i>	\$245,000	\$300,000	\$545,000
<i>W. O. #3 Preconstruction Activities</i>	\$107,000	\$45,000	\$152,000
<i>W. O. #5 COR Investigation</i>	\$1,241	\$80,000	\$81,241
<i>W. O. #7 Final Design</i>	\$23,665	\$0	\$23,665
<i>W. O. #9 Wood River Cutoff Walls</i>	\$208,596	\$100,000	\$308,596
<i>W. O. #11 FEMA Certification Services</i>	\$75,000	\$250,000	\$325,000
<i>W. O. #12 Authorized Level Planning Services</i>	\$71,100	\$198,900	\$270,000
Additional Authorized Level Work Orders			
<i>Wood River Field Activities BP #8, BP #9, & BP #10</i>	\$22,500	\$520,000	\$542,500
<i>Wood River Design BP #8, BP #9, & BP #10</i>	\$0	\$1,521,000	\$1,521,000
<i>MESD Field Activities</i>	\$21,000	\$4,800,000	\$4,821,000
<i>MESD Design</i>	\$0	\$725,000	\$725,000
<i>Prairie Du Pont/Fish Lake Field Activities</i>	\$21,000	\$2,400,000	\$2,421,000
<i>Prairie Du Pont/Fish Lake Design</i>	\$0	\$650,000	\$650,000
<i>Corps of Engineers Authorized Level Costs</i>	\$0	\$2,739,245	\$2,739,245
Construction Management.			
<i>W. O. #8 Construction Management BP #1 - #6</i>	\$1,828,000	\$450,000	\$2,278,000
<i>W. O. #10 Construction Management BP #7A & #7B</i>	\$387,000	\$1,275,000	\$1,662,000
<i>QC/Materials Testing</i>	\$375,000	\$625,000	\$1,000,000
OTAL ENGINEERING DESIGN & CONSTRUCTION MGMT.	\$3,386,102	\$16,679,145	\$20,065,247
Construction			
<i>Bid Package #2a</i>	\$76,377		\$76,377
<i>Bid Package #2b</i>	\$1,337,988		\$1,337,988
<i>Bid Package #2c</i>		\$281,632	\$281,632
<i>Bid Package #3</i>	\$5,022,390	\$6,182,391	\$11,204,781
<i>Bid Package #4</i>	\$2,579,680	\$525,087	\$3,104,767
<i>Bid Package #5</i>	\$4,554,217	\$2,334,807	\$6,889,024
<i>Bid Package #6</i>	\$8,239,743	\$1,380,253	\$9,619,996
<i>Bid Package #7A</i>	\$3,375,350		\$3,375,350
<i>Bid Package #7B</i>	\$2,886,673	\$11,104,327	\$13,991,000
<i>Contingency (10% of Remaining Construction)</i>	\$467,901	\$2,180,849	\$2,648,750
<i>Utilities</i>	\$14,775	\$0	\$14,775
<i>Property Acquisition 100-Year Projects</i>	\$803,000		\$803,000
<i>Property Acquisition Authorized Level - Wood River</i>		\$400,000	\$400,000
<i>Wetland Mitigation</i>	\$27,970	\$27,970	\$55,940
<i>HazMat Mitigation</i>	\$400,000	\$1,600,000	\$2,000,000
<i>Legal</i>	\$313,729	\$580,000	\$893,729
TOTAL CONSTRUCTION	\$30,099,793	\$26,597,316	\$56,697,109
TOTAL ENGINEERING DESIGN & CONSTRUCTION	\$33,485,895	\$43,276,461	\$76,762,356
Operations & Financing			
<i>General & Administrative</i>	\$244,471	\$270,500	\$514,971
<i>Debt Service</i>	\$7,101,239	\$7,103,089	\$14,204,328
<i>Interest Rate Subsidy</i>	(\$843,700)	(\$843,700)	(\$1,687,400)
<i>Professional Services</i>			
<i>Legal</i>	\$182,325	\$295,000	\$477,325
<i>Legislative</i>	\$96,000	\$96,000	\$192,000
<i>Financial Advisor</i>	\$44,725	\$83,200	\$127,925
<i>Diversity Program Mgr.</i>	\$64,380	\$25,130	\$89,510
<i>Bond Trustee</i>	\$9,778	\$10,000	\$19,778
TOTAL OPERATIONS	\$6,899,218	\$7,039,219	\$13,938,437
TOTAL EXPENSES	\$40,385,113	\$50,315,680	\$90,700,793

Table 3

Estimated Revenue 10.1.2014 – 9.30.2016

Fund Sources	FY2015	FY2016	TOTAL
<i>Sales Tax Revenue</i>	\$11,384,692	\$11,500,000	\$22,884,692
<i>Interest Income</i>	\$270,000	\$75,000	\$345,000
<i>Cash on hand (9/30/14)</i>	\$1,546,104		\$1,546,104
<i>Bond Funds Balance (9/30/14)</i>	\$50,585,265		\$50,585,265
TOTAL FUNDS AVAILABLE	\$63,786,061	\$11,575,000	\$75,361,061

Table 4

Surplus/Deficit FY2015-FY2016

Fund Sources	FY2015	FY2016	TOTAL
<i>Revenue</i>	\$63,786,061	\$11,575,000	\$75,361,061
<i>Expenses</i>	\$40,385,113	\$50,315,680	\$90,700,793
Surplus/Deficit	\$23,400,948	(\$38,740,680)	(\$15,339,732)

Table 5

Estimated Revenue Available from County FPD Sales Tax Funds

<i>County FPD Tax Bal. (as of 7/31/15)</i>	\$23,467,977
<i>Less Deficit</i>	(\$15,339,732)
Estimated Remaining Revenue From 100-Year Projects Available for Future Authorized Level Projects	\$8,128,245
Estimated Expenditures on Authorized Level Projects in FY2015 & FY2016	\$14,164,745
Actual Estimated Surplus Funds From 100-Year Projects	\$22,292,990



Memo to: Board of Directors

From: Chuck Etwert

Subject: Annual Report

Date: August 17, 2015

Attached is the proposed Annual Report for FY 2015. By law, the Council must submit an Annual Report to each county board describing activities for the past year. We generally submit this report with our annual request for approval of our budget.

The report simply chronicles the activities of the last year and builds on previous reports, so it is actually a summary of the Council's cumulative activities since its inception in June 2009.

Recommendation: Authorize the Chief Supervisor to submit the FY 2015 Annual Report to the county boards of St. Clair, Madison, and Monroe counties.

Southwestern Illinois Flood Prevention District Council

Annual Report 2014-2015



August 19, 2015



**Southwestern
Illinois
Flood Prevention
District Council**

104 United Drive
Collinsville, IL 62234

618-343-9120
Fax 618-343-9132

www.floodpreventiondistrict.org

August 19, 2015

Hon. Mark Kern
County Board Chairman
St. Clair County
10 Public Square
Belleville, IL 62220-1623

Board of Directors

John Conrad
President

Jim Pennekamp
Vice President

Dan Maher
Secretary-Treasurer

Hon. Alan Dunstan
County Board Chairman
Madison County Administration Building
157 N. Main Street, Suite 165
Edwardsville, IL 62025-1963

Paul Bergkoetter
Bruce Brinkman
Thomas Long
Ron Motil
Alvin L. Parks Jr.
Ronald Polka

Hon. Terry Liefer
Chairman, Monroe County Board of Commissioners
100 South Main Street
Waterloo, IL 62298

Charles M. Ewert
Chief Supervisor of
Construction and the Works

Sirs:

Transmitted herewith is the 2014-2015 Annual Report of the Southwestern Illinois Flood Prevention District Council. The submission of this report is in satisfaction of the requirement of our authorizing statute (70 ILCS 750/).

The Council has adopted two primary goals: to assure accreditation by the Federal Emergency Management Agency of area levee systems and to limit any economic damage to the region during the period during which accreditation is being sought. The Council has continued to make great progress toward achieving both goals during the last year.

We will enter FY2016 with four of the current nine construction packages complete, and three more packages being completed by the end of the the year. This will leave only BP #3, which was delayed due to easement obtainment, and BP #7B, the Wood River Deep Cutoff Wall Project, which had to be rebid, to complete. BP #3 should be completed by March and BP #7B should have the cutoff wall portion completed by the end of the year, with grading and turf restoration being completed by May 2016.

a regional partnership to rebuild Mississippi River flood protection

Hon. Mark Kern
Hon. Alan Dunstan
Hon. Terry Liefer
August 19, 2015
Page 2

Certification reports will be submitted to FEMA, as each levee system is completed. This will occur approximately four months after completion of construction, with FEMA accreditation anticipated in another four months.

Easements, high river stages, and construction delays have pushed the accreditation schedule back but the Council is well on its way to achieving accreditation by the end of 2016, using only revenue available from the dedicated FPF sales tax.

With the interim goal of achieving FEMA accreditation in sight and the Corps of Engineers' decision on the utilization of Project Labor Agreements (PLAs), the Board of Directors, by resolution in February, established its official intent to restore the federally Authorized 500-Year Level of Mississippi Flood River Protection in the Metro-East to the best of its financial capabilities.

It is currently estimated that the cost of the 100-Year FEMA projects will come in under budget, and a fund balance of over \$22 million will remain. In addition, it is currently estimated that there is the potential to generate an additional \$65 million through an additional bond issue. It is the intent, to use these funds on capital expenditures on flood protection, building the most cost effective and highest priority projects throughout the Counties of Madison, Monroe, and St. Clair, Illinois.

The Board of Directors has already accepted an Authorized Level Project Summary Report for the Wood River Levee System and authorized the design of three bid packages. Summary Reports and design identification for the Metro East Sanitary District Levee and the Prairie Du Pont/Fish Lake Levee will be prepared next.

The Council continues to work with the Corps of Engineers regarding the process of the Council moving ahead with the 500-Year Authorized Level of protection projects to ensure that the work the Council does is eligible for future Work In-Kind Credit.

In summary, I am pleased to report on behalf of our Board of Directors, that we continue to make progress in building and financing significant improvements to the flood protection systems in Metro-East.

Thank you for supporting our efforts throughout the year.

Sincerely,



Charles M. Etwert
Chief Supervisor of Construction and the Works

I. Introduction

On August 15, 2007 the Federal Emergency Management Agency announced their intention to “de-accredit” the Mississippi River levee systems protecting a 174 square mile area in three Illinois counties known as the American Bottom. The practical effect of this action would be to cripple the area economically and put an enormous financial burden on businesses and residents in this area. The threat of this action by FEMA prompted a chain of events that is without precedent in the area. The end result is a cooperative regional effort to improve flood protection and secure FEMA accreditation for the levee system protecting the American Bottom from flooding.

The American Bottom is an area of incalculable economic value and historical significance. It is home to some 155,000 residents. Businesses in the area employ upwards of 55,000 people. Some of the nation’s most prestigious companies have major manufacturing facilities having national significance in the area. Additionally, the area is rich in multimodal transportation assets that make it well-positioned as a future center of commerce and industry.

The region’s leadership recognized that extraordinary measures were necessary to protect this economic asset and the homes and livelihoods of a large portion of the region’s population. A new revenue source was created in 2008 and a regional organization was formed to carry out an ambitious plan to maintain a level of flood protection that has been in place for some 70 years. That plan is now being implemented.

Acting on a plan to improve flood protection, even one that may be subject to adjustment from time to time, is an essential ingredient in helping businesses and citizens prepare for the future, to restore investor confidence in the area, and to assure taxpayers that their money is being spent effectively. The unpredictability of the Mississippi River serves as constant reminder that we need to demonstrate real progress in carrying out that plan.

The purpose of this report is to outline the activities of the Southwestern Illinois Flood Prevention District Council in 2014-2015 towards implementing flood protection improvements.

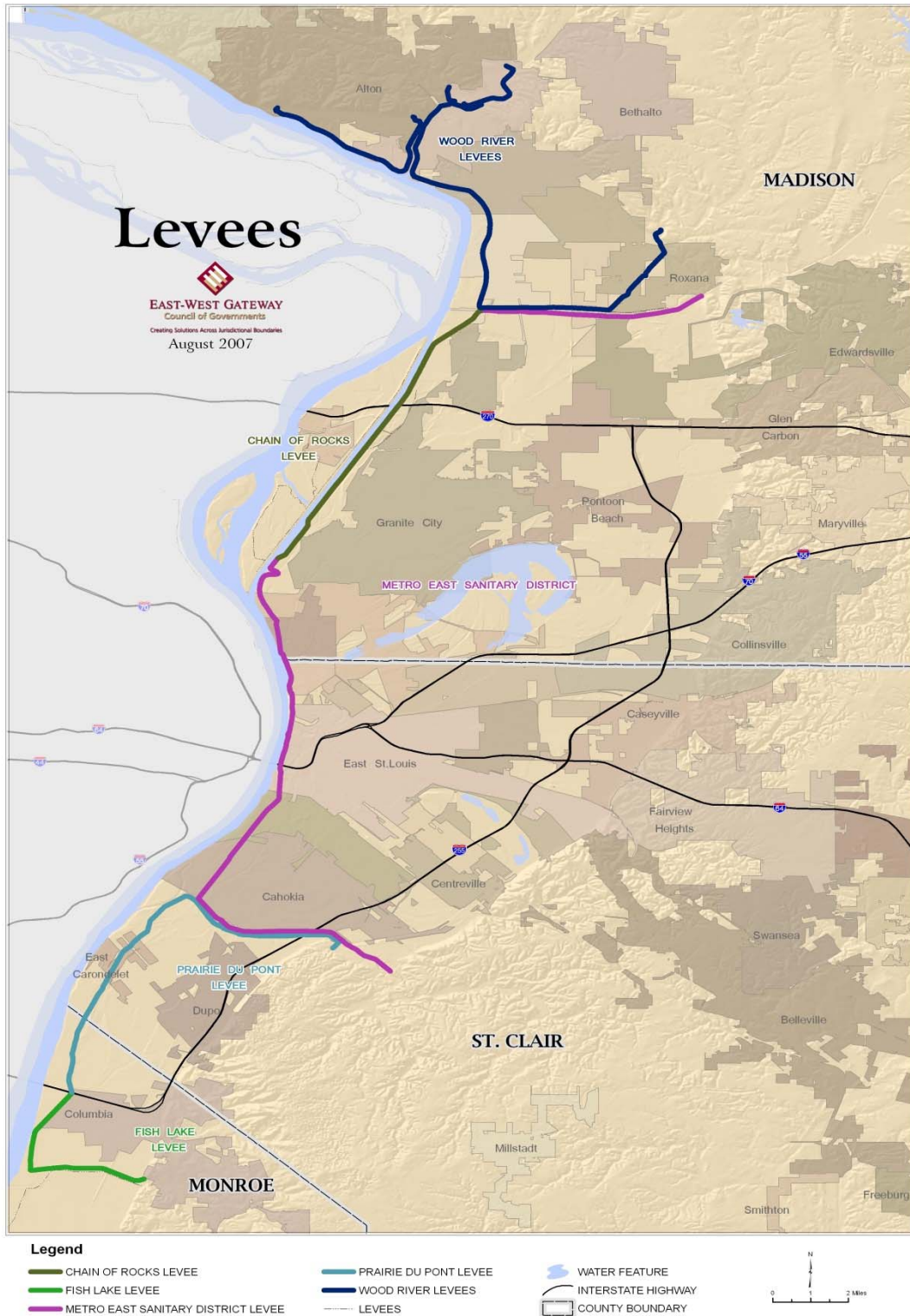
II. Background

A system of 85 miles of mainline and wing levees protects an area called the American Bottom in Southwestern Illinois from flooding by the Mississippi River. The American Bottom is an area of 174 square miles that is home to 156,000 people and 55,000 jobs. The levee system was authorized by Congress and designed and built by the U.S. Army Corps of Engineers to provide protection from a flood event on the Mississippi River of 54 feet on the St. Louis gauge. The American Bottom has not been flooded by the Mississippi River in the 70 years since the flood protection system was initially built, including during the flood of record in 1993, reportedly as much as a 380-year event.

Mississippi River flood protection consists of five “federal” levees (see Figure 1), i.e. levees designed and built by the federal government and whose owners participate in the Corps of Engineers Public Law 84-99 emergency assistance program. The construction of the following five (5) levees was authorized in federal law:

- **Wood River levee**, operated and maintained by the Wood River Drainage and Levee District. Construction was authorized under Section 4 of the Flood Control Act of 1938, Pub. L. 75-761, with subsequent improvement was authorized under Section 1001(20) of the Water Resources Development Act of 2007, Pub. L. 110-114 (“WRDA 2007”)
- **Chain of Rocks canal, levee, and locks**, operated and maintained by the Corps. Construction was authorized under the River & Harbors Act of 1945, Pub. L. 79-114
- **East St. Louis levee**, operated and maintained by the Metro East Sanitary District. Construction was authorized by the Flood Control Act of 1936, Pub. Law 74-738, as modified by the Flood Control Act of 1965, Pub. L. 89-298, and the Water Resources Development Act of 1976, Pub. L. 94-587. Subsequent improvement was authorized under the Energy and Water Development Appropriations Act of 1988, Pub. L. 100-202
- **Prairie Du Pont levee**, operated and maintained by the Prairie Du Pont Levee and Sanitary District. Construction was authorized under the Federal Flood Control Act of 1936. Subsequent improvement was authorized under Section 102(8) of the Water Resources Development Act of 2000, Pub. L. 106-541 (“WRDA 2000”) and Section 5070 of the WRDA 2007
- **Fish Lake levee**, operated and maintained by the Fish Lake Drainage and Levee District. Construction was authorized by the Flood Control Act of 1954. Subsequent improvement was authorized under Section 102(8) of WRDA 2000 and Section 5070 of WRDA 2007

The Metro-East Sanitary District (formerly the East Side Levee and Sanitary District, originally formed in 1910) is authorized by the Metro-East Sanitary District Act of 1974, 70 ILCS 2905/. The Wood River and Fish Lake districts were authorized by the Illinois Drainage Code, 70 ILCS 605/. The Prairie DuPont district was authorized by the Sanitary District Act of 1907, 70 ILCS 2205/. The levee districts own and have primary responsibility for maintaining the levee systems (with the exception of the Chain of Rocks levee, which is owned and maintained by the Corps of Engineers).



**Figure 1 –
 Levee Systems**

The Southwestern Illinois Flood Prevention District Council was formed in 2009 through an Intergovernmental Agreement between the Flood Prevention Districts of Madison, St. Clair and Monroe counties as authorized by the Illinois Flood Prevention District Act of 2008, 70 ILCS 750/. The primary responsibility of the FPD Council is to plan, finance, design, and build capital improvements to the levee system. The Council's principal goal is to assure accreditation by FEMA in accordance with criteria described in 44 CFR 65.10 – Mapping of Areas Protected by Levee Systems.

In 2007, the Corps indicated that the agency had “reduced confidence” that the levee system could protect against a flood that has a 1% chance of being equaled or exceeded in any single year (commonly referred to as a 100-year flood or a base flood) without flood fighting. FEMA's announced decision to deaccredit the levee systems in our area, which is the industrial core of the St. Louis region, was based on this assertion by the Corps. In July, 2009 FEMA issued preliminary flood insurance rate maps for the area that showed the American Bottom as a flood hazard area with no protection from flooding. Appeals of those maps were submitted by a number of local governments during the 90-day period provided by law; all of those appeals were denied in September, 2010.

The region's leadership did not agree with the decision by FEMA to deaccredit the levee system. A number of area governments, businesses and citizens joined to file a lawsuit challenging this decision based, in part, on the lack of any documentation of levee system deficiencies. In part as a result of that lawsuit and complaints about the mapping process across the country, FEMA agreed to revamp its mapping process and has not yet issued any new flood insurance rate maps from the area.

While the levee systems in this area were built by the Corps generally in the 1940s and 1950s using design standards in place at the time for a high level of flood protection, the current “design deficiencies” are measured relative to current engineering standards, so the issue is not a failure of adequate maintenance by local levee districts, or any dramatic change in the condition of the levees, but primarily a change in engineering standards and in the procedures for measuring risk. The levee systems have consistently been determined to be in *acceptable* or *marginally acceptable* condition by annual and more thorough 3-year periodic inspections by the Corps.

According to its own preliminary evaluations and cost estimates the Corps suggested that it could cost hundreds of millions of dollars to restore and maintain the authorized (54 feet flood elevation) level of flood protection. Further, the schedule to make these investments would essentially be open-ended, dependent entirely on the pace of federal appropriations. Making assumptions consistent with typical levels of federal appropriations, the project could take decades to complete. While the federal government could pay as much as 65% of the cost, it could take decades for those funds to be authorized and appropriated, so there would be significant uncertainty about the cost and schedule of the project. That continued uncertainty would impose very high costs on residents and businesses in the area, and, more importantly, would subject the area to increased flood risk.

Because of the uncertainty of federal funding and the complexity and time consuming nature of the USACE project development process, levee improvements will be primarily locally funded. The three affected counties have imposed a ¼% sales tax to pay for the restoration of the levee system and formed a new organization, the Southwestern Illinois Flood Prevention District Council, to carry out the levee improvement project. The tax has been collected since January 2009 and produces about \$11.2 million annually.

III. FPD Council Activities

The following describes the work of the Council over its six year existence. Work done this year has brought the Council much closer to meeting its objectives. While some uncertainty remains, the probability of success has significantly increased in the last year. The Project Timeline since the announcement of de-accreditation by FEMA is shown in Figure 2.

Over the last couple of years the greatest challenge and source of doubt about the project has been the continued involvement of the Corps of Engineers in granting permission for most of the improvements to the levee system that the Council has proposed. The Corps is an institution that moves very deliberately, is governed by elaborate and extensive guidelines and procedures, most of which apply to federally funded projects but are being applied to our locally funded project. This process caused significant delays in the design process, but most of that is now behind us. The focus now is completing construction by June 2016.

The FPD Council began operations in July, 2009. Since that time, the organization has:

- Completed a comprehensive inspection of the levee system
- Performed an economic analysis of the costs of mandatory flood insurance
- Provided support to local governments to appeal preliminary flood insurance rate maps,
- Conducted a design competition to determine the most cost-effective approach to assuring compliance with FEMA standards for levee system accreditation
- Sold \$94 million in bonds to pay for levee improvements.
- Completed the design of levee system improvements that will meet FEMA standards
- Developed a budget to complete the project solely with the proceeds from the FPD sales tax
- Received all required permits from state and federal agencies to proceed with construction
- Awarded contracts on the eight construction packages required to complete the project

The Council's general goals have been to:

- assure compliance with FEMA accreditation standards with currently available revenue sources by end of year 2016 (originally 2015 but extended due to obtainment of easements, high river stages, and construction delays); and
- minimize economic and financial hardship should the levee systems be de-accredited by FEMA

Notwithstanding the Council's strong disagreements with FEMA's decision to deaccredit the Metro-East levees and the agency's continuing efforts to overturn that decision, every effort is being made to remove all doubt about compliance with FEMA accreditation criteria. In October 2010, the Council engaged a team of engineering consultants led by AMEC Environment & Infrastructure, Inc. to design and manage construction of improvements to the levee system. Today, after more than two years of design work, multiple levee system inspections, drilling nearly 2000 borings along the entire length of the levee system, and submitting thousands of pages and many gigabytes of electronic files of design documentation to the Corps of Engineers, the Council is performing major construction. The design is complete, construction is occurring, financial plans have been developed and kept updated, and a current project budget demonstrates convincingly that the Council can afford to build

the project using only the funds from the dedicated sales tax. So the essential elements of the project plan have now come together.

The general design features of the project are shown in Appendix I to this report.

The Council has adopted policies that emphasize the use of our local workforce on the construction of the project. It is our policy that all contractors working on the project will use a Project Labor Agreement (PLA) and comply with Illinois law regarding the use of prevailing wages. The Council is also implementing a minority business and workforce utilization policy. We remain committed to employing local labor and local firms to the maximum extent possible on the project, and to paying fair wages and providing good working conditions for everyone working on the project.

The Corps of Engineers has reviewed the Project Labor Agreement issue the last two years. The Corps agrees that PLAs can contribute to project cost savings and efficiency, however, they cannot mandate the use of PLAs. The Corps is currently drafting evaluation criteria that would give weight to proposals that include PLAs and demonstrate the ability to achieve economy and efficiency. The Council will review the evaluation criteria and selection process prior to any decision regarding sponsor cost share funding on future projects.

The Council has worked to comply with all relevant environmental laws and regulations. The Illinois Environmental Protection Agency has granted approval for the project under Sec. 401 of the Clean Water Act to certify that the project will not discharging pollutants into any bodies of water. Similarly, the Corps of Engineers has granted conditional approval under Sec. 404 of the Clean Water Act for mitigating the project's impact on wetlands.

We have continued to work closely with our congressional delegation throughout the year to help expedite the project and to advance legislation that would streamline future design approvals and would enable future funding of improvements to the levee system. All of the members continue to be very supportive of the project and are working on our behalf to advance our interests with the Corps, with FEMA, and in Congress.

With the interim goal of achieving FEMA accreditation in sight and the Corps of Engineers' decision on the utilization of Project Labor Agreements, the Board of Directors, by resolution (Appendix II), in February, established its official intent to restore the federally Authorized 500-Year Level of Mississippi Flood Protection in the Metro-East to the best of its financial capabilities.

It is currently estimated that the cost of the 100-Year FEMA projects will come in under budget, and a fund balance of over \$22 million will remain. In addition, the ¼ % sales tax will support an another bond issue, which could raise an additional \$65 million. It is the intent, to use these funds on capital expenditures for the 500-Year Authorized Level flood protection, building the most cost effective and highest priority projects throughout the Counties of Madison, Monroe, and St. Clair, Illinois.

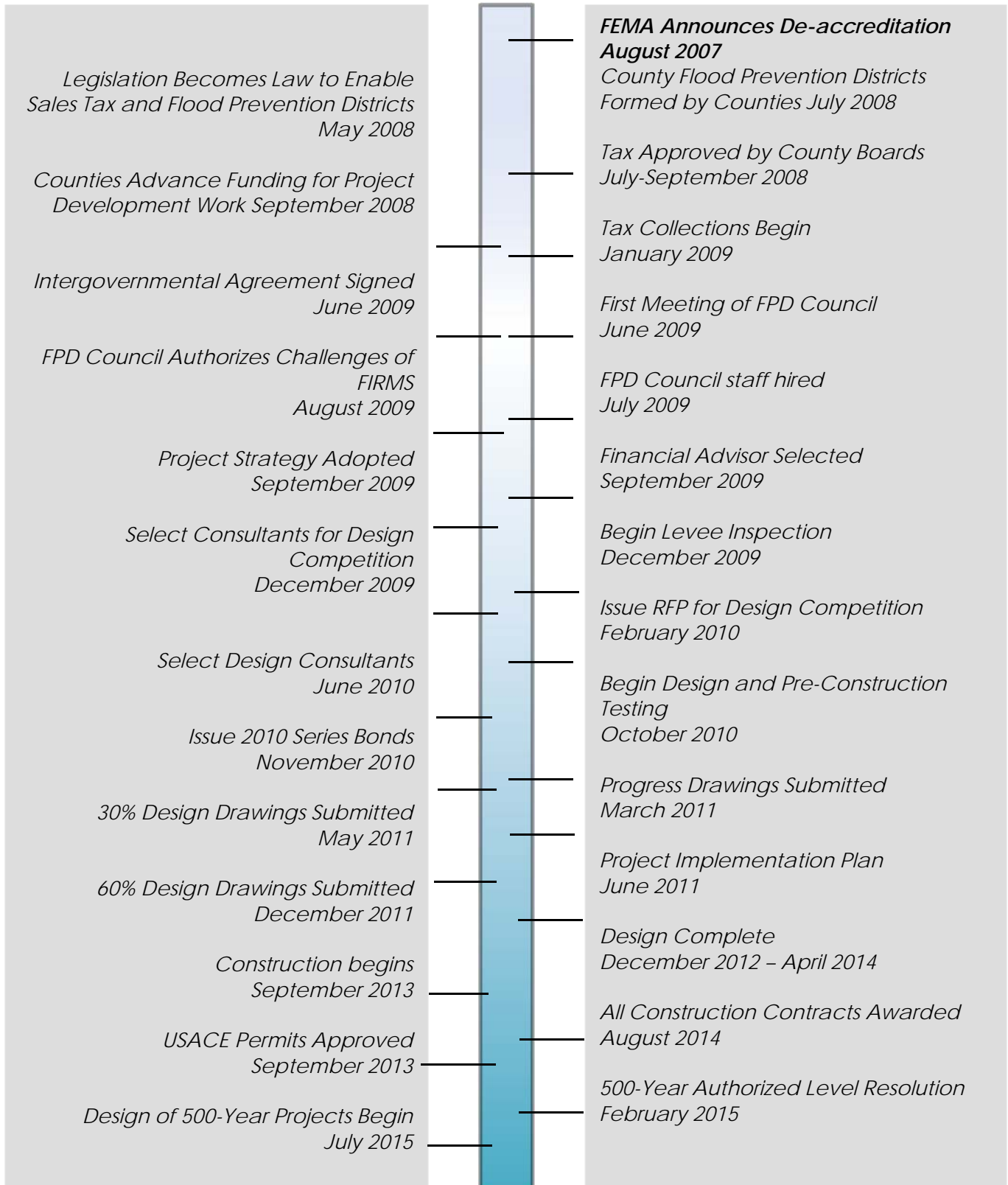
The Board of Directors has already accepted an Authorized Level Project Summary Report for the Wood River Levee System and approved the design of three bid packages. Summary Reports with design recommendations for the Metro East Sanitary District Levee and the Prairie Du Pont/Fish Lake Levee will be prepared next.

The general design features of the Wood River Authorized Level Projects are provided in Section V and Appendix III of this report.

The Council continues to work with the Corps of Engineers regarding the process of the Council moving ahead with the 500-Year Authorized Level of protection projects to ensure that the work the council does is eligible for future Work In-Kind Credit.

In summary, progress continues in building and financing significant improvements to the flood protection systems in Metro-East. There are still procedural concerns regarding the certification documentation on the Chain of Rocks levee and the segment in the vicinity of the Mel Price Lock and Dam. However, the Council remains committed to achieving accreditation by the end of 2016. With the continued support of the area's leadership and cooperation from the Corps of Engineers, we will be able to meet any remaining challenges to completion of the project.

Figure 2
Project Timeline



IV. Financing and Budget

Table 1 is a financial summary of the Council's activities through September 30, 2014.

Revenue from a dedicated sales tax was used to support the Council's ongoing design and construction activities. While sales tax revenue showed substantial growth in 2009, 2010 and 2011 coming out of the recession, growth was slowed in 2012, declined in 2013, but reached a new high in 2014. (See Figure 3). This trend is important, because it will affect the Council's ability to finance future expenditures for flood protection.

The Council issued bonds in the amount of \$94,195,000 in November 2010. After setting aside funds for a debt service reserve and costs of issuance, around \$87 million is available to fund construction of the project. No additional bond issues will be needed to complete the project, current projections indicate a possible surplus balance of \$22,300,000 may be achieved. This balance of funds plus the ability to issue additional debt will allow for the funding of additional levee system improvements. The Council will meet the goals of achieving FEMA certification in 2016 with the revenue available from the dedicated FPD sales tax.

Figure 3
Flood Prevention District Sales Tax Trends 2009-2015

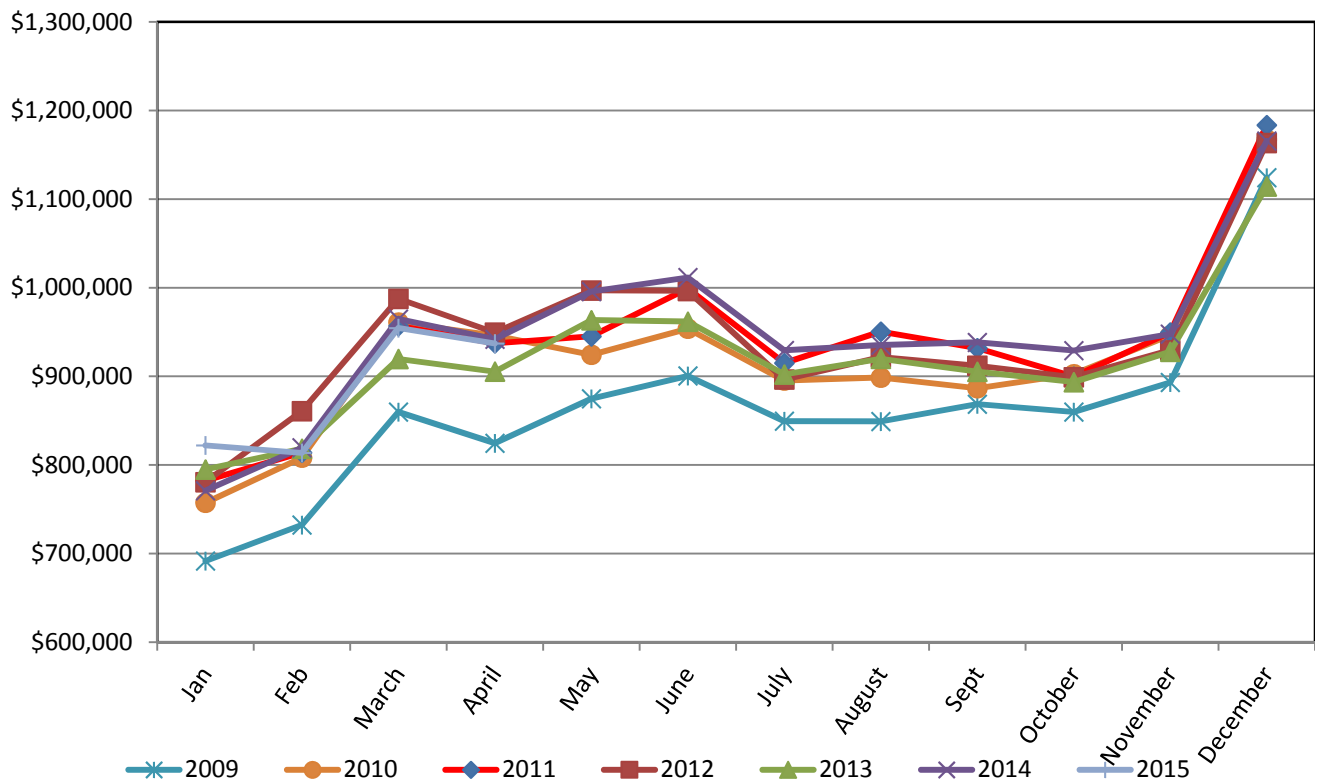


Table 1

**SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES- 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	\$ 6,134,404
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 BALANCES:	
Beginning of Year	<u>81,130,570</u>
End of Year	<u>\$ 55,316,688</u>

Table 2 summarizes estimated project costs for FY2015 and FY2016. Tables 3, 4, and 5 illustrate the fiscal capacity of the Council using only the proceeds of the FPD sales tax revenues, and based on conservative assumptions. This information illustrates that *the Council is well-positioned to meet our goals of achieving FEMA certification in 2016 with the revenue available from the dedicated FPD sales tax.* This positive conclusion results largely from two factors: a concerted effort throughout the design process to reduce costs, and a delay of over two years from the original construction schedule as it was originally conceived in 2010. With all of the necessary property acquired and all construction under contract, the risks to successful completion of the project have diminished greatly.

Table 2

Estimated Project Expenditures 10.1.2014 -9.30.2016

Design & Construction			TOTAL 2 YEAR COST
	FY 2015	FY 2016	
Engineering Design			
<i>W. O. #1 Program Mgmt.</i>	\$245,000	\$300,000	\$545,000
<i>W. O. #3 Preconstruction Activities</i>	\$107,000	\$45,000	\$152,000
<i>W. O. #5 COR Investigation</i>	\$1,241	\$80,000	\$81,241
<i>W. O. #7 Final Design</i>	\$23,665	\$0	\$23,665
<i>W. O. #9 Wood River Cutoff Walls</i>	\$208,596	\$100,000	\$308,596
<i>W. O. #11 FEMA Certification Services</i>	\$75,000	\$250,000	\$325,000
<i>W. O. #12 Authorized Level Planning Services</i>	\$71,100	\$198,900	\$270,000
Additional Authorized Level Work Orders			
<i>Wood River Field Activities BP #8, BP #9, & BP #10</i>	\$22,500	\$520,000	\$542,500
<i>Wood River Design BP #8, BP #9, & BP #10</i>	\$0	\$1,521,000	\$1,521,000
<i>MESD Field Activities</i>	\$21,000	\$4,800,000	\$4,821,000
<i>MESD Design</i>	\$0	\$725,000	\$725,000
<i>Prairie Du Pont/Fish Lake Field Activities</i>	\$21,000	\$2,400,000	\$2,421,000
<i>Prairie Du Pont/Fish Lake Design</i>	\$0	\$650,000	\$650,000
<i>Corps of Engineers Authorized Level Costs</i>	\$0	\$2,739,245	\$2,739,245
Construction Management.			
<i>W. O. #8 Construction Management BP #1 - #6</i>	\$1,828,000	\$450,000	\$2,278,000
<i>W. O. #10 Construction Management BP #7A & #7B</i>	\$387,000	\$1,275,000	\$1,662,000
<i>QC/Materials Testing</i>	\$375,000	\$625,000	\$1,000,000
TOTAL ENGINEERING DESIGN & CONSTRUCT. MGMT.	\$3,386,102	\$16,679,145	\$20,065,247
Construction			
<i>Bid Package #2a</i>	\$76,377		\$76,377
<i>Bid Package #2b</i>	\$1,337,988		\$1,337,988
<i>Bid Package #2c</i>		\$281,632	\$281,632
<i>Bid Package #3</i>	\$5,752,690	\$5,452,091	\$11,204,781
<i>Bid Package #4</i>	\$2,579,680	\$525,087	\$3,104,767
<i>Bid Package #5</i>	\$4,554,217	\$2,334,807	\$6,889,024
<i>Bid Package #6</i>	\$8,239,743	\$1,380,253	\$9,619,996
<i>Bid Package #7A</i>	\$3,375,350		\$3,375,350
<i>Bid Package #7B</i>	\$2,886,673	\$11,104,327	\$13,991,000
<i>Contingency (10% of Remaining Construction)</i>	\$467,901	\$2,180,849	\$2,648,750
<i>Utilities</i>	\$14,775	\$0	\$14,775
<i>Property Acquisition 100-Year Projects</i>	\$803,000		\$803,000
<i>Property Acquisition Authorized Level - Wood River</i>		\$400,000	\$400,000
<i>Wetland Mitigation</i>	\$27,970	\$27,970	\$55,940
<i>HazMat Mitigation</i>	\$400,000	\$1,600,000	\$2,000,000
<i>Legal</i>	\$313,729	\$580,000	\$893,729
TOTAL CONSTRUCTION	\$30,099,793	\$26,597,316	\$56,697,109

TOTAL DESIGN & CONSTRUCTION	\$33,485,895	\$43,276,461	\$76,762,356
Operations & Financing			
<i>General & Administrative</i>	\$244,471	\$270,500	\$514,971
<i>Debt Service</i>	\$7,101,239	\$7,103,089	\$14,204,328
<i>Interest Rate Subsidy</i>	(\$843,700)	(\$843,700)	(\$1,687,400)
<i>Professional Services</i>			
<i>Legal</i>	\$182,325	\$295,000	\$477,325
<i>Legislative</i>	\$96,000	\$96,000	\$192,000
<i>Financial Advisor</i>	\$44,725	\$83,200	\$127,925
<i>Diversity Program Mgr.</i>	\$64,380	\$25,130	\$89,510
<i>Bond Trustee</i>	\$9,778	\$10,000	\$19,778
TOTAL OPERATIONS	\$6,899,218	\$7,039,219	\$13,938,437
TOTAL EXPENSES	\$40,385,113	\$50,315,680	\$90,700,793

Table 3

Estimated Revenue 10.1.2014 – 9.30.2016

Fund Sources	FY2015	FY2016	TOTAL
<i>Sales Tax Revenue</i>	\$11,384,692	\$11,500,000	\$22,884,692
<i>Interest Income</i>	\$270,000	\$75,000	\$345,000
<i>Cash on hand (9/30/14)</i>	\$1,546,104		\$1,546,104
<i>Bond Funds Balance (9/30/14)</i>	\$50,585,265		\$50,585,265
TOTAL FUNDS AVAILABLE	\$63,786,061	\$11,575,000	\$75,361,061

Table 4

Surplus/Deficit FY2015-FY2016

Fund Sources	FY2015	FY2016	TOTAL
<i>Revenue</i>	\$63,786,061	\$11,575,000	\$75,361,061
<i>Expenses</i>	\$40,385,113	\$50,315,680	\$90,700,793
Surplus/Deficit	\$23,400,948	(\$38,740,680)	(\$15,339,732)

Table 5

Estimated Revenue Available from County FPD Sales Tax Funds

<i>County FPD Tax Bal. (as of 7/31/15)</i>	\$23,467,977
Less Deficit	(\$15,339,732)
Estimated Remaining Revenue From 100-Year Projects Available for Future Authorized Level Projects	\$8,128,245
Estimated Expenditures on Authorized Level Projects in FY2015 & FY2016	\$14,164,745
Actual Estimated Surplus Funds From 100- Year Projects	\$22,292,990

In summary, after completing the 100-Year Projects there will be an estimated remaining balance of \$22,292,990. Using \$14,164,745 on the 500-Year Authorized Level Projects in FY2015 and FY2016, will leave a balance of \$8,128,245 for additional 500-Year Authorized Level Projects in future years.

Projected Funds Available for 500-Year Authorized Level Projects

Authorized Level Expenditures in FY2015 & FY2016	\$ 14,164,745
Funds remaining from 100-Year Projects after FY2016	8,128,245
Funds Anticipated from Issuance of Additional Bonds	<u>65,000,000</u>
Total	\$ 87,292,990

V. Estimated Construction Costs and Completion to Dates

Southwestern Illinois Flood Prevention District Council FEMA Certification Levee Improvement Projects

BID PACKAGE	LOCATION/PROJECT	CONTRACTOR	CONSTRUCTION CONTRACT	ESTIMATED COMPLETION
2A	Fish Lake 1 Pump Station	Korte & Luitjohan Contractors, Inc.	\$797,599.53	December 2014
2B	Prairie Du Pont, MESD, and Wood River 5 Pump Stations	Korte & Luitjohan Contractors, Inc.	\$4,022,210.92	April 2015
2C	MESD Site 12 Force Mains	Haier Plumbing	\$281,632.00	December 2015
3	Wood River Blanket Drains, Earth Fill, Relief Wells, Seepage Berms, Piping, Weirs	Keller Construction, Inc.	\$11,543,240.39	March 2016
4	MESD 1 Pump Station, Clay Cap, Piping, Relief Wells	Haier Plumbing & Heating, Inc.	\$3,397,844.41	September 2015
5	MESD Clay Cap, Earth Fill, Piping, Relief Wells Rip Rap, Sluice Gate Rehabs	Keller Construction, Inc.	\$8,736,165.32	December 2015
6	Prairie Du Pont & Fish Lake Clay Cap, Seepage Berms, Piping, Relief Wells, Sluice Gate Rehabs	The Lane Construction Corporation	\$15,068,478.86	December 2015
7A	Upper Wood River Shallow Cutoff Wall	Kamadulski Excavating & Grading Co., Inc.	\$3,375,350.25	June 2015
7B	Lower Wood River Deep Cutoff Wall	TREVIICOS South, Inc.	\$13,991,000.00	May 2016
		TOTAL	\$61,213,521.68	

Southwestern Illinois Flood Prevention District Council Authorized Level Levee Improvement Projects

To date, the Board of Directors has approved the design of the following Authorized Level Projects in the Wood River Levee System.

Bid Package 8 – Comprised of four USACE decision segments and spans from Levee Station 123+75 to 455+50. Construction of a new pump station, between Stations 430+65 and 455+15, and 40 relief wells.

Estimated Construction Cost \$ 9,559,292.

Bid Package 9 – Comprised of two USACE decision segments and spans from Levee Station 493+35 to 480+15. Construction of a new pump station, between Stations 455+50 and 450+15, and 18 relief wells.

Estimated Construction Cost \$ 4,776,688.

Bid Package 10 – Comprised of seven USACE decision segments and spans from Levee Station 530+50 to 630+30. Construction of a new pump station, at Station 530+50, and 36 tributary relief wells. Also, includes seepage berm and fill areas. Two seepage berms, 5 feet thick and 100 feet wide, are to be constructed between Stations 608+85 and 613+70 & 627+00 and 630+30, for a total of 815 linear feet of berm. In addition, 1,010 linear feet of fill is to be added to landside depressions between Stations 613+70 and 623+80.

Estimated Construction Cost \$11,461,714.

The design of additional Authorized Level Projects will begin upon completion of the Authorized Level Summary Reports for the Metro East Sanitary District Levee and the Prairie Du Pont/Fish Lake Levee.

VI. FEMA Certification and Mapping

Certification reports will be submitted to FEMA as each levee system is completed. Amec Foster Wheeler will be preparing reports for Lower Wood River, Wood River East/West Forks, and Prairie Du Pont/Fish Lake.

Amec Foster Wheeler will also be preparing the report for East St. Louis (MESD), including the Chain of Rocks levee segment. Development of the Chain of Rocks portion of this report is subject to specific reports and information being received from the USACE St. Louis District. There is currently ongoing discussions regarding the transfer of the required information.

The USACE will prepare the Upper Wood River report, which includes the Mel Price uncontrolled underseepage area. Amec Foster Wheeler will provide documentation to the USACE on all segments except the Mel Price levee segment.

Concern remains about the timeline for the Corps of Engineers to make necessary improvements to a critical stretch of levee in the Wood River area in the vicinity of the Mel Price Lock and Dam. This is the most serious problem on the entire levee system. Fortunately, FEMA has agreed to accept the Corps' certification of that portion of the system with the Corps utilizing an interim operations plan until final improvements can be made.

Certification reports will be submitted to FEMA approximately four months after completion of construction, with FEMA accreditation anticipated in another four months.

As it now stands, the FEMA mapping process has been interrupted while the agency implements better methodology for developing maps, especially for those areas protected by de-accredited levees. The FEMA website currently indicates that the Project Status is On-Hold, however, a Projected Effective Date of 06/16/2016 is shown. There aren't any suggestions that new maps would differ significantly from those issued a few years ago, so the urgency of making levee system improvements is not diminished.

All levee improvements leading to certification will be completed by June 2016. Levee certification documentation will be submitted to FEMA as each levee system is completed.

The intent is to work closely with FEMA to ensure that when the new maps are issued, they reflect these levee improvements.

VII. Work In-Kind Credit

The Council continues to work with the Corps of Engineers regarding the process of the Council moving ahead with the 500-Year Authorized Level of protection projects to ensure that the work the Council does is eligible for future Work In-Kind Credit.

This is an elaborate and multi tasked process that can take up to two years before a project is completely guaranteed to be eligible for Work In-Kind Credit. A project is only guaranteed to be eligible if there is a properly executed Project Partnership Agreement (PPA) for the Levee System.

The Council is currently operating under Memorandums of Understanding, which allows for work to be considered for Work In-Kind Credit prior to the execution of an amended Project Partnership Agreement. The credit is only good towards the non-Federal contribution of funds for a project, and it will not be considered for the 5 percent cash requirement.

However, prior to executing a Project Partnership Agreement, there needs to be an Integral Determination Report (IDR) approved. The Corps' St. Louis District has completed the draft Integral Determination Reports for Wood River and East St. Louis that identify the work the Councils intends to perform as In-Kind contributions, however, it cannot forward them to headquarters for approval, until the implementation guidelines for this section of the Water Resources Reform and Development Act (WRRDA) 2014 are issued.

These guidelines were expected in June, but have been delayed. Once received and implemented, it is expected that approval of the IDRs would occur within four to twelve months. Amendments to Project Partnership Agreements would take an additional twelve months.

The Corps' St. Louis District expects to have a draft of the Integral Determination Report for Prairie Du Pont/ Fish Lake finished early next year.

Risk decreases substantially after IDR approval, and is eliminated after the amended PPA is approved, however, it could take two year to reach that point.

There is a risk of moving forward without approved Integral Determination Reports and amended Project Partnership Agreements, however, it is felt that the risk is low since the Council is working with the Corps and will be designing and constructing project that the Corps has identified as part of the Authorized Level of protection.

Starting the design process now with a low risk, means projects will be built sooner and provide additional flood protection to the Metro-East area.

VIII. Conclusions, Issues and Next Steps

Much progress has been made in the six years that the Council has been in existence toward the regional goal of maintaining a high level of flood protection for the American Bottom. Doing so is a regional priority and the Council has acted with a great sense of urgency, commitment, and cooperation in conceiving major improvements to the flood protection system. That process reached an important milestone this year with over one half of the construction being completed as of May of this year, and the remaining half estimated to be completed within the next year.

With the interim goal of achieving FEMA accreditation in sight, the process of achieving the long term goal of 500-Year Authorized Level of protection can begin. The Council's intent has been expressed by resolution, action has been initiated by the authorization of design of Authorized Level Projects in the Wood River Levee System, and a bond sale is scheduled for late 2015.

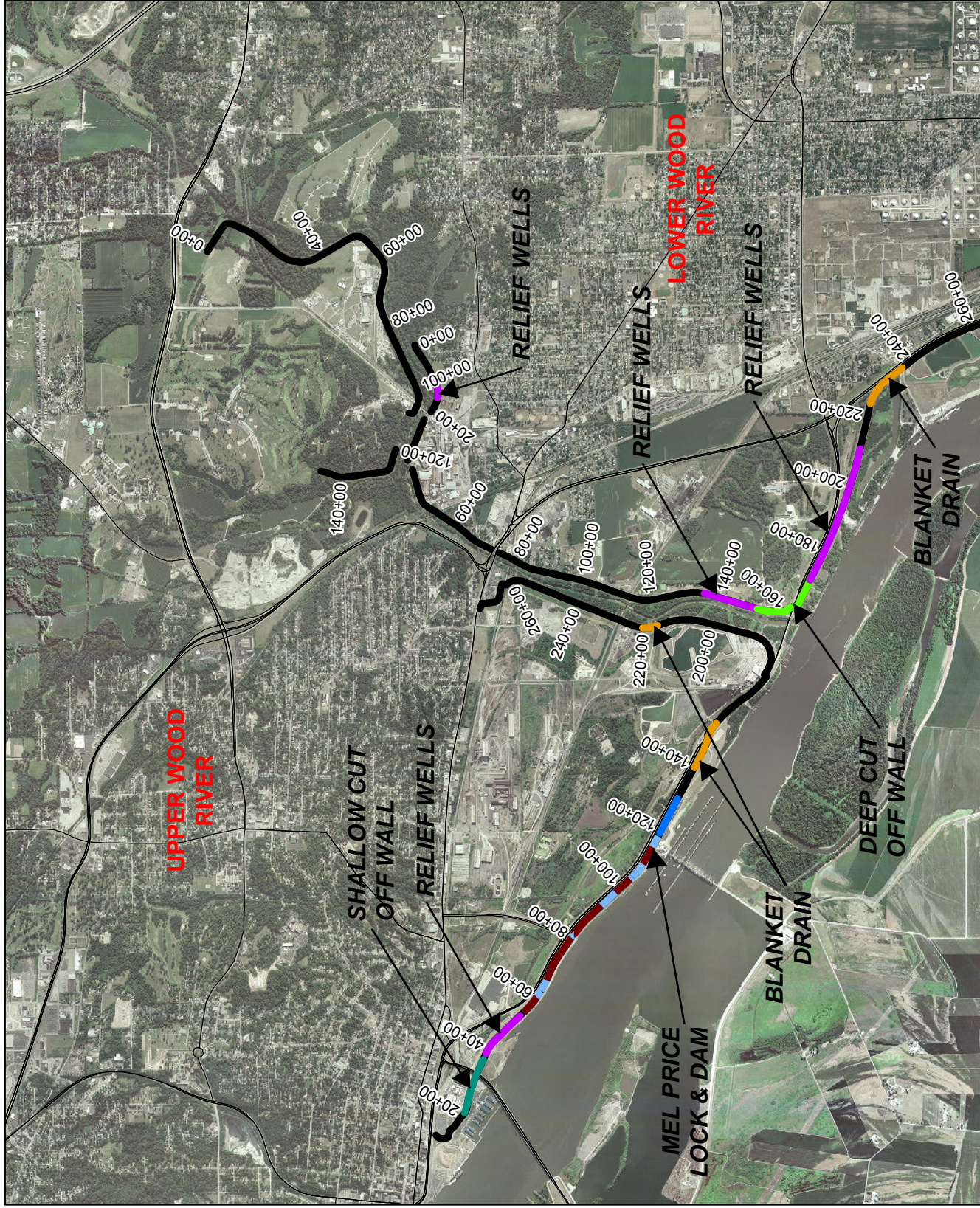
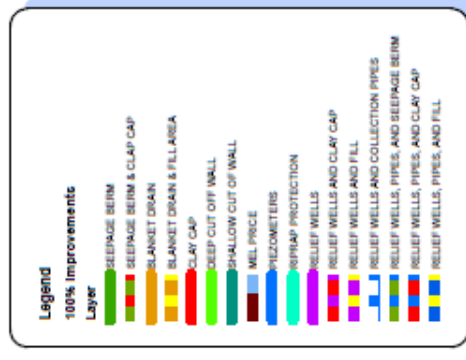
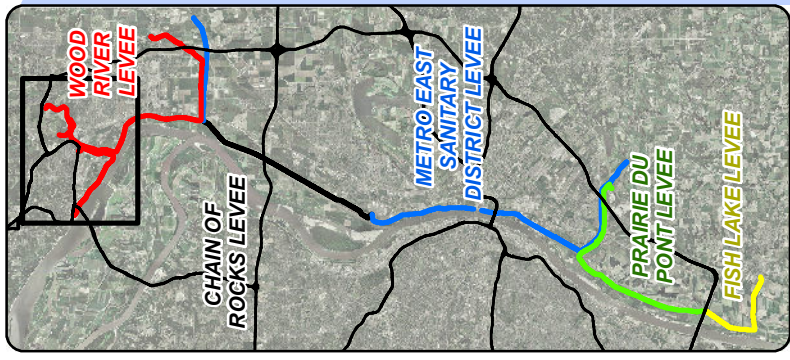
There are a number of critical next steps as we move forward:

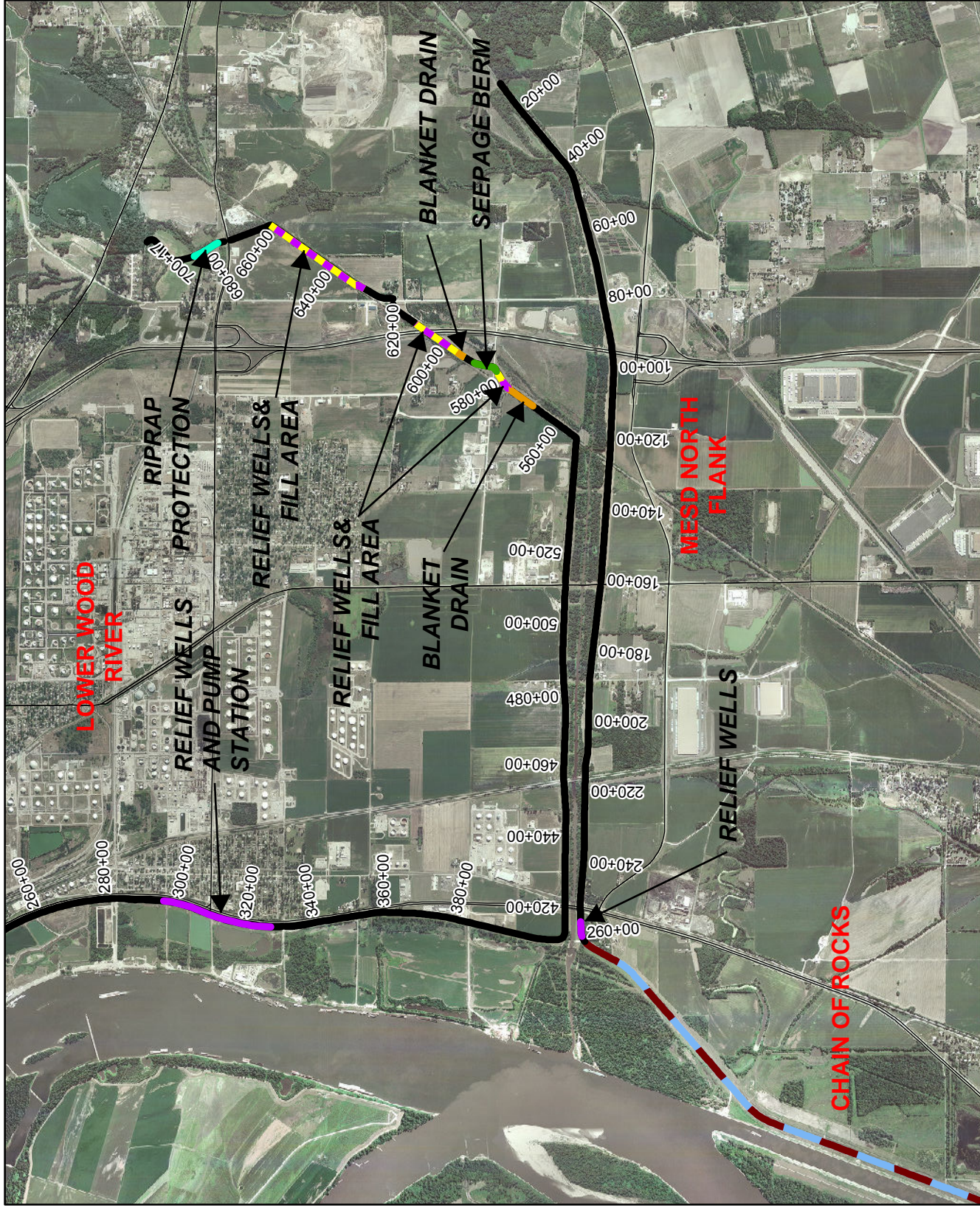
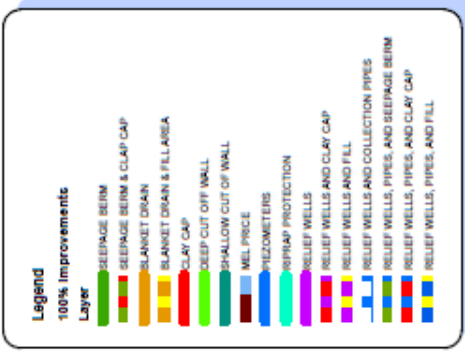
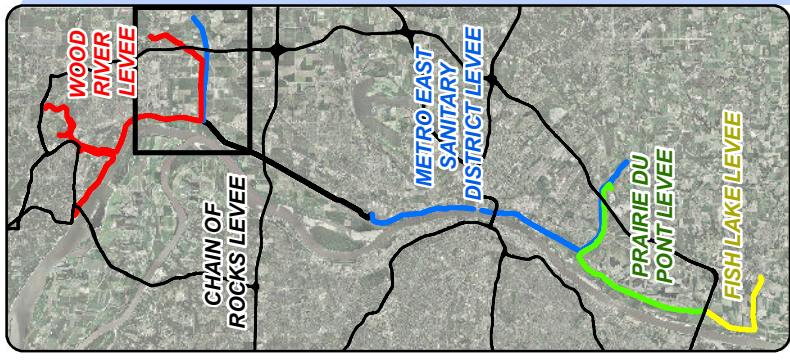
- Complete remaining 100-Year Construction
- Submit Certification reports as each individual levee system is completed
- Resolve certification procedures on the Chain of Rocks and Mel Price segments of the levee system.
- Work with levee districts to establish sufficient funding for ongoing maintenance of improvements.
- Identify the Authorized Level Projects in the East St. Louis (MESD) and the Prairie Du Pont/Fish Lake systems
- Sale of additional bonds for Authorized Level Projects

Easements, high river stages, and construction delays may have pushed accreditation back, but the Council will meet its interim goal of achieving FEMA certification with the revenue available from the dedicated FPD sales tax. In addition, the Council is getting a jump start on the ultimate goal of providing Authorized Level protection to the Metro-East.

Appendix I

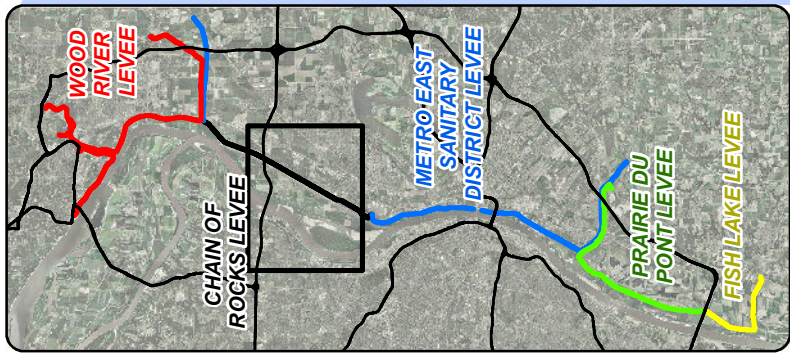
Proposed FEMA Certification Levee System Improvements





FEMA CERTIFICATION DESIGN - 100% SOLUTIONS

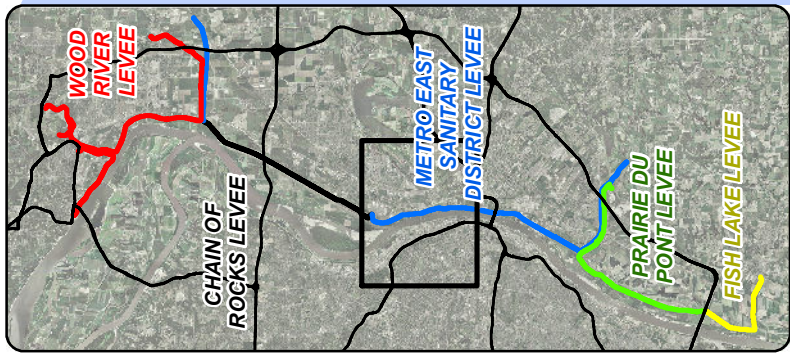
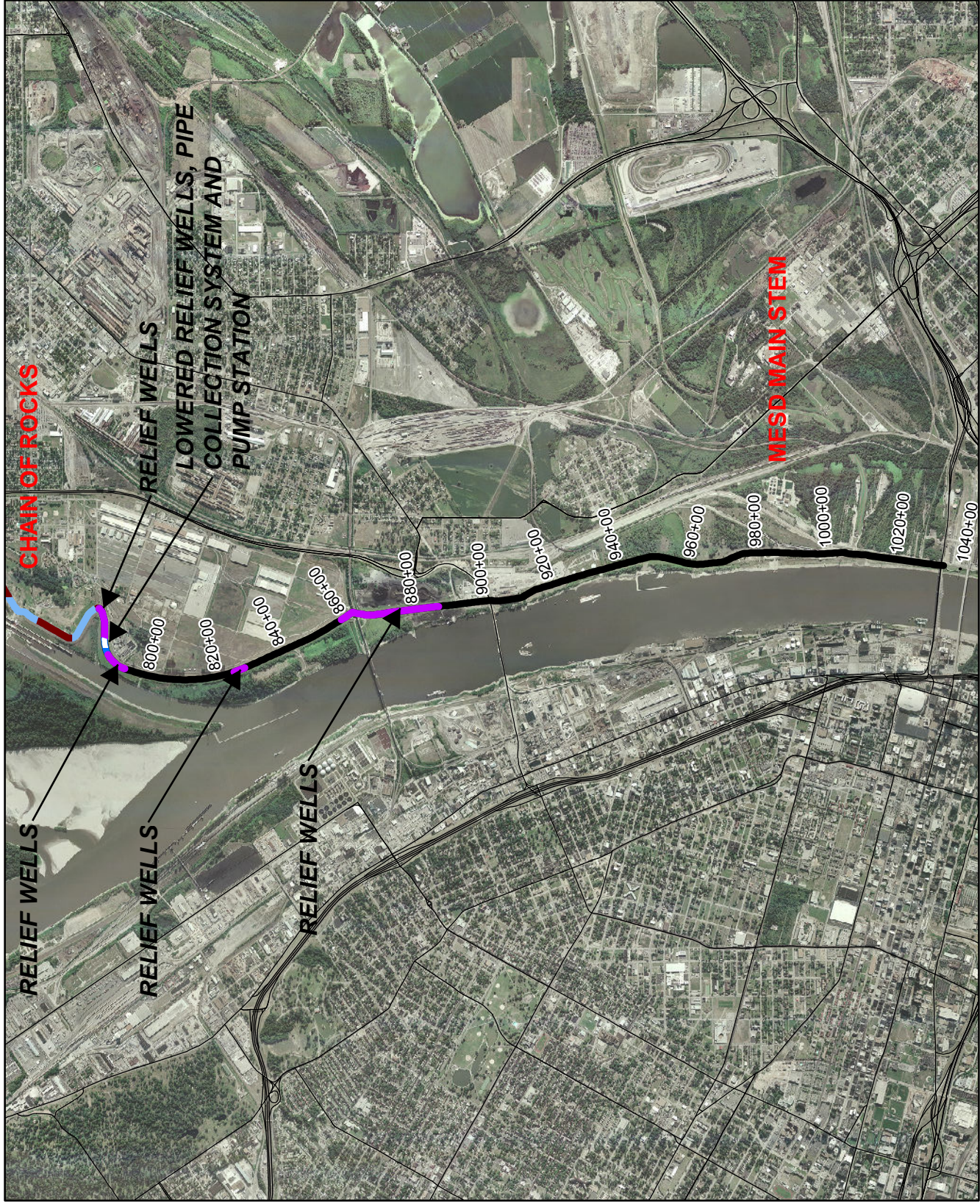
WOOD RIVER (WR) & METRO EAST SANITARY DISTRICT (MESSD) LEVEES



Legend

100% Improvements

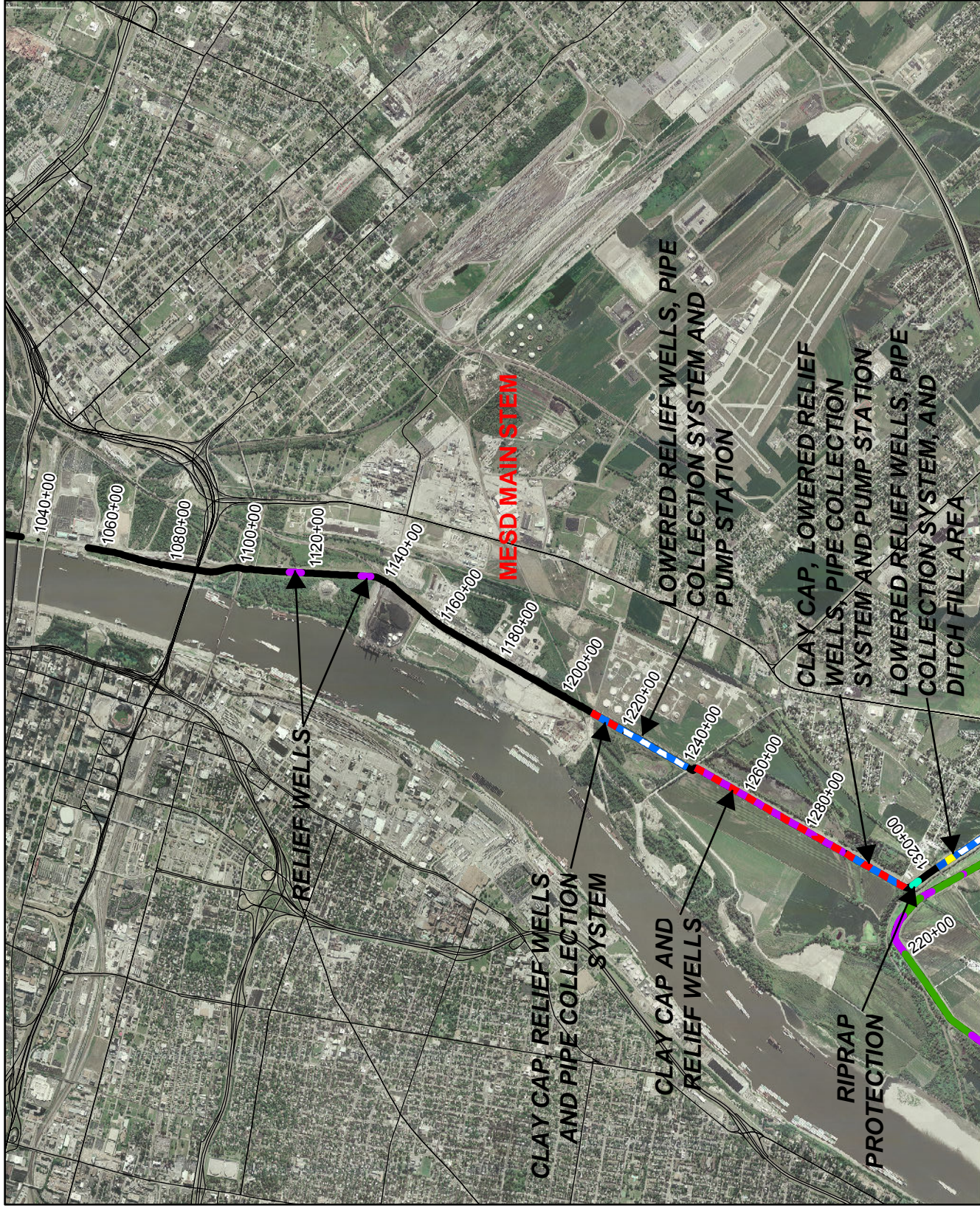
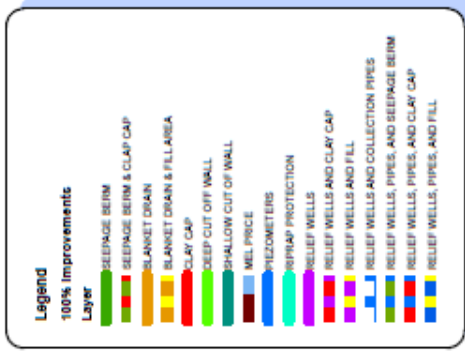
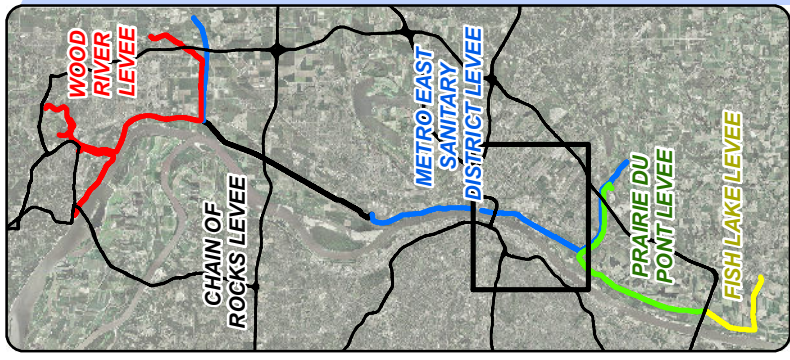
Layer	Improvement
Green	SEEPAGE BEHM & CLAY CAP
Yellow	SEEPAGE BEHM
Orange	BLANKET DRAIN
Red	BLANKET DRAIN & FILL AREA
Light Blue	CLAY CAP
Dark Blue	DEEP CUT OFF WALL
Light Green	SHALLOW CUT OFF WALL
White	WEL PRICE
Purple	PIEZOMETERS
Light Purple	SEEPAGE PROTECTION
Light Blue	RELIEF WELLS
Light Green	RELIEF WELLS AND CLAY CAP
Light Yellow	RELIEF WELLS AND FILL
Light Blue	RELIEF WELLS AND COLLECTION PIPES
Light Green	RELIEF WELLS, PIPES, AND SEEPAGE BEHM
Light Yellow	RELIEF WELLS, PIPES, AND CLAY CAP
Light Blue	RELIEF WELLS, PIPES, AND FILL



Legend

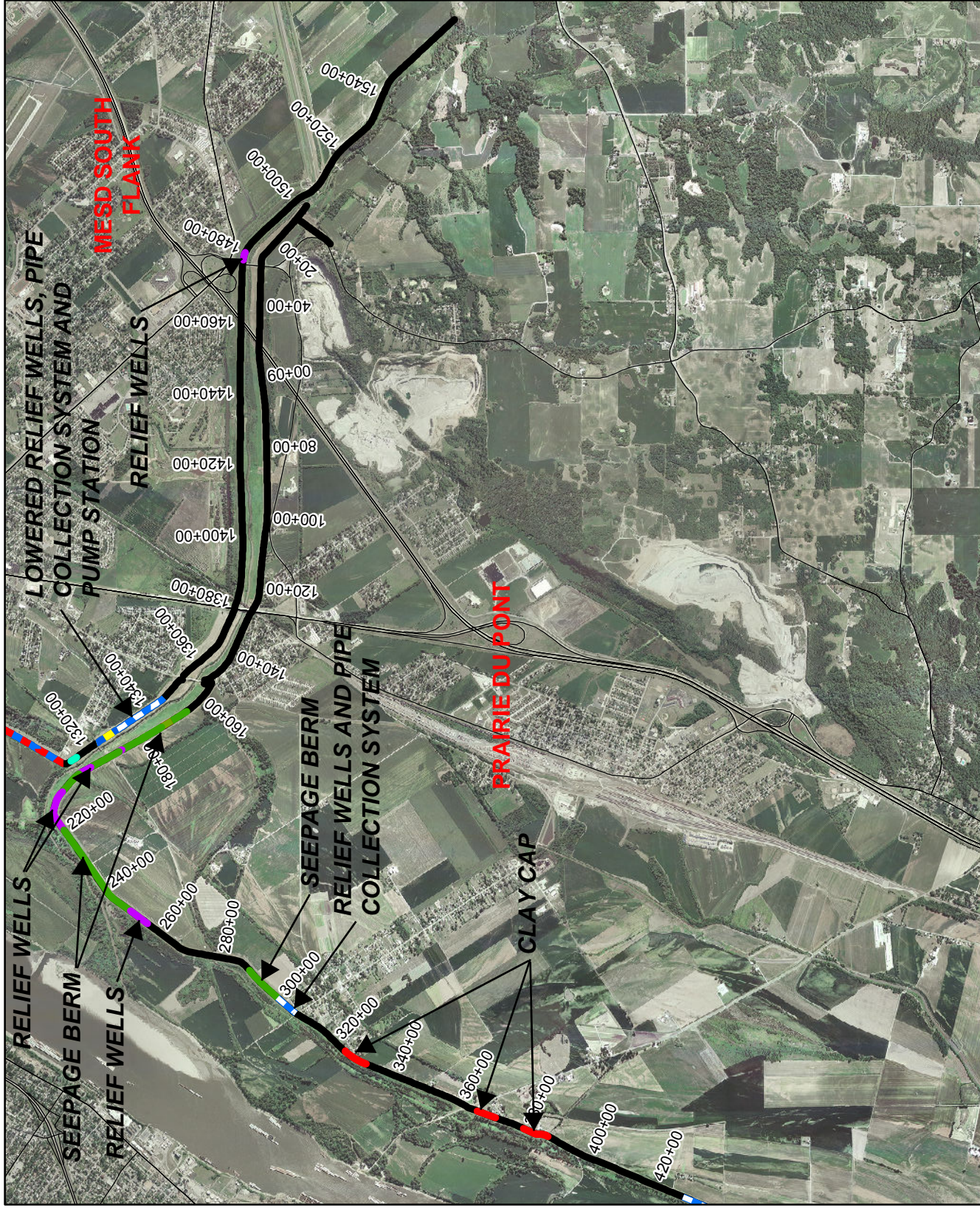
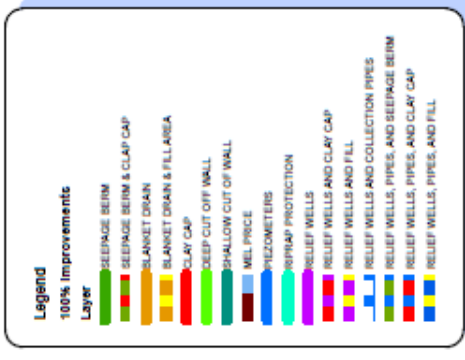
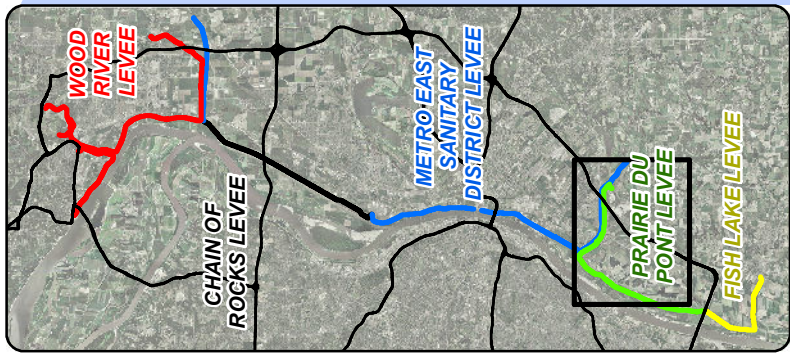
100% Improvements

Layer	Description
Green	SEEPAGE BERM
Light Green	SEEPAGE BERM & CLAY CAP
Yellow	BLANKET DRAIN
Orange	BLANKET DRAIN & FILL AREA
Red	CLAY CAP
Light Blue	DEEP CUT OFF WALL
Dark Blue	SHALLOW CUT OFF WALL
White	WELL PRICE
Purple	PIEZOMETERS
Light Purple	ROTARY PROTECTION
Dark Purple	RELIEF WELLS
Light Blue-Gray	RELIEF WELLS AND CLAY CAP
Yellow-Gray	RELIEF WELLS AND FILL
Blue-Gray	RELIEF WELLS AND COLLECTION PIPES
Green-Gray	RELIEF WELLS, PIPES, AND SEEPAGE BERM
Yellow-Gray	RELIEF WELLS, PIPES, AND CLAY CAP
Blue-Gray	RELIEF WELLS, PIPES, AND FILL



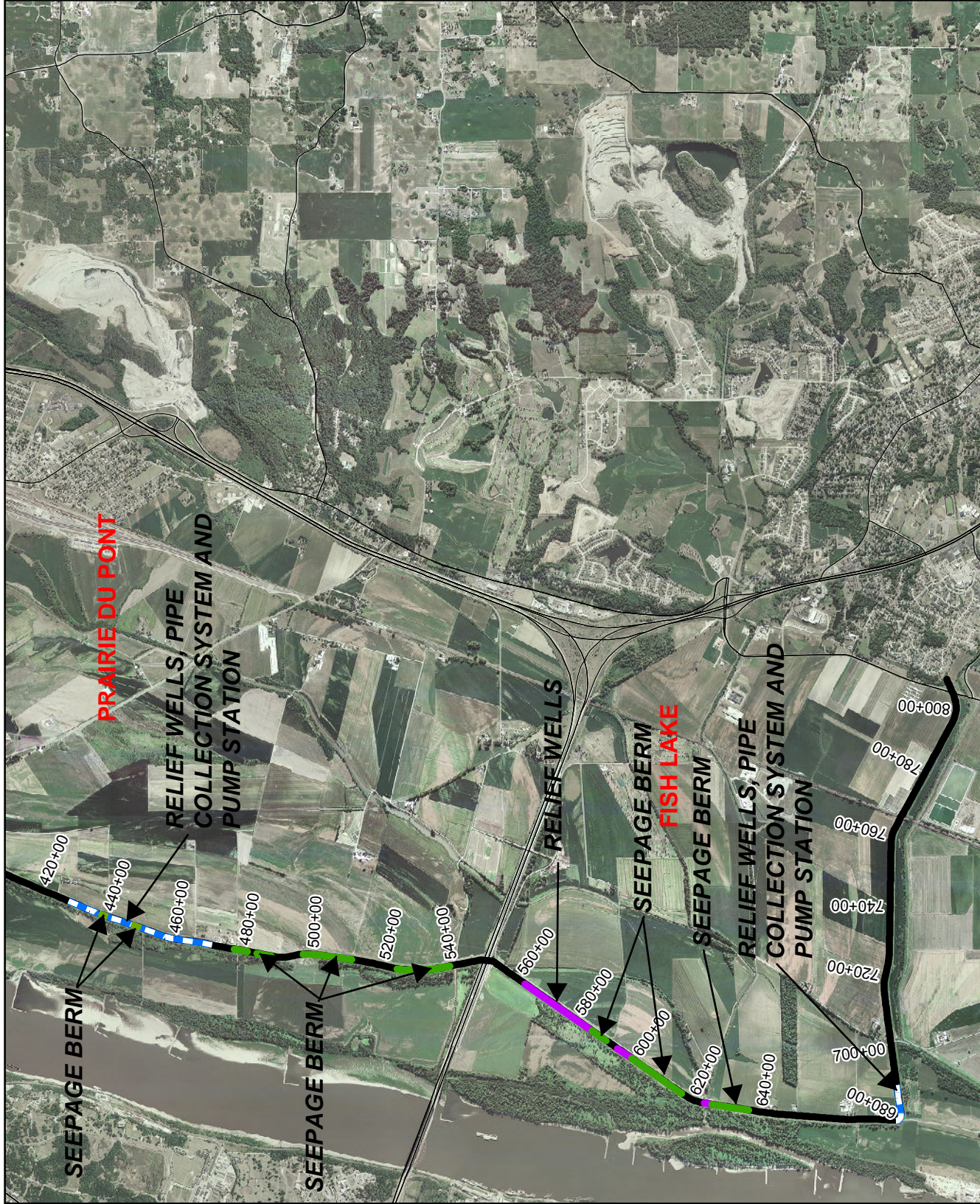
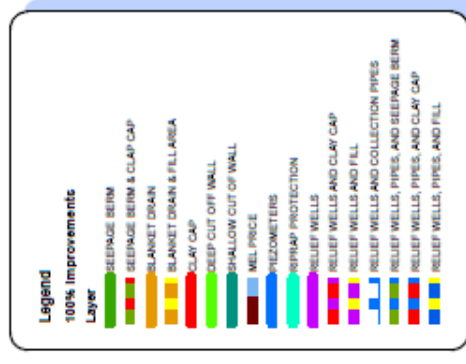
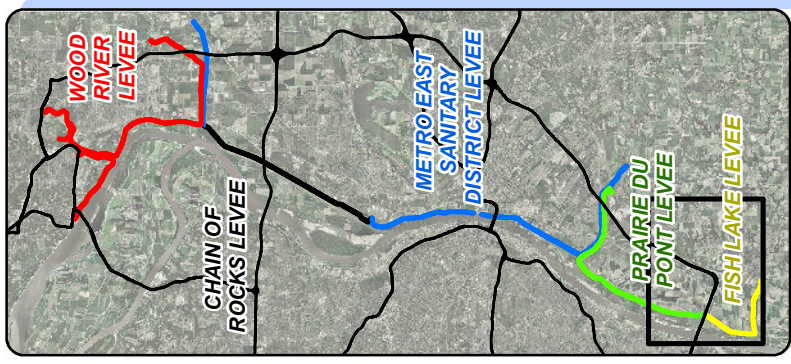
FEMA CERTIFICATION DESIGN - 100% SOLUTIONS

METRO EAST SANITARY DISTRICT (MESD) LEVEE



FEMA CERTIFICATION DESIGN - 100% SOLUTIONS

METRO EAST SANITARY DISTRICT (MESD) & PRAIRIE DU PONT LEVEES



Appendix II

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

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

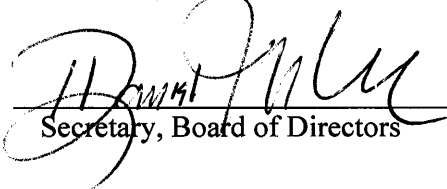
5. *Corps of Engineers Participation.* Notify the Corps of Engineers of the FPD's strategy and request that the Corps expedite projects that are 100% federally funded, such as the emergency design deficiency correction at the Melvin Price Locks and Dam, a project-that was identified as an emergency need 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.



President, Board of Directors

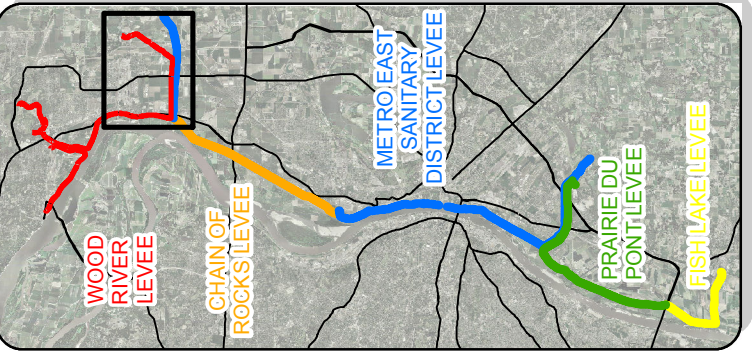
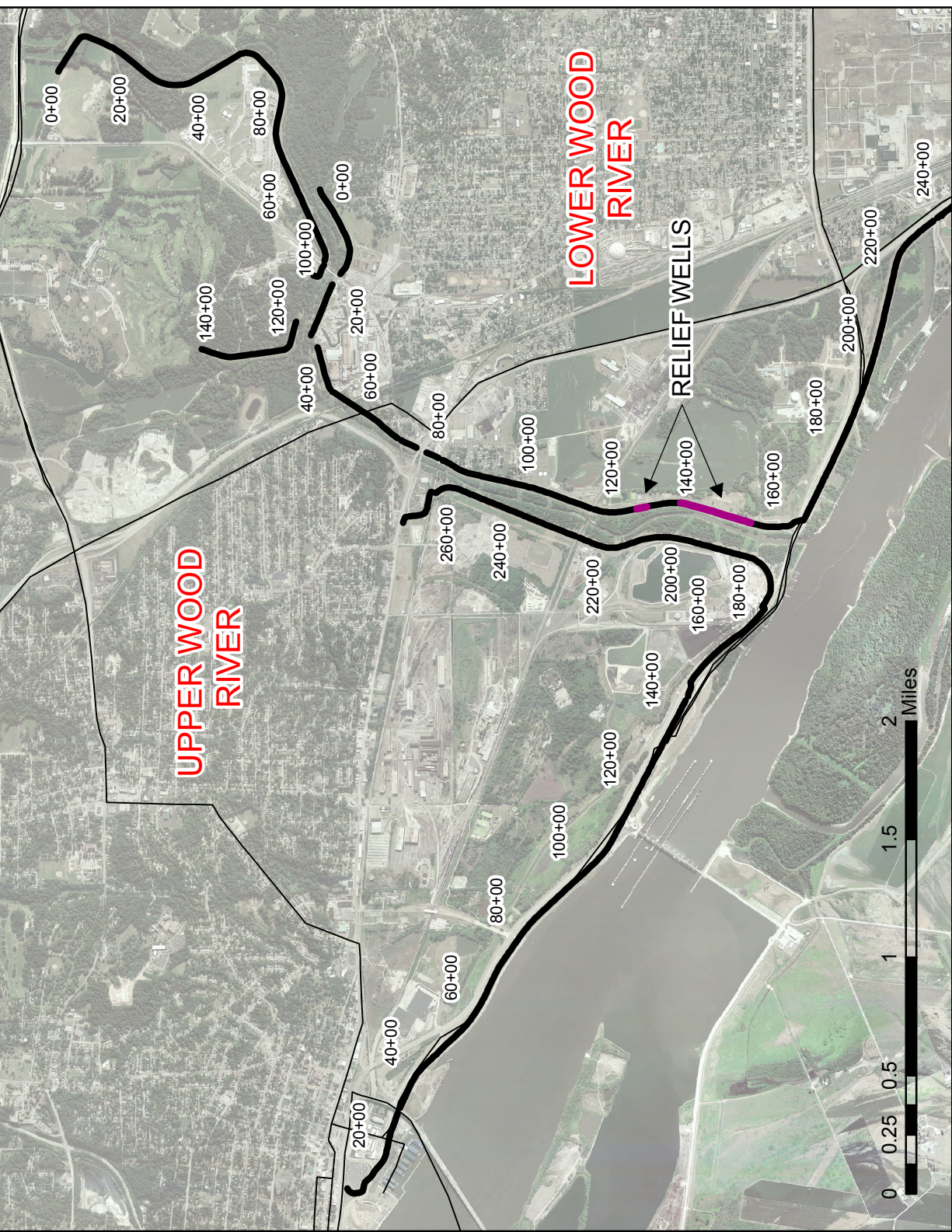


Secretary, Board of Directors

Appendix III

Proposed 500-Year Authorized Level Levee System Improvements

Wood River Levee System



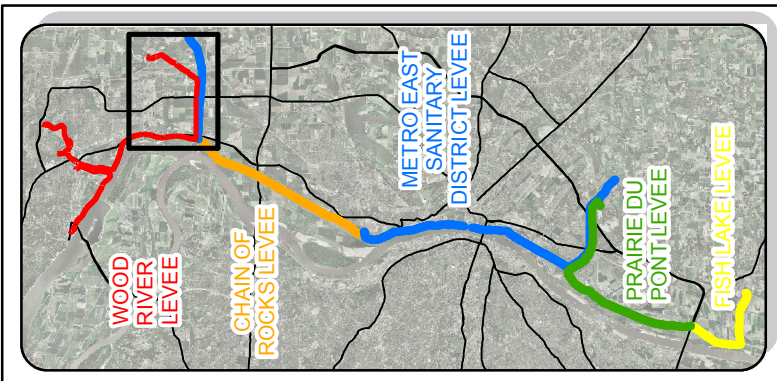
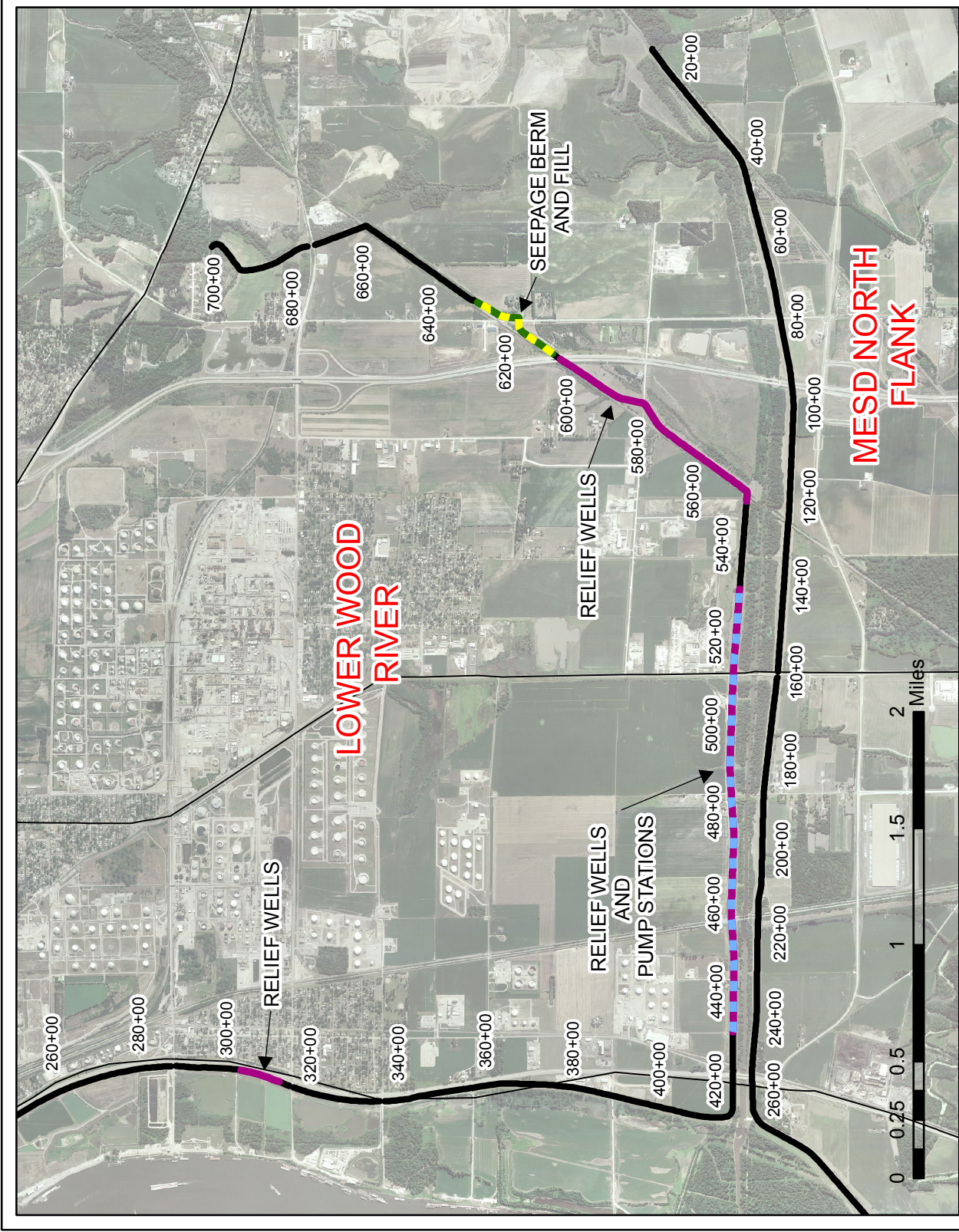
Legend

Layer

- █ RELIEF WELLS
- █ RELIEF WELLS AND PUMP STATIONS
- █ SEEPAGE BERM
- █ SEEPAGE BERM AND FILL
- LEVEE CENTERLINE



AUTHORIZED LEVEL DESIGN WOOD RIVER LEVEE





Memo to: Board of Directors

From: Chuck Etwert

Subject: Resolution Requesting Approval from the County Boards and County Flood Prevention Districts to Issue Sales Tax Revenue Bonds to Finance the Levee Improvement Project

Date: August 17, 2015

The Council's authorizing legislation (70 ILCS 750 Sec. 20 (10)) provides, in part, that:

"A request to issue revenue bonds by the District must be submitted for approval to the county board of the county in which the district is situated. The county board has 30 calendar days to approve the issuance of such bonds. If the county board does not approve or disapprove the issuance of the bonds within 30 calendar days after the receipt of such request, the request shall be deemed approved. The District shall direct the county to use moneys in the County Flood Prevention Occupation Tax Fund to pay for bonds issued."

Accordingly, the attached resolution, developed by our bond counsel, is submitted for consideration by the Board in satisfaction of this requirement. This resolution, if approved by the Board, will be forwarded to the county flood prevention districts and county boards for their approval.

Mr. Jeff White of Columbia Capital will be available to answer any questions that the Board may have.

Recommendation: Approve the attached "*Resolution requesting the approval to issue not to exceed \$100,000,000 Flood Prevention District Council Sales Tax Revenue Bonds, Series 2015, of the Southwestern Illinois Flood Prevention District Council, Madison, St. Clair and Monroe Counties, Illinois*" seeking approval of the county flood prevention districts and the county boards to issue bonds for financing improvements to the levee system in St. Clair, Madison and Monroe counties. Authorize the Chief Supervisor to transmit the resolution to county boards of Madison, St. Clair and Monroe counties and their respective flood prevention districts.

MINUTES of a regular public meeting of the Board of Directors of the Southwestern Illinois Flood Prevention District Council, Madison, St. Clair and Monroe Counties, Illinois, held at the Metro-East Park and Recreation District Office, 104 United Drive, Collinsville, Illinois, at 7:30 o'clock A.M., on the ____ day of August, 2015.

The President of the Board of Directors called the meeting to order and directed the Secretary of the Board of Directors to call the roll.

Upon the roll being called, _____, the President of the Board of Directors, and the following Directors were present at said location: _____

The following Directors were allowed by a majority of the members of the Board of Directors in accordance with and to the extent allowed by rules adopted by the Board of Directors to attend the meeting by video or audio conference: _____

No Director was not permitted to attend the meeting by video or audio conference.

The following Directors were absent and did not participate in the meeting in any manner or to any extent whatsoever: _____

The President announced that the next item of business before the Board of Directors was consideration of a resolution requesting approval from The County of Madison, Illinois, The County of St. Clair, Illinois, The County of Monroe, Illinois, the Madison County Flood Prevention District, Madison County, Illinois, the St. Clair County Flood Prevention District, St. Clair County, Illinois, and the Monroe County Flood Prevention District, Monroe County, Illinois, of the issuance of bonds by the Council for the purpose of performing emergency levee repair and flood prevention to prevent the loss of life or property.

Whereupon Director _____ presented and the Secretary of the Board of Directors read by title a resolution as follows, a copy of which was provided to each Director prior to said meeting and to everyone in attendance at said meeting who requested a copy:

RESOLUTION requesting the approval to issue not to exceed \$100,000,000 Flood Prevention District Council Sales Tax Revenue Bonds, Series 2015, of the Southwestern Illinois Flood Prevention District Council, Madison, St. Clair and Monroe Counties, Illinois.

Adopted by the Board of Directors of the Southwestern Illinois Flood Prevention District Council, Madison, St. Clair and Monroe Counties, Illinois, on the ____ day of August, 2015

RESOLUTION requesting the approval to issue not to exceed \$100,000,000 Flood Prevention District Council Sales Tax Revenue Bonds, Series 2015, of the Southwestern Illinois Flood Prevention District Council, Madison, St. Clair and Monroe Counties, Illinois.

* * *

WHEREAS, The Counties of Madison, St. Clair and Monroe, Illinois (each a “*County*” and together the “*Counties*”), are duly organized and validly existing units of local government created under the provisions of the laws of the State of Illinois, and are now operating under the provisions of the Counties Code of the State of Illinois, and all laws amendatory thereof and supplementary thereto; and

WHEREAS, the County Board of each County (each, a “*County Board*”), pursuant to the Flood Prevention District Act of the State of Illinois, 70 ILCS 750, et seq., as amended (the “*Act*”), has heretofore declared an emergency and created, respectively, the Madison County Flood Prevention District, Madison County, Illinois, the St. Clair County Flood Prevention District, St. Clair County, Illinois, and the Monroe County Flood Prevention District, Monroe County, Illinois (each, a “*District*” and collectively the “*Districts*”), for the purpose of providing emergency levee repair and flood prevention in order to prevent the loss of life or property; and

WHEREAS, the Districts are duly organized and validly existing units of local government created under the provisions of the laws of the State of Illinois, and are now operating under the provisions of the Act, and all laws amendatory thereof and supplementary thereto; and

WHEREAS, the Board of Commissioners of each District (each a “*Board of Commissioners*”) has been duly appointed by the Chairman of each County Board; and

WHEREAS, each Board of Commissioners has determined that an emergency situation exists regarding levee repair or flood prevention within each District and each County; and

WHEREAS, each County Board has confirmed the determination of the respective Board of Commissioners that an emergency situation exists; and

WHEREAS, each County Board has imposed a flood prevention retailers' occupation tax and a flood prevention service occupation tax pursuant to the Act (the "*Flood Prevention District Sales Taxes*"); and

WHEREAS, each Board of Commissioners has determined that it is advisable, necessary and in the best interests of each County and each District to provide emergency levee repair and flood protection, within or outside of each District's corporate limits (the "*Project*") as permitted by the Act; and

WHEREAS, subject to and in accordance with the provisions of the Act, each District is authorized to issue revenue bonds for the purpose of providing funds to pay the cost of the Project, such bonds being payable from revenues received from the Flood Prevention District Sales Taxes and from any other revenue sources available to the applicable District; and

WHEREAS, pursuant to the authority granted by Article VII, Section 10(a) of the Constitution of the State of Illinois and the Illinois Intergovernmental Cooperation Act, the Districts have entered into An Intergovernmental Agreement to Finance, Design, and Manage the Rebuilding of the Levee Systems in Southwestern Illinois dated June 11, 2009 (as now or hereafter amended, the "*District/Council Intergovernmental Agreement*") to finance, design, manage and oversee the Project; and

WHEREAS, the Act provides that the Districts may join together through intergovernmental cooperation agreement to provide any services described in the Act, to construct, reconstruct, repair or otherwise provide any facilities described in the Act either within or outside of each District's corporate limits, to issue bonds, notes or other evidences of indebtedness, to pledge the sales taxes imposed pursuant to the Act to the obligations of any other District, and to exercise any other power authorized by the Act; and

WHEREAS, pursuant to the District/Council Intergovernmental Agreement there has been created the Southwestern Illinois Flood Prevention District Council, Madison, St. Clair and Monroe Counties, Illinois (the "*Council*"), to coordinate the financing, management and oversight of the Project; and

WHEREAS, the Council has heretofore issued (a) its Flood Prevention District Sales Tax Revenue Bonds, Series 2010A in the amount of \$64,015,000, (b) its Taxable Flood Prevention District Sales Tax

Revenue Bonds, Series 2010B (Build America Bonds) in the amount of \$9,050,000 and (c) its Taxable Flood Prevention District Sales Tax Revenue Bonds, Series 2010C (Recovery Zone Economic Development Bonds) in the amount of \$21,130,000 (collectively, the “*Series 2010 Bonds*”) to pay a portion of the costs of the Project; and

WHEREAS, the remaining estimated cost of the Project, including engineering, legal, financial, bond discount, printing and publication costs, capitalized interest, bond reserve and other expenses, is estimated to be not less than \$100,000,000, and there are insufficient funds on hand and lawfully available to pay such costs; and

WHEREAS, it is in the best interest of the Districts that the Council issue its Flood Prevention District Council Sales Tax Revenue Bonds, Series 2015 (the “*Series 2015 Bonds*”) on behalf of the Districts at this time for the Project in an aggregate principal amount of not to exceed \$100,000,000, a portion of which Series 2015 Bonds may be issued on a parity with the Series 2010 Bonds (the “*Series 2015 Senior Bonds*”) and a portion of which Series 2015 Bonds may be issued on a subordinate basis to the Series 2010 Bonds (the “*Series 2015 Subordinate Bonds*”); and

WHEREAS, before the Council may issue the Series 2015 Bonds it is required by the Act to submit a request to the County Board of each County and the Board of Commissioners of each District for approval of the issuance of the Series 2015 Bonds:

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the Board of Directors of the Southwestern Illinois Flood Prevention District Council, Madison, St. Clair and Monroe Counties, Illinois, as follows:

Section 1. *Incorporation of Preambles.* The Board of Directors hereby finds that all of the recitals contained in the preambles to this Resolution are full, true and correct and does incorporate them into this Resolution by this reference.

Section 2. *Request for Approval of Series 2015 Bond Issuance.* The Council hereby requests each County and each District to approve the issuance of the Series 2015 Bonds.

Section 3. *Repealer.* All ordinances, resolutions or orders, or parts thereof, in conflict with the provisions of this Resolution are to the extent of such conflict hereby repealed.

Section 4. *Effective Date.* This Resolution shall be in full force and effect forthwith upon its adoption, without publication or posting or any further act or requirement.

Adopted August __, 2015.

President, Board of Directors

Attest:

Secretary, Board of Directors

Director _____ moved and Director _____ seconded the motion that said resolution as presented and read by title by the Secretary to be adopted.

After a full discussion thereof, the President directed that the roll be called for a vote upon the motion to adopt said resolution as read.

Upon the roll being called, the following Directors voted AYE: _____

and the following Directors voted NAY: _____

Whereupon the President declared the motion carried and said resolution adopted, approved and signed the same in open meeting and directed the Secretary to record the same in the records of the Board of Directors of the Southwestern Illinois Flood Prevention District Council, Madison, St. Clair and Monroe Counties, Illinois.

Other business not pertinent to the adoption of said resolution was duly transacted at said meeting.

Upon motion duly made, seconded and carried, the meeting was adjourned.

Secretary, Board of Directors

STATE OF ILLINOIS)
) SS
COUNTY OF ST. CLAIR)

CERTIFICATION OF RESOLUTION AND MINUTES

I, the undersigned, do hereby certify that I am the duly qualified and acting Secretary of the Board of Directors (the “*Board of Directors*”) of the Southwestern Illinois Flood Prevention District Council, Madison, St. Clair and Monroe Counties, Illinois (the “*Council*”), and as such official am the keeper of the records and files of the Board of Directors.

I further certify that the foregoing is a full, true and complete transcript of that portion of the minutes of the meeting of the Board of Directors held on the ____ day of August, 2015, insofar as the same relates to the adoption of a resolution entitled:

RESOLUTION requesting the approval to issue not to exceed \$100,000,000 Flood Prevention District Council Sales Tax Revenue Bonds, Series 2015, of the Southwestern Illinois Flood Prevention District Council, Madison, St. Clair and Monroe Counties, Illinois.

a true, correct and complete copy of which said resolution as adopted at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the Board of Directors on the adoption of said resolution were conducted openly, that the vote on the adoption of said resolution was taken openly, that said meeting was held at a specified time and place convenient to the public, that notice of said meeting was duly given to all of the news media requesting such notice, that an agenda for said meeting was posted at the location where said meeting was held and at the principal office of the Board of Directors at least 48 hours in advance of the holding of said meeting and on the website of the Council, that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and the Flood Prevention District Act of the State of Illinois, as amended, and that the Board of Directors has complied with all of the provisions of said Acts and with all of the procedural rules of the Board of Directors.

IN WITNESS WHEREOF, I hereunto affix my official signature, this ____ day of _____, 2015.

Secretary, Board of Directors



Memo to: Board of Directors
From: Chuck Etwert
Subject: Selection of Bond Underwriters
Date: August 17, 2015

At the June meeting the Board approved the Bond Sale Resolution, presented by Jeff White of Columbia Capital Management, which formalized the Board's discussion regarding the funding of 500-Year Authorized Level improvements. It also allowed for requests for proposals for underwriting services to be issued.

On July, 20, 2015, Columbia Capital Management issued Requests for Proposals (RFPs) for Bond Underwriting Services. RFP's were sent to 23 firms that regularly underwrite municipal bond transactions in the region and that have the capacity to manage transactions of the anticipated size and magnitude of the Council's. Twelve firms responded in the capacity of senior managing underwriter (the primary underwriting firm involved on a financing) and one firm responded as a co-managing underwriter only (a member of the underwriting team, but not the primary firm). One additional firm provided a non-responsive (late) proposal that was not accepted.

Jeff White will be at the meeting to discuss the results of the RFP process and Columbia Capital Management's recommendation for the Senior Lien Bonds and the Subordinate Lien Bonds that are planned.

For the Senior Lien Bonds, it is recommended that PNC be the senior manager with RBC Capital, Stern Brothers, Stifel Nicolaus and Wells Fargo as co-managers.

For the Subordinate Lien Bonds, it is recommended that RBC Capital Markets be the senior managing underwriter, with Citigroup Global Markets, Hutchinson, Shockey, Erley & Co., Loop Capital Markets and Raymond James as co-managing underwriters.

Attached is Columbia Capital Management's Request for Proposals and Memorandum with their Summary Recommendation.

Recommendation:

Approve the Bond Underwriters for the Senior Lien Bonds and the Subordinate Lien Bonds as recommended by Columbia Capital Management in their August 13, 2015 Memorandum.



Jeff White
Principal
913.312.8077
jwhite@columbiacapital.com

MEMORANDUM

0 8 . 1 3 . 1 5

Chuck Ewert
Southwestern Illinois Flood
Protection District Council

The purpose of this memorandum is to recommend the underwriting teams for the Council's planned senior lien and subordinate lien bonds, issued to fund 500-year protection level flood control projects. The following paragraphs provided our recommendations and underlying analysis.

SUMMARY RECOMMENDATION

We recommend the Council authorize staff to engage the following firms to serve on the Council's financings:

Senior Lien Bonds

We recommend appointment of PNC as the senior manager on the senior lien bonds with RBC Capital, Stern Brothers, Stifel Nicolaus and Wells Fargo as co-managers. We recommend that liabilities be assigned as 60% to the senior manager and 10% each to the co-managers. We recommend a net designated compensation policy, with no more than 60% designation allocated to any firm and a requirement that at least four firms be designated. This team will be asked to focus on a structure affordably providing the Council with a way to line-up the optional redemption provisions on these bonds with the outstanding Series 2010 Bonds.

Subordinate Lien Bonds

For the subordinate lien bonds, we recommend appointment of RBC Capital Markets as the senior managing underwriter. We recommend the appointment of the following firms as co-managing underwriters (in alphabetical order): Citigroup Global Markets, Hutchinson, Shockey, Erley & Co., Loop Capital Markets and Raymond James. We recommend that liabilities be assigned as 60% to the senior manager and 10% each to the co-managers. We recommend a net designated compensation policy, with no more than 60% designation allocated to any firm and a requirement that at least four firms be designated. We recommend that Council staff be authorized (but not required) to award a management fee of not to exceed \$1.00 per bond to the senior managing underwriter, recognizing the substantial effort the senior managing underwriter will have in developing the subordinate lien structure. Finally, we recommend that the Council open a retail selling group to any Illinois-based underwriting firm.

BACKGROUND AND PROCESS

During the summer of 2014, Columbia Capital presented the Council with an analysis testing the feasibility of leveraging its multi-county sales tax receipts to provide moneys to construct additional flood protection capital projects. Following that discussion the Council determined to move ahead with a financing to permit construction of 500-year protection improvements. At its June regular board meeting, the Council authorized staff to proceed with a request for proposals to engage one or more underwriting teams for the financing.

In July, on the Council's behalf, we sent a request for proposals (RFP) to 23 firms that regularly underwrite municipal bond transactions in the region and that have the capacity to manage transactions of the anticipated size and magnitude of the Council's. Twelve firms responded in the capacity of senior managing underwriter (the primary underwriting firm involved on a financing) and one firm responded as a co-managing underwriter only (a member of the underwriting team, but not the primary firm). One additional firm provided a non-responsive (late) proposal that we did not accept.

RFP respondents include a mix of Wall Street, national and regional underwriting firms, each with substantial presence in Illinois and/or the St. Louis region. We asked respondents to provide their thoughts and recommendations with respect to transaction structure and timing, rating agency strategy, and approach to marketing the bonds, and we asked each to illustrate its recent experience on similar financings. Additionally, we asked each firm to identify its expected pricing on the transaction it recommended in today's market (with reference to the tax-exempt 'AAA' rated published benchmark interest rates) and to provide a quotation for its underwriting fees and expenses.

In administering the RFP and evaluating the responses, we assumed the following Council goals were paramount:

- 1) maximizing bond proceeds available today for flood control projects, recognizing that future borrowing capacity will be limited as a result of maximizing today's financing;
- 2) obtaining project financing at the best possible borrowing rate, given the Council's desire to maximize the availability of bond proceeds today; and
- 3) within the constraints above, maximizing the Council's use of firms with a presence in Illinois and in the greater St. Louis region.

We reviewed each proposal in detail for *qualitative* factors—depth of understanding of the financing need, structuring approach, unique marketing ideas, as examples—and we created a scoring tool to allow us to compare the *quantitative* features of each response (expected pricing levels and underwriting fees) on an apples-to-apples basis.

Our scoring tool relied on a model financing we developed (consistent with the approach recommended to and approved by the Council during 2014 and earlier this year) that “normalized” the structure across each of the responses. Through the normalization process, we were able to compare each respondent's proposed interest rates and underwriting fees directly using a metric called *true interest cost* (TIC)—effectively an average all-in cost of borrowing. The results of this process are provided later in this memorandum.

METHOD OF SALE CONSIDERATIONS

Municipal bonds are generally offered to investors in one of two ways: (1) through a *competitive sale*, an analogue to a sealed bid process, where underwriters place bids at a specific time to buy the bonds; or (2) through a *negotiated sale*, where the issuer selects its underwriter in advance of the bond sale, negotiating the terms and conditions of that sale with the underwriter at pricing. For straightforward, highly-rated transactions, we generally recommend issuers consider a competitive sale process.

In this case, however, we expect a significant share of the offering to be made pursuant to a new, subordinate lien indenture that has yet to be developed. The final structure of the bonds, resulting from this process, will have major implications for both the bond rating on the subordinate bonds and their pricing levels. Including the input of the underwriter in the development of the terms and conditions of the subordinate lien bonds is important for the success of the financing. The size and structure of any parity, senior lien bonds will impact the marketability of the subordinate bonds as well. As a result, we recommend the Council use a *negotiated sale* for both the senior lien bonds and the subordinate lien issuance.

STRUCTURING CONSIDERATIONS

The potential structure of the planned financing is an important input into the selection process of the underwriting team for one or more series of bonds. The key considerations underlying our analysis are provided below.

- **Although the Council is in the business of building and maintaining flood protection control improvements, we see this financing ultimately as a sales tax credit.** As a result, we are looking to engage an underwriting team that understands the nuances of sales tax bonds, has experience working through the rating agency process for sales tax bonds and has the investor knowledge to bring the right investors to the financing.
- **The Council's bonds will be tainted by having the word "Illinois" in the title.** Unfortunately, most Illinois municipal bond issuers today are subject to the so-called "Illinois penalty," a yield premium demanded by investors for purchasing bonds issued by Illinois governments. The Illinois penalty originally derived from investor concerns about the State's failure to make required transfer payments on time and related concerns that the State's budget woes might actually result in it shorting required payments to other Illinois governments, putting their creditworthiness in jeopardy. We want to be sure the underwriting team on the Council's bonds understands this dynamic and has a strategy to work with investors to differentiate the Council's credit from the budget mess in Springfield (and the pension challenges of the Chicagoland issuers), to minimize the Illinois penalty on the Council's bonds.
- **Maximizing available money for 500-year flood protection improvements will require creation of new subordinate lien tier of debt.** Subordinate lien sales tax bonds are not terribly common in the municipal marketplace and the construction of the terms and conditions of the Council's senior lien bonds will require a level of expertise necessary to balance the flexibility needed to generate maximum proceeds for project construction with the desire to generate a credit rating and security attractive to investors. The

Council's underwriting team will need to have a sophisticated understanding of these nuances in order to attract investors to the financing at aggressive interest rates.

- **Recognizing that, despite the double-tax exemption provided through a Southwestern Illinois Development Authority (SWIDA) bond issuance, we expect retail interest in the subordinate sales tax credit to be limited, making high quality institutional investor distribution capabilities important.** While the underwriting team would ideally have retail distribution capabilities to take advantage of any potential retail investor interest, for the subordinate bonds particularly, the lead underwriting manager will need strong institutional sales capabilities.
- **Providing for the opportunity to refund all senior lien bonds in 2020, on the call date for the Council's existing Series 2010 Bonds.** By lining up the call date on the new issuance with the call date on the Series 2010 Bonds, we provide the Council with the ability to restructure the entirety of its outstanding senior lien debt in a cost-efficient manner in the future. Unfortunately, the municipal market generally demands a premium for call rights sooner than 8 to 10 years from issuance. We will need to balance the desire for flexibility with the economic impact of such a structure on the current borrowing.

UNDERWRITING TEAM COMPOSITION

We expect the senior lien offering to be both relatively small (less than \$20 million) and fairly straightforward (with bonds issued across only a handful of maturities). The senior lien bonds carry strong bond ratings in the 'AA' category with legal covenants that are attractive to investors (such as strong anti-dilution provisions and a debt service reserve requirement).

On the subordinate lien bonds, the underwriting team should be led by a firm with strong institutional underwriting capabilities, deep expertise with sales tax bonds and a high-quality investment banking, underwriting and sales team. Because very few bonds sold in Illinois are exempt from state income taxes—*except* those issued by SWIDA and a small number of other issuers—we also want to take full advantage of the opportunity to sell the bonds to retail investors seeking this tax benefit. As a result, we recommend including co-managing underwriters that bring diversity (geographic diversity, coverage of different pools of investors, MBE/WBE engagement, etc.) to the financing.

Finally, to ensure continuity in strategy among the two pieces of the financings, we believe it is important that the senior managing underwriter on the subordinate lien bonds have a formal role in the underwriting team on the senior lien offering.

KEY DECISION POINTS

The proposers, as a whole, presented thoughtful, insightful RFP responses. We looked, particularly, at their responses to and recommended approaches for certain important structuring, process and deal points.

Rating Agency Strategy

With its subordinate lien bonds, the Council is able to design a financing from the ground up, much like it did with its inaugural issuance in 2010. The rating level to be achieved on these bonds is a key driver of the ultimate borrowing cost and, as a result, the moneys available at closing to construct flood control projects.

Sales Tax Bond Experience

The security for repayment of the bonds is the sales taxes levied by the counties in the District. We closely evaluated each firm's recent experience placing sales tax bonds with investors, particularly with respect to subordinate lien bonds and developing new sales tax bond offerings.

Structuring to Maximize Bond Proceeds for Projects

The Council's goal is to maximize its leverage from this transaction to provide funds for 500-year level flood protection projects, recognizing that future borrowings are likely to be substantially smaller due to relatively modest expected growth in future sales tax receipts. As a result, the Council seeks an underwriting team dedicated to this goal. In part, this outcome hinges upon rating strategy. But it also depends upon the underwriting team's comfort in structuring bonds accommodating sales tax growth over the life of the planned bond issue. Some respondents were comfortable with this approach; others were not.

Flexibility of Call Date on Senior Lien Bonds

The Council's Series 2010-A, 2010-B and 2010-C Bonds maturing on and after April 15, 2021 are subject to optional redemption at par on and after April 15, 2020. It is plausible that a current or advance refunding of the Council's tax-exempt Series 2010-A Bonds could stand to produce economic savings as the call date approaches. The callable Series 2010-A Bonds amortize from 2021 to 2030 ranging in interest rate (coupon payment) from 3.00% to 5.00%. Because of the value of the interest rate subsidies paid to the Council by the US Government on its Series 2010-B Build America Bonds and Series 2010-C Recovery Zone Economic Development Bonds (together, the "Subsidy Bonds"), we believe it is unlikely that the Council would refund these Bonds at the call date for economic savings (see the appendix to this memorandum). The Council may have other reasons to do so, however, including a complete or partial restructuring of debt service to make way for additional senior lien borrowing. By lining up the call date on the planned senior lien offering with that of the 2010 Bonds, the Council's ability to refund or restructure all of its senior lien bonds in 2020 is maximized. Some firms' underwriting strategies can produce a shorter-than-typical call provision on the planned offering without substantial economic penalty for doing so.

Reasonableness of Expected Borrowing Costs

The RFP asked each respondent to assess its expectations of how a Council offering—both senior lien and subordinate lien—would fare if sold in the market today. We asked each firm to justify its proposed interest rates with recent market data. In part, the answer to this

question is related to the firm’s expertise with similar transactions (sales tax-backed bonds in general and subordinate lien sales tax bonds, specifically). We recognize that there is essentially no (perceived) cost to a respondent pitching very aggressive interest rates in an RFP response in August when the financing likely would not take place any earlier than November or December. As a result, we conducted our own evaluation of interest rate expectations based upon comparable transactions in the municipal market recently. We can also look to the groupings of expectations (where they exist) from the respondents themselves to identify consensus expectations.

SUMMARY OF FINANCIAL ANALYSIS

The overall quality of the RFP responses was very high. Most firms clearly invested substantial time educating themselves on the unique needs and complexities of the Council’s existing debt profile and future needs. One significant take-away for us was that the primary conclusions of our 2014 analysis on financing approaches for the Council were ratified by the group. Most identified a path forward involving both senior lien parity bonds and a new tier of subordinate lien bonds to be likely. Most identified the same challenges that would likely result from the Council’s maximization of its borrowing today, specifically, the inability to undertake another large financing for a number of years after. Most identified the need to be conservative in estimates of future sales tax growth in the District.

From a qualitative perspective, we were most impressed with the responses of RBC Capital, Raymond James, Citi and Wells Fargo. These firms’ responses presented a clear understanding of the Council’s financing goals, its challenges and the nuances of the credit. Not surprisingly, each of these firms also has deep experience underwriting sales tax bonds for other issuers. We need to balance, though, our qualitative findings with the economic proposals of the respondents.

Normalized True Interest Cost

Using a model bond sizing and structure, we can compare each respondent’s fee and interest rate proposals for both the senior lien and subordinate lien bonds. (Because Bernardi Securities proposed as a co-manager only, we did not include its response in these tables.) Table 1 ranks each firm on a true interest cost (TIC) basis for the senior lien bonds, while Table 2 ranks each firm with respect to the subordinate lien bonds. For each table, *lower* TIC (which is a measure of overall borrowing cost) is *better*.

TABLE 1—Firm Rank by TIC—Senior Lien Bonds

Firm	Rank	TIC	Firm	Rank	TIC
PNC Capital	1	4.092%	RBC Capital	7	4.345%
Edward Jones	2	4.186%	Loop Capital	8	4.386%
Oppenheimer	3	4.227%	Stifel Nicolaus	9	4.469%
Citi	4	4.233%	Raymond James	10	4.495%
Piper Jaffray	5	4.279%	Wells Fargo	11	4.585%
Hutchinson Shockey	6	4.319%	Stern Brothers	12	4.728%

TABLE 2—Firm Rank by TIC—Subordinate Lien Bonds

Firm	Rank	TIC	Firm	Rank	TIC
PNC Capital	1	4.055%	Edward Jones	7	4.279%
Citi	2	4.069%	Oppenheimer	8	4.321%
Hutchinson Shockey	3	4.136%	Raymond James	9	4.412%
Piper Jaffray	4	4.165%	Stifel Nicolaus	10	4.491%
Loop Capital	5	4.183%	Wells Fargo	11	4.527%
RBC Capital	6	4.212%	Stern Brothers	12	4.999%

Interest Rate Expectations

Each proposer presented anticipated interest rates on both senior lien and subordinate lien borrowings. To ensure an apples-to-apples comparison, we asked each firm to make its presentation of interest rates as a differential, or “spread,” to a ‘AAA’ rated benchmark index. This allows us to compare the proposals to each other directly. The figures below present the firms’ expectations for interest rates on each planned financing.

FIGURE A1 – Proposed Interest Rate Spreads by Maturity – Yield to Worst – Senior Lien Bonds

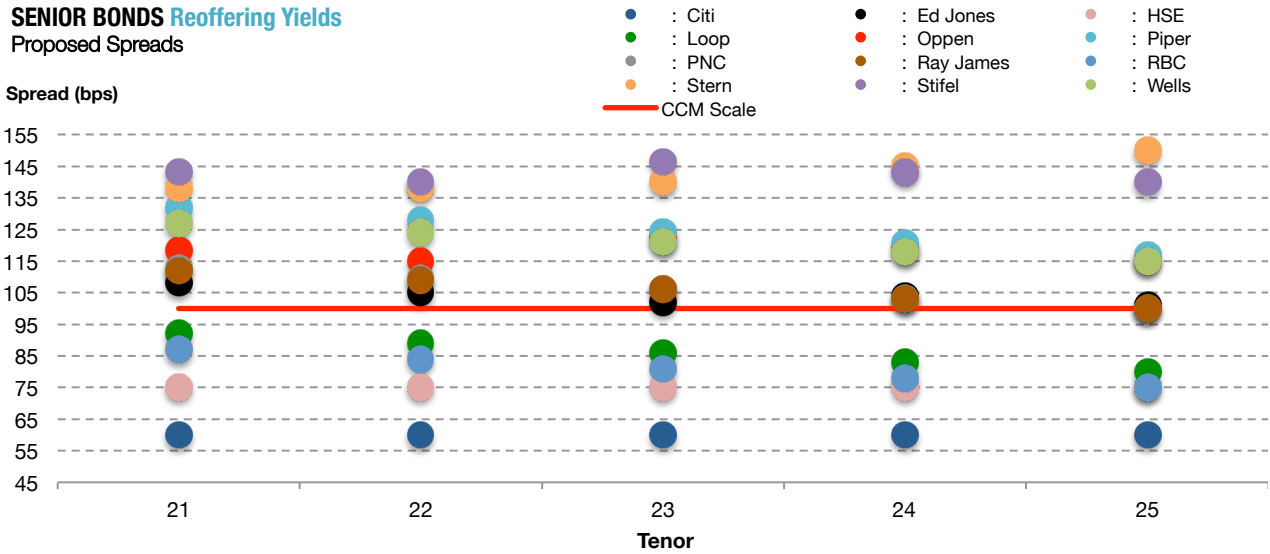


FIGURE A2 – Proposed Interest Rate Spreads by Maturity – Yield to Maturity – Senior Lien Bonds

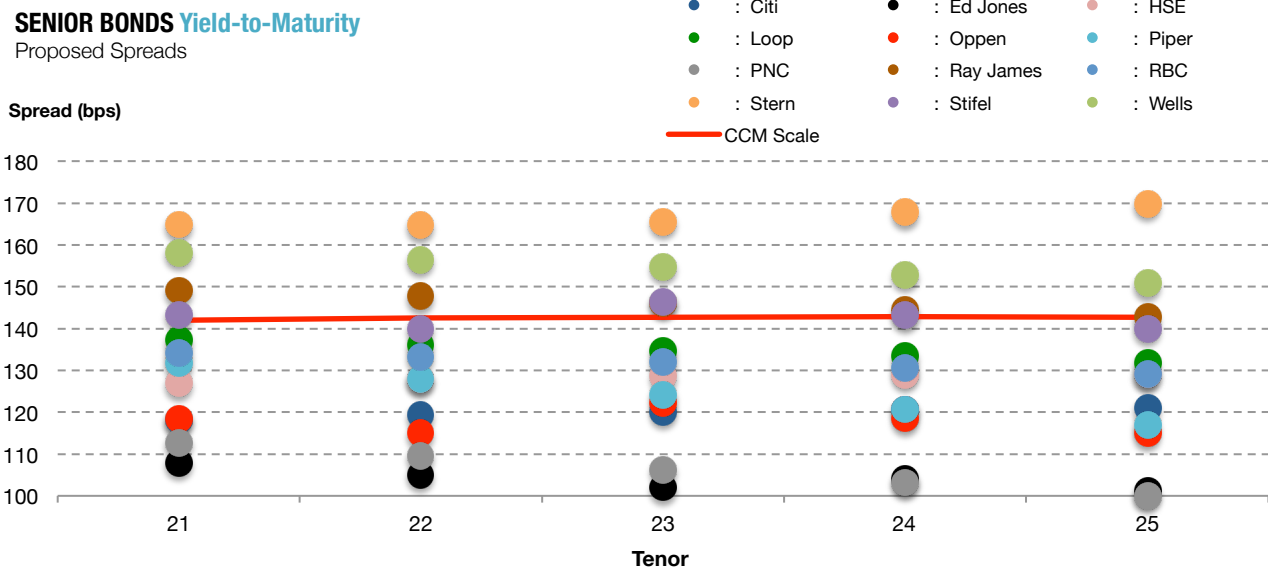


FIGURE B1 – Proposed Interest Rate Spreads by Maturity – Yield to Worst – Subordinate Lien Bonds

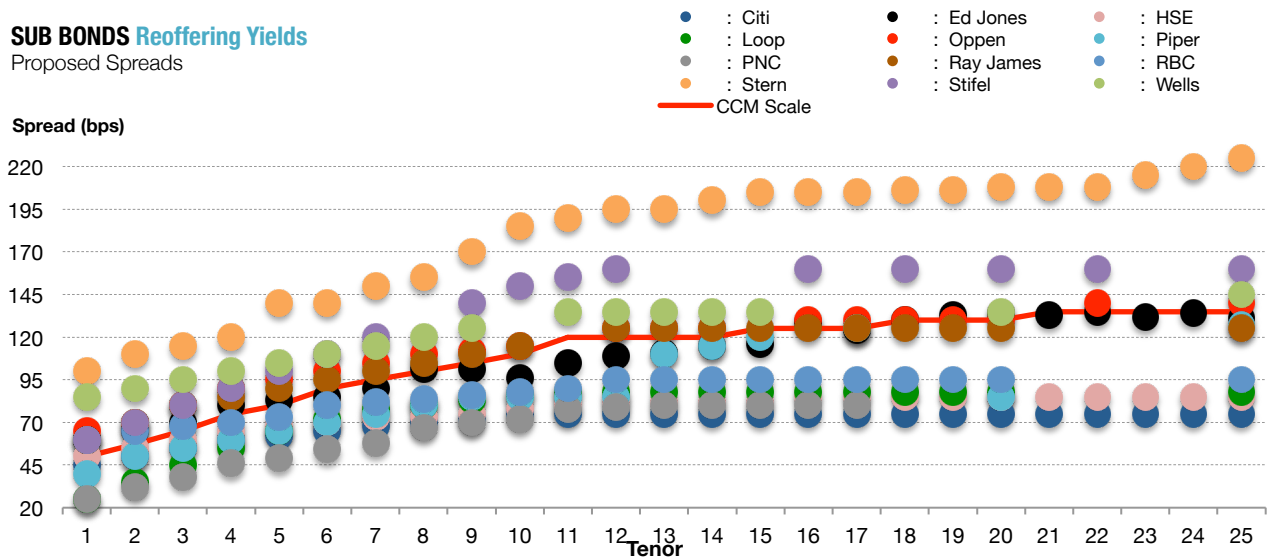
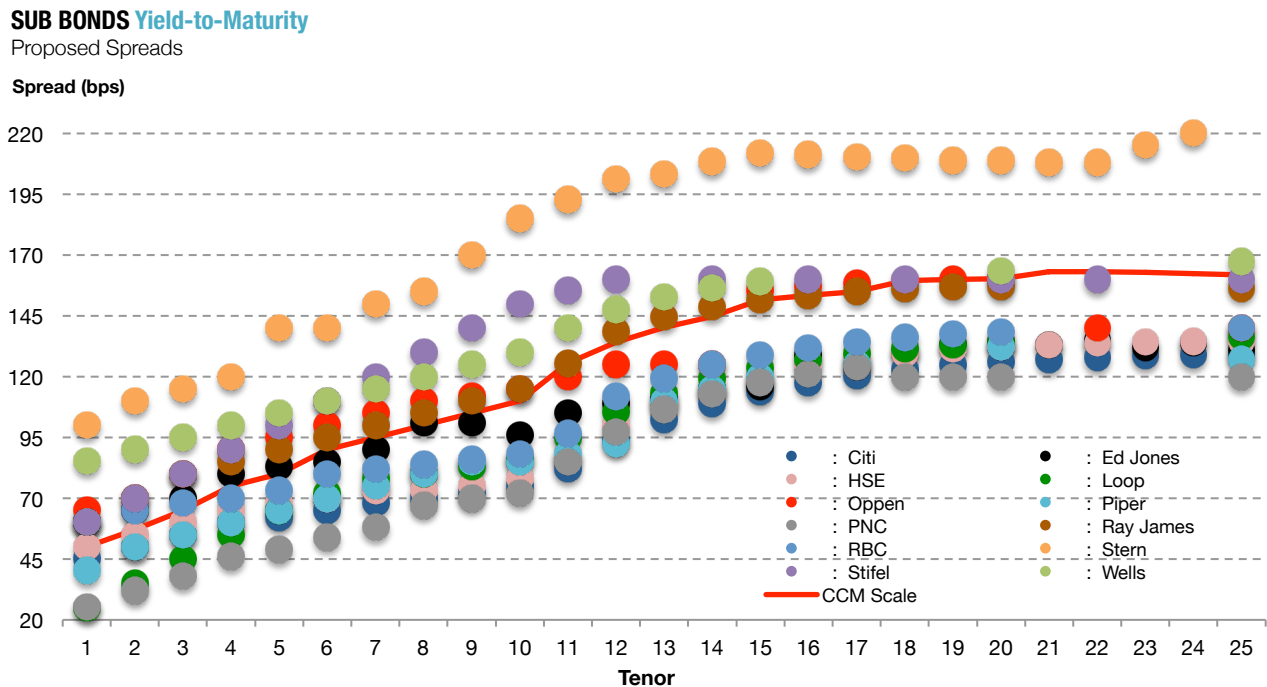


FIGURE B2 – Proposed Interest Rate Spreads by Maturity – Yield to Mat. – Subordinate Lien Bonds



The figures above show that there is significant disagreement among the proposers about the expected borrowing costs for the proposed financings. Expectations for overly aggressive interest rates are unlikely to be realized, even with very astute negotiations by the Council and its advisors. Similarly, starting with expectations of overly conservative interest rates makes it difficult to move the underwriter to actual market levels at the time of pricing. Ideally, we would pick a lead manager with a proposal for interest rates that is “on the

market.” The definition of “market” levels is subject to debate—reasonable minds will differ.

Some of the interest rate disagreement derived from differences in expectations for the ratings levels on the subordinate lien bonds. Generally, the lower the expected rating, the higher we would expect the proposer’s interest rate spreads to be. Table 3 identifies expected subordinate lien bond ratings by proposer.

TABLE 3—Rating Level Expectations—Subordinate Lien Bonds

Firm	Moody’s	Standard & Poor’s
Citi	A1	AA-
Edward Jones	n/a	A
Hutchinson Shockey	n/a	AA-
Loop Capital	A1	AA-
Oppenheimer	A2	A+
Piper Jaffray	A1	AA-
PNC Capital	A2	A
Raymond James	A1	AA-
RBC Capital	A3	A-
Stern Brothers	A3	A
Stifel Nicolaus	A3	A-
Wells Fargo	A3	A-

It is important to note that underwriting fees do matter, as well—significant differences in fees demanded from firm to firm can create material differences in borrowing costs. But, generally speaking, interest rates matter more. A proposal with better interest rates coupled with higher fees can produce a better overall outcome than a proposal with very low fees but less competitive borrowing costs. Table 4 below presents modeled average underwriting costs by firm using Columbia Capital’s normalized bond structure.

TABLE 4—Underwriting Fees by Firm (per \$1,000 in bonds issued)

Firm	Parity Bonds		Sub. Bonds		Total Avg. Fee	
		Rank		Rank		Rank
Citi	\$ 2.50	1(t)	\$ 2.28	1	\$ 2.34	1
Edward Jones	20.00	12	18.17	12	18.66	12
Hutchinson Shockey	2.75	3	3.50	3	3.30	3
Loop Capital	4.50	7(t)	4.27	7	4.33	7
Oppenheimer	5.00	9(t)	4.42	8	4.57	9
Piper Jaffray	5.00	9(t)	6.50	10	6.10	10
PNC Capital	3.75	4(t)	3.50	4	3.57	4
Raymond James	3.75	4(t)	3.71	5	3.72	5
RBC Capital	2.50	1(t)	2.50	2	2.72	2
Stern Brothers	6.00	11	7.00	11	6.73	11
Stifel Nicolaus	4.00	6	4.65	9	4.48	8
Wells Fargo	4.50	7(t)	4.02	6	3.98	6

CONCLUSIONS

With respect to the larger, more challenging series of subordinate lien bonds, we believe it is important that the Council’s senior managing underwriter have strong institutional distribution capabilities, a high quality banking and analytical team, and deep expertise with sales tax bonds. With one of the best qualitative responses, RBC Capital also has the recent

sales tax bond expertise—including senior managing Metro/Bi-State’s 2013 sales tax bond transaction—to provide us confidence that its analysis is accurate and its pricing expectations are reasonable. While RBC’s expected interest rate levels were not the most aggressive, they were based on an assumption of lower rating levels than modeled by Citi, Piper and Loop. RBC’s proposed pricing levels were more competitive in most cases than Raymond James, Oppenheimer, Wells Fargo and Stern Brothers, each of which also expected more than a one-notch differential in ratings from senior to subordinate liens. RBC’s underwriting fee proposal ranked 2nd best among the senior manager responses.

In rounding out the underwriting team on the subordinate lien bonds, we think there is value in rewarding firms with other high-quality proposals, as well as including firms with an Illinois focus and M/WBE ownership. As a result, we recommend the appointment of Citi, Raymond James, Hutchinson Shockey Erley, and Loop Capital as co-managing underwriters.

With respect to the senior lien bonds, we recommend PNC as the senior manager based upon both its proposed fee structure, its assessment of likely borrowing costs and its proposed couponing approach. We will seek from this team a marketing plan that will allow the Council affordably to align the call date on its new senior lien borrowing with that of its outstanding Series 2010 Bonds. We recommend including Stern Brothers, Stifel Nicolaus and Wells Fargo, all firms with a strong St. Louis presence, as co-managers on the senior lien bonds. In order to provide continuity of approach and structuring between the two series, we also recommend appointment of RBC Capital as a co-managing underwriter on the senior lien bonds.

Determining the appropriate underwriting team recommendations for this financing was challenging. Even where firms agreed on expected rating outcomes, they disagreed on market pricing at those rating levels. We believe, though, that our recommended teams have the insight, expertise and ability to deliver high-quality results for the Council when the time comes to place bonds with investors.

Please let me know if you have any questions about our analysis or conclusions.

APPENDIX 1—RESPONDENT DIGEST

The table below provides summary information about each of the firms responding to the RFP.

Firm	Lead Banker	Team Location	Notes
Bernardi Securities	Stephen Adams	Chicago	Co-Manager Only; Illinois Focus
Citi	Samantha Costanzo	Chicago	
Edward Jones	Chris Collier	St. Louis	Retail Focus
Hutchinson Shockey	Doug DeAngelis	Chicago	Illinois Focus
Loop Capital	Clarence Bourne	Chicago	MBE
Oppenheimer	Ray Coyne	Chicago	
Piper Jaffray	Michelle Bock	St. Louis	Stern Brothers
PNC Capital	Beth Coolidge	Chicago	
Raymond James	Kevin Thompson	Memphis	
RBC Capital	Kevin Hoecker	Chicago	
Stern Brothers	Joyce Opinski	St. Louis	WBE
Stifel Nicolaus	Anne Noble	St. Louis	
Wells Fargo	Larry Richardson	Chicago	

APPENDIX 2—SERIES 2010 REFUNDING ANALYSIS

The pages that follow provide our assessment of the value of an advance refunding of the Series 2010 Bonds at today's interest rates. Using these data, we can forecast the likelihood of a refunding at the 2020 call date on the bonds assuming various interest rate environments. Our expectation is that the 2010 Subsidy Bonds are unlikely to be refunded for economic savings, unless Congress reduces the subsidy level further from current levels. The 2010 tax-exempt bonds may be plausible candidates for refunding for savings at that time if interest rates remain moderate.

Series 2010-A (TE)

Revenue Bonds

Southwestern Illinois Flood Prevention District Council

REFINANCING ASSUMPTIONS

Settlement:	4/15/17	Call Date:	4/15/20	✓ Target:	5.00%	Escrow Effic:	≥	75.00%
Call Price:	100	COI:	2.00%	✓ Target:	3.00%	Escrow Effic:	>	50.00%

REFINANCING ANALYSIS

	Maturity	Principal	Coupon	New YTM	Bond Price	Escr Price	Net Svgs %	Svgs % Distr	Net Svgs \$	Neg Arb	Escr Effic
X	4/15/21	3,265,000	3.500%	1.740%	106.772	106.971	-2.20%		(71,807)	(60,357)	0.00%
X	4/15/22	338,000	3.750%	2.050%	108.040	107.707	-1.67%		(5,635)	(9,413)	0.00%
X	4/15/23	3,505,000	4.000%	2.380%	109.008	108.442	-1.43%		(50,267)	(132,434)	0.00%
X	4/15/24	95,000	5.000%	2.670%	114.787	111.384	1.40%		1,333	(4,474)	22.96%
X	4/15/24	3,550,000	4.000%	2.670%	108.441	108.442	-2.00%		(71,059)	(164,445)	0.00%
X	4/15/25	3,795,000	4.000%	2.820%	108.398	108.442	-2.04%		(77,570)	(192,429)	0.00%
X	4/15/26	2,120,000	4.250%	3.000%	109.795	109.178	-1.38%		(29,305)	(119,079)	0.00%
X	4/15/27	2,215,000	4.250%	3.160%	109.284	109.178	-1.89%		(41,955)	(134,697)	0.00%
X	4/15/28	2,320,000	4.250%	3.330%	108.416	109.178	-2.76%		(64,078)	(152,461)	0.00%
X	4/15/29	2,425,000	4.250%	3.410%	108.216	109.178	-2.96%		(71,824)	(164,935)	0.00%
X	4/15/30	2,540,000	4.250%	3.490%	107.888	109.178	-3.29%		(83,551)	(178,579)	0.00%
X	4/15/26	2,120,000	5.000%	3.000%	115.673	111.384	2.29%		48,521	(120,557)	28.70%
X	4/15/27	2,215,000	5.000%	3.160%	115.671	111.384	2.29%		50,667	(136,370)	27.09%
X	4/15/28	2,320,000	5.000%	3.330%	115.276	111.384	1.89%		43,905	(154,356)	22.15%
X	4/15/29	2,425,000	5.000%	3.410%	115.551	111.384	2.17%		52,564	(166,986)	23.94%
X	4/15/30	2,540,000	5.000%	3.490%	115.673	111.384	2.29%		58,137	(180,800)	24.33%

SAVINGS BY PV% THRESHOLD

Threshold	Principal	Neg Arb	\$ Savings	% Savings
✓ ≥ 5%	-	-	-	0.00%
✓ ≥ 3% < 5%	-	-	-	-
X < 3%	37,788,000	(2,072,374)	(311,925)	-0.83%

SAVINGS BY ESCROW EFFICIENCY

Threshold	Principal	Neg Arb	\$ Savings	% Savings
≥ 75.00%	-	-	-	0.00%
> 50.00%	-	-	-	-
< 50.00%	37,788,000	(2,072,374)	(311,925)	-0.83%

SENSITIVITY ANALYSIS

✓ + ✓

- - - SETTLEMENT DATE - - -

	t = 0	t = 1	t = 2	t = 3	
	4/15/17	4/15/18	4/15/19	4/14/20	
MARKET Δ	0.00%	\$ -	\$ 605,464	\$ 1,768,090	\$ 3,182,812
	0.25%	-	325,569	817,372	2,621,740
	0.50%	-	-	605,980	2,007,905
	1.00%	-	-	3,275	680,346
	1.50%	-	-	-	87,782

The Call Date is 3 Years From The Base Settlement

Break-Even Rate Δ to Call Date: 1.57% or 157 bps
 Approx Corresponding PV Savings \$ 79,863 3.61%



8/10/15

TERM BONDS ARE SHADED (SINKER = LIGHT, MATURITY = DARK)

Copyright © 2015 Columbia Capital Management, LLC. All Rights Reserved.



REQUEST FOR PROPOSALS BOND UNDERWRITING SERVICES

SOUTHWESTERN ILLINOIS DEVELOPMENT AUTHORITY

\$20,000,000[†]
Local Government Program
Revenue Bonds
Series 2015
(Southwestern Illinois Flood Prevention
District Council Project)

\$50,000,000[†]
Local Government Program
Subordinate Lien Revenue Bonds
Series 2015
(Southwestern Illinois Flood Prevention
District Council Project)

RFP Published	Mon. July 20, 2015
Questions Due	Mon. July 27, 2015 2:00 PM CT
Answers Circulated	Wed. July 29, 2015
Responses Due	Mon. August 3, 2015 2:00 PM CT
Electronic Submission	jwhite@columbiacapital.com
Appointment	Mid-August 2015
Contact	Jeff White Principal 913.312.8077 jwhite@columbiacapital.com Khalen Dwyer Asst. Vice President 913.312.8068 kdwyer@columbiacapital.com

[†] Preliminary, subject to change.

CONTENTS

SUMMARY	1
BACKGROUND	3
PLAN OF FINANCE	5
WORK DESCRIPTION	6
PROPOSAL FORMAT	7
UNDERWRITING PROPOSAL	9

SUMMARY

REQUEST FOR PROPOSALS

The Southwestern Illinois Flood Prevention District Council (the “Council”) seeks responses to this Request for Proposals for Bond Underwriting Services (the “RFP”) from qualified firms interested in providing the underwriting services described herein.

FORMAT

Proposals should be limited to about twelve (12) pages, exclusive of a transmittal letter, analysis, and any appendices. Proposals should be delivered in Portable Document Format (PDF), and labeled and organized as identified below. See **PROPOSAL FORMAT** herein for additional instructions. The page limit will not be strictly enforced, but brevity is appreciated.

1. Transmittal Letter
2. Experience
3. Team Structure
4. Analysis
5. Marketing
6. Rating Strategy
7. Underwriting Proposal

SUBMISSION

Responses should be delivered via electronic mail pursuant to the instructions on the cover page hereto. Late responses, responses submitted by means other than electronic mail, or responses delivered to recipients other than the recipient identified for submission on the cover page hereto, may be subject to disqualification.

EVALUATION

The Council will review qualifying proposals using its own staff and other professionals deemed appropriate. Proposals will be evaluated based on the following criteria:

1. Firm experience, particularly with respect to other levee districts and on sales tax backed bonds;
2. Anticipated spreads to the ‘AAA’ MMD index, including the quality of supporting market data, for each series of bonds;
3. Quality and responsiveness of proposal;
4. Fee quotation.

TEAM STRUCTURE

The Council anticipates forming an underwriting team comprised of one or more senior managers, one or more co-managers and a selling group. The team used may differ from series to series.

APPOINTMENT

The Council plans to evaluate proposals and submit its findings and recommendation for appointment to the Council’s Board of Directors in August 2015.

The Council reserves the right to appoint multiple lead underwriters or co-managers, and to expand the selling group to include any institution registered to sell bonds in the State of Illinois. The Council reserves the right to interview or request additional information from each respondent prior to finalizing its selection, as well as consider information pertaining to a respondent from information or sources other than those included in the respondent’s submission.

PROFESSIONALS

The Council has engaged Thompson Coburn LLP as bond and disclosure counsel and Columbia Capital Management, LLC as financial advisor for the issuance of the Bonds. Chapman and Cutler LLP will serve as counsel to the issuer (the Southwestern Illinois Development Authority).

RESOURCES

Certain information pertaining to the Council, including annual financial reports and budget documentation, are found at the District's website (<http://www.floodpreventiondistrict.org>).

Links to legislation and documentation pertaining to the Council's Series 2010 Bonds are provided below:

- The Council's Authorizing Legislation:

<http://www.ilga.gov/legislation/ilcs/ilcs3.asp?ActID=2968&ChapterID=15>

- Official Statement for the Series 2010 Bonds:

<http://www.floodpreventiondistrict.org/wp-content/uploads/2011/02/Official-Statement-Series-2010-bonds.pdf>

- Indenture of Trust Dated November 23, 2010:

<http://www.floodpreventiondistrict.org/wp-content/uploads/2011/11/Final-Indenture-of-Trust-Series-2010-bonds.pdf>

DISCLAIMER

Under no circumstances shall the Authority, the Council or the Council's financial advisor be held liable for costs or expenses incurred by the respondent in the preparation of its response to this RFP. The submission of a response to this RFP establishes the responding firm's acceptance and willingness to adhere to the rules and expectations described herein.

If additional information is necessary to interpret the requirements of this RFP, please direct your questions via electronic mail to the Council's financial advisor at jwhite@columbiacapital.com and kdwyer@columbiacapital.com no later than the date indicated for such questions on the cover page hereto. No telephone inquiries are permitted. All questions (less identification of the requestor), and the Council's response to such questions, will be circulated to the full RFP distribution no later than the date indicated on the cover letter hereto.

Unauthorized communication with any member of, or employees or representative for, the Authority, Council or the Council's Board of Directors, during the response and evaluation period concerning any matter related to this RFP is grounds for immediate disqualification.

BACKGROUND

THE COUNCIL

The Southwestern Illinois Flood Prevention District Council (the “Council”) was formed as a governmental entity duly created through an intergovernmental agreement between the Flood Prevention Districts of Madison, St. Clair and Monroe, Illinois, as authorized by the Illinois Flood Prevention District Act of 2008. The boundaries of the Council are coterminous with the boundaries of the Counties of Madison, St. Clair and Monroe, Illinois (the “Counties”). The primary responsibility of the Council is to plan, design and build capital improvements to the Levee System. The Council’s principal goals are to regain accreditation by the Federal Emergency Management Agency (“FEMA”) and improve the Levee System to the 500-year level of flood protection.

THE AUTHORITY

The Council issues bonds through The Southwestern Illinois Development Authority (the “Authority”). The Authority is a political subdivision, body politic and municipal corporation organized and existing under the Southwestern Illinois Development Authority Act of the State of Illinois. As with the structure of the 2010 Bonds, the Authority expects to use the proceeds of the 2015 Bonds to purchase “local government securities” issued by the Council. The ultimate security for the bonds is described below.

THE LEVEE SYSTEM

The Levee System is comprised of 85 miles of mainline and wing levees protecting the American Bottom in Southwestern Illinois. The American Bottom is a 174 square mile floodplain area situated along the eastern bank of the Mississippi River. The Levee System was originally designed and built by the U.S. Army Corps of Engineers (the “Corps”) to exceed the 500-year level of flood protection. In August 2007, the Corps announced that, due to design deficiencies and reconstruction needs, it now had reduced confidence that the Levee System could protect against a 100-year flood (base flood). Based on the Corps’ findings, FEMA decided to deaccredit the Levee System.

THE SERIES 2010 BONDS

In November 2010 the Authority issued the following bonds (the “Series 2010 Bonds”) to finance improvements to the Levee System necessary to achieve the 100-year level of protection.

- \$64,015,000 Local Government Revenue Bonds, Series 2010-A (Southwestern Illinois Flood Prevention District Council Project—Tax Exempt Bonds)
- \$9,050,000 Taxable Local Government Program Revenue Bonds, Series 2010-B (Southwestern Illinois Flood Prevention District Council Project—Build America Bonds)
- \$21,130,000 Taxable Local Government Program Revenue Bonds, Series 2010-C (Southwestern Illinois Flood Prevention District Council Project—Recovery Zone Economic Development Bonds)

SECURITY FOR THE BONDS

The Series 2010 Bonds are secured by the Council’s pledge of Flood Prevention District Revenues, which include:

- The Flood Prevention District Sales Taxes, which include a flood prevention retailers’ occupation tax and a flood prevention service occupation tax imposed by each County at a rate of 0.25% of the gross receipts from all taxable sales described in the Flood Prevention District Act of the State.
- Build America Payments and Recovery Zone Payments

The bonds are additionally secured by a Debt Service Reserve Fund.

PROJECT STATUS

The Council plans to submit for FEMA's accreditation each 100-year level of flood protection levee system as it is completed. The Council expects the last system to be completed and submitted by August 2016. The Council anticipates receiving FEMA accreditation by the end of 2016. The Bonds will be used to fund improvements toward a 500-year flood protection level.

PLAN OF FINANCE

THE BONDS

The Bonds will be issued to purchase “local government securities” issued by the Council to fund improvements to the Levee System described herein. The goal of the Council is to efficiently maximize its bonding capacity to fund these improvements through the strategic and intermittent issuance of long-term financing. Pursuant to this objective, the Council presently anticipates the concurrent issuance of the following tax-exempt parity and subordinate lien revenue bonds (together, the “Bonds”) in 2015:

1. Local Government Program Revenue Bonds, Series 2015-A, as Additional Local Government Securities under the Indenture of Trust dated as of November 23, 2010 (the “Indenture”); and
2. Local Government Program Revenue Bonds, Subordinate Series 2015, as Subordinate Local Government Securities under the Indenture.

Proceeds of the Bonds will be used to partially fund the cost of improving the Levee System to a 500-year flood protection level. The Council presently estimates the total cost of these improvements exceeds \$150 million. A more precise cost estimate has not yet been determined.

The size and structure of the Bonds will ultimately be determined by market conditions, the Council’s funding capacity at the time of issuance and the Corps’ review of certain projects to determine their value as “in kind” contributions toward future Federally-financed levee improvements. At this time, the Council expects to maximize its current issuance on both parity and subordinate tiers.

CONSTRAINTS

The issuance of the Bonds is subject to certain conditions discussed in the Indenture, including a 150% Maximum Annual Debt Service coverage constraint for the issuance of parity bonds. The Council is further constrained under the Flood Prevention District Act to a maximum borrowing term of twenty-five (25) years from the date of issuance.

TIMELINE

The Council anticipates pricing and closing the Bonds not earlier than mid-November and mid-December, respectively. The timing of issuance could slip if the Corps’ project review described above is delayed from its current calendar.

WORK DESCRIPTION

The senior underwriter will be responsible for the following services, including but not limited to:

- Reviewing cash flow and debt payment models prepared by the financial advisor for the analysis of financing alternatives and appropriate cash flow schedules based upon the debt structure selected by the Council;
- If requested, developing and presenting information to: the Boards of the Council, the Issuer and the Counties (as necessary); rating agencies; and any other appropriate parties;
- Coordinating with and assisting other transaction professionals, including bond counsel, financial advisors, and the Council or Authority staff;
- Undertaking detailed review of the preliminary and final official statements any other documentation necessary to market the Bonds;
- Developing a marketing plan for the sale of the Bonds and undertaking primary responsibility for implementing the marketing plan with approval of the Council;
- Coordinating and conducting any necessary informational meetings with potential investors prior to the sale of the Bonds;
- No later than three business days prior to pricing, providing pre-pricing scales from both the senior and co-managers, as applicable, and transaction comparables to support its proposed pricing scale. The senior manager shall amend and update this information at least daily until the time of pricing;
- Monitoring market movement in relation to its proposed spreads to the MMD 'AAA' Index. The senior manager will be responsible for notifying the Council and its financial advisor in advance of the sale date of any material deviation from the proposed trading scale relative to the benchmarks;
- Marketing and selling the bonds with best execution according to the expectations developed during pre-pricing discussions with Council and its financial advisor. As a part of this process, the Council will require the senior manager to use the i-Deal order platform, or a similar electronic order system, to maintain its book of orders and to provide access to order information, including order details for each maturity, to the Council and its financial advisor;
- Coordinating the work of the underwriting team, including co-managers and the selling group, as applicable, and implementing the designation rules and allocation guidelines established by the Council or its financial advisor;
- Assisting the Council and bond counsel in any other matters related to the issuance and sale of the Bonds as may be necessary to accomplish any of the foregoing or completing the marketing, sale, issuance and delivery of the Bonds;
- Preparing a closing memorandum and closing the transaction on time in accordance with the bond purchase agreement;
- Preparing and delivering to the Council and its financial advisor a post-pricing analysis for the transaction.
- Participating in a post-sale evaluation process, if elected by the Council.

PROPOSAL FORMAT

All submissions must provide responses to each of the questions below, maintaining substantially the labeling and format described below. Responses should be delivered electronically in PDF format.

1. TRANSMITTAL LETTER

Responses should include a transmittal letter signed by an officer of the firm who is authorized to commit the firm's resources, and a listing of the professionals the firm intends to assign to this engagement along with brief biographies of each.

2. EXPERIENCE

Describe your firm's:

- A. recent (last three years) experience serving Illinois issuers and levee districts;
- B. recent (last three years) experience managing transactions secured by sales tax revenues or other similar credit types;
- C. familiarity with the Illinois municipal market.

3. ANALYSIS

Present:

- A. an independent analysis of the Council's immediate funding capacity with traditional tax-exempt fixed rate bonds, including quantitative analysis, a summary of analytical assumptions, and a suggested minimum debt service coverage ratio at each lien tier;
- B. a discussion of the advantages and disadvantages of the financing structure contemplated by your firm's funding capacity analysis, particularly with respect to the Council's ability to issue again in the future to complete its 500-year protection level capital plan; and
- C. a discussion of any alternative financing strategies your firm believes the Council should consider for achieving its funding objectives.

4. MARKETING

Discuss:

- A. your firm's suggested approach to marketing the Bonds;
- B. the types of investors likely to purchase the Bonds at yields most favorable to the Council at different maturities;
- C. your firm's distinguishing qualifications to market the Bonds;
- D. potential impediments to successfully marketing the Bonds;
- E. the estimated "Illinois Penalty," if any, the Council will face as an Illinois borrower;
- F. the potential for, and implications of, unusual or aggressive borrower provisions (e.g. short optional redemption provisions); and
- G. your firm's approach to issuing both senior and subordinate bonds in the market, including a discussion of timing (concurrent issuance? Separate and, if so, by what time duration? Etc.)

5. RATING STRATEGY

Discuss your firm's:

- A. proposed strategy to achieve the ratings levels for the Bonds that your firm proposes;
- B. opinion of the impact the Council's plan of finance will have on its existing credit ratings;
- C. estimated rating for the Council's proposed subordinate lien bonds; and
- D. which agency or agencies you would propose to rate the bonds.

The Council's Series 2010 Bonds are presently rated "Aa3" and "AA" by Moody's and Standard and Poor's, respectively.

6. UNDERWRITING PROPOSAL

Discuss where your firm believes the Bonds will price relative to the 'AAA' MMD assuming an issue date of December 2015 and that bonds maturing on or after April 15, 2026 are subject to optional redemption at par on October 15, 2025. Include primary or secondary market data to support the firm's price levels. (Please provide both your reference data for the MMD you are using and the spreads to the 'AAA' index that day.)

Complete and sign the attached **UNDERWRITING PROPOSAL** form. Please note, the information provided on the proposal form will serve as an integral part of the Council's selection decision. The Council expects the successful underwriter(s) to deliver a financing transaction at these spreads or better. Proposed widening from these spreads at the time of pricing must be justified using actual market data such as pricing comparables and/or secondary market trading data (including demonstrating spread changes between the time of the submission of the proposal and the time of pricing), changes in key market relationships, or other quantifiable or demonstrable data supporting the proposed shift in spreads. In the event the Council can demonstrate a narrowing of spreads, it expects a similar adjustment to the spreads for the Bonds.

The Council and its financial advisor routinely monitor the secondary market trading activity of transactions following pricing to identify bonds that are traded by the underwriter at reoffering prices different than the final reoffering prices agreed upon in price negotiations and included in the bond purchase agreement.

When considering your firm's need for and cost of underwriter's counsel, please note that the Council anticipates that Thompson Coburn will provide a 10b-5 opinion with respect to the official statement on the transaction and that it will draft the bond purchase agreements.

UNDERWRITING PROPOSAL

FIXED EXPENSE COMPONENTS

Description

\$ Estimate

_____	_____
_____	_____
_____	_____
_____	_____

VARIABLE EXPENSE COMPONENTS

Description

\$ / \$1,000 Par

_____	_____
_____	_____
_____	_____
_____	_____

UNDERWRITER'S COUNSEL

Firm (provide at least two acceptable firms)

\$ Estimate

_____	_____
-------	-------

SCALE & FEE PROPOSAL

Provide your firm's proposed coupon rates and yield spreads for the Bonds assuming an issue date of December 2015 and bonds maturing on or after April 15, 2026 are subject to optional redemption at par on October 15, 2025.

TERM			PARITY BONDS				SUBORDINATE BONDS			
Tenor	MMD ¹	Maturity ²	Coupon Rate	Yield Spread	Fee (Per \$1,000)		Coupon Rate	Yield Spread	Fee (Per \$1,000)	
					Retail	Instit.			Retail	Instit.
1		4/15/16								
2		4/15/17								
3		4/15/18								
4		4/15/19								
5		4/15/20								
6		4/15/21								
7		4/15/22								
8		4/15/23								
9		4/15/24								
10		4/15/25								
11		4/15/26								
12		4/15/27								
13		4/15/28								
14		4/15/29								
15		4/15/30								
16		4/15/31								
17		4/15/32								
18		4/15/33								
19		4/15/34								
20		4/15/35								
21		4/15/36								
22		4/15/37								
23		4/15/38								
24		4/15/39								
25		4/15/40								

Firm: _____ Representative: _____

Date: _____ Signature: _____

¹ Use traditional 'AAA' MMD. Do not use "Early", "Mid" or "Late" benchmarks.

² Preliminary, subject to change.



Memo to: Board of Directors
 From: Chuck Etwert
 Subject: Change Orders BP #3 & BP #6
 Date: August 17, 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 to Bid Packages 3 & 6.

We have three change orders on the agenda, two on Bid Package 3 and one on Bid Package 6 which Amec Foster Wheeler will be explaining at the meeting.

Bid Package 03 – Additional Pollution Coverage UPRR - \$6,825.00

The Contract Documents do not require the Contractor to purchase railroad insurance. Union Pacific is requiring this insurance. Keller is requesting a change order in the amount of \$6,825.00 for the inclusions of additional pollution coverage now being required by the Union Pacific Railroad.

Bid Package 03 – Pilot Hole Drilling - \$28,950.00

The planned design modifications will increase the pilot hole depth by 246 ft. Actual field conditions may vary and it is recommended by the project geotechnical lead to add to this number for potential field variations. Therefore the anticipated pilot hole increase is for an additional 300 feet. Based on the below additional depth justification that was applied to earlier pilot hole depth changes.

RW	Original PH Depth Per CA-C552	PH Depth Addition Per CO#9	PH Depth Addition Per NEW CO	Total Design PH Depth Per Design and Modifications
1017	24	0	11	35
1018	25	0	10	35
1019	27	0	8	35
1020	27	0	8	35
1039	88	0	0	88
1040	88	0	0	88

1041	88	0	0	88
1042	88	0	0	88
1043	88	0	0	88
1044	88	0	0	88
1045	88	0	0	88
1046	88	0	0	88
1064	85	0	0	85
1066	92	0	18	110
1067	0	135	-25	110
1068	0	145	-35	110
1069	0	140	-28	112
1070	0	140	-20	120
1071	92	0	28	120
1072	92	0	33	125
1073	0	135	-10	125
1074	0	140	-15	125
1075	91	0	0	91
1076	93	0	32	125
1077	92	0	33	125
1078	92	0	33	125
1079	92	0	33	125
1080	92	0	33	125
1081	92	0	33	125
1082	92	0	33	125
1083	92	0	33	125
	1996	835	246	3077

Request change order in the amount of: 300 FT x \$91.90 / FT x 1.05% = \$96.50 = \$28,950.00

Bid Package 06 – Collection Pipe P 145X - \$14,496.25

During the prep work to install the collection pipe at Palmer Creek, the contractor found that the concrete headwall structure for the inlets of the 84” culverts extends much wider toward the banks of the creek. The extension of this concrete structure is in the direct path of pipe P-145A. With the current conditions, the pipe would not be able to be installed per plan.

Recommendation: Authorize the Chief Supervisor to approve BP #3 requested change order for the Additional Pollution Coverage UPRR - \$6,825.00; BP #3 requested change order for the Pilot Hole Drilling - \$28,950.00; and BP #6 requested change order for the Collection Pipe P 145X - \$14,496.25; for a total not to exceed \$50,271.25.



Memo to: Board of Directors

From: Chuck Etwert

Subject: Metro East Sanitary District Authorized Level Project Summary Report
Amec Foster Wheeler Environment & Infrastructure

Date: August 17, 2015

As part of the Council's overall plan to design the most critical and cost effective projects to restore the federally authorized level of flood protection, Amec Foster Wheeler has developed a Summary Report of the Authorized Level Projects in the Metro East Sanitary District Levee System.

The Summary Report for the Wood River Levee System was presented in June and the Prairie Du Pont/Fish Lake Levee will be developed and presented at a later date.

I have attached the Metro East Sanitary District Authorized Level Project Summary Report (Preliminary Design Phase) to this memo. Amec Foster Wheeler will discuss their recommendation, the proposed schedule, and provide the Project Cost Estimate at the meeting.

It must be noted that the proposed schedule is dependent on the USACE providing information in sufficient time.

Recommendation: Accept Amec Foster Wheeler Environment & Infrastructure's Metro East Sanitary District Authorized Level Project Summary Report dated August 13, 2015.

Metro East Sanitary District Authorized Level Project Summary Report

Preliminary Design Phase

Prepared for



Prepared by



August 13, 2015

Table of Contents

1. General Information / Background1

 Authorized Level Project1

 Metro East Sanitary District (MESD) Levee System.....1

 USACE Authorized Level Project Decision Segments1

2. Recommended Plan4

 Integral Determination Report (IDR)4

 Recommendation4

 Development of Bid Packages4

3. Schedule.....5

4. Risk in Moving Forward5

Appendix 1 – Bid Package / Design Reach Exhibits

Appendix 2 – Design Process Flow Charts

1. General Information / Background

Authorized Level Project

Following the Southwestern Illinois Flood Prevention District Council's (FPD Council) design and construction of levee improvements that are required for accreditation in accordance with 44 CFR 65.10 criteria (FEMA criteria), the FPD Council desires to advance the implementation of the U.S. Army Corps of Engineers' (USACE) Authorized Level Project. The USACE Authorized Level Project further protects the region from a flood in excess of a 100-year FEMA flood event; specifically, the USACE Authorized Level project protects the many residents and businesses throughout southwestern Illinois against an approximately 500-year flood event (the actual Authorized Level Flood Event is defined as 52 feet on the Mississippi River St. Louis, Missouri gage with 2 feet of freeboard, also called the 52+2 Flood Event).

The USACE requires a 35% local sponsor match of the total estimated engineering and construction costs. The Council and the Corps have executed a Memorandum of Understanding that will allow 30% of those costs to be applied through work-in-kind credits, pending the approval of an Integral Determination Report (IDR) and a revised Partnership Agreement (PPA) between the USACE and the FPD Council. Work-in-kind credits are applied when the local sponsor performs work that would otherwise be part of the Authorized Level Project. Work performed by the local sponsor that is not part of the USACE Authorized Level Project is not eligible for work-in-kind credit. To date, the only project eligible for work-in-kind credit that is part of the Southwestern Illinois Levee Certification Design projects (FEMA certification projects) is Bid Package 7B – Lower Cutoff Wall, which is the deep cutoff wall along the Lower Wood River Levee segment. No work-in-kind credit projects have been completed along the Metro East Sanitary District (MESD) Levee System.

Amec Foster Wheeler was tasked with reviewing the U.S. Army Corps of Engineers' Authorized Level Project decision segments and evaluating cost effectiveness of the most vulnerable improvements of which the FPD Council could begin engineering and construction.

Metro East Sanitary District (MESD) Levee System

This report covers the MESD Levee System only. The Summary Report for the Prairie du Pont/Fish Lake Levee will be submitted at a later date under a separate cover, while the Wood River Levee Summary Report was submitted on June 17, 2015. Vulnerable reaches along the MESD Levee System are located both north and south of the Chain of Rocks system. The Chain of Rocks system is the segment of the levee system that is operated and maintained by the USACE. No work is proposed along the Chain of Rocks segment.

USACE Authorized Level Project Decision Segments

The USACE St. Louis District has provided Amec Foster Wheeler and the FPD Council a list of decision segments that require improvements before those segments of levee can adequately protect against the Authorized Level Flood Event. A decision segment is a length of levee, which typically has a length of 330 feet (or some multiple of 330 feet, such as 660 feet). The USACE split the entire levee into individual decision segments to analyze each segment of levee with the available subsurface (boring) information; borings were conducted generally every 330 feet along the MESD Levee System, excluding the Chain of Rocks Levee System. After each decision segment was evaluated for protection against underseepage, a decision was made regarding what underseepage improvements, if any, were needed to correct deficiencies of the particular segment. Underseepage improvements generally consist of seepage berms, fill, relief wells, pump stations, and cutoff walls. Decisions about underseepage improvements were based on factors such as constructability, land use, and cost. Table 1 lists the decision segments provided by the USACE St. Louis District. Each decision segment was evaluated by the USACE as part of the *Credit for Work-In-Kind Contributions, East St. Louis, Illinois, Flood Protection Project Design Deficiency Corrections, May, 2015* (The IDR). The USACE developed the rankings in Table 1, based on their Factor of Safety (FS) against failure at the Authorized Level Flood Event. The "FS Rank w/o AMEC" Column in Table 1 refers to the FS rank before the FEMA

Improvements were constructed; The FEMA improvements are nearly complete as of this report. The “Average FS with AMEC” column in Table 1 refers to the factor of safety for the particular reach of levee after accounting for the FEMA Improvements that are currently underway. The seepage control improvements recommended by USACE are based on evaluations performed as part of the 2011 USACE Limited Reevaluation Report for the MESD Levee System (LRR). It is important to point out that at the time the LRR was completed, none of the FPD Council’s FEMA Improvements were installed; therefore, the USACE has noted which reaches have had work done by the FPD Council and Amec Foster Wheeler subsequent to the initial underseepage analysis as part of the LRR in 2011. Currently, the USACE St. Louis District is reevaluating the decision segments which have had improvements completed as part of the FPD Council’s FEMA improvement projects, which the USACE designates as “AMEC Solution”. Ideally, the extent of the improvements in those reaches would be reduced, or eliminated altogether, thus reducing the overall USACE Authorized Level cost estimate for engineering and construction.

Table 1 – MESD Design Segments

Table 1 – MESD Design Segments						
<u>Abbreviations List:</u> AMEC: Amec Foster Wheeler / FPD Council FS: Factor of Safety (higher is better, lower is more vulnerable)				COW: Cutoff Wall PS: Pump Station RW: Relief Well(s)		
Designer Recommended Rank	FS Rank w/o AMEC	Levee Reach Station		Average FS with AMEC	USACE Recommended Plan	AMEC Solution
		From	To			
1*	3	1207+00	1348+90	0.63	Bedrock COW and Clay Cap	AMEC Wells
2	1	781+10	794+30	0.37	Bedrock COW	No New Features
3	2	962+80	972+70	0.40	Seepage Berm	No New Features
4	13	987+50	1018+90	0.89	Shallow COW, 12 RW, PS	No New Features
5	4	1477+60	1497+40	0.61	Bedrock COW & 12 RW	AMEC Wells
6	5	860+60	863+30	0.63	6 RW	No New Features
7	7	773+03	784+50	0.72	20 RW	No New Features
8	6	1114+60	1137+70	0.76	40 RW	AMEC Wells
9	8	791+10	804+60	0.79	20 RW	No New Features
10	9	890+20	893+50	0.83	4 RW	No New Features
11	10	45+60	48+90	0.85	Seepage Berm	No New Features
12	11	1474+30	1477+60	0.88	10 RW	No New Features
13	12	1190+50	1193+80	0.88	2 RW	No New Features
14	14	1203+70	1207+00	0.90	3 RW	No New Features
15	16	844+00	860+60	0.97	Riverside Clay Trench, 19 RW	No New Features
16	18	1098+10	1104+70	1.02	6 RW	No New Features
17	19	982+60	985+90	1.05	4 RW	No New Features

Table 1 – MESD Design Segments

Abbreviations List: AMEC: Amec Foster Wheeler / FPD Council FS: Factor of Safety (higher is better, lower is more vulnerable)							COW: Cutoff Wall PS: Pump Station RW: Relief Well(s)
Designer Recommended Rank	FS Rank w/o AMEC	Levee Reach Station		Average FS with AMEC	USACE Recommended Plan	AMEC Solution	
		From	To				
18	20	1022+20	1038+70	1.06	26 RW	No New Features	
19	21	194+10	197+40	1.10	Seepage Berm	No New Features	
20	22	174+30	177+60	1.11	Seepage Berm	No New Features	
21	23	204+00	217+20	1.14	Seepage Berm	No New Features	
22	24	1065+10	1068+40	1.15	4 RW	No New Features	
23	25	804+60	824+20	1.16	14 RW	No New Features	
24	26	1193+80	1203+70	1.18	6 RW	No New Features	
25	27	223+80	233+70	1.19	Seepage Berm	No New Features	
26	17	863+80	890+20	1.21	38 RW	AMEC Wells	
27	28	929+80	936+40	1.25	5 RW	No New Features	
28	15	255+90	262+25	1.26	5 RW	AMEC Wells	
29	29	824+20	844+00	1.27	Riverside Clay Trench, 12 RW	No New Features	
30	30	1071+70	1078+30	1.32	5 RW	No New Features	
31	31	240+30	243+60	1.39	Seepage Berm	No New Features	
32	32	1081+60	1088+20	1.39	3 RW	No New Features	
33	33	68+70	72+00	1.44	Seepage Berm	No New Features	
34	34	1144+30	1180+60	1.45	13 RW and Lift Station	No New Features	
35	35	1091+50	1098+10	1.45	2 RW	No New Features	
36	36	1048+60	1051+90	1.46	3 RW	No New Features	
37	37	956+20	959+50	N/A	Landside Clay Fill	No New Features	
38	38	903+40	913+30	N/A	Landside fill may eliminate need for underseepage controls	No New Features	

2. Recommended Plan

Integral Determination Report (IDR)

On May 13, 2015, the FPD Council and Amec Foster Wheeler received a draft copy of the IDR (draft dated May 7, 2015). The USACE has estimated the total cost of the project to be \$152,300,000. The draft IDR estimated the total cost of work items proposed for work-in-kind credit at \$128,200,000. Of the \$128,200,000, \$36,300,000 is the total for work-in-kind credit that the FPD Council can perform as part of the Authorized Project. In other words, the FPD Council can fund engineering and construction for \$36,300,000 and supply an additional \$7,615,000 in cash to the USACE, and the requirements for the local match to the federal project will have been met. Note that the FPD Council already has a credit with the USACE for \$2,635,000 resulting from cash contributions previously made.

Recommendation

It is recommended that the FPD Council proceed with the following work:

Subsurface investigations for:

- All required relief wells
- All required seepage berms
- All required pump stations
- Cutoff walls (as needed)

Design and Construction for:

- All required relief wells
- All required pump stations
- Seepage berms (as needed)

Those items noted 'as needed' will be performed only if the cost estimates for the initial portions of work fall short of the 30% match figure (\$36,300,000). The USACE estimated the total cost for design and construction of all relief wells and pump stations to be approximately \$34.3 Million. By the FPD Council taking on this work, it will be possible for the design and construction of those levee improvements to occur sooner than if the USACE were to perform the design and construction.

Should the FPD Council accept the recommended plan, the only work the USACE will have left to perform as part of the USACE Authorized Level Project is the design and construction of the cutoff walls and, potentially, the seepage berms.

Development of Bid Packages

Amec Foster Wheeler has reviewed the USACE decision segments and has determined that four construction bid packages will appropriately subdivide the decision segments. By splitting the work into four bid packages, the FPD Council has the ability to cancel any one bid package if the remaining bid package(s) approach the work-in-kind credit contribution limit of \$36,300,000. While there is nothing stopping the FPD Council from constructing improvements in excess of \$36,300,000, the USACE will require Section 408 approval for any work over and above the \$36,300,000 limit, whereas any work done as work-in-kind, as agreed upon in the final IDR, which is still in development, does not require Section 408 approval. The four bid packages have been named Bid Packages 11, 12, 13, and 14, a continuation of the numbering from the FEMA Certification Design and Construction packages. The packages were divided primarily by pump station tributary area. The resultant bid packages are as follows:

- ▶ Bid Package 11 is comprised of ten USACE decision segments and spans from Levee Station 255+90 to 913+30, less the Chain of Rocks system. This package includes the construction of 150

relief wells, 144 of which are tributary to existing pump stations and 5 of which drain naturally into the environment.

- ▶ Bid Package 12 is comprised of five USACE decision segments and spans from Levee Station 929+80 to 1051+90. This package includes the construction of a new pump station, between Stations 987+50 to 1018+90, and 50 relief wells, 45 of which are tributary to an existing or proposed pump station and 5 of which drain naturally into the environment.
- ▶ Bid Package 13 is comprised of ten USACE decision segments and spans from Levee Station 1065+10 to 1497+40. This package includes the construction of a new lift station, between Stations 1144+30 and 1180+60, and 106 relief wells, 84 of which are tributary to an existing pump station or newly proposed lift station and 22 of which drain naturally into the environment.
- ▶ Bid Package 14 is comprised of eleven USACE decision segments and spans from Levee Station 45+60 to 972+70. This package consists of all earthwork which includes 8 seepage berms, 1 fill area, and a clay cap spanning from Station 824+20 to 860+60. This package will only be executed if additional work-in-kind credit is available after the costs of the preceding bid packages is better defined.

Exhibits are appended to this report which depict the approximate location of each improvement as part of the recommended plan; see Appendix 1.

3. Schedule

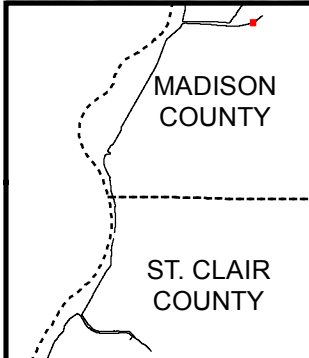
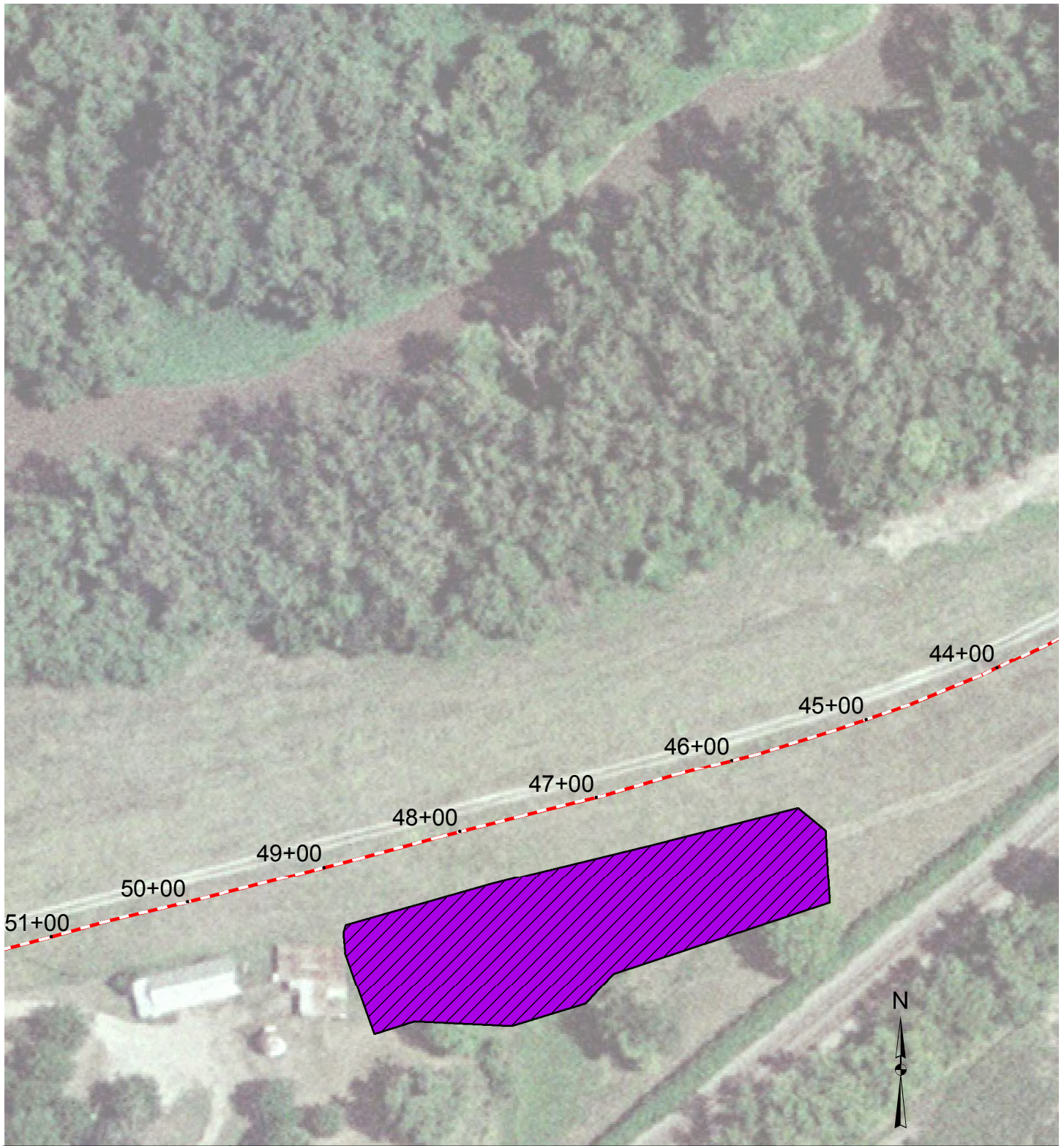
Upon Board approval of this Plan, Amec Foster Wheeler will develop a scope and budget for the completion of field activities and design for the Bid Packages referenced herein. Work on a boring plan for subsurface investigations throughout MESD is already underway, as USACE approval is estimated to be at least 45-60 days once the plan is submitted. If desired, the scope, schedule, and fee for preliminary field work (drilling), and engineering and coordination with USACE, will be presented at the September 2015 FPD Council board meeting, assuming all costs are received by USACE in sufficient time.

AMEC Foster Wheeler, the FPD, and the USACE St. Louis District have worked together to develop the role and responsibilities for each party in the design process. Flow charts outlining the responsibilities through the design process are included as Attachment 2.

4. Risk in Moving Forward

Should the FPD Council accept this recommended plan and move forward with field investigation, conceptual engineering, and drilling of relief well pilot holes, the FPD Council should understand the risk associated in doing so. There is risk associated with moving forward with these activities without an approved IDR and revised PPA. Risk decreases substantially after IDR approval, and risk of not receiving work-in-kind credit is eliminated after the revised PPA is approved. While the IDR for MESD was originally anticipated to be approved in September, 2015, we have been informed by USACE that approval has been delayed due to the Water Resources Reform and Development Act of 2014 (WRRDA 2014) implementation guidance not being issued. Once issued, the approval process is estimated to take four months. Therefore, the earliest we can expect approval of the IDRs is probably December, 2015. The IDRs, which identify the work that will be eligible for Work-In-Kind Credit, reduce the risk of not receiving credit for work performed. All risk is eliminated after approval of the revised Project Partnership Agreements (PPAs), which take approximately a year to complete after approval of the IDRs.

Appendix 1 – Bid Package / Design Reach Exhibits



**USACE Authorized Level of
Protection Planning and Analysis**

BID PACKAGE 14

MESD

DESIGN STA: 45+60 TO 48+90

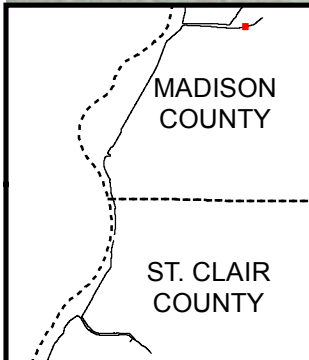
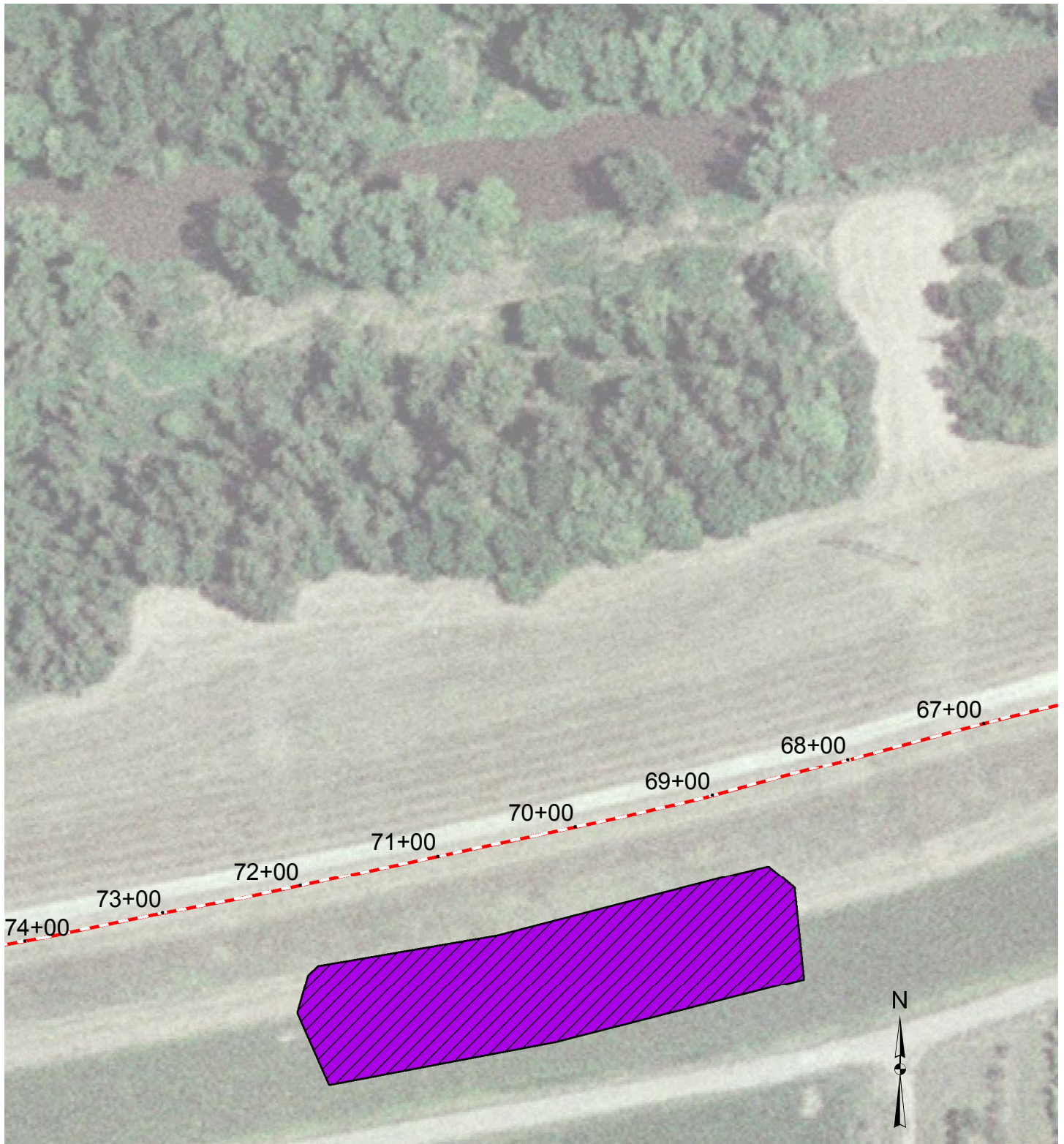
08/05/2015

SHEET

1 OF 23

Legend

-  New Pump Station
-  New Relief Well
-  Clay Cap
-  New Seepage Berm
-  New Fill



**USACE Authorized Level of
Protection Planning and Analysis**

BID PACKAGE 14

MESD

DESIGN STA: 68+70 TO 72+00

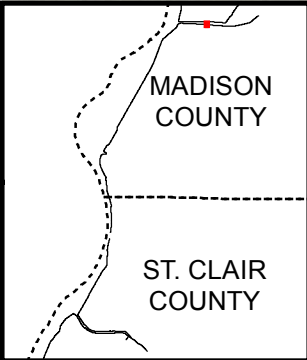
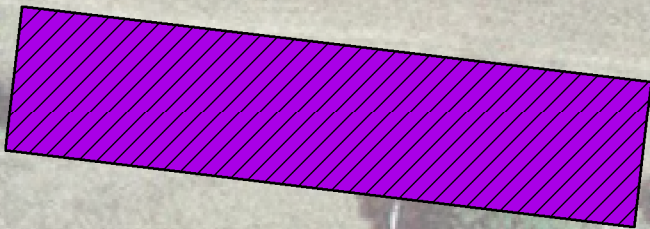
08/05/2015 SHEET 2 OF 23

Legend	
	New Pump Station
	New Relief Well
	Clay Cap
	New Seepage Berm
	New Fill



CAHOKIA CREEK DIVERSION CHANNEL

179+00 178+00 177+00 176+00 175+00 174+00 173+00








USACE Authorized Level of Protection Planning and Analysis

BID PACKAGE 14

MESD

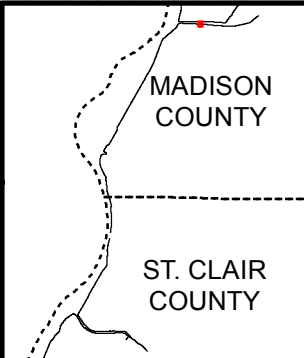
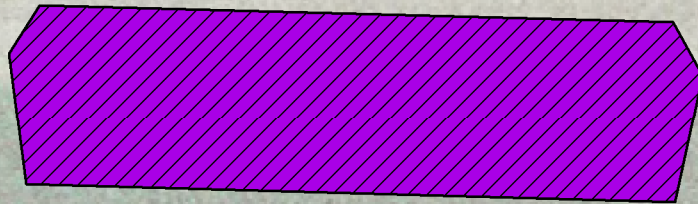
DESIGN STA: 174+30 TO 177+60

Legend

-  New Pump Station
-  New Relief Well
-  Clay Cap
-  New Seepage Berm
-  New Fill



199+00 198+00 197+00 196+00 195+00 194+00 193+00








USACE Authorized Level of Protection Planning and Analysis

BID PACKAGE 14

MESD

DESIGN STA: 194+10 TO 197+40

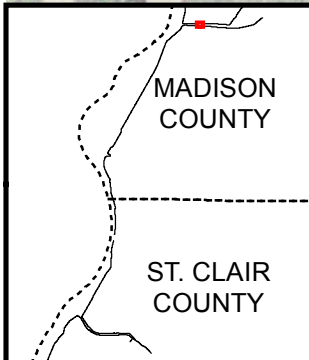
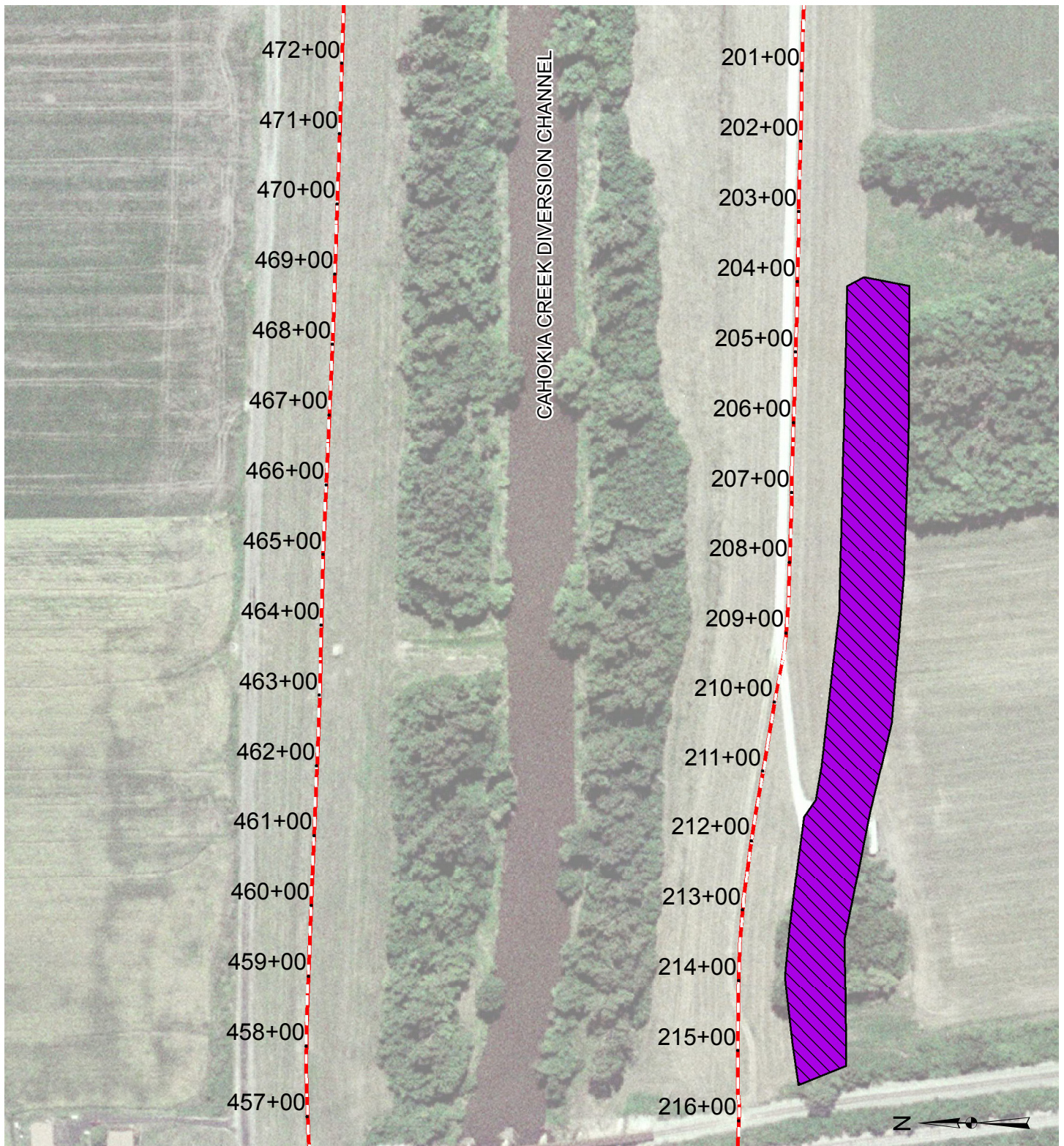
Legend

-  New Pump Station
-  New Relief Well
-  Clay Cap
-  New Seepage Berm
-  New Fill

08/05/2015

SHEET

4 OF 23



USACE Authorized Level of Protection Planning and Analysis

BID PACKAGE 14

MESD





DESIGN STA: 204+00 TO 217+20

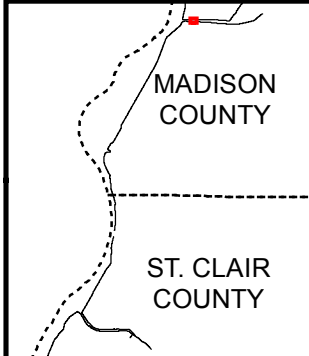
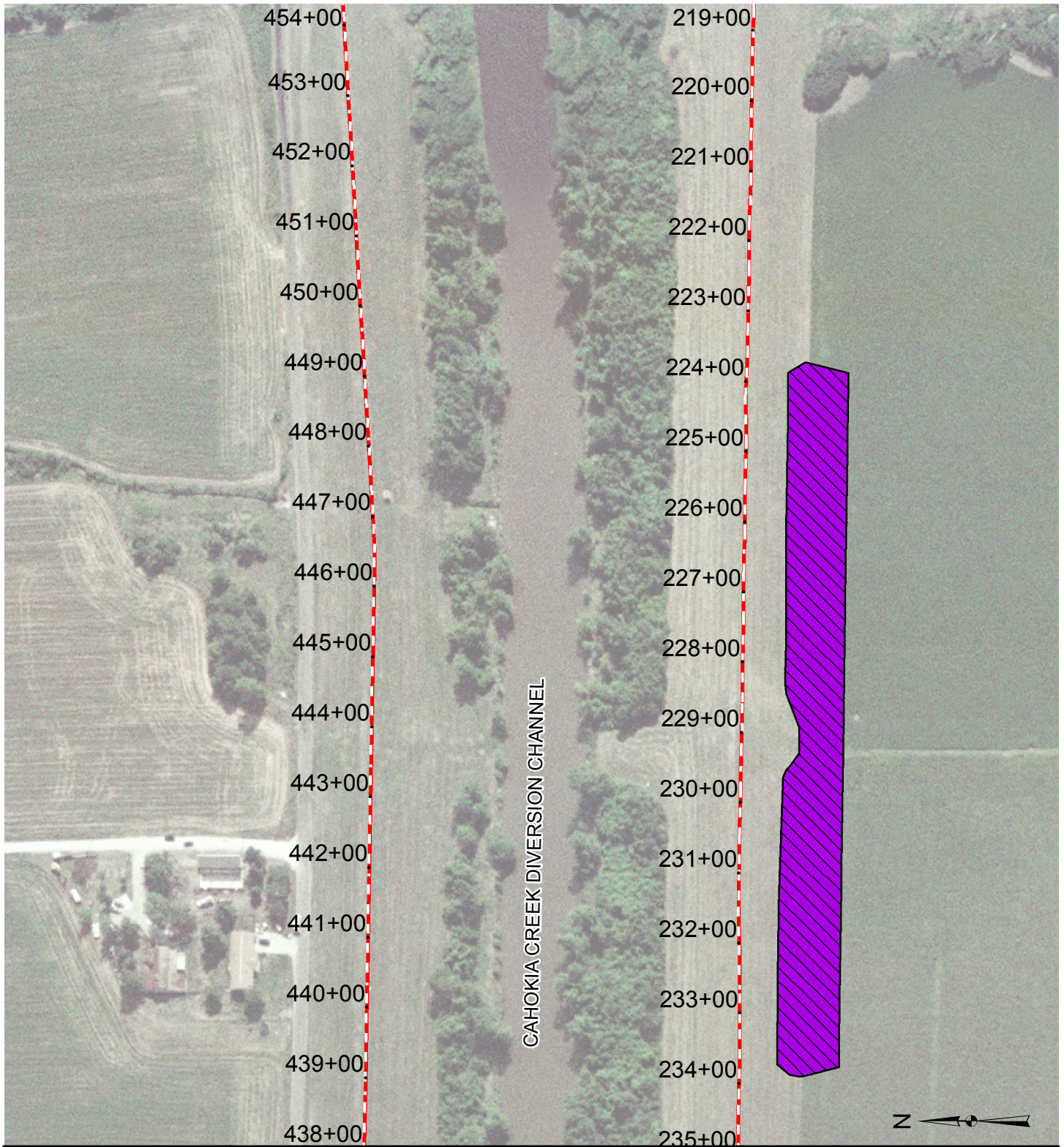
08/05/2015

SHEET

5 OF 23

Legend

-  New Pump Station
-  New Relief Well
-  Clay Cap
-  New Seepage Berm
-  New Fill



USACE Authorized Level of Protection Planning and Analysis






BID PACKAGE 14

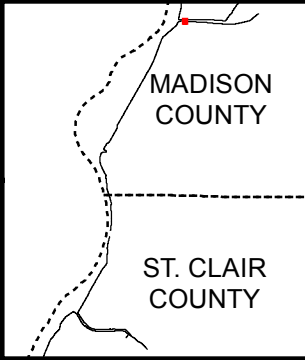
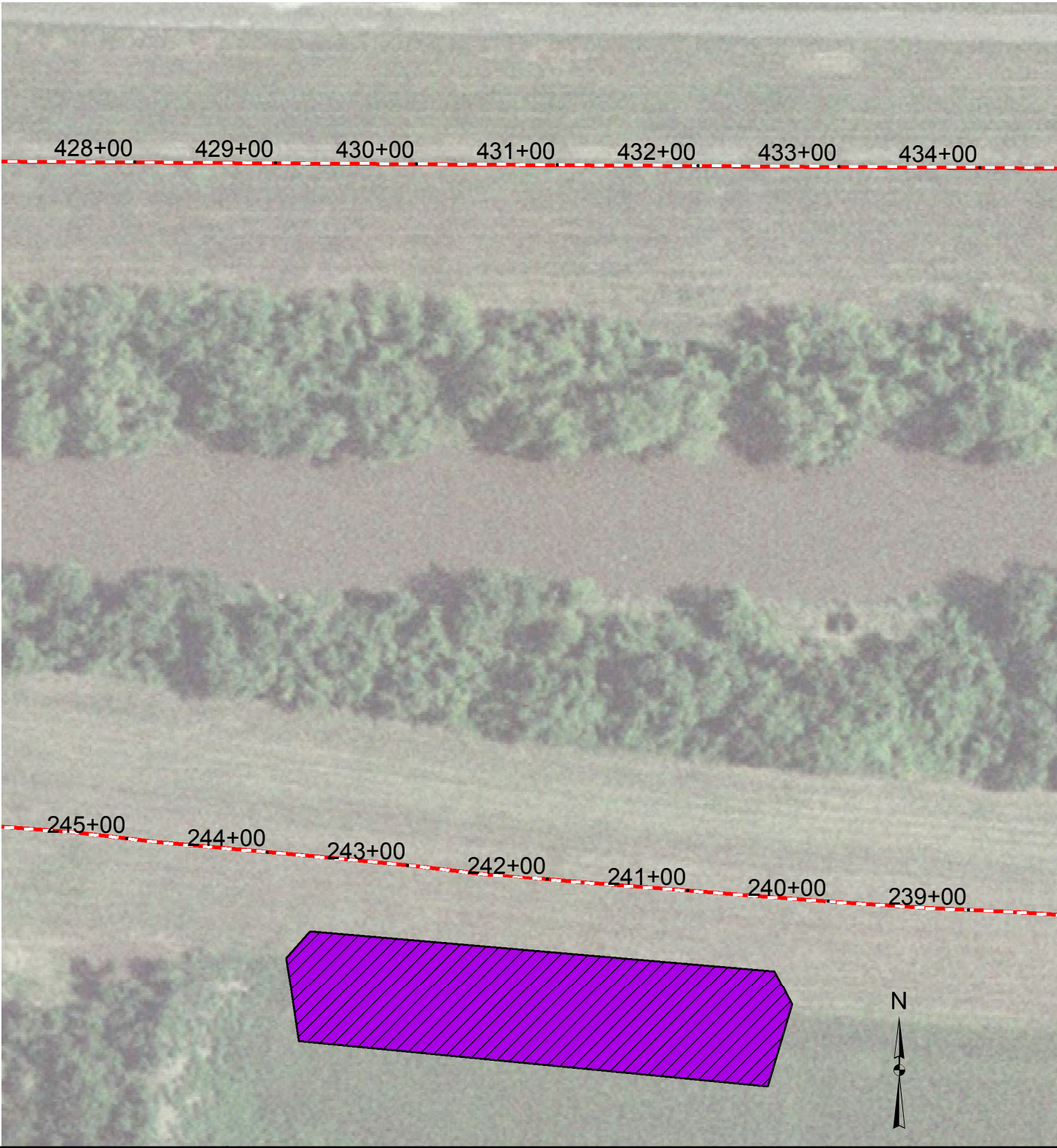
MESD

DESIGN STA: 223+80 TO 233+70

08/05/2015 SHEET 6 OF 23

Legend

-  New Pump Station
-  New Relief Well
-  Clay Cap
-  New Seepage Berm
-  New Fill



**USACE Authorized Level of
Protection Planning and Analysis**






BID PACKAGE 14

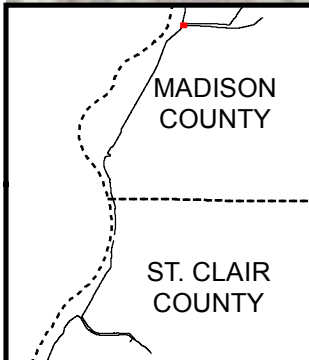
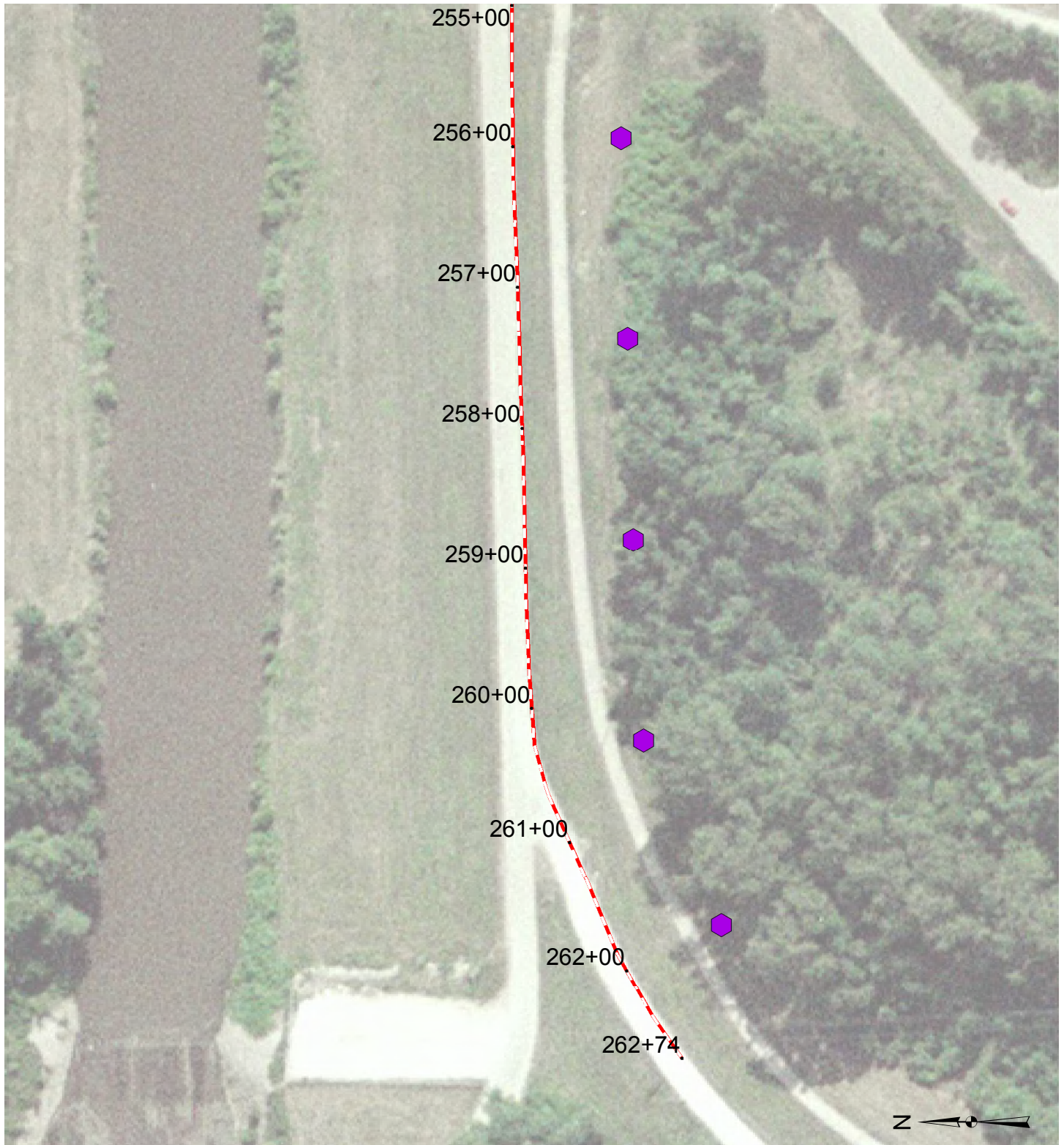
MESD

DESIGN STA: 240+30 TO 243+60

08/05/2015 SHEET 7 OF 23

Legend

-  New Pump Station
-  New Relief Well
-  Clay Cap
-  New Seepage Berm
-  New Fill



USACE Authorized Level of Protection Planning and Analysis

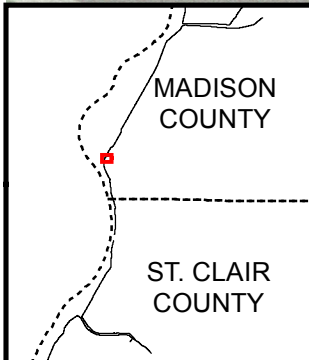
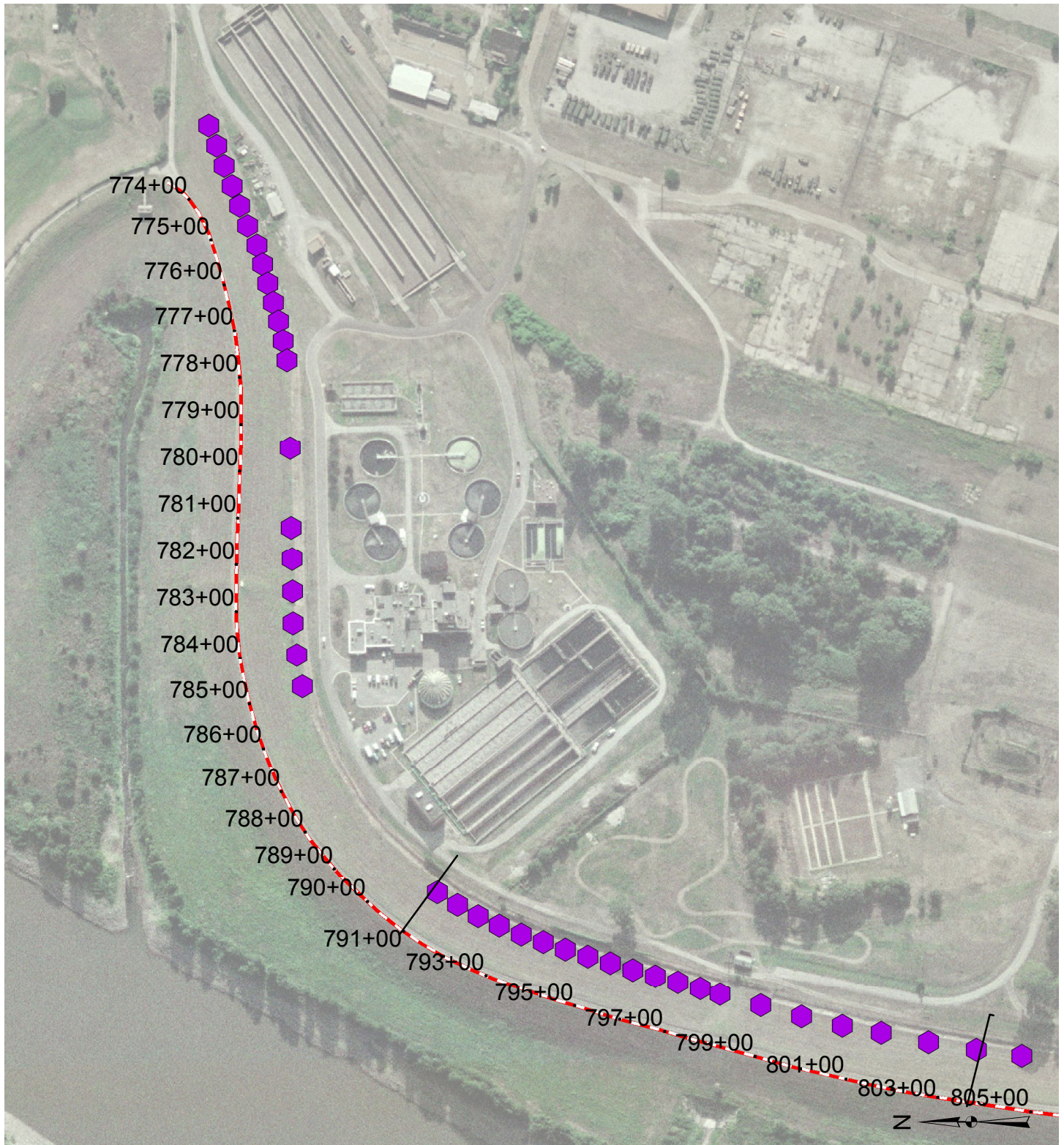
BID PACKAGE 11

MESD

DESIGN STA: 255+90 TO 262+25

Legend

-  New Pump Station
-  New Relief Well
-  Clay Cap
-  New Seepage Berm
-  New Fill



**USACE Authorized Level of
Protection Planning and Analysis**






BID PACKAGE 11

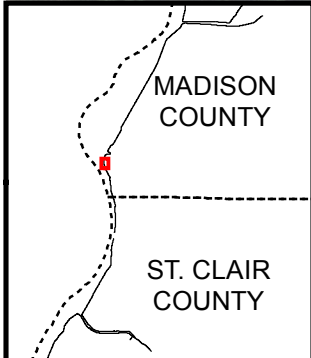
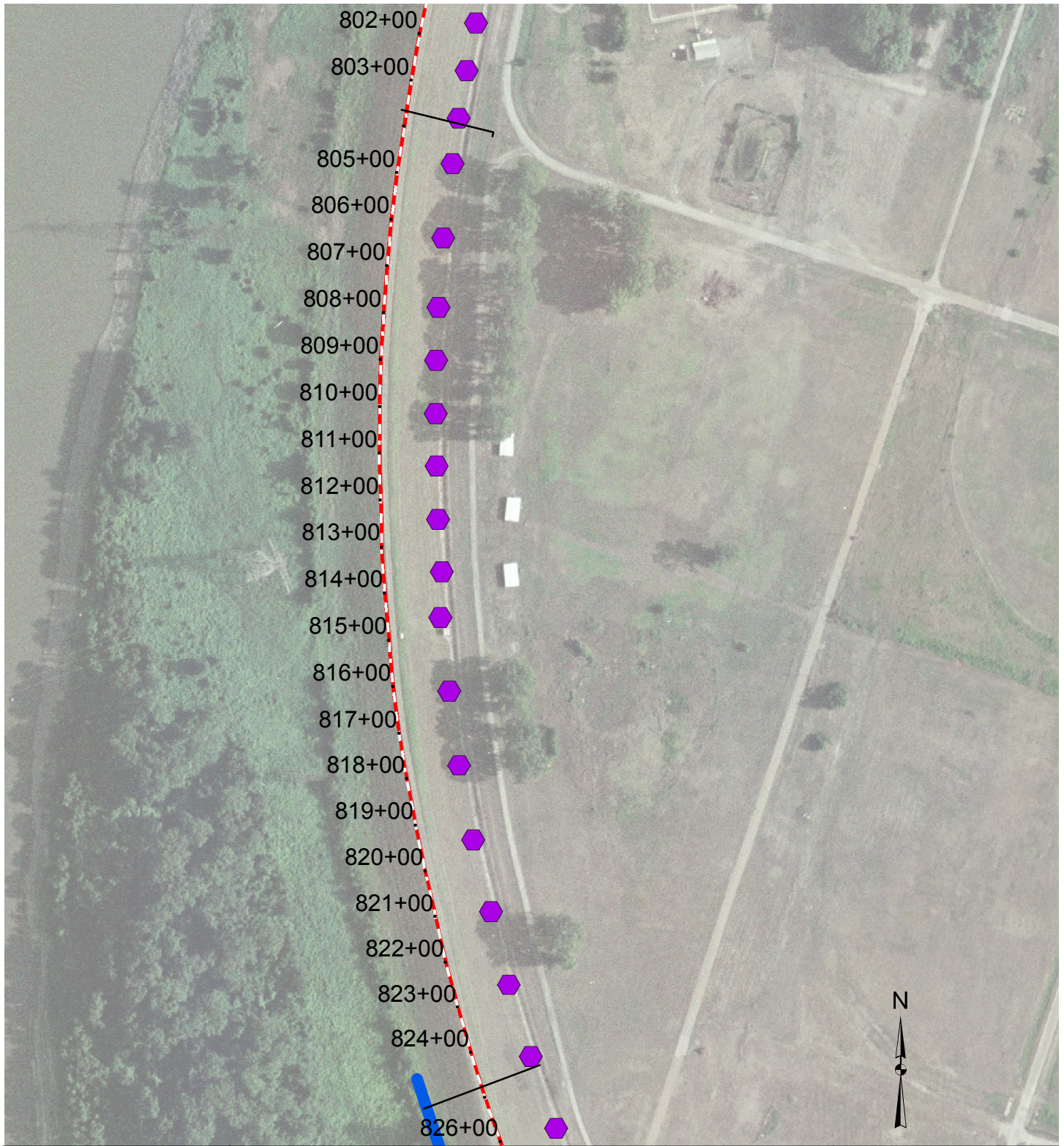
MESD

DESIGN STA: 773+03 TO 824+20

08/05/2015 SHEET 9 OF 23

Legend

-  New Pump Station
-  New Relief Well
-  Clay Cap
-  New Seepage Berm
-  New Fill



**USACE Authorized Level of
Protection Planning and Analysis**






BID PACKAGE 11

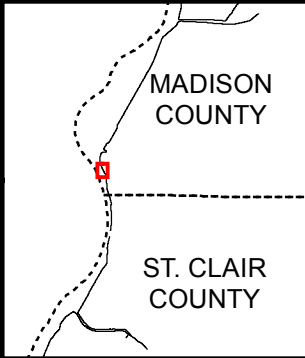
MESD

DESIGN STA: 804+60 TO 824+20

08/05/2015 SHEET 10 OF 23

Legend

-  New Pump Station
-  New Relief Well
-  Clay Cap
-  New Seepage Berm
-  New Fill








USACE Authorized Level of Protection Planning and Analysis

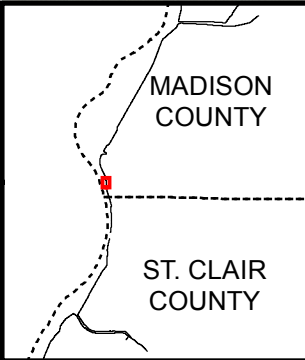
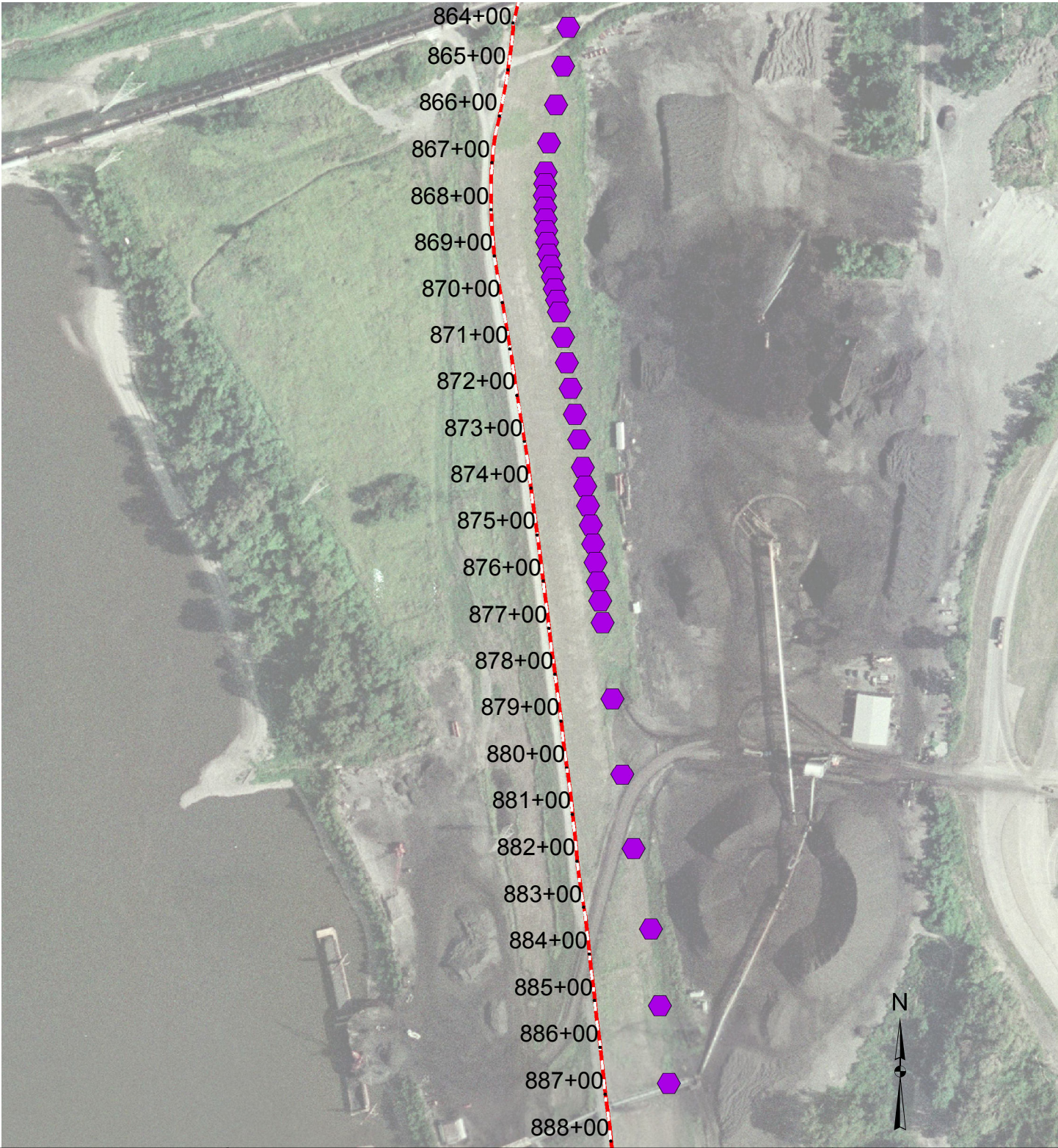
BID PACKAGE 11

MESD

DESIGN STA: 824+20 TO 863+30

Legend

-  New Pump Station
-  New Relief Well
-  Clay Cap
-  New Seepage Berm
-  New Fill








**USACE Authorized Level of
Protection Planning and Analysis**

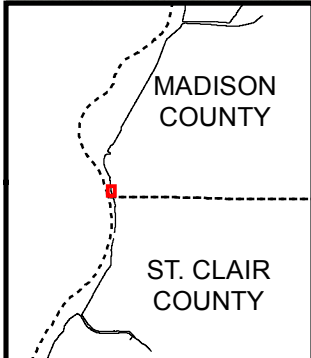
BID PACKAGE 11

MESD

DESIGN STA: 863+80 TO 890+20

Legend

-  New Pump Station
-  New Relief Well
-  Clay Cap
-  New Seepage Berm
-  New Fill








USACE Authorized Level of Protection Planning and Analysis

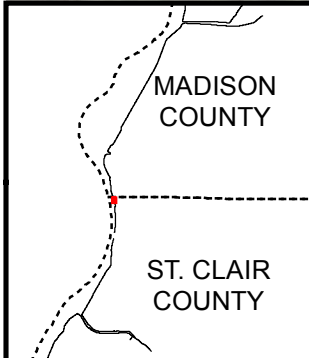
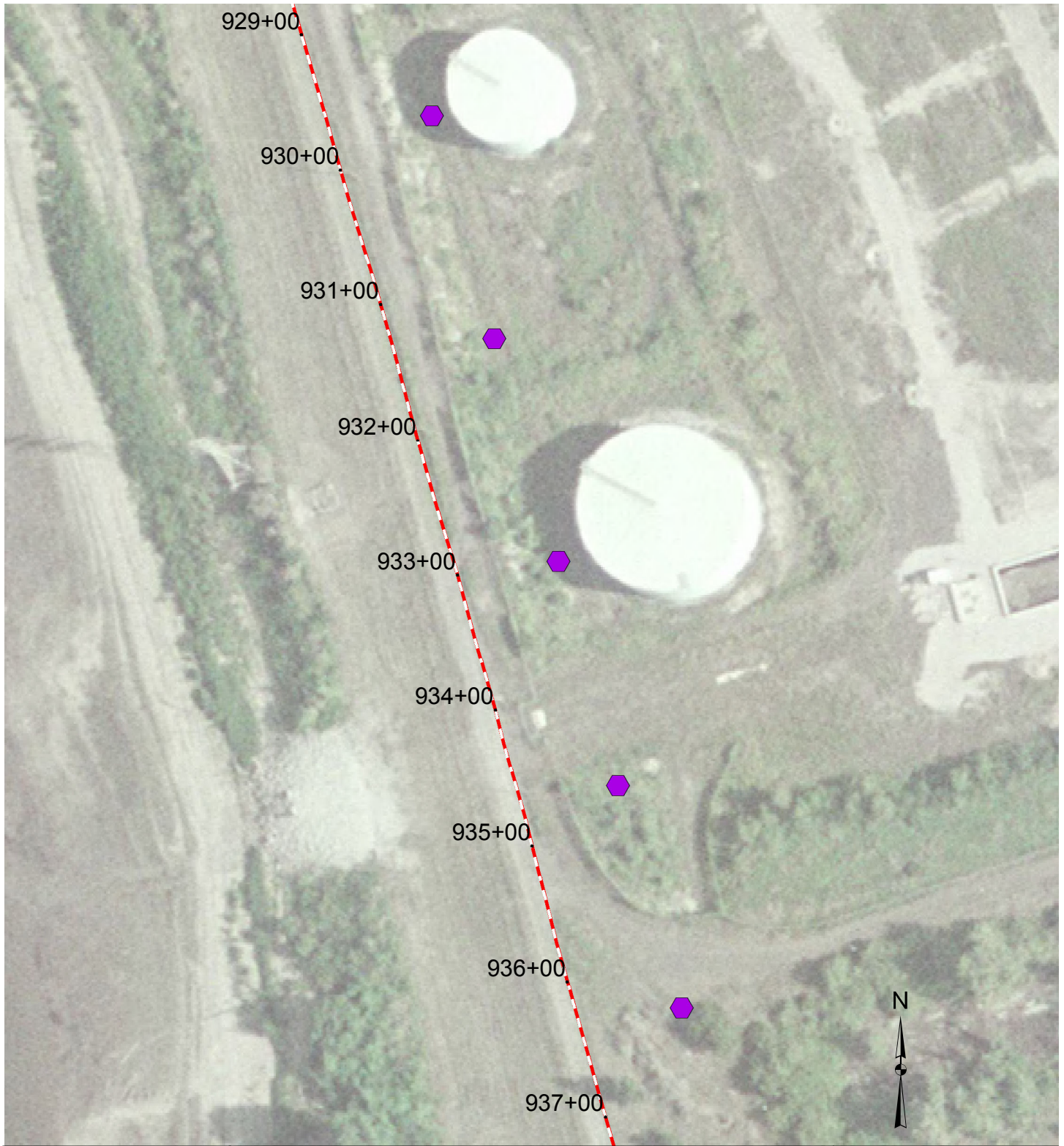
BID PACKAGE 11

MESD

DESIGN STA: 903+40 TO 913+30

Legend

-  New Pump Station
-  New Relief Well
-  Clay Cap
-  New Seepage Berm
-  New Fill



**USACE Authorized Level of
Protection Planning and Analysis**






BID PACKAGE 12

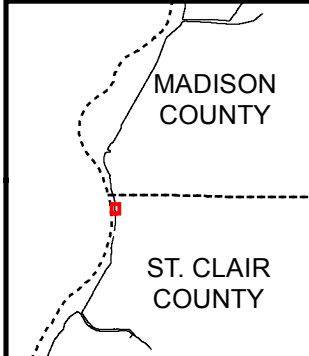
MESD

DESIGN STA: 929+80 TO 936+40

08/05/2015 SHEET 14 OF 23

Legend

-  New Pump Station
-  New Relief Well
-  Clay Cap
-  New Seepage Berm
-  New Fill








**USACE Authorized Level of
Protection Planning and Analysis**

BID PACKAGE 14

MESD

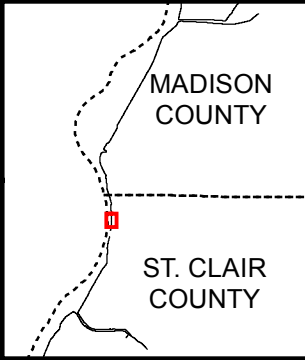
DESIGN STA: 956+20 TO 972+70

Legend

-  New Pump Station
-  New Relief Well
-  Clay Cap
-  New Seepage Berm
-  New Fill



983+00
 984+00
 985+00
 986+00
 987+00
 988+00
 989+00
 990+00
 991+00
 992+00
 993+00
 994+00
 995+00
 996+00
 997+00
 998+00
 999+00
 1000+00
 1001+00
 1004+00
 1005+00
 1006+00
 1007+00
 1008+00
 1009+00
 1010+00
 1011+00
 1012+00
 1013+00
 1014+00
 1015+00








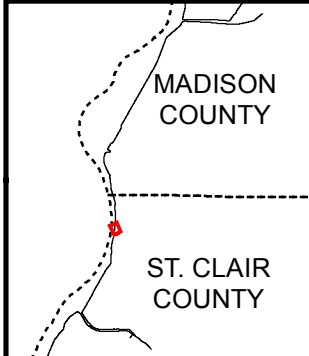
USACE Authorized Level of Protection Planning and Analysis

BID PACKAGE 12

MESD

DESIGN STA: 982+60 TO 1014+00

- Legend**
-  New Pump Station
 -  New Relief Well
 -  Clay Cap
 -  New Seepage Berm
 -  New Fill







**USACE Authorized Level of
Protection Planning and Analysis**

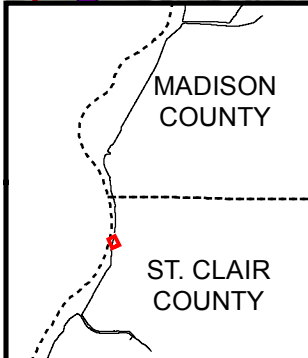
BID PACKAGE 12

MESD

DESIGN STA: 1022+20 TO 1038+70

Legend

-  New Pump Station
-  New Relief Well
-  Clay Cap
-  New Seepage Berm
-  New Fill






**USACE Authorized Level of
Protection Planning and Analysis**

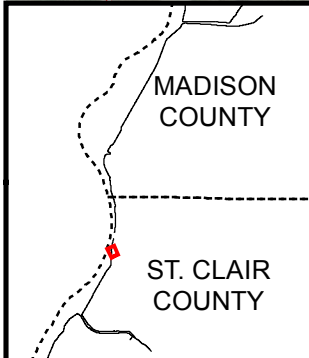
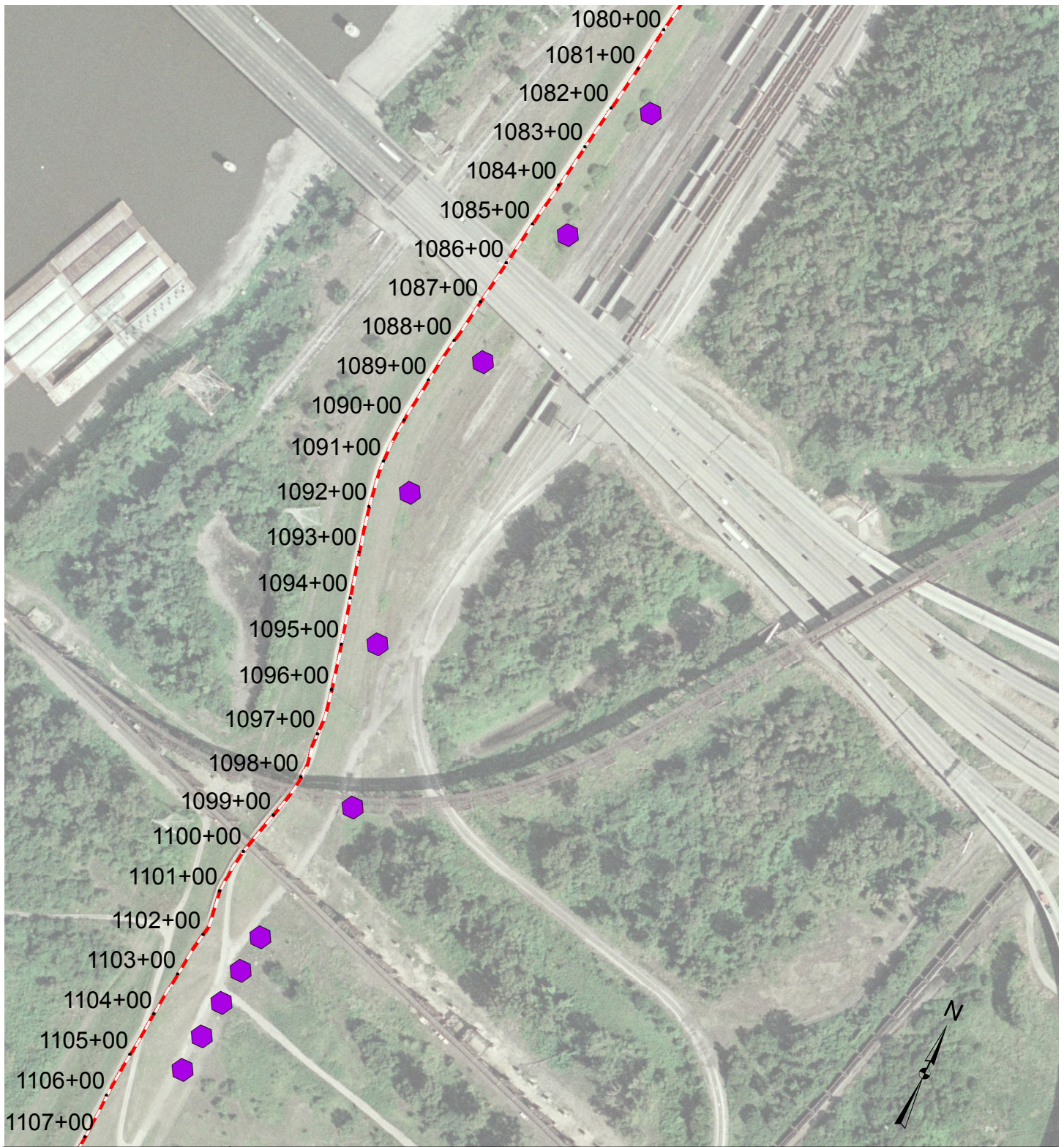
BID PACKAGE 12, 13

MESD

DESIGN STA: 1048+60 TO 1078+30

Legend

-  New Pump Station
-  New Relief Well
-  Clay Cap
-  New Seepage Berm
-  New Fill




**USACE Authorized Level of
Protection Planning and Analysis**

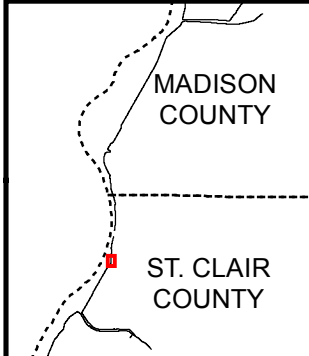
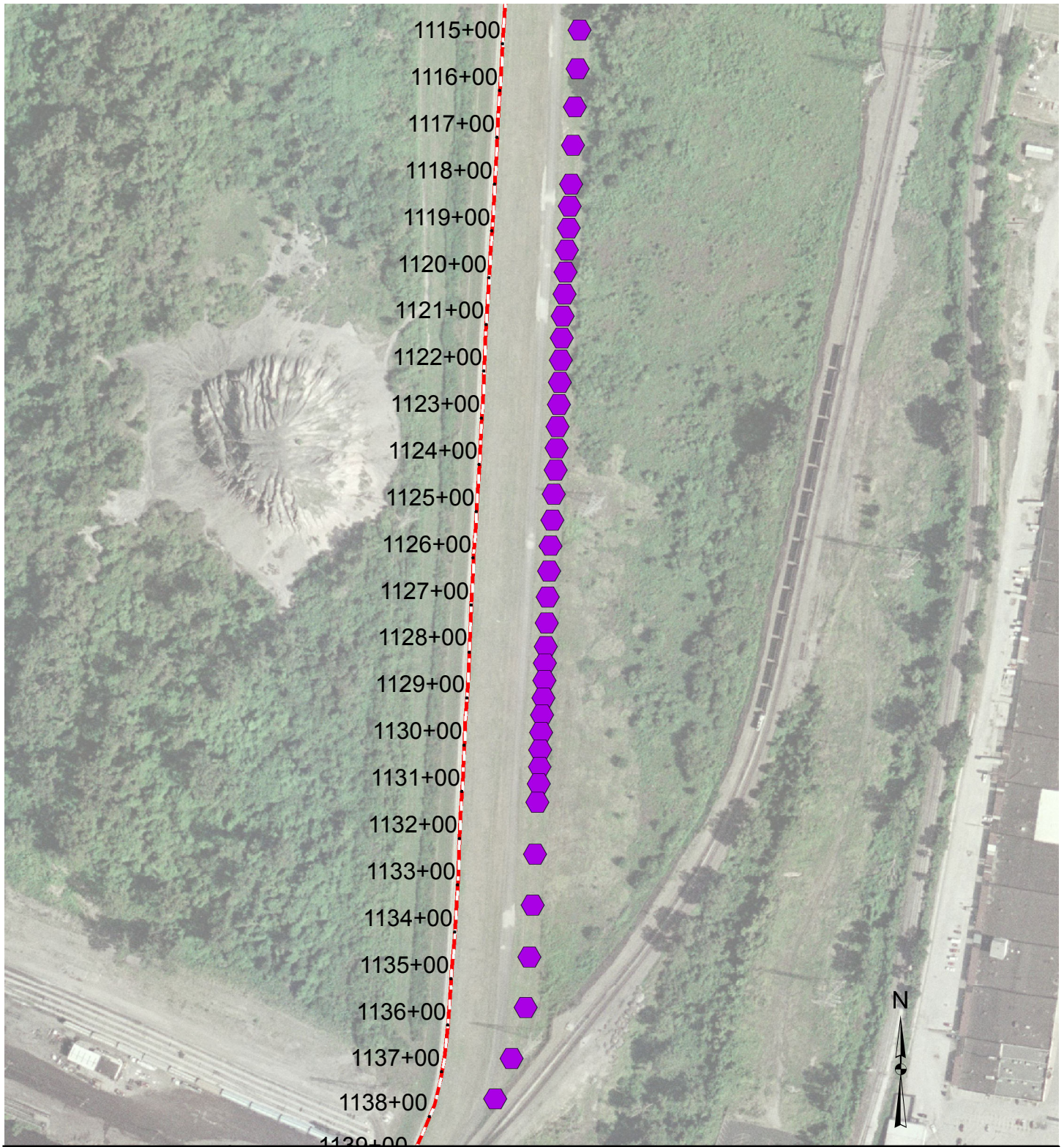
BID PACKAGE 13

MESD

DESIGN STA: 1081+60 TO 1104+70

Legend

-  New Pump Station
-  New Relief Well
-  Clay Cap
-  New Seepage Berm
-  New Fill



**USACE Authorized Level of
 Protection Planning and Analysis**

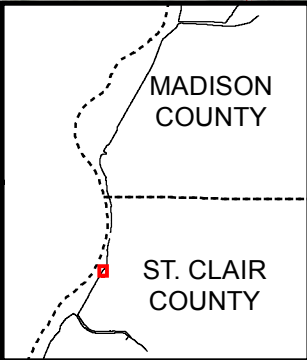
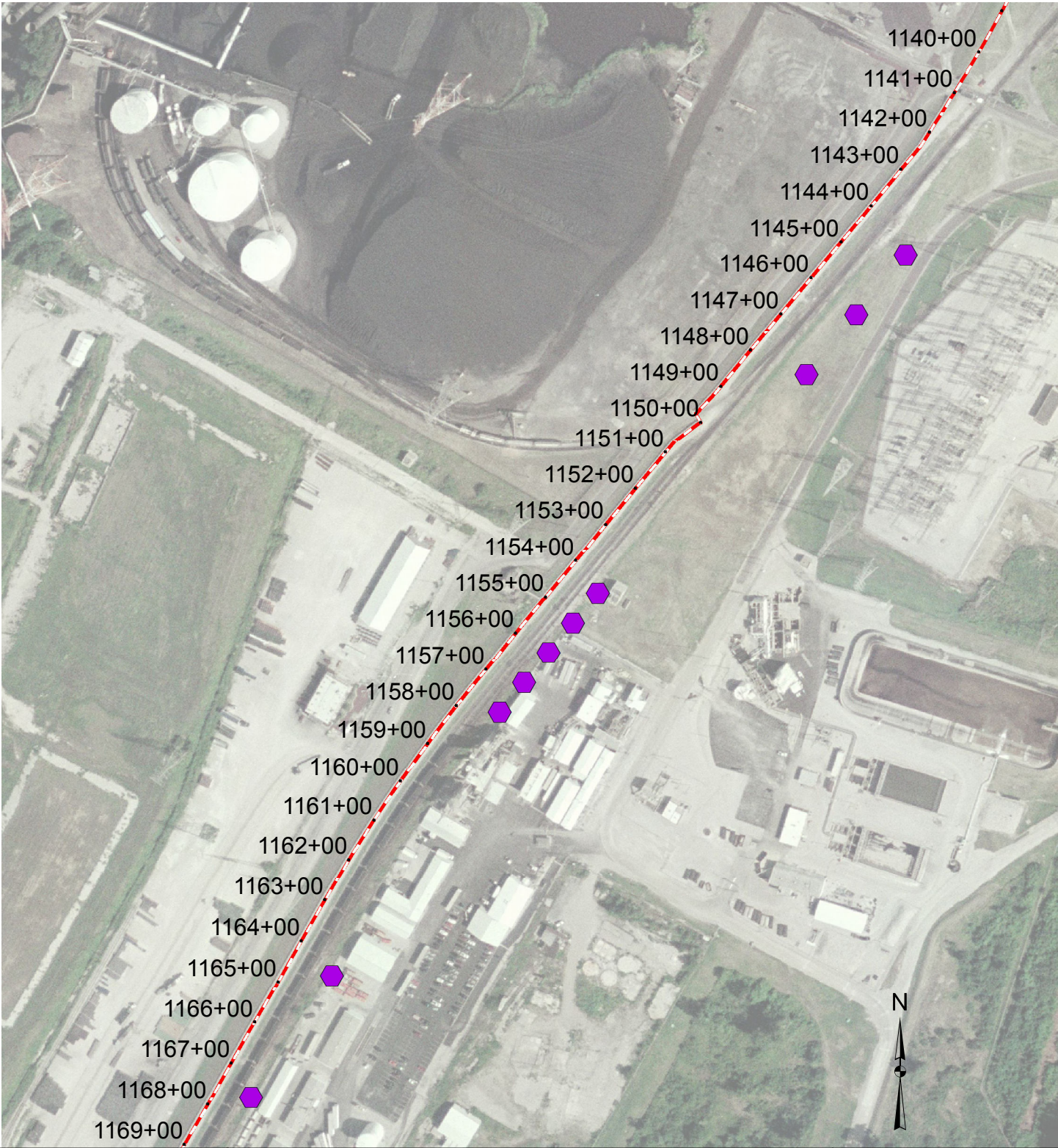
BID PACKAGE 13

MESD

DESIGN STA: 1114+60 TO 1137+70

Legend

-  New Pump Station
-  New Relief Well
-  Clay Cap
-  New Seepage Berm
-  New Fill



**USACE Authorized Level of
Protection Planning and Analysis**






BID PACKAGE 13

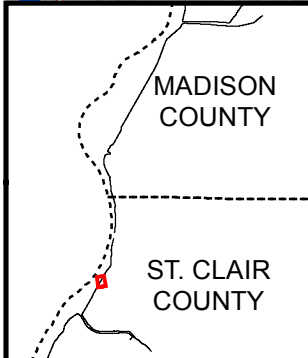
MESD

DESIGN STA: 1144+30 TO 1168+00

08/05/2015 SHEET 21 OF 23

Legend

-  New Pump Station
-  New Relief Well
-  Clay Cap
-  New Seepage Berm
-  New Fill








**USACE Authorized Level of
Protection Planning and Analysis**

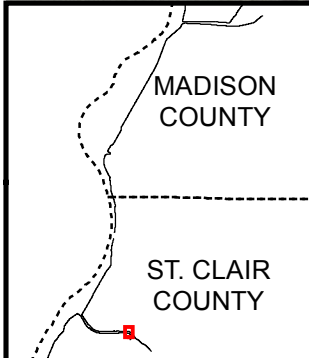
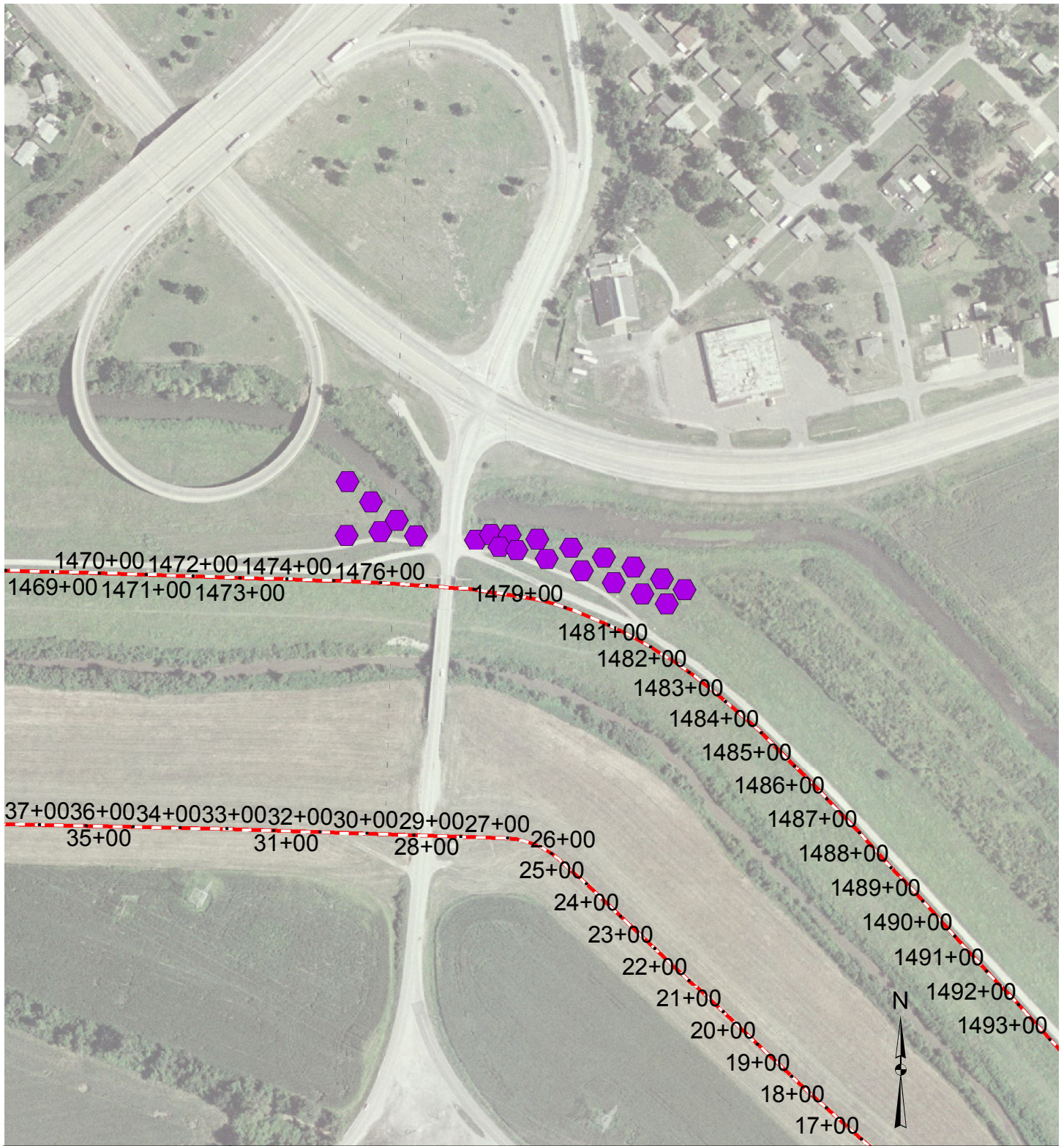
BID PACKAGE 13

MESD

DESIGN STA: 1170+70 TO 1207+00

Legend

-  New Pump Station
-  New Relief Well
-  Clay Cap
-  New Seepage Berm
-  New Fill



**USACE Authorized Level of
Protection Planning and Analysis**






BID PACKAGE 26

MESD

DESIGN STA: 1474+30 TO 1497+40

08/05/2015 SHEET 23 OF 23

Legend

-  New Pump Station
-  New Relief Well
-  Clay Cap
-  New Seepage Berm
-  New Fill

Appendix 2 – Design Process Flow Charts

Authorized Level – Seepage Berm Design



Preliminary (LRR)

Review existing sub-surface data & analyze underseepage to determine seepage berm solution. Identify:

- Material type (semi-perv, sand, etc)
- Beginning & end of each berm
- Height at levee toe (define toe dist.)
- Design width (perp. to levee)
- Thickness at toe of berm

1 Field Walk to verify berm will work

2 Identify existing flood-related conflicts in berm footprint (relief wells, piezometers)

3 Determine if additional boring are needed

4 Yes / No

5 Borings (Drilling)

6 Boring Logs & Lab Work

7 Re-review berm design with new boring data. Identify / Confirm:

- Material type (semi-perv, sand, etc)
- Beginning & end of each berm
- Height at levee toe (define toe dist.)
- Design width (perp. to levee)
- Thickness at toe of berm

8 Design Data Report (DDR)

9 VE Study

10 Topo Survey

11 35% Plans

12 USACE Review of 35% Design

13 Identify Piezometer Locations

14 Utility Coordination

15 Re-work Drainage as Necessary

16 Interior Drainage Analysis

17 Legal Survey

18 65% Plans

19 USACE Review of 65% Design

20 Update DDR

21 95% Plans & Specifications

22 USACE Review of 95% Design

23 IFB Plans & Specifications

24 Bidding

25 Construction

20 Update DDR

21 95% Plans & Specifications

22 USACE Review of 95% Design

23 IFB Plans & Specifications

24 Bidding

25 Construction

[BCOE → ATR] → [SAR]

Authorized Level – Relief Well Design



Preliminary (LRR)

Review existing sub-surface data & analyze underseepage to determine relief well solution. Identify:

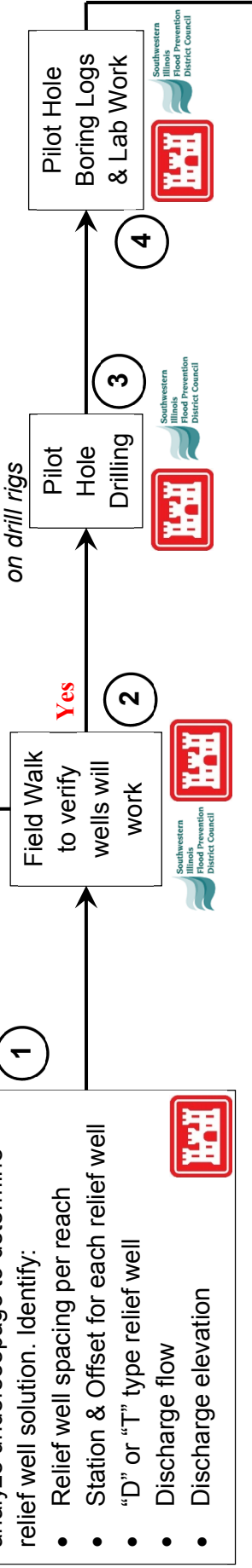
- Relief well spacing per reach
- Station & Offset for each relief well
- "D" or "T" type relief well
- Discharge flow
- Discharge elevation

Corps Geologist on drill rigs

Field Walk to verify wells will work

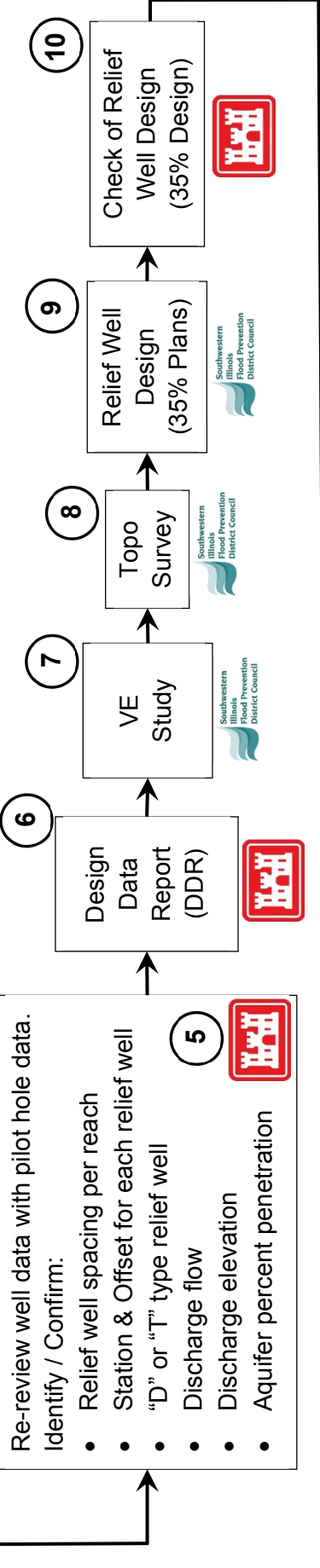
No

Yes



Re-review well data with pilot hole data. Identify / Confirm:

- Relief well spacing per reach
- Station & Offset for each relief well
- "D" or "T" type relief well
- Discharge flow
- Discharge elevation
- Aquifer percent penetration



Identify Piezometer Locations

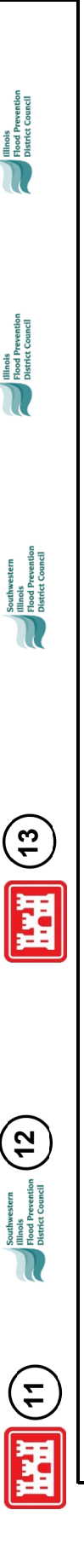
Design of Conveyance Systems

Determine Need for Pump Station

Design of Pump Station as needed

Legal Survey

65% Plans



USACE Review of 65% Design

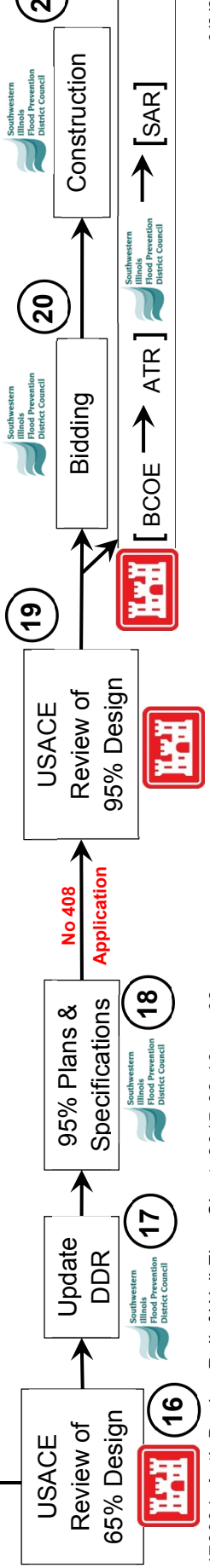
Update DDR

95% Plans & Specifications

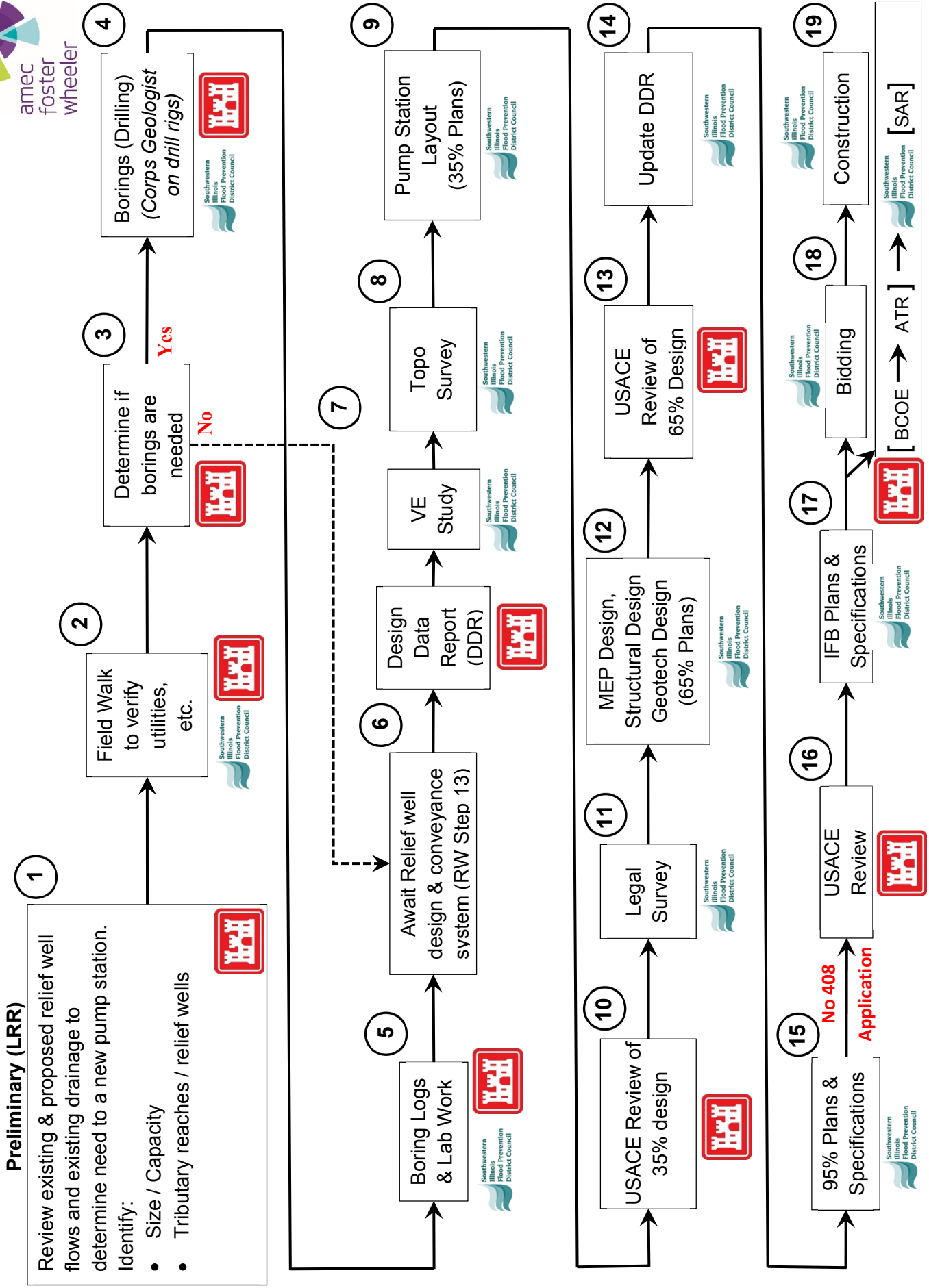
USACE Review of 95% Design

Bidding

Construction



Authorized Level – Pump Station Design





Memo to: Board of Directors
From: Chuck Etwert
Subject: Authorization to Extend Contract with Marks and Associates for Diversity Program Manager Services
Date: August 17, 2015

In accordance with the Board's adopted a Minority Business and Workforce Utilization Plan of December 2012, in May 2013, the Board selected Marks and Associates to serve as the Diversity Program Manager for the project based on the firm's qualifications.

The board initially authorized a one year contract with Marks and Associates in July 2013 and last August approved an extension based on the anticipated completion of all projects by May of this year.

Unfortunately, easements, high river conditions, and contract rebidding have extended the construction completion date to May 2016, therefore, an additional \$32,310 is needed for Marks and Associates to continue to provide services thru May 2016.

Sandra Marks will be at the August meeting to present her firm's outreach to minority firms and the results to date. Next June, after the conclusion of all project construction, she will be present their Economic Impact Report.

Attached is the Marks and Associates man-hour projection for the remainder of the project.

The DPM function is an important one as we continue to make a credible effort to encourage the participation of minority firms and workers in the project.

Recommendation:

Authorize the Chief Supervisor to execute a contract with Marks and Associates to continue to serve as the Diversity Program Manager for the Council's flood prevention project. The contract will be extended thru May 2016 at a cost not to exceed \$32,310.

Assigned Team	Billable Rate per Hour	Aug	Sep	Oct	Nov	Dec	Jan	Feb	March	Apr	May	FY15 Hours	Total Fee
Compliance Manager	\$105.00	12	12	9	6	6	6	0	0	3	3	3	54 \$ 5,670.00
Project Analyst	\$80.00	12	12	9	6	6	6	0	0	3	3	3	54 \$ 4,320.00
Jobsite Assistant	\$40.00	104	104	78	52	52	26	0	0	26	26	26	468 \$ 18,720.00
Project Coordinator	\$40.00	20	20	15	10	10	10	0	0	5	5	5	90 \$ 3,600.00
#Active		4	4	3	2	2	2	0	0	1	1	1	\$ 32,310.00
Projects		4	4	3	2	2	2	0	0	1	1	1	\$ 32,310.00



Memo to: Board of Directors
From: Chuck Etwert
Subject: Election of Officers for 2015-2016
Date: August 17, 2015

Under the Council's bylaws, Board officers (President, Vice-President, and Secretary-Treasurer) serve one year terms, must each be from a different County Flood Prevention District and are elected at the Council's Annual Meeting. In the past, officers have been selected from among the Chairs of the three county flood prevention districts, and the positions have been rotated on an annual basis, but any Board member is eligible to serve as an officer.

The election of officers will take place on August 19, 2015 at the Council's regular Board meeting.



Memo to: Board of Directors
From: Chuck Ewert
Subject: Resolution of Appreciation
Date: August 17, 2015

Dan Maher has informed us that he will be relocating to Champaign, Illinois, and therefore, will be resigning from the Council effective August 20, 2015.

Attached is a resolution expressing recognition and appreciation of his distinguished service to the Council.

Southwestern Illinois Flood Prevention District Council

RESOLUTION Expressing Recognition and Appreciation to Daniel L. Maher for Distinguished Service In Restoring Flood Protection in the Metro-East

WHEREAS, Daniel L. Maher has served as a Commissioner on the St. Clair County Flood Prevention District since its inception in 2008, with reappointments in 2011 and 2014; and

WHEREAS, he has served on the Board of Directors of the Southwestern Illinois Flood Prevention District Council since its inception in 2009; and

WHEREAS, he has provided outstanding leadership and guidance to the Southwestern Illinois Flood Prevention District Council; and

WHEREAS, he faithfully and with honor, integrity and great distinction served as Secretary/Treasurer, Vice President, and President of the Southwestern Illinois Flood Prevention District Council; and

WHEREAS, his efforts have demonstrated that Counties working together can achieve much; and

WHEREAS, he has always been mindful of the goal of the Southwestern Illinois Flood Prevention District Council of achieving Federal Emergency Management Agency accreditation certifying the Metro-East levees meet federal standards; and

WHEREAS, he has worked tirelessly to avert the threat to classify the area as prone to flooding along with the terrible economic consequences of such action; and

WHEREAS, he has encouraged workforce policies that ensure fair wages and working conditions for project workers, encouraging the use of local workers, and avoiding work stoppages that could delay project completion; and

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 under his leadership; and

WHEREAS, his leadership helped initiate the restoration of the federally authorized 500-year level of flood protection in the Metro-East providing the region with a higher level of flood protection and economic growth, while simultaneously completing the 100-year level projects.

NOW, THEREFORE, IT IS HEREBY RESOLVED, that the Board of Directors of Southwestern Illinois Flood Prevention District Council formally acknowledges and extends its recognition and appreciation to Daniel L. Maher for his many years of service to the Southwestern Illinois Flood Prevention District Council and his efforts to provide expeditious and cost-effective flood protection to the Metro-East.