

South Suburban Joint Action Water Agency

Minutes of June 27, 2013 Regular Meeting

Public notices to cancel the agency special meeting scheduled for June 13, 2013 and schedule the agency regular meeting for June 27, 2013 were posted in the Markham City Hall in a timely manner.

The regular meeting June 27, 2013, was held in the council chambers of the Markham, Illinois City Hall and called to order by Agency Chairman Webb. The Pledge of Allegiance was recited at 3:17 p.m.

Pledge of Allegiance.

The roll call of agency Directors recognized Directors: Webb, Markham; Ward, Robbins; Nesbit, Harvey; Bilotto, Blue Island; Killelea, Midlothian; Kitching, Alsip; Denson, Calumet Park. A legal quorum was declared.

Also in attendance: Burton Odelson acting on behalf of Agency Counsel and Secretary Michael Stillman; Brett Postl, Postl-Yore & Associates Agency Program Manager; Dave Schutter, Letke & Associates Agency Financial Advisor; Agency Alternate Director Kevin Michaels and Dan Donahue.

Motion was moved by Director Nesbit seconded by Director Bilotto to change the order of agenda items on the agenda by moving up item 13 (Election of Officers) up to item 5.

Motion Voice Vote:

Motion approved: 7ayes/0 nays/0 abstain/0 absent

Motion was made by Director Bilotto seconded by Director Kitching to swear in new members of the Board.

Motion Voice Vote:

Motion approved: 7ayes/0 nays/0 abstain/0 absent

The Oath of Office was administered by Mr. Odelson to Directors Donald Killelea, Carmine Bilotto, Tyrone Ward and Alternate Director Kevin Michaels.

Director Kitching nominated Director Webb to serve as Agency Chairman. The nomination was seconded by Director Denson. No other nominations were entered.

Motion Voice Vote :

Motion approved: 7 ayes/0 nays/0 abstain/0 absent

Director Bilotto nominated Mayor Denson to serve as Agency Vice Chairman. The nomination was seconded by Director Nesbit. No other nominations were entered.

Motion Voice Vote:

Motion approved: 7 ayes/ 0 nays/0 abstain/ 0 absent

Director Nesbit nominated Director Ward to serve as Agency Secretary. The nomination was seconded by Director Kitching. No other nominations were entered.

Motion Voice Vote :

Motion approved: 7 ayes/ 0 nays/ 0 abstain/ absent

Director Ward, nominated Director Nesbit to serve as Treasurer. The nomination was seconded by Director Bilotto. No other nominations were entered.

Motion Voice Vote:

Motion approved: 7 ayes/0 nays/ 0 abstain/ 0 absent

A motion was made by Director Kitching seconded by Director Nesbit to approve the April 25, 2013 regular Board meeting minutes. During discussion a clarification was presented by Burt Odelson concerning invoices and the amount thereof, listed in the April 25, 2013 meeting minutes. Dave Shutter explained the adjustments. Adjustments were discussed and a motion to approval of the adjustments was made by Director Kitching and seconded by Director Ward.

Motion Voice Vote:

Motion approved: 7 ayes/0 nays/ 0 abstain/ 0 absent

A motion was made by Director Kitching seconded by Director Nesbitt to approve the executive session meeting minutes of April 25, 2013.

Motion Voice Vote:

Motion approved: 6 ayes/0 nays/ 1 abstain/ 0 absent

Mr. Odelson distributed revised agency Director contact information sheets. In his agency counsel report, Mr. Odelson (1) reviewed a revised professional services agreement from his firm reducing hourly fees and amending the firms scope of services (2) discussed proposed amendments to agency policy (3) discussed communications between Mike Stillman and the city of Whiting, Indiana regarding indemnification language (4) notified Directors of a FOIA request by the Chicago Tribune and distributed copies of the records delivered.

Mr. Odelson requested Board action on agenda item 7c and 7d. The Directors discussed revisions in the Odelson & Sterk professional services agreement regarding administrative services for the agency and utilization of Mr. Donahue to assist in the administrative services. At the Directors request, Mr. Donahue took the floor to explain his long association, qualifications, experience and institutional knowledge of the agency and agency project. Mr. Donahue referred to a draft proposal for his services requested by the agency Directors and tabled at the December 2012 agency meeting. Mr. Donahue offered to withdraw his invoices for services until the new agency Directors had time to discuss the matter and resubmit his written proposal for services. The Directors agreed to discuss the matter in executive session.

Chairman Webb stated Mr. Postl is not in agreement with the Board's Hammond negotiations and the truth is not being told. Webb stated he is frustrated with lack of progress and does not want litigation.

Director Bilotto stated perhaps there is someone else Odelson & Sterk could hire to assist in agency administrative services. The Directors requested a special meeting of the agency on July 2, 2013 at 3:00.

Mr. Odelson stated the revisions to his professional services agreement and agency policy needed Board action to become effective. Odelson pointed out all administrative services are authorized and expenses are approved by the Board and recommends the adoption of item 7c. Director Nesbit questioned the agency's ability to audit administrative services expenses paid to third party through the law firm. Mr. Odelson referred the question to Mr. Shutter who stated expenses with regards to the law firm's bill should not be a problem for auditing purposes. Director Nesbit stated the Board should have the right to vote on who would be the administrator and that other persons should be considered. Mr. Odelson stated he would not pick an administrator, only the Board can pick an administrator. Director Kitching stated the Board needs to stay focused and needs to get a pipe in ground because they are running out of time and funds.

A Motion was made by Director Kitching seconded by Director Killelea to approve the adoption of 7c. The Motion was seconded by Midlothian.

Motion Voice Vote:

Motion approved: 6 ayes/0 nays/ 1 abstain/ 0 absent

Policy Amendments Item 7d. Mr. Odelson explained under the current Agency Funds Disbursement policy, all invoices to the agency must be submitted by the program manager for submission to the agency treasurer and approval by the agency Board. The policy includes invoices for accounting, financial and legal services. Mr. Odelson explained the 7D policy amendment instructs the accounting, financial and legal services professionals to submit invoices to the agency treasurer directly and instructs the program manager to collect, review and submit all technical service invoices to the agency treasurer for approval by the agency Board.

Chairman Webb remarked to Mr. Postl the agency's responsibility is a full time obligation and the seven communities should be unified. There should be no side bar meetings and no politics. Chairman Webb restated his frustration with the lack of progress and recommended all legal bills other, than Odelson & Sterk's, should be reviewed by Odelson & Sterk first, then to Treasurer and then to the Board.

A Motion was made by Director Bilotto seconded by Director Nesbit to approve the adoption of item 7d.

Motion Voice Vote

Motion approved: 7 ayes/0 nays/ 0 abstain/ 0 absent

Item 8. Program Manager Postl referred to a Director's suggestion there should be more than one meeting a month further suggesting the second and last Thursday of the month. Chairman Webb stated that it sounds like a good idea. All Directors agreed.

Finance: Mr. Shutter wants to clarify July 2nd as the next meeting date. He needs the Board to take action regarding selection of auditor. He stated information was sent to the Directors regarding the qualifications of three auditing firms. Secondly, Mr. Shutter reminded the Directors the agency appropriation ordinance must be passed by end of July. He requested the Directors review the draft budget he had developed and sent to them for review. Mr. Postl inquired why the draft budget was not sent to him. Mr. Shutter stated he was not directed by the Board to copy Postl on the draft budget. Mr. Shutter stated the Board should review and discuss the agency appropriation projections.

A Director stated the program manager should have a copy of the budget Mr. Schutter agreed to forward a copy.

Treasurer's Report: Directors questioned Mr. Postl's request for payment and requested an explanation on the legal and accounting invoices. Mr. Postl remarked although his payments for services have been paused, there is no provision in his program manager agreement to pause his payments. Mr. Postl stated he does not work for free. Postl stated he temporarily accepted reductions and suspension in payments but now wants \$45,000.00 a month. Former Director and agency treasurer Stephens had presented the treasurers report and stated he could not in good conscience approve any additional payments to Mr. Postl that the agency has already paid him over a million dollars for an incomplete feasibility study. In Stephen's opinion no more money should be paid to Postl until the agency has an engineering project.

A Motion was offered by Director Bilotto, Blue Island to vote on the treasurer's report concerning approval of numbers 1, 2, and 4 and to delay action on Mr. Postl's bill until Board agrees on how to proceed with the \$45,000.00 payment. The Motion was seconded by Director Denson. Not voted on and withdrawn by Director Bilotto.

A Motion to postpone the approval of all the bills until after the Board has a chance to review them and to move the agenda item to a July 2, 2013 special meeting was made by Director Bilotto and seconded by Director Denson.

Motion Voice Vote:

Motion approved: 7 ayes/0 nays/ 0 abstain/ 0 absent

Motion was offered by Director Denson to adjourn to Executive Session to discuss litigation and land acquisition. The motion was seconded by Director Kitching.

Motion Voice Vote:

Motion approved: 7 ayes/0 nays/0 abstain/ 0 absent

Motion was offered by Harvey seconded by Alsip to commence the open meeting.

Motion Voice Vote:

Motion approved: 7 ayes/0 nays/0 abstain/ 0 absent

The Board states that Public comments will be addressed at that time. A member of the public poses the question as to when the appropriations will be on the agenda. She also wants to know

why former Board members are present. Director Kitching states that public comment is not a question and answer forum. The next member of the public who makes a comment states that the funds for JAWA should be spent on housing and not a project like JAWA.

Director Kitching expresses that the job of JAWA is to save people money and that the members of the Board do not get paid for being on the Board.

A Motion to adjourn the meeting was made by Chairman Webb and seconded by Director Kitching.

Motion Voice Vote:

Motion approved: 7 ayes/0 nays/0 abstain/ 0 absent