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MADISON COUNTY BOARD

STATE OF ILLINOIS)
) SS
COUNTY OF MADISON)

Proceedings of the County Board of Madison County, Illinois, as the recessed session of said Board held at the Nelson "Nellie" Hagnauer County Board Room in the Administration Building in the City of Edwardsville, in the County and State aforesaid on said Tuesday, February 26, 2008, and held for the transaction of general County business.

**TUESDAY, FEBRUARY 26, 2008
5:00 PM
EVENING SESSION**

The Board met pursuant to recess taken February 20, 2008.

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The meeting was called to order by Alan J. Dunstan, Chairman of the Board.

The Pledge of Allegiance was said by all members of the Board.

The Roll Call was called by Mark Von Nida, County Clerk, showing the following members Present:

PRESENT: Messers. Adler, Asadorian, Burris, Ms. Fitzgerald, Hoechst, Holliday, Ms. Kuhn, Laub, Meyer, Minner, Ms. Myers, Petrillo, Ms. Ruppert, Scheibel, Schuler, Semanisin, Ms. Tracy, Trucano, Voumard, Walters, Wangard, and Dunstan.

ABSENT: Messer. Ms. Brown, Ms. Glasper, Hartman, Ms. Hawkins, Ms. Novacich, Ms. Overton, Patton, and Ms. Roosevelt.

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The following Resolution was submitted and read:

RESOLUTION TO EXTEND 2007 BOARD OF REVIEW SESSION

WHEREAS, on December 19, 2007, the Madison County Board of Review has granted an extension of time to the Board of Review until February 29, 2008 to complete its 2007 work and

WHEREAS, the Board of Review has encountered some conversion problems from the OASIS system to the DEVNET system that may delay the calculations of the township multipliers and the final abstract to be submitted to the Department of Revenue and

WHEREAS, a second Board of Review extension should not have nay significant impact on the mailing of the 2007 tax bills and is needed to resolve any technical problems that might arise; therefore,

BE IT RESOLVED, that the Madison County Board approve an extension of the 2007 Board of Review session to March 14, 2008.

s/ Larry Trucano
Larry Trucano

s/ Nick Petrillo
Nick Petrillo

s/ Kelly Tracy
Kelly Tracy

Mike Walters

s/ Michelle Ruppert
Michelle Ruppert

Barbara Overton

s/ Hal Patton
Hal Patton

Mr. Trucano moved, seconded by Mr. Holliday, to adopt the foregoing Resolution.

The ayes and nays being called for on the motion to adopt resulted in a vote as follows:

AYES: Adler, Asadorian, Burris, Ms. Fitzgerald, Hoechst, Holliday, Ms. Kuhn, Laub, Meyer, Minner, Ms. Myers, Petrillo, Ms. Ruppert, Scheibel, Schuler, Semanisin, Ms. Tracy, Trucano, Voumard, Walters, and Wangard.

NAYS: None.

Ayes 21. Nays 0. Whereupon the Chairman declared the motion duly adopted.

* * * * *

Mr. Dunstan: What I am going to do now is basically make a presentation on the Metro East Levee situation. This is a presentation that I will go through but I do have to be at a meeting at Scot Air Force Base at 6:30 and it takes me about half an hour to go through but I will try to stay and answer any questions that you might have. We have Frank Miles running the projector back there and he can help answer questions. Joe Parente has been involved with this and we have two people who have been very helpful with me on this situation and that is Patrick McKeechan from the Leadership Council and Jim Pinicamp who is head of the task force who used to be with the Leadership Council not works with SIU-Edwardsville. So if you two gentlemen could stand up real fast so that everyone knows who you are.

First off I want to say and I think it is very important to say it. I hoped that everyone saw the news that it looks like we have a new Mississippi River bridge coming into reality. We are going to sign papers on Thursday and I think that is great. Hopefully that will move forward because that is a very important issue. This is the most important issue that we are facing today in Madison County, St. Clair County and Monroe County. There is no other issue bigger than I am going to face as Chairman of the County Board then this levy situation. I have this map here because I am going to explain some things. I will go off this as much as I can. I will go to the next slide. This shows you five levies that in consideration here. To the north you have the Wood River Levy, the Chain of Rocks Levy, Metro East Levy, Prairie Du Pont Levy and the Fish Lake Levy. They start at the county line in Madison County down through Monroe County. These five levies are what we are looking at today. I am going to let you know how all came about. Back on August 15, 2007 Congressman Costello had a levy summit. At that levy summit we were given a "bomb shell". This is what happened with the "bomb shell". First off, FEMA comes to the meeting and basically tells us that they are going to come out with a new mapping process. When the new mapping process is through, it is basically going to show all of the areas are not protected by levies. I will go into more details as I go on with this. This is the flood insurance rate map. They are doing this all over the nation and it is a five to seven years process. We just seem to be in the early stage and I am going to talk

about Missouri because they are about four years behind us and there are a lot of issues going on. This is what we have to work on today. One thing that I appreciate that Madison County has done and I think that we have all done is that we have taken a worse case scenario. There are a lot of things that I will talk about today but we are moving forward with the idea that some of those things might not happen. We are going to continue to move forward as much as we can. I want to make sure that everyone knows this, because I have heard some talk from Board Members today. Are levy districts did what they were suppose to do. I want to repeat that. They did what they were supposed to do. The Corp will even tell you that they did what they were supposed to do. They were told that you were supposed to keep the trees off the levies; you were supposed to keep the grass mowed and things of that nature. What happened and the reason that we are in this situation now is that FEMA asked the Corp of Engineers a question. The question was this, and you have to remember that Katrina happened in Louisiana. You had FEMA and the Corp caught in this back situation there. There were a lot of things that went on. So FEMA asked the Corp a question, "Will these levies maintain a 100 year level flood?" Let me tell you that everyone of these levies, to my knowledge, is at a 500 year level. I think that is important. The height is not the problem. The problem is that the Corp changed their guidelines. What the Corp said is you had to make a 100 year certification and you had to have a levy system that could hold its own without any flood fighting. If you will remember that when we had the flood in 1993 and 1995 we had a 300 year level flood and we had a 200 year level flood back to back which is very unusual? When we had those floods we had what they call sand boils where there was actually seepage that came underneath the levy and came up at the other end and you had what you call flood fighting. There is something that will be on here a little bit later explaining that. But you can put sand bags around to keep the pressure down and it held the levy. Now the Corp of Engineers has changed the guidelines that you can no longer have flood fighting to become certified for a 100 year level. That was the number one thing that has changed. This was a bomb shell in August and it is going to hit Missouri four years from now. It is nothing that was planned. It is just something that happened. In fifteen years, those things have deteriorated a little bit and it is time that we bring these levies up. I can't thank everyone enough for working on this issue. The next slide basically says who is responsible. I have had this issue come up. These are federal levies. The Corp actually built the levies at the beginning. They were built by the federal government with a 65/35% match, sixty-five percent federal, thirty-five percent local. They are owned and maintained by local government, levy and drainage districts. These are now owned by the federal government. These are local. To bring most of these up and I am going to talk about Chain of Rocks later too as it is a 65/35%. The next slide is the statement of the problem basically telling you what we have. To fix the levy is basically \$136 to \$180 million dollar project. Once again, it is a minimum of 65% federal and 35% would be local funds. Just to give you some ideas of where we stand today, by the way I think this is important too and I have the information here I am going to give you the exact figures. The population affected in Madison County is 78,981. The population in St. Clair County is 77,230. We will get booklets for anyone who wants them. Households that are affected in Madison County 32,055, households in St. Clair County 27,020, jobs in Madison County 32,241, St. Clair County 18,048. Monroe County which is a little bit of a portion down there is a lot less. It is 70 in population 32 household and 250 jobs. So you can see this is a big problem that we are facing. One of the things that we have a concern with is that we think that we have identified a way that we can come up with a local share of the money for most cases. The Corp of Engineers even tells us this; their revenue stream does not come in fast to bring these levies up. I am going to continue to move on and explain about that a little bit. I am going to tell you how this is affecting already. Economic development. You know the citizens are the most important thing that we have to be concerned with. These citizens are going to have to go out and buy flood insurance and things of that nature once we get decertified. I went with the Port Authority last weekend to New Orleans. When I went down there and saw the devastation that Katrina did they gave me one little fact that really caught my mind. When that Katrina Hurricane hit, 80 to 85% of the people in the New Orleans area had flood insurance. In this area right here, less than 1% of the public has flood insurance. Think about that. Less than 1% has flood insurance. I think that is something that we have to mention. This slide once again is showing you the population and the next one is going to show you

employment. We already gave you those figures. This is where we are at today if you look at the next slide. It is just basically going to show you what needs to be fixed today. The levy systems are complex with numerous components, berms, relief wells, gravity drains, pump station, gates and culverts. All levy systems are hydrologically linked. This is something that I always point out when I make my talks. That is why I have this map up here. These levies are all connected. I think that you know that they are connected from the north to the south. To give you an example. If the Wood River levy breaks, chances are because of the force of the water coming from the north to the south it would hit this wall and probably break this wall and the water would go all the way down to the end at the south. However, if I can do something up here to come up with a quick fix which we have done in Wood River to get the 100 year level I can correct this problem whereas if this levy breaks down here, it would probably go up to that wall, that wall would hold and we wouldn't have a problem. These levies are protected from the north to the south. I probably am getting a little bit ahead of myself. Once again the biggest issue that we have to deal with is what they call relief well, the under seepage of the levies. That is the biggest issue and the biggest change. The next slide, all those little dots is relief wells. That is how many relief wells we have now. The bottom of line is that we are going to need a lot more relief walls to get the system the way it is suppose to be. That is get giving you an idea of where the relief wells are right now. The next slide, this is giving you the potential of how this thing works. Of course, we are built to the 500 year level as far as height. If you look at that over topping you would have a 500 year flood before it gets that point. What is happening you look at the river and you see the saturation and you see the under seeping that has come up in different areas, that is causing the problem. It makes the levies weaker. It is kind like a sandy thing. It comes up and then it causes what they call sand boils on the other side. Once again in the past we able to build things around them to keep the pressure down, now the Corp are saying that you can't do that. You are going to have wells on the other side. Some of the water stays down and it pumps the rest of the water over to the other side and it stabilized the whole thing and helps the levy to hold. That is it in a nut shell. I am not an engineer.

Mr. Holliday: Will you have to have these so many feet apart?

Mr. Dunstan: That is a question that they are looking at now. I will be able to tell you some things that are going in Wood River. We have some good news that I am going to go over with as I go along. The next slide, I am going to go off my notes and I will tell you what I think is going on. The Wood River, to bring it up to the 500 year level is a \$29.6 million project. It is only authorized. Being authorized and being appropriated by the US Government is two different things. It is authorized but it is not appropriated. The money is not there yet. We are in the process of what we call a quick fix on the Wood River levy. There is a difference between a 500 year levy and a 100 year levy protection in Wood River. To get to the 100 year level I think that we would have to spend \$6 to \$7 million to come up with a 100 year levy fix. That stops FEMA's problem. That would help us with the mapping situation and everything else. FEMA says that we have to get to the 100 year solution. That would solve that problem. Wood River levy is farther along if you are from the Wood River area; you are further along than any other area. We are very close with coming up with a 100 year fix.

Mr. Hoechst: Where does the Wood River levy start and stop?

Mr. Parente: It goes all the way to the Cahokia Canal south of Hartford and it includes the flank levies along the Cahokia Canal all the way up to the bluffs.

Mr. Dunstan: We are in the process now; Wood River levy increased their assessments last December. They have about \$500,000 more since they increased their assessment. That would not have happened if we didn't have one major company that worked with us and that is Conoco-Phillips. Out of \$500,000, Conoco-Phillips assessment went up \$350,000. The people who lived there have about an 86% increase and I think that the people in the Wood River levy had an 86% levy increase. I will put that into

numbers. They were normally paying \$25.00 a year and now they might be paying \$38 to \$40 a year. I don't have those exact figures with me. But industry came up to the plate and came up with a major portion and this could not have been done without the help of Conoco-Phillips. Once again they are \$350,000. That is to come up to the 100 year level but I think that as a county we have to remember we are committed to bring all of these levies up to 500 year level. The only reason that I mentioned 100 year, is that I want to get to the 100 level first and have FEMA help us with the mapping process but ultimately we have to continue to work with the Corp to get these up to the 500 year levels. The next slide is the Chain of Rocks levy. It is basically a \$46.6 million project and it is 100% federally funded. Once again you can see what they need there, relief wells, and pump stations stuff like that. It is 100% funded by the Corp. One thing good about the Chain of Rocks levy, we didn't know this until we had a meeting recently with the Corp of Engineers because they have already met the 100 year criteria. The Corp has already told us that they meet the 100 year criteria; however, once again we need to get up to the 500 year level. We can't be satisfied with the 100 year. This is a little bit isolated. The next levy you go to is the Metro East levy. We estimate the cost to bring that up is between \$42 and \$56 millions. That includes most of East St. Louis, Granite City and those areas. The one thing that you have to remember as I stated before, if something would happen to Wood River, if I come up with a quick fix here and we get this up to the 100 year flood and this thing floods here, Wood River should be safe. Chain of Rocks has a 100 year flood level. If Metro East levy breaks, it is not the same because there is no flank levy between Metro East and Chain of Rocks. It does me absolutely no good that Chain of Rocks is up to a 100 year levy if I don't have the Metro East Levy up to 100 year levy. It doesn't do Chain of Rocks any good because you will have flooding going all the way back to this point.

Ms. Myers: Are these numbers to get it to a 100 year or the 500 year?

Mr. Dunstan: The number that I gave you with the Metro East is to get to the 500 year level. We had a little problem in the Metro East and the Corp is working with us as we are speaking on trying to determine the difference between a 500 year level and a 100 year level flood. They came up with some numbers at our last meeting which was last week on that and they said that the number, they really couldn't clarify the number and that it could be three times more than what they said so I don't really want to give those numbers out because they really haven't solidified them. I think that it is going to be a lot cheaper than that, at least I feel it is going to be cheaper to get to the 100 year level which is what we would do first. But ultimately once again we have to bring it to a 500 year level. If you go to the next two levies, and we do have the put down together, Prairie Du Pont and Fish Lake. I can't say enough too about the work that we have doing through all of counties. Dale Haudrich from Monroe County who is the Chairman of the County Board and of course Mark Kern from St. Clair County has been very helpful on this whole situation. They have some other problems and I think that Mark Kern specifically needs to be patted on the back for what has been able to do. When we started the process we knew that the study was done here and that everything was ready to go. Chain of Rocks was with the Corp and they had everything done. We were thinking that the study was only 40% from the Metro East Levy District but we actually found out that the study is done and is in the process of being approved by the Corp. Para ire Du Pont and Fish Lake had another problem; they don't even have the study. So what happened is after a County Board meeting last night, St. Clair County came up with \$1.25 million and the Prairie Du Pont and Fish Lake levy system is going to come up \$750,000 to come up with a \$2 million study that they need to do this leading up to where we are today. We are a little bit ahead of the game. Not to say that St. Clair didn't do their job, we are a little bit a head of the game. I met a two star General from the Corp, he is the number one guy in the Corp, and I met with him yesterday and talked with him about this and found that they might have to do the whole study because they are going to pigging back on the other areas and try and make it a lot easier and cheaper than that \$2 million but he has appropriated the money. Once again you are looking at a \$20 to \$52 million price tag to get that up to the 500 year flood level.

Mr. Holliday: Is there a mandate on having 500 year level?

Mr. Dunstan: That is a good question and that is in the presentation as I move along, in fact it is the next slide. What we have done so far is that we have taken the worse case scenario. You have to remember and I don't know if it was the slide before this but I am going to mention it now if I am out of order. Illinois maps come due first and Missouri's come later. After this meeting happened in August Congressman Costello called another meeting with Mark Kern and myself and it was held at East West Gateway where we are meeting with FEMA on this whole issue. It was like something hit, Illinois is first and Missouri is four year behind us. So Congressman Costello has what he calls a Costello Amendment that has been approved by the House and it is now in the Senate. What the Costello Amendment does it basically says that you cannot release the maps on our side of the river until the maps on the Missouri side of the river are done also because we are a region. Our biggest effort now is to get the Costello Amendment passed because it would give us another four or five years to work on this problem with out having any zoning problems out here that I am going to go over in a few minutes. So it will just delay the problem. I want to make sure that you understand what FEMA would do with maps. This problem is real and this problem has to get solved regardless. But it would make it a lot better for Madison County, St. Clair and Monroe County developmental wise and our citizens wouldn't have to by flood insurance and things of that nature until the maps are released. All we want to do it to be put on the same playing field cousins in Missouri are. With that being said, we have to assume once again the worse case scenario. Worse case scenario is that the Costello Amendment wouldn't pass. What have we done already? First off, we worked with East West Gateway Leadership Council and people like that. But East West Gateway has been very helpful on this issue and we had to come up with what they call the AR designation. What the AR designation, gets into what you were talking about Mr. Holliday. If you don't do anything and you get in the flood zone you are basically wiped out and you can't do anything. By giving them an AR designation we had all of the communities in Madison, St. Clair, and Monroe and plus we did this as a County Board voted for the AR designation. What that will allow is basically says that it is a restoration, is what the means, restoration zoning. It means that basically, yes your are in a flood plain but you have a program in force or up and running that the levies will be brought up to 100 level, 1% chance that any year that you would have a flood. You would have that brought up to that standard within a 10 year period. So to get an AR zoning, you have to demonstration that you have the funding and everything to get this done in a ten year period. Our goal is to get this done within a five year period. Best case scenario if the Costello Amendment passes, Missouri holds us back four years, we are going to have everything solved to the 500 year level, at least the 100 year level, before FEMA comes out with the maps and we don't have a problem. That is the ideal situation. We are looking at the worse case scenario.

Mr. Hoechst: That only makes sense because if it floods, it is going to flood Missouri the same as it is going to flood Illinois.

Mr. Dunstan: No, because they have different walls. That might not be a truthful statement, I am not sure.

Mr. Walters: At the meeting they mentioned that the country, I believe, is divided into seven districts and we are in a different district than Missouri is. They went by dense population and we were first.

Mr. Dunstan: The Costello Amendment would just put us on the same playing field. I think that it is in the Senate and it has been approved and Jerry Costello has been very helpful. We had a meeting with Senator Durbin with a group of business leaders, labor leaders. I can tell you that Senator Durbin has made this his number one issue today. This is his number one thing to get passed. Once again, there are a lot of thing we have done. You see the benefits down below of what this does. It prevents areas designated as unprotected, develop areas on maps and continue with development, provide some relief

and things of that nature. That sounds all good and great and everything else. I am going to give you a situation that has already faced Madison County to push this a little bit more. It sounds good and it sounds great and we have a company that was going to come in and locate in Madison County. Three hundred fifty million project, it was 300 construction jobs, 125-150 permanent employment. They are gone; they have left because they know this situation. I can tell you by going to East West Gateway that all over the nation they know about this situation that we are having. So this is a big, big problem. I met with the person who is in charge of this company locally, and I gave them some scenarios. I will give you bad side and I will tell you what the good side is. I asked them that if the Costello Amendment would pass and we can demonstrate how we are going to bring up all of these levies and everything and if the Costello Amendment passes that FEMA maps wouldn't come out, we have a plan that I can show you how this is all going to work out, would they reconsider their position. They said yes they would. So you see how important that we move forward and keep moving forward on this issue. So the AR Zone and I can't say enough about East West Gateway for doing their work. The time line of this, February 25 we had our first Leadership Task Force meeting and once again Jim Pinicamp is head of the Leadership Task Force. We are going to probably have a consultant who is going to be approved. We actually have a couple of different consultants that we looking at as working with the Task Force. I am going to put my neck out on the old chopping block. I have committed Madison County for \$100,000 to help do this and get everything worked out with the Task Force. St. Clair County has done a \$100,000 and Monroe County has been asked for \$25,000, the East West Gateway has put in \$200,000 plus East West Gateway is going to staff all of the meetings. So we are moving in the right direction. What are we looking at? We are looking at getting our engineering firm to help to bring these up at a faster time and working with the Corp. We are looking at financial companies and I am trying to get a financial package together that once we have a plan and we are going to be able to fund the plan and show how it is going to work, bonding and things like that to get this thing moving forward. We are also looking at the legal side because there are going to be a lot of legal things as far as working with all five levies together. We are all going to try to work as a region, all five levies together. I do think that we have to as a County, we are regional players and I think that we owe to everything and Congressman Costello has asked us to do this to work with everyone as a region and try to bring up all five levies. We are committed to try and do that. There are a lot of things that we have to work with. The Task Force is going to be meeting quite a few times. Those meetings are open to the public. We are going to try and use the Leadership Council to get the information out to the public. We talked at our last meeting and one thing that we mentioned is that Lore Houser works for the Leadership Council and does public relations, and one thing that was mentioned at the meeting is that we need to let the public know about the flood insurance and things of that nature that they might have to have. By the way, if you live in these homes and we get this AR Zoning and if anything happen and you have mortgage, you have to have to have flood insurance. You don't have choice. You have to have flood insurance. So you can see how important this issue is. We are going to be coordinating meetings of course.

Mr. Walters: You mentioned the flood insurance at the meeting we attended yesterday one of the key things if you do have individual who do need this flood insurance, they need to get it now, because it could be that once this map is released the flood insurance could go up three to four times of what it is now. Some people's flood insurance could be \$300 or \$400 now but if they wait it could be \$1,200 or \$2,000. So if you see that your city, village or whatever is in this zone, you had better get back with the leaders of that specific area and let the people know. We would hate to have this map released and then people say that they have to get flood insurance and now it is \$2,000 as opposed \$300.

Mr. Dunstan: I believe when the tentative maps come out, FEMA is going to have a lot of meetings in these areas. They are going to be able to buy the insurance before the permanent maps come out. Once the permanent maps come out, then it is a different story.

Mr. Parente: I am going to elaborate little bit on what Mr. Walters said. That is true, if we are

placing a 100 year flood zone, the cost for flood insurance is going through the roof. If you buy it before it is placed on a flood zone, there is a discount that you can rely on. The AR application that is pending with FEMA helps us out in that situation because if we do get mapped as a restoration zone, those flood insurance rates will be at the lower level rather those at the couple thousand dollar level. We are really banking on getting on getting the AR designation so at least the homeowners and businesses will have the cheaper rate.

Mr. Schuler: My question is FEMA saying that they will lock those rates in with that discount. If the Costello Amendment does not pass once these maps are drawn and we are not designated as an AR zone is FEMA telling us that the people are going to be required to purchase flood insurance are going to be locked into premium because if they are I would like to see that in writing.

Mr. Parente: That has been suggested, but they are also telling us that they will be sending people here to educate us, to educate the public, educate the real estate companies, the insurance brokers, everybody on this flood insurance program. So we want to make sure we get the correct information and that the misinformation is avoided.

Ms. Kuhn: I was wondering. This has to pass all of the counties? The AR designation? So it will go to the state in April the way I understand it.

Mr. Dunstan: No AR zoning was totally a local thing. Every county and every municipality and there are 25 municipalities had to vote on this. We are already applied for the AZ zoning.

Ms. Kuhn: When does the County actually vote on this in the levy district?

Mr. Parente: You are probably referring to the sales tax legislation.

Mr. Dunstan: You won't be voting on the tax, you would be consenting to what the Task Force comes up with. The time line is basically the Task Force has worked and went a long way, we have consultant contracts, and we have all of the communities' engagements. By the way, FEMA thought these temporary maps would come out in March. I received a letter today from Congressman Costello; their date now is June 9.

Mr. Laub: When is the date set where we are going to start construction on these levies?

Mr. Dunstan: I will move on to that. If you go to the next slide, once again we have the ten year plan for AR designation and all communities have signed up for that. We have to come up with a financial matching strategy which is our top priority. If funding is obtained we believe that all projects could be accelerated and completed within five years and the Corp agrees with that. Once designed deficiencies are corrected precertification will occur and certification takes an additional nine to twelve months. We might have everything up and running for a 500 year flood within five to six years. So we are moving in the right direction. The current activities are getting to what we are doing now. Once again we are working on the Costello Amendment. It is very important. If you haven't contracted your United States Senators at this time, this is a good time to do it. I think that it has already gone through the House and we need to be putting pressure on Senator Durbin and he has made this his number one priority. We have Senator Haine's bill Senate Bill 2052 which will create a local revenue source. I am going to try to explain that to you as best I can. I should have asked Senator Haine to be here because he would probably explain it a lot better than I could. When I go over this, if anyone has a better solution, I am all ears to hear it. There would be a quarter cent sales tax that would be countywide. What is does is you will have a commission that would be appointed. It would be a three member commission. It has to have a minority member on that commission. We have talked to Senator Watson and Mike Walters was

there with us, Senator Haine, and we talked about all of this legislation. There are three different triggers. First off, the Task Force that Jim Pinicamp is on is basically going to say they are going to look at this whole situation and they are going to have to say that there is an emergency that exist. In my opinion there is an emergency. Number two, they are going to look at not just sales tax, this is just one tool. They are going to look at all of the different sources out that are available. The Federal Government comes up and writes a check for \$100 million dollars, we don't have to do a sales tax. That isn't going to happen. We are going to look at all of those different issues. This commission is going to be once again, a three commission, it is going to have a minority member. They are also going to have to declare it an emergency. That is the second trigger. They are going to have to look at it as an emergency. Then, if they come up with the idea saying that the best way to approach is a sale tax idea, it is going to have to come back to this county and you Board members will have the opportunity to consent or dissent. Consent if you want to go along with it. So the bottom line is you are going to have a decision making process in this as we move along. I know I made that very simple. Once again, it is a three member commission; it is a quarter cent sales tax. By the way, the reason we wanted to do this, this all started out and I am going to tell you how it was going. I went to a meeting with Congressman Costello and at the first time they were talking about property tax and talking about doing all of the levies together. I'll tell you why Madison County didn't want to do that. Seventy-eight percent of the assessed valuation is in Madison County. Roughly 80%, we would be paying 80% to bring up all five levies. There had to be a better way of doing it. If you look at sales tax projections and you split up the county, we are within \$200,000 between Madison and St. Clair County. I think we have \$6,600,000 and they have \$6,400,000 and Monroe County is \$800,000. Farm equipment is not covered; groceries, medical, and automobiles are not part of it. They are all taken off and they are not apart of it. There is a sunset. Every penny of the money collected will go to the levies on the sale tax. When the levies are done, the sales tax goes away. It is for the levies only. However, when Federal reimbursements come up, the reason that we are trying to do this, basically we trying to up front the money for the Corp because they don't have the revenue stream. We are going to hopefully working with them, going through the legal process and make sure that we get refunded. When we get refunded, those monies that are refunded can be used storm water in Highland, Troy, whatever. They can get refunded for their stormwater concerns. See how that fixes together. I think that is something that Senator Watson was point blank that he wanted in the legislation. That is how that all works. Once again it will sunset. The longest it can be is 25 years. Let's say that we do all work and we get a private engineer and we get one for \$130 million to \$180 million and some how it comes down that the project is only going to be \$85 million, that \$85 million is done, that sales tax goes away. It sunset. But the longest it can be here is 25 years. Go to the next slide. You are looking at a broad base regional coalition of civic and business leaders. We came up with six members from Madison County, six members from St. Clair, and three members from Monroe County. Once again, Jim Pinicamp is the Chairman of that group. We try to cover everyone in the group. I tried to cover all of the regions. We both have two mayors on it. We want to have a mayor from below bluff and we want to have a mayor from above the bluff in Madison County. That is Mr. Ed Hagnauer and Mr. Gary Neibur from Edwardsville. We tried to make this broad as we can. All of the meetings are open to the public. I think that Mike Walters have attended the meetings. All of the meetings are going to be open to the public if you want input, talk to me. I will be glad to talk to you. But we tried to get professional advice and looking at strategic plans. I can't say enough about the local governments working together on this issue. The next Stormwater Commission meeting will be March 12 at 8:00 am and I believe it is going to be in East St. Louis at the Metro East Park and Recreation Office in Collinsville. This is the Costello Amendment again. As I tried to explain early, what we are trying to do we are trying to be on the same mapping process as Missouri. We are a different zone. The House Bill was 3121 and the Senate Bill is 2284 and it is currently pending in the Senate. Once again that is the number that you want to take down and call the Senators and tell them that we really need to get that approved. Next slide, the Illinois Senate Bill 2052 is called the Flood Prevention District Act and once again it will create a revenue source for repair of flood protection and provides the County Board to create countywide flood prevention district whereby declaring it an emergency. Once again, when that Task Force looks at emergency, we are going

to have to declare an emergency, we are going to have to set up the Task Force. The Task Force is going to be set up and they are going to say how to come up with a way to fund it. What will they come up with? Will they come up with the sales tax idea and that is going to have to come back to the County and the County Board is going to have consent. So you are going to have to be involved in the process. Next Slide. If you have any question. I can't say enough about the help that we have had from both the Leadership Council and the East West Council. I am very pleased that Von Vandergrift had Jim Pinicamp be the Chairman of this Task Force. I can't tell you enough how important this issue is. You were asking about construction Mr. Laub. In Wood River we are ready to sign the paperwork now to start the construction. We have a fix there that we think can be done within two or two and half years for the 100 year level. We are ready to sign the paperwork on this. The Corp of Engineers has already been working on this. We asked the question at a meeting at Metro East Sanitation District, we asked the question of how long it would take them to bring this up to the 500 year level and they said six to seven years. We asked them that if we gave them a check today, how long it would take to do that. They said that they could probably do it in a year. So we are looking at up fronting the money. In Metro East, they have the study going through the Corp process. Once again they are trying to determine how to bring it to the 100 year as compared to the 500 year but ultimately we want to get up to the 500 year level. They haven't been cleared on how to do that yet. So we are working on that. But the bottom line is we want construction to start here immediately. Chain of Rocks is on going. This needs to be done. They are doing the study and it will be brought up on level. I think that with Monroe County, St. Clair County and Madison County all working together with the help of Congressman Costello, Leadership Council, East West Gateway. Everyone in this has been tremendous. I can't say enough about the help that we received on this.

Mr. Wangard: We obviously have to bring these up to the 100 year level to not have insurance skyrocketing and losing economic development but you keep talking about the need to go to a 500 year level.

Mr. Dunstan: The currently the levies are all at the 500 year level now as far as height is concerned. For economic development reasons, you really need to get the 500 year level. If we are going to continue to have economic growth down here, you need to demonstrate that you have a 500 year level. This can't stop and everyone is on board. You do ultimately have to bring these up to 500 year level. The reason that I say the 100 year flood is that just get down to where FEMA is satisfied. By the way a 100 year level flood means that in any one year, you have a 1% chance of having a flood. If we come up with a 500 year flood, it would be taken care of.

Mr. Parente: To get to a 500 year protection that the Corp has been working on plans for years and that they are recommending, these levies were built back in 1930's. They need a major tune up. The gates need to be replaced; the pump stations need to be replaced. There are gravity drains. There are all kinds of flood structures that are associated with their levy system. All that needs to be done in light of what happened in New Orleans we have a responsibility to protect the public and to avoid something like that. Even if we might be able to escape the penalties that come the 100 FEMA mapping is really a dramatic need to do the 500 year work as soon as possible and not wait for 15 years for the pace of the federal appropriations to come in. So even though we are focusing on 100 years, we are keeping the 400 year rehab on top of the platter too.

Mr. Hoechst: Senator Haine's bill is that quarter cent sales tax strictly for Madison County.

Mr. Dunstan: Madison, St. Clair, and Monroe any county can not opt in or opt out. There will be a three member commission from Madison County, three members from St. Clair County. The money will not be intermixed. What we are looking at is having one person under that bill that is going to be like a very professional person, he has to be a structural engineer or something of that nature that is going to be

over the whole thing and trying to put this thing together to get these levies brought up. Once these levies are brought to a 500 year level, the commission goes away too.

Mr. Walters: What Senator Haine has decided to do with the help of Senator Watson is try to incorporate all of Illinois because we don't want this to be a regional problem. I don't know if any of you followed the mass transit up in Chicago where we just bailed them out, well they are still a little bit at some of the southern Senators and Representatives on both side of the aisle for not supporting it. So what Senator Haine and Senator Watson decided to do, was any county that had a federal levy would be allowed to do this. So it is not just Madison, St. Clair and Monroe counties because there are levies throughout the whole state which was a good move because now it is not just our region. So that should help push this bill through a lot quicker.

Mr. Dunstan: They are making it uniform. This is going all over the nation. This is not just happening here. This is all over the nation.

Ms. Myers: You mentioned that we are ready to sign the documents to go ahead with the Wood River upgrade yet in March 2008 we are going to sign a contract for a consultant.

Mr. Dunstan: What we are signing in Wood River, the Wood River Levy District is actually going to sign those papers. They had an assessment increase this last December. They came up with another \$500,000 that is going to be bonded out. That is to come up to the 100 year fix for them. We had to take the worse scenario. Let's say that the sales tax doesn't pass Springfield. We are not stopping. We are moving forward with this.

Ms. Myers: I guess my question really, Mr. Chairman, is if FEMA and the Corp of Engineers are telling us what we have to do, if this a consultant to define that? Or a general manager? What are we looking at here?

Mr. Dunstan: Is to help with the Corp. This is to work with the Corp on a timely basis. The Corp has been very great to work with. They have been tremendous to work with on this issue. We can't afford to wait ten years to get these fix because once we have the AR zoning you aren't going to have anything going on there. It is an option where we might be bringing these levies up ourselves. We might even be doing the work for the Corp.

Ms. Myers: You are defining what has to happen.

Mr. Dunstan: Once again up here in the Wood River levy, it is not the County who will sign the papers; it is the Wood River Levy District who is signing the paper with the Corp. They already have a plan set up there that is going to get them up to the 100 year level. They are ready to go out for bids with the contractors and everything else. That is kind like a side issue. They are a little bit ahead of the game. However, they are not even close to getting up to the 500 year levy.

Mr. Adler: The first question dealing with the repairs that are going to be constructed on the Wood River levy with their own design firm. Most of the people in the audience can't see this, but up the top under project cost, they have design deficiencies \$12.9 million. Could you explain that for us?

Mr. Parente: Wood River District is different from the other levy districts. They have what is considered design deficiencies and they have what is referred to as reconstruction cost. They have separated out the design deficiencies sufficient enough to get the 100 year certification. That is the number of the six or seven million that they have identified that if we can \$6 or \$7 million worth of wells and those types of fixes, FEMA can at least certify the levies as meeting 100 year protection and those

property owners in the Wood River levy district would not have flood insurance requirements and we would not have the economic development restrictions. Let me remind everybody that we have a major refinery expansion that is in the process here that is not only important to our region; I would suspect the nation as far as energy policies and those types of things. The plan is to get that one off the books as quick as possible. The Chairman is right, we still need \$33 million worth of work on that levy district but to avoid the mapping issues is essential.

Mr. Dunstan: Conoco-Phillips is doing to \$2 to \$8 billion rework at Conoco-Phillips and he was at our meeting yesterday talking about this issue. He told us at the meeting that he was not sure that we would get 100 level he would have to go back to his people and say maybe we have to rethink this whole process. What we have done so far, he is extremely happy. I can't say enough about Conoco-Phillips and how they have been working with this on this issue.

Mr. Adler: Going back to my original question. Design deficiencies, does that imply that there were design deficiencies when the levies were put in 1936 or that design deficiencies don't meet today's standards?

Mr. Parente: It is a new standard that was put into place. It is primarily the relief wells.

Mr. Adler: Who is doing this project on our behalf? On the Wood River Levy District behalf?

Mr. Dunstan: The Corp has done the study on this one.

Mr. Adler: So they have come up with a construction document?

Mr. Parente: This is all being handled in house by the Corp. They will hire the contractor and they will design it with their own engineers and they will administer it.

Mr. Adler: I wanted to make sure that there wasn't bonding authority or something that we could back on as additional source of revenue for a potential design deficiency.

Mr. Parente: The increase that the courts granted the Wood River Levy District in December will be sufficient to finance up to \$6 million worth of work. That money will start rolling in later this year. Next month at the County Board meeting, there will be applying for a Community Development low interest loan for \$800,000 because the Corp has told us that they can spend \$1 million this year and they need the next year. So we are hoping to bridge the work this year until they can do more permanent financing.

Mr. Adler: Are the consultants that we are hiring, do we have to make provisions for if they miss design something or is that in a different category? The Corp is doing all of the engineering work, doing all of the engineering calculations, doing all of the engineering design?

Mr. Parente: Right now, the consultants are just asking as consultants. They are not going to design anything. If we chose to bypass the Corp and do this project on our own, then they will be designing. But if the Corp is overseeing it, they will be approving any type of consultant work their selves.

Mr. Dunstan: You went to the last meeting; I understand that if I got this right at the last meeting, the Corp is going to be looking for a firm to sign off on these levies also.

Mr. Adler: My last questions is, if this thing doesn't go through Springfield and we don't get the Senate Bill approved, what is the maximum increase in these taxing districts for the levy district we would encounter? If we had to do this all on own?

Mr. Dunstan: I don't know how you do it. We don't think that we could do it via a property tax.

Mr. Adler: You would be forced to do it because we have an obligation to do it one way or the other?

Mr. Parente: Part of the problem with the Metro East Sanitary District is that they are already at their maximum tax rate. So essentially they might have to wait 10 or 15 years for federal money to come in.

Mr. Parente: I am being honest with you, if any one can tell be a better approach then a sales tax, come up and tell me because I don't think there is. I think that everybody is agreeing with that. You have a business community involved in this; we have everyone involved in this. I think that our sales tax is really the only option to do. The reason that we didn't want to do it with a property tax, is once again, if we do this as a team, Madison County would be paying 80% of the bill because we 80% of the assessed value. So it doesn't work. It is better for us in Madison County if you use a sales tax because is it fair.

Mr. Adler: Do we have any type of backup plan, plan B? Are all of our eggs in the sales tax basket?

Mr. Dunstan: The Task Force is going to be answering a lot of those questions. But to answer your question, we really don't know what the Plan B would be. If anybody can come up with one, I would like to hear it.

Mr. Parente: There has not been an economic impact study but loosely some people have talked about billion dollar impact on our region if we don't fix this problem quick.

Mr. Dunstan: The number that I have heard is between four and five billion.

Mr. Parente: The flood insurance cost to residents alone would be in the tens of millions every year and if this goes on for ten or fifteen years, you just multiple and it exceeds the project cost.

Mr. Dunstan: I don't want this to be misinterpreted the paper, the Mississippi River Bridge is great to have it, but if we don't get this problem fixed, there is no reason to have the bridge. That is how important this issue because no body is going to move it you don't have the flood issue fixed because is where our industry is going.

Mr. Adler: My last comment would be that if you look at this from different perspective this isn't much different than an unfunded federal mandate? Is it? The Army Corp is coming to us and demanding that this work be done.

Mr. Dunstan: I am not arguing that point. We have to get it done. By the way, let me tell you something else that is very important in my eyes, we have been getting e-mails of other places that have been handling this issue and we have people in denial. You have counties saying that we don't agree with the Corp. We have been meeting with the Corp and I think that this is a very good way to handle it. We have asked them to use us as an example. We will work with you if you will work with us and they have been very helpful and they are working with us. If we get this solved, then they are going to be able to go to other places in the country that are facing the same problem and say this is what they did, this is how you should do. We are working with Corp. We are not out bad mouthing FEMA or the Corp. It is what it is. They are not going to change their criteria. FEMA is not going to change their criteria. This is reality. You can sit there and argue with them. Let's work with them and get this resolved.

Mr. Hoechst: I just want to make a comment, two years ago Jefferson Smurfit Company was going to relocate their national headquarters in Alton and the reason that they changed their mind is the flood plain.

Mr. Trucano: We maintain four of the six canal that run into the Cahokia Canal. It drains Glen Carbon, Maryville and Collinsville. Is there any one who knows what is going to happen with that? Are we still going to be responsible for that, or is there going to be some help come?

Mr. Dunstan: It is all connected to the levy system.

Mr. Parente: All of those major canals that run down to the river to drain the water are part of this system. In fact I had a discussion with Senator Haine this afternoon to make sure that the language in the legislation covered those just in case some ditch cleaning or work had to be done on that as part of this project. As far as maintenance responsibility, that is not being dealt with at all with this legislation. But as far as the emergency repairs, that is all part of it.

Mr. Dunstan: We have a delegation, Mark Kern, myself, and a few others going to Washington, D.D. to talk to our congressional leaders. We are trying to set up a meeting with Obama, Shimkus, Costello, and Durbin. We are going to be meeting with the Secretary of the Corp, Assistant Secretary of the Army; we are going to meet with the two star General Riley that we met with recently. He is going to go with us to our congressional delegation so there are a lot of things going. Once again the Corp has working with us. I think that we handled this the correct way in working with the Corp. The reason I did this today and any one that wants to come in and go into more detail because there are more details I would be glad to do it. I just wanted to let all of the Board members know what was going on. It is just that important of an issue.

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Mr. Holliday moved, seconded by Mr. Adler, to recess this session of the Madison County Board until Wednesday, March 19, 2008. **MOTION CARRIED.**

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ATTEST: Mark Von Nida
County Clerk