

**TOWN OF WATERFORD SANITARY DISTRICT NO. 1
MINUTES**

June 12, 2013

Commissioner Dickinson called the meeting to order at 6:00 p.m.

Commissioners Present: Commissioners Dickinson, McNeiley, and Santaga

Commissioners Absent: None

Also Present: Debbie Nelson, Administrator; Norm Nelson, Operations Superintendent; Attorney Christopher Schultz, District Legal Counsel, Attorney Bob Hankel, District Legal Counsel; Allen Wojtasiak and John Diekfuss, C.W. Purpero, Inc.; Dave Fidlin, Waterford Post

Public Comments

None.

Announcements

Commissioners will discuss a letter dated May 22 from Attorney Paul Bucher. Following the discussion commissioner may go into closed session pursuant to Wis. Stat. § 19.85(1)(g) for the following purpose: Conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation, including, but not necessarily limited to, litigation regarding personnel matters and the points raised in the May 22, 2013 letter, in which the district may become involved. After said item is concluded, the Commissioners shall close the closed session and reconvene in open session to potentially act upon matters discussed in closed session and close the meeting.

Minutes of Previous Meeting(s)

Motion made by Santaga, seconded by McNeiley to approve the Commission Meeting minutes dated May 08, 2013 as printed. Santaga and McNeiley in favor. Dickinson opposed. Motion carried.

Motion made by McNeiley, seconded by Dickinson to approve the Commission Meeting minutes dated May 29, 2013 as printed. All in favor. Motion carried.

Report from Western Racine County Sewerage District (WRCSD)

Tamblyn was not in attendance.

Old Business

1. *Discussion and possible action regarding a possible reduction in quarterly user fee. Such discussions may include, but not limited to amount, timing, and process for said possible reduction. (DD)*

Dickinson recommended a 2% reduction in the user rates due to adjustments in the budget as a result of changes in compensation and such. Santaga had concerns regarding the costs associated with the Hwy. 164 project and McNeiley on the Channel road project. Motion made by Santaga, seconded by McNeiley to postpone this item one more month and act on it before the fall quarterly billing. All in favor. Motion carried.

2. *Discussion and possible action regarding Highway 164 construction. Including but not limited to an update from Norm Nelson and Jeff Santaga regarding schedule, budget, commissioner support required, and other matters pertaining to the project. Discussion shall also include a potential claim by the Wisconsin DOT and potentially by one or more contractor(s) for delay of project and/or additional cost of materials. Attendees from the DOT and one or more contractor(s) is possible. (DD)*

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Allen Wojtasiak and John Diekfuss, C.W. Purpero, Inc. presented a bill to the Commissioners in the amount of \$6,300 due to a sanitary sewer facilities conflict at station 1130+12 on Hwy. 164. Wojtasiak said according to state statute all facility owners are to move their facilities out of the way of the construction design. No action taken.

Dickinson brought up the contract from August 26, 2012 between the District and Custom Grading Inc. and the fact that it was never fully executed. Norm explained this was one of several items that were being addressed prior to the two new commissioners coming on board in August 2012 and then were dropped. Dickinson stated I don't think we could ever blame a change in commissioners for not having this coming up in at least three different meetings that we had relative to this project. I did go back and I looked at the agenda January, May, and April that gave us ample opportunity. Motion made by McNeiley, seconded by Santaga to have Santaga work with Norm and Attorney Schultz with the contract and get a solution on it. All in favor. Motion carried.

3. *Discussion and possible action regarding District computers, software, hardware and backup systems and procedures. Including but not limited to authorization for a third party to have certain computer administrative rights required to facilitate 'cloud like' backup capabilities, what vendor(s) to utilize for all or parts of work or supply, confidentiality agreement and other guidelines for vendor to follow, procedures throughout the process, computer plans going forward, or other matters pertaining to computers and/or third party involvement. (DD)*

Motion made by Santaga, seconded by McNeiley that upon expansion of the definition of "customer" to include "our district members" in the Confidentiality and Non-Disclosure Agreement between the District and Glassen Consulting & Automation, LLC that Dickinson be given the permission to execute the Agreement on behalf of the District assuming that both Dickinson and Attorney Schultz review the revisions and they meet the tone of what was discussed. All in favor. Motion carried.

Dickinson discussed with Glassen how to fix an aging computer system. Glassen gave Dickinson a proposal in the \$450 range to perform a survey of the computers software and hardware. Motion made by Santaga, seconded by McNeiley to authorize up to \$600 to do an audit survey of the computer systems, software licenses, and capabilities by Glassen. All in favor. Motion carried.

Motion made by McNeiley, seconded by Santaga to make Glassen Consulting & Automation, LLC the District's prime contact for the computer systems. All in favor. Motion carried.

4. *Discussion and possible action regarding certain District financial reports. Including but not limited to transfer of funds between restricted and unrestricted funds to confirm them to the 2012 auditors report. (DD)*

Motion made by Santaga, seconded by McNeiley to pause on taking any action until Dickinson has had the chance to discuss this with the District's accountant. All in favor. Motion carried.

5. *Discussion & possible action regarding building security. (RM)*

McNeiley spoke with Chief Ditscheit who has the software and the District would need to purchase cameras and lights for the outside. The exterior would be under surveillance 24/7. McNeiley did not have the cost of having these items installed or the cost of operating them, however when he does he will approach the town and see if they would like to contribute towards this since they have a lot of equipment that should also be under surveillance. Motion made by Santaga, seconded by McNeiley to obtain a total cost of the system and discuss with the town to see if they want to contribute to this and would like this tabled to next month. All in favor. Motion carried.

McNeiley would like to have the municipal building re-keyed with him being in charge of the keys. Motion made by McNeiley, seconded by Santaga to have a locksmith come in and re-key the sanitary district. All in favor. Motion carried.

6. *Discussion & possible action regarding staffing levels. (RM)*

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Norm submitted several applications for the Commissioner's review and decision. Dickinson said the town hired somebody at the DPW that has a CDL for one day a week and he is looking for more hours. Motion made by Santaga, seconded by McNeiley to allow Dickinson to follow up with the applicants and possibly the new Town of Waterford DPW worker to fill a position as a temporary employee, not working later than October, at no more than \$18/hour, and 20 hours/week. All in favor. Motion carried.

7. *Discussion & possible action regarding Red Flag Policy (DN)*

Administrator Nelson was asked to forward the Red Flag Policy to Santaga in Word format and he will do a redline on it. Motion made by Dickinson, seconded by Santaga to postpone acting on this until the July meeting with Santaga doing a redline of the document with his comments. All in favor. Motion carried.

New Business

1. *Discussion & possible action regarding sewer main being too close to well at 28840 Beach Drive (Account #14-050-000)*

Motion made by Dickinson, seconded by Santaga to defer this to another time and in the meantime Dickinson will contact the Maney's and see what they are looking for. All in favor. Motion carried.

2. *2012 CMAR Report (NN)*

Norm explained the annual CMAR Report. Motion made by Santaga, seconded by McNeiley to accept Resolution Number 1301, a Resolution Accepting the 2012 Compliance Maintenance Annual Report (CMAR) with the Wisconsin Department of Natural Resources NR 208 as prepared by Norm Nelson, Operations Superintendent. All in favor. Motion carried.

3. *In accordance with Wis. Stat. § 60.77, The Town Sanitary District No. 1 of the Town of Waterford, Racine County, Wisconsin gave notice of its requests for proposals in response to RFP #050813 on May 8, 2013 for a turn-key business solution for accounting, customer billing and customer payment processing, payroll and benefits, and other book keeping function. Said notice stated sealed responses to the RFP would be opened June 12, 2013. The Commissioners will open each of the RFP responses. Commissioners will discuss the proposals and potentially take action on the procedure for evaluation the proposals including, but not limited to hiring an independent consultant to assist Commissioners evaluate the proposal, set dates and times for further evaluation, the process for evaluation, and any further process, procedures or actions necessary for an expedient review, evaluation and recommendation. At this meeting no specific action will be taken to approve or disapprove any proposal, nor will the Commissioner take action whether to proceed with contracting. (DD)*

Attorney Schultz was in possession of three (3) proposals that were hand delivered to his office before the deadline. The proposals were opened and reviewed by the Commissioners. Dickinson stated that Mr. Howe was being considered to help evaluate the proposals, however he would not be able to do so. Therefore, Dickinson had a discussion with Barry Goldman, C.P.A. who does evaluations for people doing something similar to what is being contemplated and he is interested in doing the evaluations. Dickinson shared the names of the people that submitted an Intent to Bid with Goldman and he did not have a conflict of interest with them. Dickinson read a letter Goldman would submit stating that neither he nor his employees have a conflict of interest with any entity or person that has submitted a bid. Goldman's hourly rate is \$150 and he would provide a cap based on the hours he would anticipate this taking. Dickinson asked for a motion to engage Barry Goldman, Mequon C.P.A. for the evaluation of this and also to have him present us with this No Conflict Letter. McNeiley stated he would make that motion, seconded by Santaga. All in favor. Motion carried. Dickinson will prepare a side-by-side comparison of the three (3) firms

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bidding and once he receives the No Conflict Letter back from Goldman he will forward the bids to him and will call for a meeting within a week or two. Dickinson asked Administrator Nelson to scan the bids to the Commissioners and Attorney Schultz.

Operations & Maintenance Report (O&M)

1. L.S. Maintenance

Norm stated all the lift stations are cleaned.

2. Manholes – Channel Road

There are seventeen (17) manholes on Channel Road that will cost approximately \$1,500-\$2,000 per manhole for materials and labor while the town is re-surfacing the road. Norm asked the Commissioners if they wanted to do the complete rehab or just put a ring on the manhole. Dickinson said the money for the Hwy. 164 project, manholes, and other special projects is going to come out of the Replacement Fund and would like these amounts to be kept separate from the budget. Dickinson asked Administrator Nelson if this could be done and she explained the Replacement Fund is for replacement of equipment, not special projects that are being described. Furthermore, the Replacement Fund is commissioner restricted. Motion made by Dickinson, seconded by Santaga to separate the Hwy. 164 special project onto a separate sheet, bringing the bottom total into the Expenditures with Comparison to Budget Report and next month the Commissioners will place on the agenda freeing up the restricted funds. All in favor. Motion carried.

Treasurer Report

1. May Expenditures with Comparison to Budget Report

Motion made by Santaga, seconded by McNeiley to accept the May Expenditures with Comparison to Budget Report. All in favor. Motion carried.

2. April Cash on Hand Report

Motion made by McNeiley, seconded by Santaga to approve the April Cash on Hand Report. All in favor. Motion carried.

Correspondence

1. WRCSO Agenda & Minutes

Administrator Comments

None

Account Payables

Motion made by Santaga, seconded by McNeiley to accept the account payables. All in favor. Motion carried.

Dickinson read the next item on the agenda discussion of letter dated May 22, 2013 from Attorney Paul Bucher. Dickinson asked McNeiley to abstain from voting. Motion made by Santaga, seconded by Dickinson following consideration of the above, the Commissioners shall go into closed session pursuant to Wis. Stat. §19.85(1)(g) for the following purpose: Conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation, including, but not necessarily limited to, litigation regarding personnel matters and the points raised in the May 22, 2013 letter, in which the district may become involved. Motion carried.

Roll call of Commissioners: Santaga, aye. Dickinson, aye. McNeiley, abstained. Motion carried.

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Administrator Nelson was asked to leave the meeting with Santaga taking over the minutes.

Respectfully submitted,

Debbie Nelson
Administrator

Wednesday June 12, 2013

Legal counsel advised Commissioners for matters pertaining to the Bucher letter of May 22, 2013 Commissioner McNeiley should abstain from any decisions on this matter. Dickinson reiterated the instructions.

7:54 p.m. Santaga, by reading the agenda item pursuant to the Bucher letter of May 22, 2013 ("Bucher Letter") verbatim, in the form of a motion, to go into Closed Session to Discuss the aforementioned Bucher Letter. Dickinson called for a roll call vote. Santaga, aye. Dickinson, aye. McNeiley, abstained. Motion carried.

Discussion with Sanitary District attorneys Hankel and Schultz regarding response to Bucher Letter.

Motion by Santaga to move to Open Session at 8:08 p.m. Dickinson called for a roll call vote. Santaga, aye. Dickinson, aye. McNeiley, abstained. Motion carried.

Motion by Santaga to direct Attorney Hankel to draft response letter to Bucher regarding position of no apology necessary by District. Dickinson called for a roll call vote. Santaga, aye. Dickinson, aye. McNeiley, abstained. Motion carried.

Motion to Adjourn at 8:10 p.m. by Santaga, seconded by McNeiley. All in favor. Motion carried.

Respectfully submitted,

Commissioner Dickinson