

Delafield-Hartland
Water Pollution Control Commission
416 Butler Drive, Delafield WI 53018-1871
Phone: 262-646-4364/Fax: 262-646-5187

Commission Meeting Minutes for May 20, 2008
Delafield-Hartland WPCC Treatment Plant Board Room

Time
7:00 PM

CALL MEETING TO ORDER

R. Landwehr called the meeting to order at 7:00 p.m.

ROLL CALL

Delafield

Paul Craig
Michele DeYoe
Gerry MacDougall
Ed McAleer

Village of Hartland

Karen Compton
Richard Landwehr
Michael Meyers
Rick Stevens

Also Present

Rose Frick
Bob Hyde

Guests

Marilyn Czubkowski – City of Delafield Administrator
Scott Luczak – Del-Hart Leadman (not present)

APPROVE MINUTES OF APRIL 15, 2008 COMMISSION MEETING – ACTION THEREON

R. STEVENS MOTIONED TO APPROVE THE MINUTES FROM THE APRIL 15, 2008 MEETING. M. DE YOE SECONDED THE MOTION. G. MAGDOUGALL ABSTAINED. THERE WAS NO FURTHER DISCUSSION. ALL WERE IN FAVOR. MOTION CARRIED.

GENERAL MANAGER’S REPORT

LEASING OF DEL-HART PROPERTY BY THE CITY OF DELAFIELD – ACTION THEREON

M. Czubkowski, City of Delafield City Administrator, was present at the meeting. Her memorandum to the Del-Hart Commission dated May 15, 2008 was included in the Commissioner’s packets along with a spreadsheet outlining lease versus purchase options. Each option was reviewed. P. Craig asked if the City purchased the parcel, would they be agreeable to allow Del-Hart the first right of refusal. M. Czubkowski thought that the City would and stated we have to be good neighbors about this. R. Landwehr stated that he received verbal input from the Village of Hartland and that they would not be in favor of the City of Delafield purchasing the property. K. Compton was not in favor of a lease with purchase. She was strictly in favor of leasing the property, not selling it. She commented that some of the Delafield proposals were new since the last meeting. In regards to the Delafield lease options, she was not in favor of having a cap on the Consumer Price Index (CPI) but maybe have a review period for the CPI every five years. She felt that the last bullet of the memo regarding the Commission agreeing to sell the land to the City for \$1 should be deleted. M. Czubkowski expressed concern for the City especially after paying a little over \$2 million in lease payments, she would not want Del-Hart to sell the parcel to someone else. R. Frick relayed that Del-Hart’s Attorney was of the same opinion

as Commissioner Compton that the last bullet of the memorandum should be stricken and that the CPI should not be capped because it would defeat the purpose of having an adjustable index. Also, the Del-Hart Attorney stated if the Commission wanted to choose one of the options that he would recommend the 50 year lease with no renewals. He further stated that if at the end of the lease term, the future Commission agreed to sell the land it should be at fair market value at that point in time. R. Frick reviewed the tape from the last Commission meeting to find the direction of the Commission. She concluded from the tape conversations that the Commission wanted to consider a lease and not a purchase although the numbers for both were to be calculated for comparison purposes only. She then consulted with Chairman Landwehr about the agenda only listing "Leasing" not "Purchasing" and he agreed with the present agenda. R. Frick told the Commission that M. Czubkowski came over to Del-Hart personally to discuss the agenda and she agreed that the agenda reflected the Commission's intentions. R. Frick further commented that the Del-Hart Attorney informed her that action on purchasing the property could not be acted upon this evening based on the agenda. P. Craig discussed the feasibility of selling the parcel, both the fiscal benefits and that of being a good neighbor. R. Stevens reminded everyone that this is a business and we are the controlling board and business sense should be used. The Commissioners should not be just for "Delafield" or "Hartland". G. Mac Dougall agreed that this Commission must decide what is best for Del-Hart. However, he stated the City has a real need and suggested that if the City purchased the land there could be written in the agreement that Del-Hart would be given the land back if the City did not need it. He added that it is easier for the City to own the land than lease it. R. Landwehr was in agreement to strike the last bullet of the memo regarding selling the land to the City for \$1. B. Hyde stated that even to lease the land to the City, DNR approval would be needed to put the building in the buffer zone. M. Czubkowski requested clear direction from Del-Hart so that she could go before the Common Council. K. Compton thought that the consensus from Hartland was that the lease agreement looked fine with the last bullet being deleted along with the CPI cap. It was also stated to keep the lease at 50 years. It was the consensus of the Commission that the option of purchasing the property was not feasible.

E. McAleer stated that they will take the Commissioner's comments back to the City of Delafield's Common Council. M. Czubkowski asked what would happen to the buildings and other improvements that would be on the property if Del-Hart did not renew the lease. M. Meyers stated that in the business world, whatever improvements made to the leased property would stay there. P. Craig suggested that the correct Consumer Price Index (CPI) be used. R. Frick stated that the Delafield Accountant, Marie Williams had chosen the same Milwaukee/Racine CPI for the Lease Option calculations as she did and that it is the proper index to use for this area. There was discussion about the possibility of the lease term being shortened by Del-Hart's need for the land. M. Meyers stated the nature of a lease is unknown and there are no future guarantees for the lessee and Del-Hart would not write in any protections into the lease agreement. M. Czubkowski thanked the Commission for their consideration and time and R. Frick for her help. She said she now has all the information she needs to present to her Common Council.

COMPLIANCE MAINTENANCE ANNUAL REPORT – ACTION THEREON

This will be deferred until the June meeting.

HYDROGEN SULFIDE (H₂S) MITIGATION PROJECT – ACTION THEREON

B. Hyde and the engineers reviewed the video tapes. He stated that the liner job was just a "fair" job. They are waiting for an extended warranty from Visu-Sewer – B. Hyde has requested a 10 year warranty on the project. In addition, Highway C televising with no water flowing has been

requested along with pictures of the repairs in the park area extending down Milwaukee Street. These requests are being made due to tears in the liner that occurred during the installation. E. McAleer stated that we need physical evidence to see if it does need to be repaired and if it does then we need certification from the applicator and the engineer that the repairs are going to be as good as if it were new. Communication from Strand should take place as to the "as is" condition or repairs needed as well as from the applicator. R. Frick prepared an analysis of how much has been paid to date for Visu-Sewer and Strand. It was P. Craig's opinion that a freeze on payment is called for until these actions were taken. It was felt that Andrew Craven should retract his approval.

P. CRAIG MOTIONED TO DENY THE PAYMENTS. M. DE YOE SECONDED THE MOTION. SHE ASKED IF AN ADDITIONAL LINER WAS NEEDED WOULD THE SAME TYPE OF DISRUPTION TAKE PLACE. CONSIDERATION OF INTANGIBLE COSTS MUST BE CONSIDERED FINANCIALLY. THIS HAS A HUGE IMPACT ON THE PEOPLE AFFECTED. SHE STATED THAT THIS WAS A REAL INCONVENIENCE TO THE PEOPLE AND THIS NEEDS TO BE CONSIDERED. B. HYDE DID NOT THINK THAT THE INSTALLATION OF ANOTHER LINER WOULD REDUCE THE CAPACITY. P. CRAIG CLARIFIED THAT HIS MOTION WAS TO DENY THE PAYMENTS TO STRAND AND VISU-SEWER. ALL WERE IN FAVOR. MOTION CARRIED.

Inspection of manholes will start on June 3, 2008. The people who experienced back-ups have been contacted to determine if there are any outstanding claims. There were five claims out of the eight homes that were affected – these claims have not been settled.

ADDITIONAL SLUDGE DRYING CAPACITY – ACTION THEREON

There is an inadequate amount of sludge drying capacity. A letter from the Foth Engineers dated April 24, 2008 has been received and was provided to the Commissioners showing total estimates for this project to be approximately \$183,300. Paved driveways should be between the drying cells; this should be considered and would result in an addition of approximately \$15,000 - \$20,000. R. Frick stated that these costs would come out of the Depreciation account. It was clarified that this project would need to be bid out on Request for Proposals (RFPs).

P. CRAIG MOTIONED TO HAVE FURTHER EXPLORATION TAKE PLACE. R. STEVENS SECONDED THE MOTION. IT WAS CLARIFIED THAT THE MOTION'S INTENT WAS THAT RFP'S SHOULD BE SENT OUT. THERE WAS NO FURTHER DISCUSSION. ALL WERE IN FAVOR. MOTION CARRIED.

SCUM PIT EPOXY COATING – ACTION THEREON

B. Hyde explained the function of the scum pit. The pit is becoming pitted and coating needs to take place. A quote has been requested from Visu-Sewer.

R. STEVENS MOTIONED TO MOVE FORWARD WITH A NOT TO EXCEED PRICE OF \$7,000. M. DE YOE SECONDED THE MOTION. THERE WAS NO FURTHER DISCUSSION. ALL WERE IN FAVOR. MOTION CARRIED.

LEADMAN REVIEW

CLOSED SESSION

PLEASE TAKE NOTICE THAT FOLLOWING THE GENERAL MANAGER'S REPORT, THE COMMISSION WILL CONVENE UPON PASSAGE OF THE PROPER MOTION INTO CLOSED SESSION PURSUANT TO: SECTION 19.85(1)(C), WISCONSIN STATUTES, CONSIDERING EMPLOYMENT, PROMOTION, COMPENSATION OR PERFORMANCE EVALUATION DATA OF ANY PUBLIC EMPLOYEE OVER WHICH THE GOVERNMENTAL BODY HAS JURISDICTION OR EXERCISES RESPONSIBILITY, MORE SPECIFICALLY TO DISCUSS REVIEW OF CURRENT LEADMAN FOR POSSIBLE PROMOTION TO GENERAL MANAGER POSITION. FOLLOWING THE CLOSED SESSION, THE COMMISSION WILL THEN RECONVENE INTO OPEN SESSION TO CONTINUE WITH AGENDA ITEMS.

R. STEVENS MOTIONED TO ENTER INTO CLOSED SESSION TO INCLUDE R. FRICK & B. HYDE PURSUANT TO: SECTION 19.85(1)(C), WISCONSIN STATUTES, CONSIDERING EMPLOYMENT, PROMOTION, COMPENSATION OR PERFORMANCE EVALUATION DATA OF ANY PUBLIC EMPLOYEE OVER WHICH THE GOVERNMENTAL BODY HAS JURISDICTION OR EXERCISES RESPONSIBILITY, MORE SPECIFICALLY TO DISCUSS REVIEW OF CURRENT LEADMAN FOR POSSIBLE PROMOTION TO GENERAL MANAGER POSITION. FOLLOWING THE CLOSED SESSION, THE COMMISSION WILL THEN RECONVENE INTO OPEN SESSION TO CONTINUE WITH AGENDA ITEMS. K. COMPTON SECONDED THE MOTION. THERE WAS NO FURTHER DISCUSSION. A ROLL CALL VOTE WAS TAKEN: K. COMPTON, AYE; P. CRAIG, AYE; M. DE YOE, AYE; R. LANDWEHR, AYE; G. MAC DOUGALL, AYE; E. MC ALEER, AYE; M. MEYERS, AYE; R. STEVENS, AYE. MOTION CARRIED. THE MEETING ADJOURNED INTO CLOSED SESSION AT 8:01 P.M.

OPEN SESSION

P. CRAIG MOTIONED TO RECONVENE INTO OPEN SESSION. R. STEVENS SECONDED THE MOTION. A ROLL CALL VOTE WAS TAKEN: K. COMPTON, AYE; P. CRAIG, AYE; M. DE YOE, AYE; R. LANDWEHR, AYE; G. MAC DOUGALL, AYE; E. MC ALEER, AYE; M. MEYERS, AYE; R. STEVENS, AYE. MOTION CARRIED. THE MEETING RECONVENED AT 8:13 P.M.

FINANCE DIRECTOR'S REPORT

VISU-SEWER CLEAN & SEAL INVOICE – ACTION THEREON

No action was taken. See motion above under “Hydrogen Sulfide Mitigation Project”.

STRAND INVOICE – ACTION THEREON

No action was taken. See motion above under “Hydrogen Sulfide Mitigation Project”.

FINANCIAL STATEMENTS

R. Frick reviewed the new condensed financial statements. The Commissioners expressed their pleasure with them and the addition of the DUE's Reconciliation & Connection Charge page.

APPROVE EXPENSES & DISBURSEMENTS – ACTION THEREON

E. MC ALEER MOTIONED TO APPROVE THE EXPENSES & DISBURSEMENTS AS PRESENTED. M. DE YOE SECONDED THE MOTION. THERE WAS NO FURTHER DISCUSSION. ALL WERE IN FAVOR. MOTION CARRIED.

ADJOURN

P. CRAIG MOTIONED TO ADJOURN FROM THE MEETING. R. STEVENS SECONDED THE MOTION. THERE WAS NO FURTHER DISCUSSION. ALL WERE IN FAVOR. MOTION CARRIED. THE MEETING ADJOURNED AT 8:21 P.M.

Respectfully submitted:

Minutes prepared by:

Rosemary Frick, CPA
Finance Director

Accurate Business Communications, Inc.