

*****FINANCE MINUTES*****

November 27, 2012

**SAUKVILLE MUNICIPAL CENTER
639 E GREEN BAY AVE, SAUKVILLE, WI**

Village President Barb Dickmann called the meeting to order at 6:45 p.m.

Village Administrator Dawn Wagner gave the Statement of Public Notice.

Members Present: Barb Dickmann-present, Bob Hamann-present, David Maglio-present, Dan Sauer-present, Mike Krocka-present, Michael Gielow-present, and Joe Caban-present.

Others Present: Dawn Wagner, Mary Kay Baumann, Vicki Lee, Roy Wilhelm, Ron Brisbin-Charter Steel, Eric Novicki-Charter Steel, Ken Bell-Charter Steel, and Mark Jaeger.

APPROVE CLAIMS FOR OCTOBER 2012 IN THE AMOUNT OF \$167,728.04

Krocka/Sauer made a motion to approve claims for October 2012 in the amount of \$167,728.04.

Motion carried.

BUDGET WATCH

The Budget Watch was submitted for review.

Lee stated that we are at 75% and the average is 83% for this time of year.

INVESTMENT REPORT

Lee stated that there have been no changes in rates.

Wagner stated that the Village received a large payment from MRED in the amount of \$192,517.91 as part of the agreement with the STH 33 improvements. Wagner stated that Lee will be setting up a separate equity account in the Debt Service Fund.

CHARTER STEEL WASTEWATER BILLING

The Finance Committee was provided with a staff memo outlining recommendations to rectify the sanitary sewer billing discrepancies for the first three quarters for Charter Steel in 2012. The memo in part reiterated the minutes of the November 13, 2012 Utility Committee meeting wherein staff was tasked to formulate a solution going forward.

Based on the recommendations at the November 13 Utility Committee meeting, Wilhelm stated that staff went back on Progress Drive, observed and sampled the further down stream sanitary sewer line from Charter. Based on the visual observations and the analytical results that were received today, it was determined that more cleaning needs to be done.

Wilhelm admitted that in reviewing the findings, the readings may have been artificially high due to the sludge buildup from Charter, but to what exact amount will never be determined.

Charter Steel is requesting a credit of \$188,918 for the 2nd quarter of 2012. Charter has already paid \$130,000 towards the 3rd quarter of 2012 based on what they consider a fair average and requested that the third quarter bill no longer be in question.

Wilhelm stated that staff recommended acceptance of the \$130,000 for the third quarter and apply Charter's request for a \$188,918 credit to the 4th quarter billing and waive any fees to Charter for the 4th quarter up to the \$188,918. Charter and the Village would then start fresh with the 1st quarter of 2013.

Wilhelm stated that safeguards would need to be put in place moving forward so a situation, such as this, does not happen again.

Hamann felt that the Village's offer was a fair one.

Wilhelm did state that additional cleaning needs to be done and that would be discussed in the near future at Committee level with Charter.

Charter representatives asked to step out for a brief discussion.

While they were out, Wagner stated to the Committee that discussion regarding maintenance concerns needs to be held. Developing a program for additional cleaning needs to be put in place and the cost should be incurred by Charter.

Maglio stated that there has been no inspection of these lines by Charter in about 5 years.

Lee stated that usage has gone up considerably.

Wagner stated that Wilhelm and Hartmann have done a great job reviewing the information presented.

Upon return to the meeting, Charter representative, Brisbin stated that they are suffering a little "heartburn" over the potential \$50-\$60,000 difference between the \$188,918 credit and what the actual billing might be. Would the Village be willing to apply any difference between the \$188,918 and the actual bill for the 4th quarter as a credit to the 1st quarter of 2013 if the actual is lower? Likewise, Charter would then pay the difference for the 1st quarter of 2013 if the actual is higher.

Wilhelm did state that there is additional footage in the sanitary line that needs to be cleaned and the material that needs to be removed originates from Charter. The Village should not have to deal with any of it.

Dickmann asked members of the Utility Committee to comment.

Maglio stated that he felt that Charter should not be charged for services that weren't used. They should be credited.

Krocka also felt that they should be credited.

Hamann agreed.

Dickmann reviewed the proposal:

Accept \$130,000 as the 3rd quarter payment in full, apply an estimated credit value of \$188,918 to the 4th quarter bill and any credit balance, should the actual amount be lower, would then be applied to the 1st quarter of 2013. The cost of any additional cleaning and maintenance of the sanitary lines up to Technology Way would be paid 100% by Charter.

Maglio/Sauer made a motion to recommend to the Village Board approval of the proposal with Charter as listed above. Motion carried.

CONVENE TO CLOSED EXECUTIVE SESSION PURSUANT TO §19.85(1)(c) PERSONNEL AND (e) FOR THE PURPOSE OF DISCUSSING NEGOTIATION STRATEGIES

Maglio/Krocka moved to convene to Closed Executive Session pursuant to §19.85 (1)(c) Personnel and (e) for the Purpose of Discussing Negotiation Strategies. Roll call vote was taken with all in favor. Motion carried at 7:09 p.m.

RECONVENE TO OPEN SESSION

Krocka/Gielow moved to reconvene to Open Session. Motion carried at 7:45 p.m.

ACTION ON CLOSED SESSION MATTERS

No action taken.

RES. #1165 - 2013 COMPENSATION SCHEDULE

Hamann/Maglio made a motion to approve the 2013 Compensation Schedule as presented. Motion carried.

VILLAGE ADMINISTRATOR - CONTRACT FOR SERVICES

Maglio/Gielow made a motion to recommend to the Village Board the Village Administrator-Contract for Services as presented effective 12/1/12-11/30/13. Motion carried.

OTHER MATTERS

Wagner stated that the Saukville Chamber breakfast will be held Wednesday, December 5th at Saukville Elementary at 7:00 a.m. Anyone interested in attending should contact Mary Kay.

Wagner reported that the 2012 Winter Newsletter is now available on the Village web-site.

Wagner reported that Schmit Bros. has requested that the Village not plant parkway trees in front of their dealership. Their request will be honored. The extra trees will be planted elsewhere in the Village.

ADJOURNMENT

Krocka/Sauer made a motion to adjourn. Motion carried at 7:49 p.m.

Mary K. Baumann
Deputy Clerk