

DELAVAN LAKE SANITARY DISTRICT

MINUTES

Regular & Closed Session

May 20, 2020

9:00 A.M.

CALL TO ORDER

Commissioner Miller called the Regular Meeting to order at 9:05 A.M. at the Delavan Lake Sanitary District located at 2990 County Rd F South, Delavan, Wisconsin.

ROLL CALL Present: Thomas Miller, President
Kim O'Keefe, Commissioner
Thomas Johnson, Commissioner
David Reider, Commissioner
Richard Beers, Commissioner (arrived at 9:20)

Absent: None

Other: Administrator Jim DeLuca
Shelly Weeks

Visitors: Katherine Gaulke
Jodi Dobson (Auditor)

DECLARATION OF A QUORUM

President Miller declared a quorum present for doing business.

APPROVAL OF MINUTES OF REGULAR MEETING OF APRIL 15, 2020, SPECIAL MEETING OF APRIL 22, 2020, SPECIAL MEETING OF MAY 1, 2020

After reviewing the Regular Meeting minutes of April 15, 2020, Commissioner O'Keefe made a motion to approve the minutes as written. Commissioner Reider seconded the motion which passed unanimously.

After reviewing the Special Meeting minutes of April 22, 2020, Commissioner O'Keefe made a motion to approve the minutes as written. President Miller seconded the motion which carried unanimously.

After reviewing the Special Meeting minutes of May 1, 2020, Commissioner O'Keefe made a motion to approve the minutes as written. Commissioner Reider seconded the motion which carried unanimously.

FINANCIAL

After a review and discussion of the bills represented by check numbers 27011 through 27059, Commissioner O'Keefe made a motion to approve check numbers 27011 through 27059. Commissioner Reider seconded the motion which passed unanimously.

Commissioner Beers made a motion to accept the Allocation of Funds report for the period ending April 30, 2020 and the Financial Statements for period's ending January 31, 2020, February 29, 2020, March 31, 2020, April 30, 2020, and place on file. The motion was seconded by President Miller and carried unanimously.

ADMINISTRATOR'S MONTHLY REPORT

Administrator DeLuca shared work on the force main is still going on. Paving on Manor Lane still needs to be scheduled, a broken drain tile needs to be repaired and will be taken care of by the District. We are still dealing with COVID-19, although as restrictions are lifted our work schedule is back to normal. Everyone's temperature is being monitored, we are using spray bottles filled with alcohol for sanitizing and these bottles are in every vehicle. There is a separate shelving unit for all COVID-19 supplies for tracking and stocking of all PPE inventory which includes cleaners, hand sanitizers, masks, and suits. This will help should there be another outbreak. Commissioner O'Keefe made a motion to accept the Administrator's Report and place it on file. Commissioner Reider seconded the motion which passed unanimously.

LAKE COMMITTEE REPORT

Commissioner Beers shared the Lake Committee meeting was done using modern technology to meet the social distancing needs. He and 3 others

showed up at the Town Hall to attend the meeting headed by Katherine Gaulke. Katherine Gaulke shared at the Town of Delavan Board Meeting on May 19, 2020 there was a motion to not do pellets this year in Brown's Channel and the motion passed. Therefore, pellets will not be done this year in Brown's Channel. The Board did give Administrator Olson permission to submit the dredging permit to the DNR. Peter Berini also spoke at the board meeting sharing the possibility of using the DINO Six should the DNR approve using it for the retention ponds. Katherine Gaulke also mentioned the fireworks are still scheduled for June 27, 2020.

COMMENTS AND SUGGESTIONS OF CITIZENS PRESENT REGARDING AGENDA ITEMS

None

DISCUSSION/POSSIBLE ACTION – ONGOING LAKE MANAGEMENT

Commissioner Beers discussed the potential need to monitor and document the depth and turbidity in Brown's Channel going forward since pellets will not be used this year. He would like this to be a discussion on next month's agenda to figure out if, when, and what we should be monitoring. Administrator DeLuca shared Baxter and Woodman is working on the weir project. They are talking to the DNR about the land we own and the riverbank restoration and rehabilitation. To get a quote, we need to finish discussions with the DNR to know what the parameters are going to involve. Baxter and Woodman may be able to give us a rough estimate in the meantime. Katherine Gaulke shared the Town is looking at doing work from the weir all the way up to our property.

DISCUSSION/POSSIBLE ACTION REGARDING PAYMENT REQUEST #4 – LS#6 FORCE MAIN

Engineer Doug Snyder reviewed the request for payment by Reesman's Excavating and Grading, Inc. and has given his approval for payment of work completed to date. Commissioner Beers made a motion to approve the payment request by Reesman's Excavating and Grading, Inc. in the amount of \$123,686.74. President Miller seconded the motion which passed unanimously.

DISCUSSION/POSSIBLE ACTION REGARDING 2019 AUDIT PERFORMED BY BAKER TILLY VIRCHOW KRAUSE, LLP

Jodi Dobson from Baker Tilly Virchow Krause, LLP discussed the results of the audit. Our financial statements received a clean and unmodified opinion which is the highest level of assurance they can give. This opinion lets everyone know when looking at the financial statements they are getting a fair presentation of the financial position and results of operation. The one weakness mentioned is relating to financial reporting and the control environment. This is a common weakness in governmental agencies and is a result of the District being small so there will be issues relating to segregation of duties. The management analysis provided gives an overview of what has gone on during the year. There were no significant changes in the financial statements in 2019. There was more capital activity than in the prior year. Operating expenses were higher than operating revenues however, operating revenues do not include property tax revenues received as this is considered a non-operating revenue. When non-operating revenues are added in, revenues are above the expenses. The report also shows that revenues have been keeping pace with inflationary increases in the expenses. The District has approximately 16 ½ months of unrestricted cash reserves on hand which meets and exceeds what the Government Finance Officers Association recommends. Leverage of debt usage is very good as the District infrastructure is not financed by debt. Commissioner O'Keefe made a motion to approve and accept the audit as presented. Commissioner Beers seconded the motion which carried unanimously.

DISCUSSION/POSSIBLE ACTION REGARDING DLIA CARP DERBY/AWARDS PROGRAM

Administrator DeLuca shared a memo from Commissioner O'Keefe, a representative of the DLIA, requesting financial participation in the DLIA Carp Derby/Awards Program. The District participated last year with a \$500 donation and the Derby was successful. This year there is a request for \$1,000. The Town of Delavan and Friends of the Park are contributing \$1,000 each and DLIA is contributing \$500. The event has had modifications made to allow for the social distancing that still needs to be in place. This event is meant to harvest the carp during their spawning season to keep a handle on the carp population in the lake. Commissioner Beers made a motion to donate \$1,000 to the DLIA Carp/Derby Awards Program. Commissioner Johnson seconded the motion whereby a further discussion took place. Commissioner Beers amended the motion to donate \$1,000 to the DLIA Carp Derby/Awards Program with the

stipulation a waiver of liability for the Delavan Lake Sanitary District is provided. Commissioner Reider seconded the motion which passed with a 4 aye and one abstain vote. President Miller, aye, Commissioner O'Keefe, abstained, Commissioner Johnson, aye, Commissioner Reider, aye, Commissioner Beers, aye.

DISCUSSION/POSSIBLE ACTION REGARDING DISTRICT FUNDS

Administrator DeLuca shared the interest rate on CD's is dropping and the only options available as of now are Commerce Bank for 7 months at 1% and Advia Credit Union for 6 months at .45% or 30 months at .75%. We can move the money or leave it in the money market as banks are not offering much right now. Rates are not expected to go up anytime soon. It was decided to move the money to Commerce Bank for 7 months at 1%.

DISCUSSION/POSSIBLE ACTION REGARDING COVID-19 OPERATIONS

Administrator DeLuca discussed how staff is handling the current COVID-19 situation. At first, we were rotating staff with some working out of their homes. Now we are taking the temperatures of staff. Otherwise, we are back to normal. We are in possession of cleaning and sanitizing supplies such as bleach, alcohol, wipes, and hand sanitizer. We also have protective gear such as masks and suits.

DISCUSSION/POSSIBLE ACTION REGARDING COMMERCIAL ERU'S AND SEWER CHARGES

After a brief discussion Commissioner Beers made a motion to continue for one more month, the flat fee billing as listed on the Delavan Lake Sanitary District Non-metered Bars & Restaurants ERU's 3/24/2020 document with a 3/19/20 date on the bottom of the page. Commissioner Reider seconded the motion which passed unanimously.

DISCUSSION/POSSIBLE ACTION REGARDING RESOLUTION NO. 1 OF 2020 APPROVING THE 2019 CMAR

Commissioner Reider made a motion to approve Resolution No. 1 of 2020 approving the 2019 CMAR. Commissioner Beers seconded the motion which passed unanimously.

CLOSED SESSION

Commissioner Beers made a motion that the commissioners, upon motion duly made and carried, will immediately convene to closed session. The purpose of the closed portion of the meeting is to confer 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 in which it is or is likely to become involved as authorized under Section 19.85(1)(g), Wisconsin Statutes. Specifically, to be discussed is the pending appeal to the Walworth County Zoning Board of Adjustment relating to the appeal of the County Zoning Administrator regarding sewer facilities within the View Crest Subdivision.

Commissioner O'Keefe seconded the motion, and a roll call vote showed all commissioners in favor of the motion.

RECONVENE IN OPEN SESSION

President Miller made a motion to reconvene in open session at 10:37 a.m. The motion was seconded by Commissioner Beers which carried unanimously.

DISCUSSION/POSSIBLE ACTION ON ANY CLOSED SESSION MATTERS

None

CONSIDERATION OF FUTURE AGENDA ITEMS

None

DISCUSSION/POSSIBLE ACTION OR CONFIRMATION OF NEXT MEETING DATE

The next regular meeting date is scheduled to be held on June 17, 2020 at 9:00 a.m.

ADJOURNMENT

There being no further items to discuss, Commissioner O'Keefe made a motion to adjourn the meeting. Commissioner Beers seconded the motion which carried unanimously. The meeting adjourned at 10:39 a.m.

A handwritten signature in black ink, appearing to read "K. W. O'Keefe", written over a horizontal line.

Kim O'Keefe, Secretary

Date Approved: 6/17/2020