

**DOVER EYOTA ST. CHARLES AREA SANITARY DISTRICT**  
**Minutes of Board of Directors Regular Meeting**

**May 15, 2018**

**Members Present:**

Ray Schuchard  
Wayne Getz  
Dave Iseminger  
Wes Bussell  
Tony Nelson  
Cheryle Ihrke

**Absent:**

Dave Kramer

**Staff:**

John Brogan

**Guests:**

Todd Arlander  
Tom Dye, Stantec  
Monica Hauser, Hawkins Ash CPAs  
Joe Nurmi, Hawkins Ash CPAs  
Kelly Anderson, Home Federal

**1. Call to Order:**

Chairman Wayne Getz called the meeting to order at 7:00 p.m.

**2. Set Agenda:**

Motion made by Wes Bussell to set agenda. Seconded by Dave Iseminger. All voted in favor. Motion carried.

**3. Monica Hauser, Hawkins Ash CPAs, present final 2017 audit report:**

She noted that in the Independent Auditor's Report, page 2, their opinion is that is was a "clean" audit. There were no major changes in the balance sheet and income statement from the previous year. She clarified that amounts recorded as "deferred inflows/outflows" are the District's share of the pension liability and not a monetary amount. These entries are required as part of a new government standard and further outlined in footnote #2 to the financial statements. Regarding page 29, Minnesota Legal Compliance letter, they had no issues to report, they are confident that they received accurate numbers.

**4. Tom Dye, Stantec, clarifier damage/repair:**

Stantec had been asked to provide a proposal to assist with the clarifier repair. The first step will be to have a structural engineer take a closer look at the clarifier to determine if there is any other damage to wall supports, etc. They will provide a written report on the damage, assist with obtaining bids for repair, oversee the repair and keep the insurance company informed. He said this is an unusual situation and are proposing to provide assistance on an hourly basis for an estimate not to exceed \$15,000.00. The District's LMC insurance policy will also cover the engineering costs. Motion made by Wes Bussell to accept Stantec's Clarifier Repair Assistance Proposal as presented, with a not to exceed amount of \$15,000.00. Seconded by Tony Nelson. All voted in favor. Motion carried.

**5. Kelly Anderson, Home Federal Investments:**

He reviewed that last August the District invested in 5 CD's, each \$100,000.00, with maturity dates staggered over the next 5 years. A couple months later another \$100,000 was invested in a CD for 3 years. There is currently a 1.94% average yield on the portfolio with a gain of approximately \$12,000 per year in interest. The market value has been declining, as shown on the monthly statements, and from an accounting standpoint must record these changes in market value. If the District holds each CD until maturity the District will receive the full face value of the CD plus interest. Currently, as interest is paid out it flows into a money market account that is FDIC insured. As the maturity date of each CD approaches Kelly Anderson will review the options for reinvestment and inform the Board.

**6. Approve Minutes of the April 17, 2018 regular meeting:**

Motion made by Tony Nelson, seconded by Ray Schuchard, to approve the regular meeting minutes of April 17, 2018. All voted in favor. Motion carried.

**7. Approve Receipts & Disbursements/Summary of Assets:**

Motion made by Dave Iseminger, seconded Wes Bussell, to approve Receipts and Disbursements/Summary of Assets. All voted in favor. Motion carried.

**8. Plant Update:**

a) no violations for the month.

b) the new pump at the lift station is much more efficient than the old one. Flows have come up enough where the generator would have started with the old pump but it has not yet ran with the new pump installed.

c) Mark Hugeback, MPCA Compliance Officer, conducted an inspection of the plant and was happy with what he saw. He stressed the importance of calling the Duty Officer if you are in a bypassing and discharging situation.

d) LMC insurance adjuster, Carol Geiger, visited the plant on May 2, 2018. She explained the course of action. Tom Dye, Stantec, and the contractors from the project were contacted. Westrum Leak Detection was here and pinpointed the leak to a valve just outside of the clarifier.

e) on May 7<sup>th</sup> samples were obtained from the lagoon and taken to UC Labs. The results were good. Need dry weather, hopefully will be applying biosolids by the end of this week.

f) waterways are all done and seeded.

g) Steve Pearson asked if anyone has had his property approved for biosolids application. He has 40 acres near Darrell Urban that he'll allow application even using a drag line. This method would cut down on expense and time. Now know that we can go about 18 months before the lagoon is full.

h) Motion made by Wes Bussell to draft a letter to the cities of Dover, Eyota and St. Charles regarding the pumping of manholes, etc. and the importance of calling the MPCA Duty Officer in these situations. Seconded by Tony Nelson. All voted in favor. Motion carried.

**9. Personnel Committee Update:**

Josh Campbell submitted his resignation, by email, to Wes Bussell on May 3, 2018. His last day of employment is May 4, 2018. Wes Bussell presented to the Board a memo, written by him, summarizing the events that led to Josh Campbell's resignation. The Personnel Committee met on May 7, 2018 to discuss recommendations to the Board on the next steps to take. The recommendations are as follows along with the Board action taken:

- a) Recommendation for the Board to authorize administrative leave pay to Josh Campbell for the period May 1-May 4. Motion made by Tony Nelson to approve this recommendation, seconded by Cheryle Ihrke. All voted in favor. Motion carried.
- b) Recommendation for the Board to accept the resignation of Josh Campbell effective May 4, 2018. Motion made by Wes Bussell to approve this recommendation, seconded by Ray Schuchard. All voted in favor. Motion carried.
- c) Regarding the hiring of a new employee, the Board recommends using the same advertisement used in the past, advertising in the St. Charles Press, Rochester Post-Bulletin, and various websites. Take applications until June 9, 2018. Personnel Committee would sort through applicants, interview and make recommendation for hire thereafter. Motion made by Ray Schuchard, seconded by Tony Nelson, to accept these recommendations for the process of hiring a new employee. All voted in favor. Motion carried.

**10. Plant Operator Salary Survey:**

Spreadsheet presented with salary ranges for operators at various sewer plants in SE Minnesota. Wes Bussell would like to see this put into pay equity format before any salary increase decisions are made.

**11. Other Business:**

Wayne Getz pointed out that Wes Bussell, as Chair of the personnel committee, puts in extra time and use of his personal resources regarding the personnel committee. He is suggesting that Wes should be paid a stipend, in addition to the meeting payment, to help cover some of these additional costs he incurs. Motion made by Wayne Getz to pay Wes Bussell \$75.00, as a stipend for each personnel committee meeting. Seconded by Tony Nelson. Five (5) voted in favor. Wes Bussell abstained. Motion carried.

There being no further business a motion was made by Tony Nelson, seconded by Dave Iseminger, to adjourn the meeting at 8:06 pm. All voted in favor. Motion carried.

Respectfully Submitted,

*Cathy Kennedy*

Cathy Kennedy