

VILLAGE OF DRESSER
POLK COUNTY
VILLAGE BOARD PROCEEDINGS

Pursuant to due call and notice thereof, a Village Board meeting was held on Monday, June 3, 2013, in the Municipal Office, 102 West Main Street. Bryan Beseler, Village President called the meeting to order at 6:30 PM. Beseler called for Roll Call: Bryan Beseler, Jim Rochford Jr., Darron Nelson, Kristi Scheet, Wayne Moberg, Neil Gustafson, and Richard Durand were all present. Also present was Jodi Gilbert - Clerk, Dan Nord, Mike Qualle, The Osceola Sun, and The Inter-County Leader. Beseler stated that tonight's tours will focus around the water utility. The board toured Well House #2 and Well House #3. The board adjourned and proceeded back to the Municipal Building at 6:55 PM.

Bryan Beseler, Village President called the regular meeting to order at 7:00 PM. Roll Call: Bryan Beseler, Jim Rochford Jr., Darron Nelson, Kristi Scheet, Wayne Moberg, Neil Gustafson, and Richard Durand. Also present: Attorney Tim Laux, Clerk Jodi A. Gilbert, Ryan Haass – Police, Tiffany Meyer – Library Director, Dan Nord, Mike Qualle, and Brock Geyen. The Standard Press, The Osceola Sun and The Leader Newspapers were all present. Salute to the Flag was given.

APPROVAL OF MINUTES: Motion Rochford/Gustafson to dispense with the reading of the minutes. Motion Carried. Motion Nelson/Rochford to approve the minutes of the Village Board Meeting, May 6, 2013. Motion Carried.

APPOINTMENT OF COMMITTEES: Motion Durand/Scheet to confirm Village President Bryan Beseler's schedule of Committee Appointments for 2013-2014. Beseler stated you see the list in front of you and I tried to do the best I could based on your preferences. Hope they are satisfactory. No further discussion. All in Favor. Motion Carried.

CITIZEN COMMENTS: Beseler called for any citizen comments. None made. Gilbert read for the record a letter that was submitted by Melanie Nelson.

PREREGISTERED: Brock Geyen – CliftonLarsonAllen LLP – Presentation of the 2012 Village of Dresser Audit. Geyen handed out two documents to the board. As we go along if there are any questions please let me know? We know that the records are in good order. We acknowledge this in the draft of the General Statement. We hope to be issuing the final audit books in the next couple of weeks. The numbers here are solid. The 2nd handout is a summary of results and some financial highlights of the 70 page document. Let's start with the results of the audit. We first issue an audit opinion. The goal is a clean opinion with the amounts correct. These are things we are required to report. We come in and propose adjustments to your books to conform to the standards. This is very common for us to do. You do have a lack of segregation of duties, but this happens in many communities you just don't have enough people. We audit 150 governments and most do not meet this standard. Overall we found no problems. Let's look at Item #2 General Fund. There is a 4 year comparison. Under Fund Balance – we look for key financials the Nonspendable Fund Balance is offset to other funds. You can't spend that. The 2nd Classification is Assigned Fund Balance which is currently at \$212,281 this is money you intend to spend in the future. Everything that is left is what is the benchmark or health of the General Fund \$237,251. This amount increased from last year. We compare to the expenditures. If you find the percentage at the bottom which is 46.1% is how you are overall doing. We consider it a healthy balance. We suggest you maintain 33% as a good target. You don't want to be lower than that amount. This covers 4 months of expenses. Any other questions on the General Fund. Nothing stated. Item #3 is the Special Revenue Funds. You have the CDBG Housing Rehab Fund which has a positive balance. Still in good shape. You also have your Library Fund which also has a good balance. Item #4 shows your Debt Service Fund. You are making all of your payments and the responsibility is good. The next 2 sections go over the Utilities. First lets look at the Water Utility. The Top Line showing Cash and Investments – at the end of 2012 has run down to a zero

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balance. The water utility is not cash flowing. There are a couple of reasons for that. Go to the bottom – the last 2 rows. The first measures Operating Income which is the revenues from fees less expenses. That has been a loss over the past 4 years. It has been a drain on the cash flow. The Bottom line – Net Income you had a big loss in 2011 – Debt forgiveness to the Sewer fund in an amount I believe of \$84,000. Causing you to incur a loss. Usually a community does 3 simple rate increases before they do a full rate increase. If you are looking for more than 3% given operations you would be looking at a full rate case. That is pretty involved. A long application which we help with. They are going to do 2 things. If you have a project in mind the question is do the fees cover the project and do you hit some bench marks. They may want you at a certain percentage plus project costs. It all rolls together. Would like to point out 2 more numbers. Under Net Position you have Net Investment and Unrestricted. The top one is maintaining infrastructure which has gone down over 4 years. Depreciation is going down faster then you are replacing. That bottom line has gone from \$161,675 in 2009 to \$17,912 in 2012. Right now if you do nothing this utility could go into a deficit at the end of 2013. Next let's look at the Sewer Utility. Cash has been at zero and has been – operations are at a deficit. Looking at the bottom 2 rows. The Operating Loss was only (\$4,440) in 2012 where it had been (\$48,957) in 2011. The one positive number is because of debt from the water fund. That money comes through as revenue. Looking at Net Position the capital has been decreasing the past 4 years. Overall you are still pretty healthy. Depreciation is happening faster then you are replacing. Net Position Unrestricted is a (\$92,702). Any questions on the Sewer Utility. Nothing stated. Item #6 is Long Term Obligations – it is all general fund supported by tax dollars. There is a limitation on much you can borrow. The last row shows you are at 39% of capacity of borrowing – we monitor that yearly. It is based on equalized value of the village. You are not near the cap so there are no concerns. Nelson asked is it typical for Utilities to be a negative. Geyen stated it is not normal. Usually the water is looking good because the PSC regulates it and they set the rates to keep you financially sound. The sewer utilities are all over the place. We see quite a bit of intergovernmental fund borrowing for projects. Rates are set for the payback - especially if there is debt. Typically equity is not negative but cash is a problem. Any other questions. Nothing stated.

ACTIONS AND COMMITTEE REPORTS

PUBLIC WORKS: Discussion was held in regards to letter received from Town of St Croix Falls in regards to the Termination of Intergovernmental Agreement for Summit Road. Beseler stated we received a letter from the Town of St Croix Falls with a resolution they passed looking to end the contract they have with the Village. The current contract I believe ends December 31, 2014. We are going to have to decide what direction we are going with this. Summit is a .13 mile piece of road out past Trap Rock in the Village limits. It is not easily accessible for employees and that is the main reason we entered into an agreement for them to maintain and plow. We give them their chunk of our money. Now they don't want to maintain it. In the past parties came forward that wanted to keep the road open instead of closing it. Based on Town of St Croix – Steve Palmer they have no opinion on the future plans even if we wanted to close it. The Town of Osceola may want to keep that open and I will be seeing if Schmidt would be willing to. There is no action tonight. Just wanted you to know where this is at – it may go to committee and let the public works committee start on some direction. I may ask to have a meeting in July after I have had some conversations. Beseler asked Dan and Mike if they had anything to add. They stated it is in poor shape and there is a railroad crossing in the middle. In the past Dresser did not want the section – Laux stated I believe there had been a serious traffic accident in that area. Scheet stated I believe one of the arguments to keeping it open was the location of the St Croix Falls Fire Dept. and how they would get to the people out there. For the ones that didn't want it closed they thought that was the only way to get to St Croix Falls. Any other discussion. Nothing stated.

Beseler stated you have the 2013 Spring Clean Up/Waste Management Report in front of you. We had to bill out several people this time because they exceeded 1,000 pounds. No further questions.

Resolution #05-2013 – Wisconsin Department of Natural Resources NR208 – Compliance Maintenance Resolution. Motion Scheet/ Rochford to move Resolution #05-2013 into immediate consideration. All in Favor. Motion Rochford/Gustafson to pass and approve Resolution #05-2013. Any discussion – We do this

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annually. Scheet questioned some of the future plans listed. Rochford stated we are required to have some kind of action. The report gets submitted to Madison and then it goes back to Spooner. The reports are more in depth for a Community with a sewer plant. We only have a collection system. Roll Call Vote. All members of the board present voted yes. Motion Carried.

Discussion was held regarding Water Meters for the Village. A memo was presented regarding the water meters. We talked about our Water System earlier and just received the water audit. The one issue that is up coming is they can no longer purchase the existing meters based on the no lead requirements. What product will we go with? Do we do this all at one time or piece meal it. Do we go fully radio read versus walking up to each house. There are some different directions we can go with this. Nobody is an expert in putting together a proposal. If the board wanted to motion to the public works committee to go forward with the hiring of an engineering firm to put together an RFP and see what the firm numbers would be. Rochford asked how much is this going to cost. Beseler stated I don't have any firm costs – the project should not exceed \$200,000. Do the current touch pads work with the current meters? Will it work with Jodi's software? To make educated decisions we need an engineering firm to make sure the RFP covers everything. There will be some expenses. The Village doesn't have an engineering firm – there is no preference. Some have come to us already. There are no costs at this time you may have flat rates versus a percentage. Wanted to find out what the boards feelings were. We could give the committee the authority or the committee get costs and come back to the board. We don't want to draw out this process – we are down to ½ dozen in inventory. This is a new composite meter. Scheet asked does WRWA have recommended specs for an RFP. I don't know was stated. What about comparisons from other communities. Scheet questioned maybe an engineering firm may have a can spec and instead of charging you \$1,000's they would say here is a format for you to use. Beseler stated in order to move forward the committee needs direction – does the board give authority ahead of time or do leg work and come back to the board. Motion Nelson to give the public works committee the authority to pick an engineering firm. Attorney Laux I would not recommend that. You can't give them that authority. Nelson stated well then we have a special meeting. There could be a recommendation to the board regarding a firm or maybe the Village crew changes them out. You can hire a 3rd party to change them all out. Laux stated you need to be specific on what the committee going to do. That overall choice – make a decision based on money. Not the RFP – limit – specify what the committee to do – sign on with an engineering firm. Scheet stated we don't need an engineering firm. Beseler stated I don't know if the board wants an engineering firm. Have the committee look into it and get back to you. The Committee can put together an agreement to put together an RFP. Durand stated I agree with Tim's legal concern to limit delegation to committees. Not a very good idea. Nelson stated we need to get the price of a b c. If the board agrees with that - bind that firm. Committees can't do that. Beseler stated what if it is percentage of the project you still won't have a number. You can compare to other communities – if you need a firm and what they cost. They can't write a RFP to include all of the technical details. Engineering firms draft RFP's. Scheet stated that suppliers write technical RFP's also. What do we all need to ask them. It is pretty administrative – go to phone book and call rural water for standards. Meters – here is what the state wants. Laux stated put in the paper an Ad requesting bids on projects and set deadlines and engineering firms to submit proposals. Have the committee review the proposals. Information down the road – clear idea of what the average would be for the costs. You have 447 meters – Beseler OK so go to committee and start the leg work I haven't asked for a second so you would withdraw your motion. Nelson stated I withdraw my motion. Any other discussions or motions. Rochford asked what company are we with now. Don't they know our system? They could give pricing on all of the things. An alternate product – sell you all of the stuff – don't need to hire an engineering firm. Laux stated they do have a list of approved contractors. You could call them too. Scheet asked who has the time to do. Rochford asked do we want a number prior to deciding on a project or an engineering firm. Does the board want to hire an engineering firm and come back in July with more information or are we not going with an engineering firm then that would save time and they could have just gone out for a price quote. Nelson stated my feeling is too publish and get bids and let them sell you on what they have – I don't think they are going to be miles apart on pricing. Rochford you have engineering versus 4 different sales guys. Why does the product cost what it does? Durand stated we

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need more information before we go forward. Gustafson don't really want to prolong things, but I guess get a price on an engineering firm. If we need an expert opinion we need a cost. Durand take your time and do it right. Laux stated contact several engineering firms and ask what we are looking for consulting services to advise the board on how to change out our meters. Most firms won't know the scope and they will charge you xyz. They can give you a figure. That is pretty typical and then take the whole project in stages. Rochford stated I am not against an engineer but want to know costs. We want to hire this engineering firm to advise where to go with this. All will charge you a flat rate. Rochford agreed it may be slower this way but do it right. Gustafson asked how long will the current meters last. Qualle stated we may have 2-3 deduct meters. We haven't had any new houses for several years. Mainly the new are going in as deduct meters. The current meters can be used up to January after that time once a meter is taken out then replace it with a new meter. Scheet a composite meter costs \$129.00. Scheet stated worst case scenario if we went to a different type of meter we would be out \$700 - \$800 and a loss in labor. We can get them and can put them in. Beseler stated just for discussion the new meters are much more reliable. Do we do a full switch out or do in phases. One big plus side with all of this is the accuracy. Rochford was going to make a motion. Beseler stated not necessary the committee will just meet.

FINANCE: Motion Rochford/Scheet to approve an Operator's License – To Sell Fermented Malt Beverages and Intoxicating Liquors for Kristin M. Nicholson. All in Favor. Motion Carried.

Discussion was held to approve License Applications for July 1, 2013 through June 30, 2014 as presented to the Board. Beseler stated we may have up to 4 different motions on this topic. In your packet you see that we have two businesses that are delinquent in their water/sewer bills and personal property bills. Based on our Ordinance they can't be issued a license until all bills are paid in full. Motion Rochford/Durand to approve licenses for Dresser Food and Liquor contingent upon the payment of delinquent bills in the amount of \$1,806.77. Beseler stated that the manager had been in and we expect payment prior to the expiration date. No further discussion. All in Favor. Motion Carried. Motion Rochford/Durand to approve license for Wood Properties contingent upon the payment of delinquent bills in the amount of \$3,032.14. Durand asked how are we going to enforce. Beseler stated first 2nd notices will go out certified mail and in the past they have paid in full. We will have to cross that road when we come to it. Wood Properties is a mobile home park. All in Favor. Motion Carried. Beseler stated the Board could approve the remaining licenses as a whole – I would abstain. Motion Scheet/Nelson to approve the remaining License Applications for July 1, 2013 through June 30, 2014 as presented to the board. Any further discussion. All in Favor. Beseler abstained, Rochford Abstained, All other board members voted yes. Motion Carried.

Motion Rochford/Moberg to approve renewing the Village's Liability and Auto Insurance with the League of Wisconsin Municipalities Mutual Insurance Company with an annual premium of \$14,348. Gilbert gave an overview of the insurance. All in Favor. Motion Carried.

Motion Scheet/Rochford to approve the monthly Vouchers #32369-32444 totaling \$36,477.49. No discussion took place. Roll Call Vote. All members of the board present voted yes. Motion Carried.

PUBLIC SAFETY: The building inspector report for May 2013 was not ready at meeting time. There have been building permits pulled this past month. Report will be presented in July.

Police Department Report for May 2013 was present to the board. Beseler asked if there were any questions for Ryan. Beseler continued thank you for all the hours you worked over the Memorial Day Weekend. Much appreciated. Haass stated we may be looking at doing some budget shifting. We have had quite a bit of maintenance on the squad. If we have further repairs we will exceed the maintenance budget. We do have money within the Police Department budget. We can revisit this later in the year. Rochford stated this is the 1st ATV violation I have seen. Haass stated it was still just a warning. You can't ride ATV's on the state highway.

Update from Osceola Ambulance Meeting that was held on May 16, 2013 – Nobody was present. No update given.

Update from DOG Fire Meeting that was held on May 15, 2013 – Scheet gave an update. Reviewed regular business and paid the bills. More discussion took place on the Town of Alden coming on board. Put together a 5 year plan on what needs to be addressed. They agreed to purchase a grass rig. The Town of Alden needs to start fire fighters on the early stages of training. They have set another meeting date for July 18 and the committee will be meeting on June 19th. No further questions were asked.

LIBRARY: The Library Board Minutes from the May 13, 2013 meeting were presented to the board.

We did receive the Usborn books and they have been put into circulation. We are promoting the summer reading program. Registration starts on Friday. The first program will be on Monday. The Library has switched to Charter Net for Internet. The theme this summer is Dirt Movers. Dan and Mike will be bringing in trucks on Monday. Anything else for Tiffany? Nothing stated.

Beseler stated I need to step down for next item on the agenda. I will turn the meeting over to Rochford. Rochford acknowledged.

OTHER BUSINESS: Discussion was held regarding Silver Ridge Development – Phase 3. Rochford stated Verhasselt wants to not have to sell that property as a development but to sell it as a single lot. Laux wrote up the memo in the packet. It comes down to if we want to follow Tim’s recommendations/stipulations for the said purchasers of the property. Verhasselt thinks he can sell it. It all depends on whether Dresser wants to allow that to happen. It would be sold to a single party and not a development. Any thoughts or discussion? Scheet stated from what I can tell the recommendations from Attorney Laux have already been completed by the developer. Laux agreed it looks like they have. Reviewing the documents they would have to get current on taxes if we agreed. Scheet stated this sounds logical – we never received documents for final plat approval. It never got to the final plat. The neighboring property was going to be annexed and it never did. East Avenue is still split between the Village and the Town of Osceola in that area. Scheet commented this is a pretty easy decision. Laux stated that leading up to a final plat and approval the Village installed some water/sewer and drainage on that property. The Village needs to retain easement on that property so we can dig it up. Motion Scheet/Moberg to release G&D Developers from the Developers Agreement for the Silver Ridge Phase 3 Development contingent upon completion of all stipulations listed in Attorney Tim Laux’s memo dated May 8, 2013. All in Favor. Beseler had stepped down from this agenda item. Motion Carried.

Dresser is partnering with the St Croix Falls Middle School for their Annual Youth Service Day to be held on Friday, June 7, 2013. Gilbert stated the kids will be working on the Walking Trail.

Beseler stated I asked to have the July Meeting date on the agenda in case we needed to make a change. There is no reason to make a change so the July Board Meeting will be held on Monday, July 1, 2013 at 6:30 PM as regularly scheduled.

JULY AGENDA BUSINESS: Nothing Stated.

NEXT MEETINGS: Open Book, Tues., June 4, 2013 from 3:30 PM–5:30 PM–Public to speak with Assessor Board of Review, Tuesday, June 4, 2013 from 6:00 PM – 8:00 PM – Mandatory Board Attendance

Library Board Meeting, Monday, June 10, 2013 at 6:30 PM

Osceola Ambulance Meeting, Thursday, June 20, 2013 at 7:00 PM

Village Board Meeting, Monday, July 1, 2013 at 6:30 PM

DOG Fire Meeting, Thursday, July 18, 2013 at 7:00 PM – Additional DOG Fire Committee Meeting June 19th

ADJOURNMENT: Motion Rochford/Gustafson to adjourn at 8:25 PM. All in Favor. Motion Carried.

Jodi A. Gilbert - Village Clerk

These minutes have not been approved.