

TOWN OF CLAYTON
Town Board of Supervisors

Meeting Minutes

7:00 P.M. on Wednesday, September 7th, 2016

Town Meeting Room, 8348 County Road T, Larsen, WI 54947

I. Call to Order:

A. Notice Verification, Roll

1. Town Board Chairman Geise called the meeting to order at 7:45 P.M.
2. Pledge of Allegiance was recited at the start of the Special Electors Meeting.
3. Meeting properly posted on the Town Website and the posting board at the Town Office.
4. Roll

a. Board of Supervisors

Chair Geise	PRESENT
Supervisor Lettau	PRESENT
Supervisor Grundman	PRESENT
Supervisor Schmidt	PRESENT
Supervisor Reif	PRESENT

b. Staff

Administrator Johnston	PRESENT
Treasurer Straw	PRESENT
Town Engineer – Mary Jo Miller	PRESENT
Town Attorney – Ashley Lehocky	PRESENT

II. Public Hearing(s) and/or Public Information Meeting(s):

III. Approval of Minutes:

- A. Approval of the Minutes of the Regular Town Board Meeting held at 7:00 P.M. on Wednesday, August 17th, 2016.

MOTION:

Motion made by unanimous consent to approve the Minutes of the Regular Town Board Meeting held at 7:00 P.M. on Wednesday, August 17th, 2016.

IV. Open Forum – Town-related Matters not on the Agenda:

- A. No requests were made.

V. Correspondence:

- A. August Building Permit Report.
- B. Winnebago County Zoning Department notice of Dismissal of Citation No: Z01, 204.
- C. Notice to the Commissioners of the Larsen Winchester Sanitary District of Betty Nelson's retirement from the position of Commission Secretary.

- D. Copy of the August Settlement of the CY 2015 Taxes Payable in CY 2015/16.
- E. Sample of industrial recruitment opportunities available to the Town of Clayton on sites with municipal sanitary sewer and water utilities.
- F. Copy of correspondence from Eric Fowle, Executive Direct of the East Central Wisconsin Regional Planning Commission, to the Town Chair.

VI. Discussion Items (No action will be taken):

- A. County Supervisor Report
 - 1.No report.
- B. Winnebago County Sheriff’s Department – Public Concerns and Issues
 - 1.Deputy Darren Putzer present.
 - 2.Burt Drews, 3113 County Road II, Neenah, WI 54856 requested that the speeding on County Road II by Ridgeway Golf Course be looked into
 - 3.Deputy Putzer stated that someone cut through the ditch at Prairewood Trail and Center and dug up the ditch – no citation was issued.
- C. Clayton-Winchester Fire Department
 - 1.Chief Rieckman reporting
 - 177 calls to date
 - Reviewed Fire/EMS calls to date vs last year
 - Administrator Johnston added that due to the increased cost of Eppy pens, the Department has had an increase in the number of calls inquiring if we carry Eppy pens
 - Ben Hamblin, 2986 W Shady Lane, Neenah, WI 54956 expressed concern about the intersection of State Hwy 76 and Larsen Road
 - Mr. Hamblin also discussed the possible roundabouts being installed along State Hwy 76
 - Chief Rieckman discussed the department’s improved tracking of calls and where the department is dispatched
- D. Larsen-Winchester Sanitary District
 - No report
 - Administrator Johnston stated that we (Richard/Tori) would be doing the quarterly billing for the district
- E. Administration Comments
 - 1. Town Engineer, Mary Jo Miller reporting
 - Reviewed the progress of the Town’s Capital projects
 - Discussed the pre-application for the dredging of the waterway off of Oakwood
 - 2. Administrator Johnston
 - Reviewed the Public Works Department progress on the restoration of the ditches on Clayton Ave
 - 3. Treasurer, Tori Straw reporting
 - Discussed the routine change with the absence of a third person in the office
 - Reviewed having checks ready by Friday
 - 4. Town Board Comments
 - No comments

VII. Operator Licenses Issued by the Town Clerk:

- A. New:
 - i. Paula Rasmussen

- B. Renewal:
i. None

VIII. Business referred by the Plan Commission:

Town Board receipt, review, and consideration of Plan Commission Referrals (second Town Board meeting of the month):

- A. No Referrals.

IX. Business referred by the Green Space Committee:

Town Board receipt, review, and consideration of Green Space Committee Referrals (first Town Board meeting of the month):

- A. No Referrals.

X. Business:

- A. Discussion/Action: Town Board review and consideration of the purchase of land as may be authorized by the Town Board pursuant to Wisconsin Statutes 60.12(1)(c) for authorization from the Town Electors to purchase land pursuant to Wisconsin Statutes 60.10(2)(e) and 60.12(6) that is located on the south frontage of USH “10” between Clayton Avenue and STH “76” in the Town of Clayton and specifically identified as Tax ID # 006-0338-05, 006-0339, 006-0339-01, 006-0345, and 006-0344 all in Section 12 Township 20 North, Range 16 East, Town of Clayton, County of Winnebago, State of Wisconsin.

The Administration would respectfully ask the Board to use the material provided by staff for the Wednesday, September 7th, 2016 Special Town Electors Meeting for this agenda item. The WB-13 Vacant Land Offer to Purchase and associated documentation related to purchasing the above referenced property were signed by the Town Chair. The Offer signed by the Town Chair is contingent upon the Town Electors authorizing the Board to proceed with the purchase. The Administration needs to remind the Board that this process is not foolproof but is intended to minimize the chances for annexation on the USH “10” corridor and to buy time for the Town to develop its municipal sanitary sewer and municipal water utilities in the USH “10”, STH “76” and CTR “II” corridors. The offer on the property in question is \$1,500,000.00 with \$50,000.00 in earnest money paid to the seller’s attorney. Please be advised that the property in question is valued at \$59,000.00 (Use Value) for agricultural purposes. The need to keep the property in the Town is not based on the present taxable value of the land but on the impact of the value of future development on the Town’s ability to generate sufficient new tax revenue to maintain its existing public infrastructure. For example, there are approximately 3+/- miles of Town Roads in the area covered by the Town of Clayton Sanitary District #1 and 75+/- miles of Town Road in the Town of Clayton. The revenue needed to maintain the 73+/- miles of Town Roads outside the boundaries of Sanitary District #1 is dependent on the high value added development in the boundaries of Sanitary District #1. Should the Town’s Electors have authorized the purchase of the property in question, the Administration is recommending a motion to purchase the property in question with the funds to come from a Town General Obligation Borrowing using a 5-year non-callable interest only Note Anticipation Note with the details of the funding process to be finalized by the Board.

- No discussion

MOTION:

Motion by: Supervisor Grundman

Seconded by: Supervisor Schmidt

Motion made to approve the purchase of land with the funds to come from a Town General Obligation Borrowing using a 5-year non-callable interest only Note Anticipation Note with the details of the funding process to be finalized by the Board.

ROLL CALL VOTE:

Supervisor Lettau Aye

Supervisor Reif Aye

Chair Geise Aye

Supervisor Grundman Aye

Supervisor Schmidt Aye

Motion carried with a 5-0 vote

- B. Discussion/Action: Town Board review and consideration of Resolution 2016-006 A Resolution Providing for the Sale of Not to Exceed \$3,500,000.00 Taxable Note Anticipation Notes.

Attached please find copies of the following documents relating to the Town’s planned borrowing:

1. Town of Clayton Resolution 2016-006 A Resolution Providing for the Sale of Not to Exceed \$3,500,000.00 Taxable Note Anticipation Notes.
2. A Scope of Engagement Letter from Attorney Rebecca A. Speckhard, Bond Counsel for Quarles & Brady LLP.
3. A letter outlining the instructions to staff for processing the Resolution and documenting the Town Board’s actions.
4. A Certificate of Compliance with Open Meeting Law Public Notice Requirements to be completed by staff.
5. A document outlining the Excerpts of the Minutes of the Meeting of the Town Board of the Town of Clayton to be completed by staff as documentation of the Board’s actions.

The Board may notice that there are two dollar values for the proposed borrowing on the attached documents, the first is \$3,000,000.00 and the second is \$3,500,000.00, the correct dollar value is \$3,500,000.00. The Administration adjusted the dollar value on the word documents, however, there were several PDF’s that could not be changed. The Not to Exceed \$3,500,000.00 in Taxable Note Anticipation Notes will not be callable for 5 years and will have only interest payments during the 5-year period. The payment schedule is intended to maximize the benefit to the Town and allow the Administration to make the debt service payment without impacting the Town’s Tax Levy for the 5-year term of this borrowing. The \$3,500,000.00 in funds will be used to aggregate the Town’s existing debt including the following:

1. The Purchase of the property at 8649 Clayton Avenue
2. The purchase of the property at 8795 Clayton Avenue
3. The Purchase of the property at 8879 Clayton Avenue
4. The pending purchase of the property at 8989 Clayton Avenue
5. The proposed purchase of the Midwest Investments property on the south side of USH “10”

6. The Whispering Meadows Public Infrastructure Special Assessment Project

As in the past, the fees for the borrowing will be included in the borrowing and paid out of the proceeds. Please be advised that because of the short turnaround time needed for the funds the Administration is asking the Board to approve two Resolutions for the same funds. This is the first Resolution and it uses the open market to borrow the funds. The second Resolution (Agenda Item X – C) uses the State of Wisconsin Board of Commissioners of Public Lands, State Trust Fund Loan Program to generate the funds. Mike Hallmann, the Town’s Financial Advisor will be in attendance at the Board’s meeting to answer any questions the Board may have relative to the borrowing activities. Staff will use the most cost efficient avenue to borrow the money given the timeline. If the Board agrees with the Administration’s recommendation, a motion would be in order to approve Resolution 2016-006 A Resolution Providing for the Sale of Not to Exceed \$3,500,000.00 Taxable Note Anticipation Notes. As a point of reference, the proposed term of the loan should allow the Board to get past the issues with providing municipal sanitary sewer and municipal water to the area of the Town of Clayton, Sanitary District #1. Should the Town be successful in its intent to provide utilities to the area the property can be sold on the open market. Should the Town fail to provide utilities to the area the property can be sold on the open market; however, it will likely be annexed to the adjoining municipality.

- Mike Hallman, the Town’s Financial Advisor present
- Mr. Hallman presented information to the Board on General Obligation Promissory Notes
- Discussed process of obtaining notes
- Discussed taxable vs nontaxable debt relative to the interest rates of notes per the Federal Tax Code
- Chair Geise discussed the time table available for purchasing the land
- Mr. Hallman discussed the time table for loan approval

MOTION:

Motion by: Supervisor Reif

Seconded by: Supervisor Grundman

Motion made to approve Resolution 2016-006 A Resolution Providing for the Sale of Not to Exceed \$3,500,000.00 the General Obligation Promissory Notes.

ROLL CALL VOTE:

Supervisor Schmidt	Aye
Chair Geise	Aye
Supervisor Lettau	Aye
Supervisor Reif	Aye
Supervisor Grundman	Aye

Motion carried with a 5-0 vote

- C. Discussion/Action: Town Board review and consideration of Resolution 2016-007 A Resolution Authorizing the Borrowing of Not to Exceed \$3,500,000.00 from the State of Wisconsin Board of Commissioners of Public Lands, State Trust Fund Loan Program.

Attached please find copies of the following documents relating to the Town's planned borrowing:

1. Town of Clayton Resolution 2016-007 A Resolution Providing for the Sale of Not to Exceed \$3,500,000.00 Taxable Note Anticipation Notes.
2. A Certificate of Compliance with Open Meetings Law Public Notice Requirements to be completed by staff.
3. A Certificate of the Town's existing debt and statutory debt capacity.
4. A document outlining the Excerpts of the Minutes for the Meeting of the Town Board of the Town of Clayton to be completed by staff as documentation of the Board's actions.

The proposed Trust Fund borrowing is for \$3,500,000.00, at a 3% interest rate with a 10-year term, the first payment will be due in CY 2018. The payment schedule is intended to maximize the benefit to the Town and allow the Administration to make the debt service payments without significantly impacting the Town's Tax Levy for a number of years. The \$3,500,000.00 in funds will be used to aggregate the Town's existing debt including the following:

1. The Purchase of the property at 8649 Clayton Avenue
2. The purchase of the property at 8795 Clayton Avenue
3. The Purchase of the property at 8879 Clayton Avenue
4. The pending purchase of the property at 8989 Clayton Avenue
5. The proposed purchase of the Midwest Investments property on the south side of USH "10"
6. The Whispering Meadows Public Infrastructure Special Assessment Project

Please be advised that because of the short turnaround time needed for the funds the Administration is asking the Board to approve two Resolutions for the same funds. This is the second Resolution and it uses the State of Wisconsin Board of Commissioners of Public Lands, State Trust Fund Loan Program to generate the funds, the second Resolution (Agenda Item X – B) uses the open market to borrow the funds. Mike Hallmann, the Town's Financial Advisor will be in attendance at the Board's meeting to answer any questions the Board may have relative to the borrowing activities. Staff will use the most cost efficient avenue to borrow the money given the timeline. If the Board agrees with the Administration's recommendation a motion would be in order to approve Resolution 2016-007 A Resolution Authorizing the Borrowing of Not to Exceed \$3,500,000.00 from the State of Wisconsin Board of Commissioners of Public Lands, State Trust Fund Loan Program. As a point of reference, the proposed term of the loan should allow the Board to get past the issues with providing municipal sanitary sewer and municipal water to the area of the Town of Clayton, Sanitary District #1. Should the Town be successful in its intent to provide utilities to the area the property can be sold on the open market; should the Town fail to provide utilities to the area the property can be sold on the open market, however, it will likely be annexed to the adjoining municipality.

- No discussion

MOTION:

Motion by: Supervisor Reif

Seconded by: Supervisor Grundman

Motion made to approve Resolution 2016-007 A Resolution Authorizing the Borrowing of Not to Exceed \$3,500,000.00 from the State of Wisconsin Board of Commissioners of Public Lands, State Trust Fund Loan Program.

ROLL CALL VOTE:

Supervisor Reif	Aye
Supervisor Lettau	Aye
Supervisor Grundman	Aye
Chair Geise	Aye
Supervisor Schmidt	Aye

Motion carried with a 5-0 vote

- D. Discussion/Action: Town Board review and consideration of an Engagement of Legal Service with the law firm of Boardman & Clark LLP as special counsel to the Town Board and the Commission of the Town of Clayton Sanitary District #1 on issues relating to the provision of municipal sanitary sewer and municipal water services in the Town of Clayton Sanitary District #1.

Attached please find a copy of an Engagement of Legal Services letter from Attorney Lawrie J. Kobza (Lawrie) from Boardman & Clark LLP in Madison, Wisconsin. As the Chair requested and the Town Board approved, the firm will serve as special counsel to the Town Board on matters relating to the provision of Municipal Sanitary Sewer and Municipal Water to the Town of Clayton Sanitary District #1. The Administration has agreed with the Chair relative to the need for Special Counsel and concurs in the recommendation of the Attorney and the Law Firm. If the Board wishes to proceed with this engagement, a motion would be in order to authorize the Administration to sign the engagement letter and to forward the executed document to Lawrie. Funding for the service will need to be included in the Town’s CY 2017 Sanitary District #1 Budget.

- Discussed the performance and willingness of the Law Firm relative to the Town’s specific needs for Special Counsel

MOTION:

Motion made by unanimous consent to authorize the Administration to sign the engagement letter and to forward the executed document to Lawrie.

- E. Discussion/Action: Town Board review and consideration of a request by Town staff to enable the following functions in the Town’s Fund Accounting Program:
 - a. Fixed Assets Module
 - b. Fixed Assets Annual Support
 - c. Open Payables Module
 - d. Open Receivables Module

Attached please find a copy of a proposal from Banyon Data, the Town’s fund accounting program provider. The Treasurer has asked the Board to approve the expanded use of the fund accounting program to allow for the maintenance of the newly created Fixed Asset Accounts for the Town. Additionally, with the pending reorganization of the Office staff

the Treasurer would like to start using the Open Payables Module and Open Receivables Module to better track these functions and to create more accurate reports for the Board. The funding for these activities will come from the Town's CY 2016 Office Equipment Budget Line Item and the ongoing costs will be included in the Town's CY 2017 General Fund Operating Budget. If the Board agrees with staff's request, a motion would be in order to approve the request as presented.

- Discussed the advantages of having the additional modules
- Discussed the responsibilities of the Office Staff relative to the notes in the Audit for more internal controls

MOTION:

Motion made by unanimous consent to approve the request as presented.

- F. Discussion/Action: Town Board review and consideration of Pay Request No. 4 from R and R Wash Materials, Inc., 1110 Dartford Road, Ripon, WI 54971 for the Whispering Meadows Capital Construction Project.

Attached, please find a copy of Pay Request # 4 in the amount of \$6,089.50, submitted by R and R Wash Materials, Inc, 1110 Dartford Road, Ripon, WI 54971. Both the Town Engineer and the Town Administrator have reviewed the pay request and agree that it is correct and should be paid. Once the Board approves the Pay Request, staff will make the fourth payment for the Whispering Meadows Drive project. Please be advised that staff will be making the payment out of operating funds with the intent of replacing the funds with a borrowing in September of CY 2016. Additionally, the Contractor has asked and the Board has approved reducing the retainage for the project from 10% to 5%. If the Board is comfortable with staff's recommendation, a motion would be in order to approve the pay request submitted by R and R Wash Materials, Inc, 1110 Dartford Road, Ripon, WI 54971 in the amount of \$6,089.50. Additionally, the Board should direct staff to add these costs to the Special Assessment process for the project with the intent of placing the debt on the CY 2016 taxes payable in CY 2016/17.

- Discussed the status of the project relative to the pay request and the retainage being held by the Town until the project is complete.

MOTION:

Motion made by unanimous consent to approve the pay request as presented.

- G. Discussion/Action: Town Board review and consideration of Pay Request No. 1 from Northeast Asphalt, Inc., P.O. Box 1667, Appleton, WI 54912-1667 for the Hickory Avenue Improvement Project.

Attached, please find a copy of Pay Request # 1 (total payment) in the amount of \$122,473.59, submitted by Northeast Asphalt, Inc., P.O. Box 1667, Appleton, WI 54912-1667. Both the Town Engineer and the Town Administrator have reviewed the pay request and agree that it is correct and should be paid. Once the Board approves the Pay Request, staff will make the payment for the Hickory Avenue Improvement Project. Please be advised that staff will be making the payment out of the Public Works Department operating funds. If the Board is comfortable with staff's recommendation, a motion would

be in order to approve the pay request submitted by Northeast Asphalt, Inc., P.O. Box 1667, Appleton, WI 54912-1667 in the amount of \$122,473.59 with the funding to come from the Town's CY 2016 Public Works Department Chip Seal Line Item, the Road Maintenance Line Item, and the Pavement Marking Line Item.

- Administrator Johnston stated that this project will be paid out of the chip sealing, line striping, and general fund highway maintenance budget line items.

MOTION:

Motion made by unanimous consent to the pay request submitted by Northeast Asphalt, Inc., P.O. Box 1667, Appleton, WI 54912-1667 in the amount of \$122,473.59 with the funding to come from the Town's CY 2016 Public Works Department Chip Seal Line Item, the Road Maintenance Line Item, and the Pavement Marking Line Item.

- H. Discussion/Action: Town Board review and consideration of approving a Capital Asset Policy recommended by Schenck SC, the Town's auditing firm.

Attached please find a Draft copy of a Capital Asset Management Policy for the Town of Clayton. The Draft Policy is recommended by Mike Konecny (Mike), CPA with the Town's Auditing Firm, Schenck S.C. As part of a project recently approved by the Board staff has been working with Mike to create a Capital Asset list for the Town. Staff has been using the parameters of the Draft Policy to create the Capital Asset list with the intent of removing the Note from the Town's CY 2016 Audit. Should the Board be comfortable with the Draft Capital Asset Policy, a motion would be in order to approve the document and direct staff to implement the Policy.

- No discussion

MOTION:

Motion made by unanimous consent to approve the document and direct staff to implement the Policy.

- I. Discussion/Action: Town Board review and consideration of authorizing the Administration to use the staffing firm of CADRE to hire the replacement for the Town's Deputy Clerk.

As the Board knows, Laurie has given notice that her last day of work will be Friday, September 2nd, 2016. Laurie has indicated that she is leaving to take the position of Deputy Clerk for the City of Neenah. The Administration received and distributed Laurie's notice on Monday, August 22nd, 2016. At that time the issue was discussed with the Town Chair. The Administration advised the Chair that it wanted to use the same process (a temp to hire through CADRE) to fill the vacancy as it has in the past; however, the timing of the process created a possible issue. Under ideal circumstances the Administration would have liked to fill the position with some overlap so that Laurie could help train the new employee. The Administration is asking the Board for authorization to sign a Contract with CADRE on Thursday, September 8th, 2016 following the September 7th, Town Board Meeting. The Administration expects the interview and hiring process, subject to the Board's approval, to be completed by September 15th, with the eventual start date of Monday, September 26th, 2016. For clarity, the individual hired is an employee of CADRE with a wage of \$16.00 per hour, and will only become a Town Employee

following the 400 hour temp period. At that time the Board will have the option of approving the hiring of a full time employee.

- No discussion

MOTION:

Motion made by unanimous consent to authorize the administration to sign a contract with CADRE to fill the Deputy Clerk position.

- XI. Review of Disbursements:
 - No discussion

- XII. Review of General Fund Budget Update (Second Town Board meeting of the month):

- XIII. Upcoming Meeting Attendance:
 - Chair Geise presented to the Board developer’s flyers advertising property for sale North of STH “10”, South of Shady Lane, and West of Clayton Ave

- XIV. Board Member Requests for Future Agenda Items:

- XV. Adjournment:

MOTION:

Motion made by unanimous consent to adjourn the meeting at 8:34 p.m.

Respectfully submitted,
Tori Straw, Acting Deputy Clerk