

Executive Session Minutes
South Sangamon Water Commission
April 20, 2013

1300 South Eighth Street
Springfield, Illinois

The Commission went into executive session at 8:37 a.m.

Roll Call. Present: Chairman McCord, Commissioners Pfeffer and Hall, Attorney Myers and General Manager Hasara.

The participants of the meeting reviewed the history of a contract with Mitchell Nein for high chloride waste hauling services. Mr. Myers presented a copy of an alleged signed contract that had been provided to him by Mr. Nein's attorney, Matthew Cate, who had overtly threatened a lawsuit over the contract if the Commission refused to perform the contract. The contract had been signed by General Manager Hasara without a prior vote of the Commission. Mr. Myers reported that while the Commission certainly had defenses to this alleged contract, he could not guarantee a favorable outcome should Mr. Nein litigate the contract, because Mr. Nein had acted based upon the apparent authority of Mr. Hasara and had purchased a truck and taken out a bank loan on the strength of the alleged contract. There followed a discussion regarding the proper role of the General Manager and of Mr. Held, the Plant Manager, and whether their actions in drafting and signing this contract, which led to the threat of litigation with Mr. Nein, were in breach of the contract with Curran-Gardner Water District.

The Commissioners instructed Mr. Myers to attempt to negotiate a resolution with Mr. Cate by proposing a new three-year contract with additional protections for the Commission in the event of Mr. Nein's failure to perform. They also instructed Mr. Myers to contact Mr. Craven of the Curran-Gardner Water District and inform him of the Commission's belief that Mr. Hasara's approval of the Nein contract without formal Commission approval was in breach of the agreement between the Commission and the District. The Commission emphasized to Mr. Hasara that in the future, the letting of contracts in excess of the \$10,000 limit in the Curran-Gardner management contract would be done pursuant to formal procedures and subject to the approval of the Commission.

At 10:15, Mr. Hall made a motion, seconded by Pfeffer, to adjourn the Executive Session and reconvene the regular session. Voice vote; motion carried.

John M. Myers, Acting Clerk