

Algoma Sanitary District #1
Regular Monthly Meeting

- 1) Commissioner President Earl Lawrence, with Commissioner Alexander Irvine present called the regular monthly meeting of the Algoma Sanitary District for November 10, 2005 to order at 6:00 p.m. Also present were Kevin Mraz, Ray Edelstein, Sara Kettlewell, Joel Edson, Michael Schraa, and Gregory Williams. Commissioner Michael Gelhar was excused.
 - a) Earl noted the use of a tape recorder for the meeting. He said if anyone else wants to use a tape recorder they must give public notice.
 - b) **Alex made a motion to approve the minutes of the regular meeting for October 13, the budget hearing on October 17 and the special budget meeting on October 17/second-Earl/carried unanimously.**
 - c) **Alex made a motion to approve the cash receipts and investments report for water and sanitary for October as submitted/second-Earl/carried unanimously.**
 - d) **Alex made a motion to approve the pending bills for sanitary and water for October/second-Earl/carried unanimously.**
- 2) Directors Report:
 - a) There were no questions regarding the previously supplied Director's report and nothing to add to it.
- 3) Public Forum – Joel wanted it noted that Mr. Mr. Schraa who is on the agenda is his next door neighbor.
- 4) Report from Water Advisory Committee:
 - a) Earl said the Water Advisory Council met on Tuesday evening and it was a very good meeting. A lot of activities were covered as to what is going on with the current state of construction and preparing for next year. The Council provided an outline for the next newsletter as to the type of things wanted in it.
 - b) Waldwic Lane was discussed pertaining to extra precautions needed in this area if a water main installed down there. There are a couple of residents that want water. They do not allow construction until after 10:00 a.m. in this area and Earl said the District would need a waiver to this if a line goes there.
 - i) Waldwic Lane is a private road and some own what appears to be half of the road, some own what appears to go next to their property, but it's not considered a public road right of way. There is no association. Ray asked if anything is held in common and Kevin said no one homeowner has the authority to do anything on the road, so no one is responsible to handle the road. Ray said the cost would go through the roof if Contractors had real limited hours to work.
 - ii) Kevin said that Bert Wertsch recommended a title search on these parcels to see who would be the responsible person for each segment of the road and Pat said to also look into access into Waldwic.
 - c) Joel brought up that water calculations were discussed at the Advisory Council also. Kevin said that some water calculations were determined by some plumbers and looked like there is less pressure available in some houses than there actually is. Kevin said based on the Department of Commerce, the coefficient is now 150 on copper pipe. Previously it was 130. This means that the homes are in better condition than thought.
 - i) Earl said there was a discussion as to whether to add something into the ordinance or to leave it to staff to handle. People are stubbing lines into the homes without hooking up and may not be putting the correct size in. It was left for now to staff to determine what to do. Joel asked if this information will go into the newsletter and it will be included.
 - d) The website is moving along and should be up and running by the end of December.
- 5) **Old Business:**
 - a) Easement update
 - i) All easements are complete and recorded for Phase II.
 - ii) The Waldwic discussion covered concerns regarding easements on private roadways for the future which will be looked into.
 - b) Update of Safe Drinking Water Loan 2006. Nothing formal has come out yet. Kevin said he has been told verbally from the DNR that the District will be on the list as the last one funded and it should come out this month.
 - c) Ormand Beach Plat.
 - i) Kevin needs to check if the Developer's agreement has been signed
 - ii) Pat said the formal design will be completed the end of November so it could be bid out.
 - iii) Ray said to be sure the easements are correct. Kevin said that Strand has already received Mr. Decker's list and Strand reviewed this and the easements appear good and will be acceptable. There will also be a drawing included with these easements. No residents signed these yet.
 - iv) Pat drew up an easement from Craig Jones to get water to Mr. Decker's property. This needs to be signed prior to water going there.
 - d) East Central's Regional Planning Commission revised sewer service area. No communications with them yet.
 - e) Finalize lease with NTD as an Internet provider lessee on the tower. Kevin said the District will be receiving the signed copy and Ray asked for a copy for his records when it comes.

Algoma Sanitary District #1
Regular Monthly Meeting

- f) 73 Wyldeberry Lane water assessment. Gregory Williams was in attendance. Earl asked if he wanted to state anything at this time before any questions for him. He said he was one of the transactions that fell through the crack and he said he should have been notified but wasn't. There was considerable discussion back and forth regarding this.
- i) Ray said the District now has the information from Assurance. Greg said there was nothing on the Deed indicating an assessment and Ray told him there wouldn't be as the Assessments are not recorded. He purchased the property September 9 and the majority of the mailings went out before this. He is asking the District to take action to remove this assessment because the seller failed to disclose to him that the assessment was there. Mr. Williams said that multiple parties missed the disclosure. He said that technically as a builder they don't need to disclose, but as a realtor they would need to and can't withhold material information.
- (1) Ray said the Title Company wrote about possible assessments for water so they knew about it. Ray asked what he did when he saw the commitment and he said he asked the builder and the builder said no.
- (a) Ray said he should take it up with the builder as they didn't disclose this. It is disclosed in the paperwork from Assurance Title. Mr. Williams said the legal requirement for the Town is to disclose this. Ray said the District is not the insurance Company and if an action is brought and you file suit; the District will bring the builder and all necessary parties in.
- (2) Earl said that nothing was presented to the District that says that the previous owner was not properly notified or given every opportunity to participate in and comment on the assessment. Earl said the Title information was provided that states that there may be a future assessment and that Mr. Williams also stated this evening that the builder said that there were not any assessments on the property.
- (a) Earl said this all leads the Commissioners that there is no action for the District to take because the District properly notified. Mr. Williams said there should have been notification from the Town of this. Earl clarified that the District is not the Town. We are a separate entity. Ray said the Title Company was aware of this or they would not have put the possible assessment in the paper work.
- (b) Earl said the District is not agreeing or disagreeing that he was properly notified. Earl said the previous owner of the property is the one the District notified. Ray said he is satisfied that the notice of assessment process was valid and the notices provided to the owners at the time when it became operative was done. How Assurance decided to put this in he can't answer and will not speculate. But to the extent that the seller neglected to disclose this may be an issue, but we are not his insurer.
- (c) Earl told Mr. Williams that at last months meeting, the District was told that Dramatic Design was aware of the water system and he knew about it and discussed it with Kevin Purtell (JKJ).
- (d) Earl said the way he is looking at it is that nothing has been presented to the District that the property owner wasn't properly notified at the time or that they weren't properly aware that the assessment was put into place and the issue brought to the District is that the builder didn't disclose to him the assessment. Earl cannot see why the District should be responsible for an assessment that the seller didn't disclose to him. Earl said if the Title Company would have notified the District, this would have been properly given to them. Joel said title companies knew that the Town was not responsible for the Sanitary District's assessments. Joel said they now submit inquiries to the District.
- (e) Kevin asked when he moved in and he said September 9th. The final legal notice went out October 9th to JKJ as they were the name on the Tax Roll and September 4th the District put the water service placement lath at the door and then some entity moved it into the yard as to where to place the valve.
- (f) Earl and Alex agreed not to take any action at this time. Earl said the District disclosed the information to the owners at that time and they did not elect to defer. Earl can see how Mr. Williams can question why he did not obtain the proper disclosure from the previous seller. Joel told him no liens are placed on the property for the assessments. These are not recorded with the Register of Deeds.
- (i) Kevin said to update that with no action taken, that the Sanitary District will place the assessment on the tax roll in December.

6) **New business:**

- a) Russ Williams requested to install sewer and water in the northern portion of the Bellridge Subdivision
- i) Russ has the developer's agreement signed and the District is surveying and designing this and Pat said this will be ready by early December. This will be bid out through Leonard's Road. Russ signed the agreement to obtain bids, but not to proceed after bids. Kevin said after the bids are in it will be up to Russ to determine whether to proceed or not.
- (1) When the District does decide to proceed, there are 3 to 4 house which will be brought into the Sanitary District; These homeowners are not anxious to hook up to sewer. If they are in the Sanitary District, they only have a 1 year to hook up; however, Earl said this may be waived and not require them to hook up until their current system fails or a 10 year period. Ray has a concern that if the District does this, the ordinance should be changed to allow this waiver and not make a waiver to the ordinance. Alex said he would go along with an ordinance change.

Algoma Sanitary District #1
Regular Monthly Meeting

- ii) The timeline is basically to get the bids back for now and not do the actual construction on the road until spring. There's 2 points as to what the District is looking at for Leonard's Road.
 - (1) There's a call into Public Service because the gas main is on the South side of the street which is where the sewer main will be. Kevin asked Public Service to determine who is responsible or if they would pay to move the gas main to the other side of the street, so the sewer main can be put down the ditch and not in the roadway.
 - (a) Kevin said they may be required to pay this if they do not have an indication from the town where to locate their gas mains. Pat agreed that with all his experiences that if the Public Service Utility doesn't have a permit or easement from the town for the specific location they need to pay to move it and Ray said this is not that uncommon.
 - (2) Kevin said even if Public Service would charge for this project, it may still be less expensive for Mr. Williams to pay for the gas main removal than all the gravel because the sewer is 22' deep. This is a lot of gravel in the roadway and the pavement would cost also.
- b) Upcoming workshop with the Town of Algoma. This is scheduled for Monday, November 14 at 5:30 at the Town Hall. Earl said the primary objective is to get input from them as to what they are looking for in relation to the water or sewer system. There has also been talk about them building a new Town Hall or Municipal Building. Joel said that Dick, Tom and Dan will be there.
- c) Jetter bid package and timeline of purchase. Kevin wants to purchase a jetter, but wants to wait until the District has a garage. Kevin said \$15,000 has been put aside now for 2 years.
 - i) Kevin received quotes and it takes several months of lead time. The best quote so far is for \$27,983.00. This is a trailer mounted, 600 gallon water capacity. This would have 600' of ¾" diameter sewer hose so you will be able to get from manhole to manhole. The plunger water pump actually comes with a 5 year warranty on this one. This one is Aqua Tech and is located in Ohio. This price is to the door and it would be 4 months for delivery.
 - (1) Alex asked if Kevin can cope with this manpower wise. With this machine, the staff would go out for about 2 to 3 weeks in the summertime straight running it to jet out the sewers and then it's put away for the emergencies.
 - (2) Earl asked what the expected life is and Kevin has seen them last for 15 to 20 years and some for 30 years if the maintenance is done yearly.
 - (3) Kevin said last year, the only backup the district had was when it was 20 below zero and the wind-chill was negative 40 and he had to find someone to jet. Luckily he found someone at 2:00 in the morning from Appleton to drive down and luckily he didn't freeze up as he had on warmer days.
 - ii) This purchase would allow the District to keep the machine inside a heated building and have warm water in it and you would be to the site within 5 minutes or so to take care of emergency backups. Earl asked if they have heating units on these and Kevin said they have recycling units and the exhaust doesn't really route around to keep it warm. Here you would start out with warm water.
 - iii) Kevin said that he doesn't expect the commissioners to purchase this currently but expects that price to fall within the budget and asked them to put some thought into purchasing it giving a shipping date of April or so.
 - iv) Other bids for around \$30,000.00 did not include a warranty on the pump.
- d) Storage for District equipment – There was considerable discussion regarding needed space as the District is growing so fast and will need more room for both garage and office space. Kevin said he has a list of what should have indoor storage.
 - i) Infrastructure concerns - If the District does move, the other thought is whether we move into well #3 which is an unknown location, wherever we go we would need a maintenance shop and additional office space. Adding a 3rd operator will make it tighter yet.
 - ii) It was decided for now to see if there's room in existing facilities for storage.
 - iii) The District will need several options and what is the best as well as the timing for this. Earl said he is counting on Kevin to keep gathering information and to chart it and give the space needed and the options out there and will sit down with him.
 - (1) Earl wants to talk with the Town first also to see what their needs are.
 - iv) Joel asked if Kevin looked into rental space and Kevin said Mr. Mueller would rent space, but this is not heated. It would have been storage space in case the Fire Department wouldn't have had space available. Ray said if there's a crunch, the Town of Omro may have storage available for the jetter and generator. This could buy a little time.
 - v) Ray said perhaps Kevin could draw up a wish list of what he would like to have and also a list of what reality is likely to be. He said somewhere in between is where the building most likely would fall. Alex said for the small space, so far everyone is working very well. Ray said the District is already up to 5 stalls and the realty in a couple of years may be 8 stalls.
- e) Phase III water main newsletter.
 - (1) The District will mail a letter to the Ambassador's and invite them to an informal meeting to be educated regarding the water system and then they would go around to their neighbors to see what their preference is – if they want a meeting in their neighborhood or here at the District office.
- f) District newsletter – The Commissioners asked to have this ready December 14 or a few days prior for a formal review before it is mailed. The newsletter will be ready for the next Advisory Council to look over.

Algoma Sanitary District #1
Regular Monthly Meeting

- g) The Sewer User Fee Rebate. Earl said there are 2 Commissioners here and Alex is involved on 1 of the rebates and has abstained from the motion in the past and asked Ray if a motion can pass with 1 abstaining 1 saying yes? Ray said that would be fine. **Earl made a motion to allow the sewer User Fee Rebate for 2004 shown on the 2005 Tax Roll. One is Parcel 002-0111 - 2727 Omro Road and 1 for P 002-1014 - 3218 Leonard Point Lane. These are due to vacancy of the property/Alex-second. Roll Call Alex-abstained, Earl, Yea. It is approved with 1 abstention and 1 yes.**
- h) Well Abandonment Credits for Phase II – Kevin is asking that staff can automatically put these on the pending bills. As this is a new phase, Kevin just wanted it approved before staff continues the process, Earl said this is solely noted in the minutes and Earl concurs that it is the wish of the Commissioners for Staff to put the well abandonment credits on the pending bills, Alex concurs.
- i) 220 Wyldeberry Lane (Note Michael Schraa also indicated that Joel is his neighbor.) Earl said that they received his paperwork to have his assessment deferred and asked if he wanted to add anything. Mr. Schraa said it's pretty much self explanatory and he is willing to answer any questions. Earl appreciated him coming if there are additional questions.
- i) Ray asked if he obtained a conditional report when he purchased the home and Mr. Schraa said he purchased the lot from the builder and when he called the abstract company asking for the closing settlement statements and condition report he thought they sent him everything he needed. A condition report wasn't included.
- ii) Ray asked him when he was in the process of purchasing; at what point did he first discover that he was subjected to the assessment. He said when he received his tax bill was the first. Mr. Schraa said he found out talking to his neighbor behind him in the summer of 2003 when there was a push for the water system. Mr. Schraa said he never received anything in the mail from the District. He said he called the office and thought he talked to a Mark but it may have been Kevin, and said he did not want to participate with the water system because he just spent \$10,000 on a ground water heat system and \$2,500 on a double iron filter and water filtration for the home. He said whoever he talked to said this would not be a problem so he never gave it a second thought thinking this took care of it.
- iii) The home was built by Cornerstone Homes and started just before September of 2001 and then with 9/11 it sat for a year and a half. Mr. Schraa said he did not realize that what he paid on his tax bill was for the water main. He questioned it again when he was talking to Tom (his neighbor) about the water issue and Tom said it sounds like he was charged for the system. He said he then called the District and said he was told he is considered participating and told he would need to talk to the Commissioners.
- (1) Earl asked if he understands the implications if he does get the assessment deferred. Earl explained that the assessment at a later year is the fee of \$7,870.00 plus the cost of money (3.75%) increase each year. Mr. Schraa said he wouldn't have put in the underground heating system if he would have hooked up to the public system.
- (2) Kevin explained that residents are allowed to keep their wells for outside purposes, etc. as long as there is no cross connection. He said he wasn't aware of this, but currently he does not believe there is any benefit to hooking up with his investment.
- (3) Kevin asked when he moved in and Mr. Schraa said April of 2003. Kevin said they were doing the work that summer and Mr. Schraa said he believed he opted out with his phone call.
- (i) Kevin said his policy all along has not been to do any thing without a signature or written statement from the residents. Kevin said it would be too easy for Staff to miss circle something or some other type of mistake so the District required everyone to submit their own statement.
- (ii) Joel said that if Mr. Nelson, the builder, did nothing, it meant to put the assessment on the 20 year plan. If Mr. Nelson ignored this, then that's where the problem started.
1. Ray said there hasn't been that many that this has happened to, and Kevin said the only 2 that this happened to are present this evening.
- (iii) Kevin's 2 concerns are 1: The condition report for Mr. Schraa is not here. Mr. Schraa asked if there was one for him and Kevin said there should be. Mr. Schraa said he would have submitted something in writing if asked as he not the type of person to ignore it. Mr. Schraa left for a short time to try and get this. Mr. Schraa returned and said he contacted Terri Maul, the realtor, and that on a new sale there would have been no conditional use report. 2. There are no notes in the file pertaining to this participation form being returned. Earl asked if there was a response and Kevin said no.
1. Earl said if nothing is written down and it can be shown no notification in any paperwork, and that he believes his intent all along was to defer, Earl would seriously consider adjusting the record to show this could be deferred. The District needs all the paperwork first. The commitment from the Title Company is what the District is looking for. Earl said he is reluctant to make a decision this evening. The District needs the paperwork for the file. Ray said that on the settlement sheet it looks like they charged him \$135.00 for Title Insurance which tells Ray that the Commitment should exist. Mr. Schraa will look for this. Alex agrees that the District needs this paperwork and he also would defer if there was no notice.
- a. Kevin said so that Mr. Schraa understands; if the Title Commitment does not indicate a special assessment on it and the paperwork went to a different party and he did not forward it, this assessment could be deferred. Mr. Schraa thanked the Commissioners for their time and said if he would have

Algoma Sanitary District #1
Regular Monthly Meeting

made the mistake that he would take responsibility for it and pay for the assessment. He does remember the phone call and unfortunately there was some miscommunication. Earl and Alex are willing to look at the paperwork.

2. Ray said with the timing on this; the water assessment clearly didn't exist. It would have been nice if the Title Companies would have said something but they are not under obligation to do so.

Earl asked to have the Director's report include a water receivable report and this will show if water bills are delinquent. Joel asked if the District had a policy as to when to turn off water if they do not pay. Sara said that one person was close to being turned off but after a certified letter, came in and paid.

Alex made a motion to adjourn/second-Earl/carried unanimously.

Respectfully submitted,

Rose Mraz

Approved:

Earl Lawrence, Commissioner