

Algoma Sanitary District #1
Regular Monthly Meeting

Commissioner Alexander Irvine, via phone conference, with Commissioner Earl Lawrence and Commissioner Bob Nadolske present called the regular monthly meeting for April 14, 2005 to order at 6:00 p.m. Commissioner Alexander Irvine authorized Commissioner Earl Lawrence to be acting chairperson on his behalf. Also present were Kevin Mraz, Ray Edelstein, Joel Edson, Rose Mraz and Sara Kettlewell, and Commissioner Elect Mike Gelhar.

Bob made a motion to approve minutes of the regular meeting for March 10, 2005/second-Alex/Earl-concur/carried unanimously.

Bob made a motion to approve the cash receipts and investments report for water and sanitary for March as submitted/second-Alex /Earl-concur/carried unanimously.

Bob made a motion to approve the pending bills for sanitary and water for March/second-Alex/Earl-concur/carried unanimously. Rose discussed the pending bill for the Workhorse payroll program costing \$2,695.00. Over two years, it will save over that in employee time to process payroll the previous way. It was previously approved for purchase, but Rose wanted to make sure the Commissioners knew it was on this month's pending bills.

Correspondence:

- Kevin stated he received a fire protection report from Joel Edson.

Public forum:

- Commissioner Elect Mike Gelhar was in attendance but had no comments to make at this time. No other public was present.

Directors Report:

- This last month the Sanitary District raised four manholes, which were under the flood level near the creek near Shorehaven lift station. Manholes #3, #4, #32, and #33. These are bolt type manholes but had no bolts on them and were below the flood level. Kevin said they were raised above flood level and now are bolted down preventing inflows through them. Kevin said he hopes this will reduce the infiltration in the area. This work was done while the ground was frozen to not disturb the easement in and out. When the ground thaws out and settles some landscaping will need to be done.
- Leonard's Point Lane - Bob Reigh installed a lateral into the manhole and this lateral is leaking around its seal in the manhole. This needs to be grouted to eliminate the infiltration.
 - Kevin received 2 quotes: \$875.00 & \$650.00. Kevin asked the Commissioners if we want to fix this and charge it back to the homeowner or if they prefer to have the homeowner have his original contractor fix it. Kevin didn't know if the Commissioners wanted the original contractor to fix it. Kevin asked if they want him to meet with Mr. Reigh and show him the inside of the manhole and tell him the district will fix it and bill him for it. Alex said the homeowner should have some responsibility and Bob recommended that Kevin meet with Mr. Reigh. Ray said even if the district had an inspector there, and if the deterioration is accelerated beyond what is expected, that the district is in a good position to have the homeowner be responsible for the cost of fixing the repair.
- Bids were opened for the water main construction. Ronet Construction sent a letter trying to remove themselves as lowest bid for contract 1-2005. Next lowest bid was Advance Construction that cost \$219,000 more. Ronet stated on the phone that they forgot some items in their bid. Since receiving their letter, Kevin sent them a letter stating they are the low bid and will be awarded the bid and it is up to them to execute the contract within 15 days or lose their 10% bid bond. After they received this letter, Kevin received a response from them stating they will be at the preconstruction meeting and no longer insist on being removed from the contract.
- Kevin requests the ability to choose a soil test engineer based on the proposals submitted from MES and STS. Both proposals charge basically by the hour as the district needs them. Kevin said the district had good work from STS last year. Earl asked if this was part of the contracts and Kevin said no, but the cost will be under the \$15,000.00 so it will not need to be bid out. The Commissioners gave approval for Kevin to proceed as long as it's in budget and Kevin said he is leaning towards STS.
- Kevin said that staff is working on the Witzel Flow Station. Kevin said that staff raised the manhole during street construction and it currently has a temporary plywood cover. Tomorrow staff will go and build the form to raise the current opening with concrete to be flush with the curb and then set it with a 30" x 40" cover instead of a manhole cover which was installed previously. This will be completed within a few weeks as soon as the cover is delivered.

Bob Nadolske said he wanted to thank everyone and that he enjoyed working with everyone. He said this is a great governmental body and that it is one of the best bodies he worked with. He welcomed Mike and said he hopes the positive attitude continues as so many neat things are going on now. Bob said he will be looking for the Web site and wants to see this happen as it is one of the best communications we will have with the people out there. Bob said Phase II looks great and was glad to be part of it.

Old Business:

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Status of East Central SSA:

- Received letter stating East Central SSA plan will be picking up again at the end of April. The town planning board has passed the comprehensive plan, so it's now going to the town board. This is the remaining item to adjust our acreage as we proceed.
 - Bob Nadolske said the town is not going to allow a 'backbone' (non-stop from 41 to town line, some underpasses but no access) on Hwy 21. This is specifically put in the comprehensive plan and there will be a connecting road between Leonard Point Rd and Clairville Rd. The DOT & East Central are against this.
- East Central stated the district still has an amendment we can use.

Status of SDWL 2006:

- DNR has not officially sent the results.
 - Reminders: Kevin said 15% of funds need to go to smaller communities and we fit as a small community. There are larger communities above us in ranking. With the 15% or any other monies, even if we would be the last project to get funded and fall in the funding range, the SDWL will fund 100% of the project. If you're in the range you get the entire project funded.
 - SDWL interest is estimated at 2.3%-2.4% this year. Kevin said he is using the worst-case scenario in his estimates. If SDWL does not fund the District, the worst-case scenario for 20-year financing would be a state loan at 5%.
 - If contracts are awarded now, construction could start in May, meaning a pay request could be put in May, and be on pending bills in June, being paid at the end of June. The district still has some money from our general obligation bond to get us through.

New Business:

1 - Act on final route determination for the following parcels and/or roads: (See attached agenda of listed items)

- **Alex made a motion to accept staff recommendations of additions and removals of parcels in question and resolve the determinations the district received late but before the final resolution/Bob-second/Earl-concur/carried unanimously.**
 - 1j – 1210 Snowdon - remove
 - 1k. – 3493 Charlie Anna Dr - remove
 - 1i – 3002 Omro Road - remove
 - 1b – 1169 Ran-Lie - remove
 - 1g – 2969 Wyldewood Road - addition
- 1a – Tammy Road – 9 defer, 15 participating (2 homes less than 70%) It was noted that this area has an arsenic problem at a number of homes. **Bob made motion to include Tammy road/Alex-second/Earl Concur/carried unanimously.**
- 1c – 1258 N Oakwood Rd & 1d – 1251 N Oakwood Rd. **Bob made motion to remove 1258 & 1251 North Oakwood/Alex-second/carried unanimously.**
- 1e – Gullig Court including Westmoor Rd – **Bob made a motion to remove all of Westmoor Rd & Gullig Ct from Phase II/Alex-second/carried unanimously.**
- 1f – Spring Valley, Country Meadow Ct, Lake Breeze – **Bob made motion to approve staff recommendations for plan A (includes 50/50)/Alex-second/carried unanimously.**

Discussion: this is the way to go. One person was specifically asking for water and willing to pay in full. The other can still defer and not have to pay.
- 1l – 887 N Oakwood Rd – Kevin received a copy of recorded easement for Potratz's and Kevin said he wanted the Commissioners aware of this.
- 1m – 3820 Highland Shores- 2 parcels made into 1. P0021069 combined with P0021068. P0021069 removed from database. This is for information purposes.
- 1n – Omro Road, P#'s 002015016, 00201501601, 00201501602. Remove from assessment; they are land-locked parcels. **Bob made motion to remove the three parcels from assessment roll/Alex-second/Earl concur/carried unanimously.**
- A parcel on Westmoor backs up to Oak Manor Drive - has frontage on Oak Manor. Kevin said the subdivision plat states no access to Oak Manor and he asked Ray if this mainly meant driveways and not utilities. Kevin said they want water from this side. **Bob made a motion to include parcel 0022570 with access from Oak Manor in Phase II/Alex-second/Earl-concur/carried unanimously.**

2. Sewer lateral installation requested at 2937 Omro Road:

- Kevin read a letter received from resident. This resident would like to have a sewer lateral on their property to which they could attach their sewer line. It's now a few feet into the neighbor's lot. The two lots were originally owned by one owner who put in the sewer line in what became a separate lot. The homeowner will have their excavator run a new sewer pipe on their property to connect with the new sewer line. Kevin recommends the commissioners state the District gets some quotes, verifies location of the pipe and property corner. Kevin expects the project would be less than \$15000.00, and should not require public bids. **Bob made a motion to authorize staff to obtain bids to correct this and place the lateral on the correct property and locate it and to proceed at staff's discretion based upon the bids subject to written confirmation**

by the property owner as they are ultimately financially responsible for all costs associated with installation/Alex-second/carried unanimously.

3 – Act on Strand Associates, Inc proposal of amendment change to water system Engineering Agreement.

- Amendment 10 change is for engineering work on site for labor costs, direct costs, and fixed fees to do this Phase II water main installation and construction project. **Bob made motion to approve the amendment change to Water System Engineering Agreement proposal for \$308,000.00 to pay construction related services/Alex-second/carried unanimously.**

4 – Status of easements needed for Phase II water mains 2005.

- A – Lakebreeze: First homeowner that Kevin discussed this with has turned down the easement. Kevin will be seeking other easements to create a loop from the two different water mains.
- B – Leonard’s Road (private drive): Kay Mark reviewed easement and is meeting with Kevin there to see where it’s going to go and how it will affect her property. She wants water and is willing to grant the easement.
- C – Town of Algoma Town Hall: Kevin went to the Town’s public forum and as is requesting a 20’ x 20’ front corner easement. Kevin wanted the board members in attendance aware of this. It will be on their next meeting to make a motion on the easement.

5 – Final Assessment Notice:

- A – Final Assessment Resolution: **Bob made a motion to adopt the Final Resolution authorizing public improvement and levying special assessments against benefited property in the Town of Algoma, Winnebago County, Wisconsin. Properties listed in exhibit A Phase II assessed parcels, with the exceptions previously voted on April 14, 2005. The assessments shall bear interest at the rate of 4.00% per annum on the unpaid balance. The first installment shall include interest from June 1, 2005, through December 31, 2005. Each subsequent installment shall include one year’s interest on the unpaid balance of the assessment. The due date of the special assessments shall be deferred in accordance with section 66.0715(2) of the statutes, so that the first installment of the assessments shall be payable with the taxes levied in 2005 for collection in 2006/Alex-second/carried unanimously.**
- B – Installment Assessment Notice: **Bob made a motion to adopt the Installment assessment Notice. Notice is hereby given that a contract has been (or is about to be) let for the proposed water system in the Town of Algoma Sanitary District #1, Winnebago County, Wisconsin, and that the amount of the special assessment therefore has been determined as to each parcel of real estate affected thereby and a statement of the same is on file with the district secretary and that it is proposed to collect the same in 20 equal annual installments of principal, as provided for by §66.0715(3) of the Wisconsin Statutes, with interest thereon at 4.00% per year; that all assessments will be collected in installments as above provided except such assessments on property where the owner of the same shall file with the district secretary within 30 days from date of this notice a written notice that the owner elects to pay in full the special assessment on the owner’s property, describing the same, to the district secretary on or before November 1, 2005 unless the election is revoked. If, after making such election, said property owner fails to make the payment to the district secretary, the district secretary shall place the entire assessment on the next succeeding property tax roll. Partial payments in cash received on or before, November 1, 2005 will be applied to principal and future installments reduced pro rata. Dated April 14, 2005/Alex-second/carried unanimously.**
 - Ray recommended that the motion be changed to show the date approved on the resolution as Alex will not sign it until next Tuesday. **Bob made motion to amend the final resolution just adopted to change the word Dated April 14, 2005 to read Approved April 14, 2005/Alex-second/carried unanimously.**

6 - Act on Bonding for interim and long term financing for Phase II water system. Authorize and direct staff to start application for state trust fund loan.

- Kevin asked the commissioners to allow staff to work with Ehlers and prepare application for State Trust Fund Loan. This will act as interim financing if the District does come up with the SDWL loan and this can be prepaid (even though it’s a 20 year loan) next April when SDWL becomes available. Earl reminded the commissioners that Ehlers briefed them on this previously. **Bob made a motion to act on bonding for interim and long term financing for Phase II water system authorizing staff to start the application process/Alex-second/Earl concur/carried unanimously.**

7- Contract 1 Phase II Water main Construction 2005.

- Lowest bid is Ronet Construction. Pre-qualified and did work for District previously. Computed total bid \$1,561,833.55. Kevin requests the District award the bid to them. Kevin noted several additional items to this contract.
 - Westwood Glade sanitary sewer & water main construction: Contractor has already submitted developer’s agreement to proceed. It will be \$152,000 of total price.
 - Honey Creek storm sewer: Town of Algoma item. The district added this item to the contract for the Town. Bid came back at \$36,000 to install their storm sewer, contingent upon a town board motion to award the item.
 - Honey Creek sanitary sewer: This includes the existing manhole at the end of the cull de sac and would extend a new sewer main and gravity sewer lateral to each property, allowing for the removal of the grinder pumps. The homeowners in this area want to remove grinder pumps. This would be for 6 potential homes with 5 currently using grinder pumps. Kevin gave the commissioners a calculation of homeowner cost for this. Earl asked if the district owns the grinder pumps if the homeowners agree to do away with the pumps and Kevin said yes. Kevin

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said the district would have these for repair parts. Kevin said the district is losing around \$1,000.00 per year due to grinder pumps and would like to cut the district's losses and be done with this. At this time the commissioners are not deciding what to charge the residents and will have a meeting with them. The district would like to proceed with this. Kevin said it is mutual with the residents on Honey Creek and the district wanting to do away with grinder pumps.

- **Bob made motion to accept the low bid from Ronet Construction for \$1,561,833.55 for contract #1-2005 for Algoma Sanitary District #1/Alex-second/Earl concur/carried unanimously.**

8 – Contract 2 Phase II Water Main Construction.

- Lowest bid is Advance Construction. Pre-qualified and did work for District previously. Computed total bid \$1,858,000. Additional item in bid:
 - Roberts Lane (Will be between Brooks Lane and Mueller Car Sales) sanitary sewer: Bid is \$54,000 and the DOT is paying 95% of this. Dot has not responded to Kevin's letter stating they would receive an invoice as the pro-rated percentage they would pay.
- **Bob made a motion to award contract 2, Phase II water main and Westwood Glade Sanitary Sewer contact 2-2005, Algoma Sanitary District #1 to Advance Construction in the amount of \$1,858,536.80/Alex-second/Earl Concur/carried unanimously.**

9 – Tonka Pilot test at well #2 facility.

- Tonka is the supplier of the filters. Quote is for 30-day pilot test, this quote includes all equipment and training costs and also sampling materials required to do tests. It doesn't include the actual laboratory costs for testing. Kevin asked for approval of this cost which is \$12,000.00. This will determine the exact type of filters needed in well # 2 facility to get the best treatment of water. Earl informed Mike that this is for radium – the district passed but is close and wants to adjust to be and stay way under the limit. Earl said there is no motion needed at this time. Earl wanted the record to show that the commissioner present concurred with Kevin's suggestion to move forward with the test at Well Facility #2. Alex was disconnected for a few minutes at this time.

10 – Discuss the Assisted Living building proposal that has 20 living units. Alex was reconnected at this time. Kevin said that comparable structures use 200,000 gallons per quarter. The owner was notified the supply cost would be adjusted according to the final building plan.

- Final building structure is what will determine how many gallons per quarter. They will have an adjusted supply cost for the building based on how many gallons they are proposing to use.
- The Town passed a parks user fee and instead of one user fee for each unit, they negotiated a reduced rate. Town board proposed a collection fee for 9 lots and the developer proposed 6 lots. A motion was made and adopted to propose a fee equivalent to 6 lots.
 - Kevin said the district's computation is completely separate of what the town does and that the district's rate will be based on water consumption and not the same as what the town does.
- Bob asked if they are temporarily down sizing and Kevin said they are still in the planning stage.

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

Respectfully submitted,

Rose Mraz, Office Manager

Approved:

Alexander Irvine, Commissioner