

Algoma Sanitary District #
Special Monthly Meeting
Minutes – May 29, 2008

- 1) Commission President Earl Lawrence, with Commissioners Alexander Irvine and Michael Gelhar present called the special monthly meeting for May 29, 2008 to order at 4:04 p.m. Also present were Kevin Mraz, Ray Edelstein and Rose Mraz.
- 2) Call to Order.
 - a) Earl noted that the District is using a tape recorder for the purpose of the minutes. No one else is using one.
- 3) Public Forum.
 - a) There is no public in attendance.
- 4) Review and act on Public Service Commission water rate application
 - a) Earl asked for an overview of what is included in the submission of the application.
 - i) Rose discussed the following for the application process:
 - (1) The application includes a step II request also as the new project will not be online until 2009; therefore, this is a separate rate increase which can be completed at the same time. Per Ehlers Financial report, the District is requesting 15% for 2008 and 15% for 2009.
 - (2) This is the first adjustment to water rates since the start of the water system and the amounts are now based on actual costs and expenses for previous years and based on expectations for income and expenses for 2008.
 - (3) There are 3 attachments which could go with the application and the Commissioners are ok with attaching them: Ehlers financial plan, the 2007 audit, and a spreadsheet showing the changes to the plant financed by the utility versus by contributions.
 - (4) Rose said she called a realtor to obtain rental estimates for the new building in a prime location and was told \$18.00 to \$22.00 per foot for office space.
 - (a) Kevin said he verified that the proposed rent to be paid by the sanitary utility is within what is required by Ehlers Financial plan and it is.
 - (5) The application will be submitted to the PSC early next week. After this, the PSC will set a date for a public telephonic hearing which will need to be posted in 3 places.
 - (a) Ray read the requirements for posting the notice and said the District needs to prove notice of publication to the PSC 3 days prior to the hearing which includes a copy of the notice. The District will take a picture of each posting and keep for a public record. The District will also include a note with the next water bills.
 - ii) **Mike made a motion to approve the submittal of the rate application with the corrections/second-Alex/carried unanimously.**
- 5) Review and act on well #3 drilling contract 1-2008 bids received.
 - a) Kevin said the District is waiting for the letter of approval from the Public Service Commission for the new project and it should come this week. The District received the verbal approval for the project.
 - b) Kevin called Assurance Title to verify where the deed is as the Noebel's closed last week Wednesday and their financial information should be at the Register of Deeds. Kevin told Assurance Title that he needs it prior to June 7.
 - c) **Alex made a motion to award drilling for well #3 (contract number 1-2008), contingent on receipt of the approval letter from the PSC and contingent on confirmation of title to the property from Assurance Title Company, to Bill Van de Yacht/second-Mike/carried unanimously.**
- 6) Adjourn
 - a) **Mike made a motion to adjourn at 6:45 p.m./second-Alex/carried unanimously.**

Respectfully submitted, _____
Rose Mraz, Office Manager

Approved: _____
Earl Lawrence, President