

**Algoma Sanitary District #1
November 11, 2010**

Public Hearing for the 2011 Budget

- 1) Commission President Earl Lawrence with Commissioners Alexander Irvine and Michael Gelhar present called the public hearing for the 2011 budget to order at 6:00 p.m. Also present were Kevin Mraz, Ray Edelstein, Joel Edson, Michael Claffey, and Rose Mraz.
- 2) No members of the public were present for the public forum, and no comments on the 2011 budget were made. **Mike made a motion to adjourn the Public Hearing at 6:03 p.m./second-Alex/carried unanimously.**

Regular Monthly Meeting

- 1) Open Regular Monthly Meeting
- 2) Commission President Earl Lawrence via telephone/video conference with Commissioners Alexander Irvine and Michael Gelhar present called the regular monthly meeting for November to order at 6:04 p.m. Also present were Kevin Mraz, Ray Edelstein, Joel Edson, Michael Claffey, and Rose Mraz. Nobody was in attendance from the public. Today we recognize Veteran's Day and the sacrifice that our veterans have made to serve in our nation's armed services.
 - a) Earl noted that the District is using a tape recorder for the maintenance of the minutes. No one else is using one.
 - b) **Mike made a motion to approve the minutes as submitted for the regular monthly meeting on October 14/second-Alex/carried unanimously.**
 - c) **Mike made a motion to approve the cash receipts & investments report for October for sanitary and water as submitted including the balance adjustment/second-Alex/carried unanimously.**
 - i) There were no investment changes. There were no balance adjustments.
 - d) Approve pending bills for sanitary and water.
 - i) **Mike made a motion to approve the pending bills for October as submitted with the addition of the Great Lakes bill described below/second-Alex/carried unanimously.**
 - (1) Great Lakes Televising Seal for \$13,195.40 for the televising, repairing, and sealing of lateral leaks and manholes.
- 3) Public Forum – No one is present, and there are no issues to be discussed.
- 4) Director's Report. Staff will be upgrading the security of the water tower entry. The estimated expense was listed in our pending bills, and we will receive the final invoice for this upgrade from LW Allen prior to our next meeting.
 - a) Review of District Statistics. The district has 45 new water permits and 22 new sewer permits in 2010. The number of new water permits was higher than was budgeted and great news for the District. Included in the new water permits the past few months are a few people who switched from deferred to participating assessments, which will increase the annual amount received from assessments.
 - b) Correspondence
 - i) Vacancy of a Commissioner. Upon review of State of Wisconsin Statutes 60.75, (4), "Any vacancy of an elective or appointive commission may be filled by appointment by the town board for the remainder of the unexpired term". The idea being proposed is to have the vacancy discussed at the next Town of Algoma meeting with the goal of appointing a new commissioner at the December town meeting.
 - ii) A draft letter has been drafted by both our attorney and the town's attorney notifying the town board of the pending vacancy. There also is a job description that was written up that describes the duties and expectations of a commissioner. This would be necessary for the town to be able to solicit applications from anyone who is interested in serving as a commissioner. In order for the town board to act, there would need to be a formal resignation.
 - iii) After a new commissioner has been appointed or elected to the board, positions would be chosen by the new commission. In a side note, Mike Gelhar has sent his official notification to the town stating that he is choosing not to seek another term as a commissioner. The commission approved sending the job description to the town to start the process of appointing a commissioner.
 - iv) The Wyldeewood Baptist Church is looking to add a gymnasium. They have submitted plans to the city site review committee for approval of this project.
 - c) Status of 2010 projects. Given out previously.

- 5) Report from Committees.
 - a) The District Advisory Council. No council meeting was held this last month.
- 6) Old Business.
 - a) The third workshop for the Town of Omro Sanitary District consolidation will be put off until 2011. The date will be discussed with the Omro Sanitary District and will be added to the agenda for December to choose a date.
 - b) Discuss and act on resolution #2010-11-1 to increase the sanitary sewer user fee per equivalent unit by 3.5% to \$275.49 effective January 1, 2011. **Mike made a motion to approve resolution #2010-11-1 that increases the sanitary sewer user fee per equivalent unit by 3.5% to \$275.49, effective January 1, 2011/seconded-Alex/carried unanimously.**
 - c) Discuss and act on resolution #2010-11-2 to increase the sanitary Contribution in Aid of Construction (CAC) 3.5% effective on January 1, 2011. **Mike made a motion to approve resolution #2010-11-2 that increases the CAC by 3.5% and rounds it to the nearest dollar/seconded-Alex/carried unanimously.**
- 7) New Business.
 - a) Discuss and act on the annual budget for approval. The Oshkosh Northwestern published both budgets in the paper on October 22, 2010. We received their invoice along with an affidavit from the Northwestern and a copy of the paper showing they were published for our records. **Mike motioned to approve the annual budget for 2011 for both sanitary and water/seconded-Alex/motion carried unanimously.**
 - i) Review the options for refinancing GOB debt in 2011. The item was reviewed and was deemed to be properly posted and submitted to the newspaper. We have reviewed our options for refinancing with Dave Wagner from Ehlers & Associates regarding when the optimal time for refinancing would be. Our loan comes due in 2013, and the earliest that it could be refinanced would be March of 2011. The bond rates are at historic lows and are starting to creep back up, according to the information presented by Dave, which would make this a great time to refinance. Also, January is the best month of the year for a bond sale. Dave also recommended getting rated, which could lower the interest rate if were at least A rated. This would cost around \$5,000 to get rated and would result in lowering the interest rate by 0.1% and would pay for itself in around 24 months. **Motion was made by Earl to approve resolution #2010-11-3 for refinancing the bonds of \$2.55 Million/Mike seconded/roll call vote carried 3-0 with all commissioners voting yes.**
 - b) Capital Purchases: We have negotiated with FABCO on the price of the skid steer, which would cost around \$28,250 for a used one with 6,000 hours of usage and an extended warranty of 1 year or 500 hours. It comes with a bucket and pallet forks. It has 2 speeds, which allow it to travel up to 12 miles/hour on the road. We will check with our insurance company to make sure that it would be covered while it is being driven on the road. The remaining amount approved to be spent for 2010 on capital purchases from the October meeting is \$35,800 less the \$28,250 price for the skid steer, which would leave a balance of \$7,550. **Motion made by Mike to approve the purchase of the skid steer from FABCO for \$28,250/seconded by Alex/carried unanimously.**
- 8) **Mike made a motion to adjourn at 6:50/second-Alex/carried 2-0.**

Respectfully submitted:

Michael Claffey, Accountant

Approved:

Alexander Irvine, Secretary