

Algoma Sanitary District #1
November 10, 2011

Public Hearing for Proposed 2012 Budget

- 1) Public Forum. No one was in attendance from the public. No additional discussion was had.
- 2) **Jim made a motion to adjourn at 6:02pm/second-Bob/carried unanimously.**

Regular Monthly Meeting

- 1) Open Regular Monthly Meeting
- 2) President Bob Nadolske with Commissioner Jim Savinski present called the regular monthly meeting for November to order at 6:02 p.m. Also present were Kevin Mraz, Ray Edelstein, and Michael Claffey. Commissioner Alexander Irvine was excused. Joel Edson was absent.
 - a) Bob noted that the District is using a tape recorder for the maintenance of the minutes. No one else is using one.
 - b) Approval of the minutes of the previous meeting. **Jim made a motion to approve the minutes for the regular monthly meeting on October 13/second-Bob/carried unanimously.**
 - c) Approve cash receipts for sanitary and water. **Jim made a motion to approve the cash receipts for sanitary and water/second-Bob/carried unanimously.**
 - i) Approve the balance adjustments. Mike noted one additional balance adjustment for a water supply assessment payment on a new lot in Olde Apple Acres. **Jim made a motion to approve the balance adjustments report/second-Bob/carried unanimously.**
 - d) Approve pending bills for sanitary and water. Bob asked what the check to Business Card was for and Mike stated that it was for the monthly credit card purchases. Jim asked what the check to Sealing Systems, Inc. was for and Mike stated that it was for manhole sealing kits. Bob asked about the status of the manhole sealing project. Kevin stated that the District has sealed 303 manholes so far, leaving 549 remaining. This purchase will allow approximately 60 additional manholes to be sealed next year. The 2012 budget includes the remaining funds to purchase enough kits to seal a total of 120 manholes, which will complete about half of the District manholes. The District has noticed that, after sealing the manholes that flow into the lift stations, pump times have decreased, even after major rainstorms. Previously, the Shorehaven Lift Station would run 24-36 hours straight with one pump never shutting off. Now, this pump runs a maximum of only 6 hours per day. The District pays \$0.84 per 1,000 gallons of wastewater, which can add up quickly. This manhole sealing project has reduced inflows coming into the stations, providing a definite payback. **Jim made a motion to approve the pending bills for November as submitted/second-Bob/carried unanimously.**
- 3) Public Forum. No one was in attendance from the public.
- 4) Commissioner Statements. Bob said he visited Commissioner Alexander Irvine last weekend. He's going through physical rehabilitation and hurts a lot, so if anyone is considering sending him a card or going to see him, he would definitely encourage it. Both Alex and his wife's eyes light up when someone comes to visit. Their kids see him on the weekends, but aside from that they tend to get bored. Kevin said the District sent Alex flowers this week.
- 5) Director's Report. Kevin stated that the District is considering switching vendors for the purchase of liquid chlorine & fluoride for water treatment. We are currently purchasing these chemicals from Hawkins out of Fond du Lac for a total cost of about \$11,200 annually, including their additional fuel and trip charges. The District provided various vendors with the chemicals we currently use and requested quotes for them. The lowest quote received is from Martel Water Treatment out of Janesville which totals around \$6,000 annually, including trip charges. The other quotes were from Hydrite Chemical Company with an annual cost of around \$7,600 and from Millport Enterprises with an annual cost of around \$9,200. Switching to Martel would save the District about \$5,000 per year. There is not a contract in place with Hawkins at this time, and having this company periodically switch delivery drivers causes more work for the District. Ray wanted to make sure that the District properly tests the new chemicals to make sure the formula is the same and that we are not stuck with a new company for a year if there are any problems. Kevin mentioned they will perform bench tests to ensure the new chemicals meet the District's treatment specifications.
- 6) Old Business.
 - a) Discuss and review consolidation with the Omro Sanitary District. Kevin said he met with the Oshkosh City Attorney and the Oshkosh City Clerk yesterday to discuss the process of getting the referendum on the ballot. Kevin obtained all of the forms he needed and will deliver them to Charlotte Nelson, the Town of Algoma Clerk, as she will be in charge of publishing it. These forms provide the explanation for the language the District will need to use when submitting the referendum to each municipality affected. The referendum must be published at least four Tuesdays prior to the election. Bob suggested that Kevin give it to her directly a little earlier than required. The District wants to be sure residents attend the public meetings and are well-informed about the consolidation before voting. Ray said they need to understand that once the District maxes out on the amount of development it can do here, the cost of service per

resident will continue to increase. Enveloping additional developable land in Omro will help increase the economy of scale and spread the District's expenses among additional users. Kevin then reviewed the PowerPoint presentation for the public meetings and noted the new slides that were added. He discussed the District's mission statement and vision to be the lowest cost, highest quality provider of municipal sewer and water services in the Fox Valley area and explained that this consolidation is an opportunity to continue to pursue that goal. One slide has maps of the two Sanitary Districts, and Kevin will also have larger maps for residents to review. This presentation will show the public how consolidation would impact each resident's water and sewer rates, tax levy, and public fire protection, and will provide detailed information on each area so the public can make an informed decision on April's referendum. The Commissioners and Ray discussed the information in the slides and gave Kevin suggestions on changes they want before the presentation. The District will also provide the Town with information to give to the cable channel for the public meeting dates a week prior to being aired so the cable channel has ample time to enter them into their system.

7) New Business.

- a) Resolution # 2011-11-1 to review and approve setting the 2012 annual sewer user fee to \$292 per equivalent unit. Jim read the resolution verbatim. **Jim made a motion to approve resolution # 2011-11-1 to set the 2012 annual sewer user fee to \$292 per equivalent unit/second-Bob/carried unanimously.**
- b) Resolution # 2011-11-2 to review and approve increasing the contribution in aid of construction by 3.5%. Jim read the resolution verbatim. **Jim made a motion to approve resolution # 2011-11-2 to increase the contribution in aid of construction by 3.5%/second-Bob/carried unanimously.**
- c) Discuss and approve the 2012 budget. **Bob made a motion to approve the 2012 budget/second-Jim/carried unanimously.**
- d) Resolution # 2011-11-3 to review and approve the Washburn Street Utility Extension Agreement for technical services presented by Strand Associates, including task order # 11-01 for bidding and construction-related services in the amount of \$27,800. Jim read the resolution verbatim. **Jim made a motion to approve resolution # 2011-11-3 to approve the Washburn Street Utility Extension Agreement for technical services as presented by Strand Associates, including task order# 11-01 for bidding and construction-related services in the amount of \$27,800/second-Bob/carried unanimously.** Kevin explained there will be advertisements for bids for this project on December 8 and December 15, with bid opening on January 6 and awarding of the construction contract at the January 12 meeting.
- e) Review and approve the 2011 budget year-end purchases. There are several year-end purchase items on the list sent to the Commissioners earlier. The first item discussed was stamps. Bob mentioned the price of stamps is increasing to \$0.45 each beginning in January (22nd). Considering the number of items the District mails annually, Bob suggested to stock up on Forever stamps. The next item was shelving frames, wood, and plastic bin containers. These would be used to organize tools, parts, and paperwork in the garage. The paint will cover 30 hydrants in the District for the year and would be painted by District staff. If the consolidation referendum passes, additional paint would be purchased to paint Omro's 90 hydrants and Algoma's hydrants would wait until the following year. The plotter will allow the District to print GIS maps that they have created, as well as plan sets, which would save the District \$50 per map that they would pay the county. Bob recommended increasing the allotted amount to include additional sets of ink cartridges and rolls of paper. The two fire hoses will be used for directing water when flushing hydrants. So far, sewer has spent \$8,000 of its \$117,000 capital item budget and water has spent \$8,000 of its \$18,000 capital item budget. **Jim made a motion to approve the 2011 budget year-end purchases plus the additional stamps for next year as noted/second-Bob/carried unanimously.**

8) **Bob made a motion to adjourn at 7:22pm/second-Jim/carried unanimously.**

Respectfully submitted:

Michael Claffey, Accounting Manager

Approved:

Robert Nadolske, President