

Algoma Sanitary District #1
September 6, 2011

Regular Monthly Meeting

- 1) Open Regular Monthly Meeting
- 2) President Bob Nadolske with Commissioner Alexander Irvine present called the regular monthly meeting for September to order at 4:05 p.m. Commissioner Jim Savinski was absent. Also present were Kevin Mraz, Ray Edelstein, Joel Edson, Michael Claffey, and Sara Gonzales. Margaret Miller of 1759 Lake Breeze Rd was in attendance from the public.
 - 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. **Bob made a motion to approve the minutes for the regular monthly meeting on August 11/second-Alex/carried unanimously.**
 - c) Approve cash receipts & investments for sanitary and water. **Alex made a motion to approve the cash receipts & investments for sanitary and water/second-Bob/carried unanimously.**
 - i) Approve the balance adjustments. Mike explained the only balance adjustment was to write off an interest charge on an account because the payment was late due to being sent to the District's old address. Mike also noted that the District received the final payment from the Town of Algoma for the collection of past due bills, assessments, and fees from the 2010 tax roll, so their balance owed to the District is paid in full. **Alex made a motion to approve the balance adjustments report/second-Bob/carried unanimously.**
 - d) Approve pending bills for sanitary and water. Mike noted the few starred additions on the pink sheet, including a payment to Van Straten for the work on Olde Apple Acres. Kevin explained that the uniform reimbursement to the operators is an allowance for steel toe boots and other gear for working in the field and the sewers. **Alex made a motion to approve the pending bills for September as submitted/second-Bob/carried unanimously.**
- 3) Public Forum – Margaret Miller was in attendance from the public. She came to discuss the renewal requirements of the well permit which she completed today. She stated that she feels the charges are becoming excessive. After reviewing the DNR regulations, specifically 810.16, she would like the District to consider two things. First, subsection 2a states that a minimum of one safe bacteriological sample is necessary for renewal of a well permit. The District is currently requiring two safe results at least 14 days apart. Kevin explained that when the water system was first implemented the DNR required two safe bacteriological samples on each well in addition to testing for other contaminants such as arsenic. The requirements have decreased to bacteriological testing only. Margaret requests the well permit renewal requirements be changed to one safe test result to follow the code. Her second request deals with subsection 2b which requires a plumber to inspect the well. She stated that it is a costly \$125 procedure that was done five years ago when the plumber hooked up her property up to Municipal water. She states that having a plumber inspect the well again is an unnecessary additional cost since the inspection could be included in the cost to hook up, and she doesn't want to have to do it again for ten years. Margaret feels it's unfair that only the people who use the Municipal water system and have kept their wells are required to complete this. Prior to hooking up, no one cared if there were bacteria in their private well because homeowners were not required to test for it. She explained the DNR code states that an inspection is required no less than every ten years, and she asks the District to consider changing the well permit renewal requirement to follow the code. Ray explained that Section 810 was changed effective December 2010, and it was poorly drafted because it is in conflict with section 812. One section states the well must be inspected every ten years, and the other states the permit must be renewed every five years. In order to do so, the well must be compliant, but only a plumber can verify compliance. Ray suggests since the District has already implemented these requirements, the well permit renewals outstanding should complete them as instructed. Then those and all other renewals will go on a ten year cycle for the well inspection with renewal of the permit every five years which will require only one safe bacteriological test result. Of the 122 residents notified to renew their well permit earlier this year, or who have recently hooked up to the Municipal water, 30 have completed the well permit, 25 have at least done the cross-connection inspection by a water utility operator, and 67 are unknown. District staff will follow up with those who have not completed their well permit renewal, and at that time they will explain the requirements that are in effect and the changes that will take place upon completion. The District will keep track of which residents have completed which requirements and when their well will come due for inspection. The District does not need DNR permission to implement these changes. If there is noncompliance, the District may issue a citation or pass the situation to the DNR. However, the DNR states that a Sanitary District must demonstrate a need to keep a well. The Algoma Sanitary District is a voluntary water system and presents lawn watering as a need for keeping a well. If the DNR gets involved due to noncompliance, they may dictate that lawn watering is not a need for keeping a well and this privilege may be lost for everyone.
- 4) Commissioner Statements. None
- 5) Director's Report. Kevin expressed his condolences for the passing of Bert Wertsch from the Town of Algoma. He also announced that one of the District's operators got married over the weekend.

- a) Review of District statistics. Using Well #1 flow rates, the District's residents use over 400 gallons of water per minute between 4:30-5:30 p.m. This amount exceeds the number of gallons pumped during that time, due to increased usage and lawn watering. Around 9:00 p.m. the volume pumped recovers and again pumps more water than residents use. The water system is not designed to pump and meet instantaneous demand, which is why the water tower was built for up to 400,000 gallons of excess storage capacity. The District has additional pumping capacity, but was only using one of its three wells at that time.
 - b) Correspondence.
 - i) The District completed their water survey report with the DNR. The DNR commended the District for their diligent effort in maintaining & operating the water system. They were very impressed with how well everything is taken care of. This included the Omro Sanitary District as well as the Algoma Sanitary District.
 - ii) There has been some research done on the Well #2 facility because its pumping capacity has reduced by about 30 gallons of water per minute. The District performed a pump test and determined the pump had developed wear. It has been in operation for the last seven years, and the water loss is less than 10% of the total flow. The District will plan to budget approximately \$17,000 over the next three years to repair this issue.
 - iii) There have been a few residents on Scenic Drive who have inquired about water service becoming available in their area due to poor water quality, but the District has not received a formal request for water service yet.
 - c) Status of 2011 projects. The operators will be sealing manholes and flushing all of the District's hydrants within the next month, which they usually do every fall.
- 6) Old Business.
- a) Discuss and act on modifying requirements for well permit renewal. Due to the discussion for well permit renewal requirements earlier in the meeting, **Bob made a motion, effective 1/1/2012, to modify article 6, section 5, subsection A, of the District's water ordinance, to read that an inspection of a well by a licensed well driller or pump installer is required every ten years, and modify article 6, section 5, subsection B, of the District's water ordinance to read that one safe bacteriological sample result is required within 60 days of the well permit application or renewal date/second-Alex/carried unanimously.**
 - b) Review and act on response for water service on Cambria Court. The District requested the survey be returned by September 26; therefore not all responses have been received. However, of the responses received thus far there are four no votes and one yes vote. The yes vote is from the resident that owns the vacant lot and sent the written request to petition for water service. He wants to build a new condo, but his survey response indicated he would *only* build on the lot if it has Municipal water. Four no votes are the most the District can receive to move forward with the project. Kevin offered to call this resident and explain that if he wants water service he should convince his neighbors to vote yes. Unless every other response votes yes, this project will be dropped.
- 7) New Business.
- a) Preliminary 2012 budget review. Jim Savinski met with the District separately to review the budget information. The following projects and maintenance items are expenses and capital budget items proposed for 2012.
 - i) Some items are to be purchased in 2011, such as fire hoses and replacement blades for the water main saw.
 - ii) Some are items to be purchased in 2012 that the District is still waiting for price quotes on.
 - (a) The cost to replace the 40 year old portable diesel generator at the Shorehaven Lift Station with a stationary electric generator is approximately \$35,000. Purchases like this are budgeted throughout multiple years. \$20,000 was saved towards it in 2010 and \$15,000 is projected to be saved in 2011. Therefore, the District will be able to purchase this big ticket item in 2012.
 - iii) The DNR requires the District to submit water samples throughout the year. The allotted cost for this in 2011 was \$9,491, but next year it will only be \$663 because of reduced sample requirements and many of these samples only need to be submitted every three years. This will have a positive impact on the water budget for next year.
 - iv) Storm Water items are not budgeted if the District assumes this responsibility. However, if that changes, a wheeled excavator would move from priority number five to number one.
 - (a) It would pay for itself fairly quickly for sewer and water line repairs, especially if the District consolidates with Omro because invoices from Freund Excavating have been adding up quickly.
 - (b) The District has \$80,000 set aside for 2011 and will have another \$60,000 for 2012.
 - v) Potential consolidation expenses with Omro for 2012 are not a part of the proposed budget.
 - (a) Staff wages with the consolidation process are estimated to be \$15,000.
 - (b) Repainting all of Omro's hydrants would cost approximately \$2,500 in paint.
 - (c) Programming to integrate Omro's lift station information into the District's SCADA system would be about \$50,000.
 - (d) Review Omro's annual budgeted income and expense, and make sure Omro does not refinance.
 - vi) Algoma's bond principal and interest payments are stabilized at approximately \$1.2 million annually.

- vii) If sewage flow to the City of Oshkosh Wastewater Treatment Plant exceeds 1 million gallons per day, or 5% of total capacity, retained earnings will be used to cover the cost to increase to 7.5% of total capacity.
 - viii) A budget workshop date is set for October 11 at 2:00 P.M. According to the statute, the District will publish the 2012 proposed budget prior to the public hearing, and the public hearing will be held immediately prior to the November 10 District meeting. The statute deadline for final budget approval is November 10.
 - b) Discuss and schedule joint consolidation workshop with the Omro Sanitary District. The workshop is scheduled for September 12 at 4:00 p.m. The consolidation agreement states the Commissioners recommend that the Town of Algoma Board appoint two existing Algoma Sanitary District Commissioners and one existing Omro Sanitary District Commissioner to fulfill the remaining terms of the consolidated District commission. Kevin will suggest that Omro discuss which Commissioner is interested in transferring to the consolidated District board. He will also send them potential dates for the public consolidation meetings so they can check their schedules before the meeting. The wording of the referendum text needs to be approved by numerous legal entities; it is unclear who will approve it from the Town of Algoma since it is not decided who will take over as their attorney.
 - c) Discuss and approve security and surveillance upgrade. Kevin received quotes from two different companies and is waiting for one more before a decision is made. Putting this extra security in place for the water system is a reasonable step to take to prevent tampering and reduce response time. Once an alarm system is chosen it will take about 60 days to install. As long as it is purchased by December 31, 2011, it can be a part of this year's budget. The District will keep the topic on next month's agenda to discuss it further once all of the quotes are received.
- 8) **Bob made a motion to adjourn at 5:35pm/second-Alex/carried unanimously.**

Respectfully submitted: _____
Michael Claffey, Accounting Manager

Approved: _____
Robert Nadolske, President