

Algoma Sanitary District #
Regular Monthly Meeting - Minutes – June 11, 2009

- 1) Commission President Earl Lawrence, with Commissioners Alexander Irvine and Michael Gelhar present called the regular meeting to order at 6:01 p.m. Also present were Kevin Mraz, Ray Edelstein, Joel Edson, Rose Mraz and Dave Wagner.
- 2) Call to Order.
 - a) Earl noted that the District is using a tape recorder for the maintenance of the minutes. No one else is using one.
 - b) **Alex made a motion to approve the minutes as submitted for the regular monthly meeting held May 14, 2009 /second-Mike/carried unanimously.**
 - c) Approve cash receipts & investments for sanitary and water.
 - i) Note any investment changes
 - (1) Rose said that there is a certificate of deposit due at Community First C.U on June 21. Part of these funds will be needed for the next draw for the internal loan and the balance could be invested in a new certificate.
 - ii) **Alex made a motion to approve the cash receipt and investment report as submitted including the recommendations/second-Mike/carried unanimously.**
 - d) Approve pending bills for sanitary and water.
 - i) There are several additional bills for owner purchased materials and Becky with The Selmer Company will have the official spreadsheet to the District tomorrow. The District is saving the 5% sales tax by purchasing the materials. **Mike made a motion to approve the pending bills for sanitary and water including the additional bills for owner purchased materials/second-Alex/carried unanimously.**
- 3) Public Forum – Earl noted that there are no members in attendance from the public to address the commission.
- 4) Director's Report
 - a) Status of 2009 projects and additional notes not in the previous report.
 - i) The CMAR is completed and the DNR said the District made excellent progress with the sump pump inspection program. No additional action is required from the CMAR.
 - ii) The DOT contacted the District today again regarding the costs for the Highway 21 revisions and said the construction will begin in 2012. Everything is 90 or 100% to be reimbursed. The total probable opinion of cost is \$443,000.
 - iii) The nighttime water usage between midnight and 3:00 a.m. has decreased since some repairs were completed. As leaks are repaired, you do see the reduction in flows.
 - iv) The District is getting closer to hooking up the Noebel's property.
 - v) Lutheran Homes paid their CAC and water assessments.
 - vi) Administrative office sale. – The zoning change will begin in August and the final decision in September.
- 5) Report from Committees
 - a) The commissioners recommended holding a meeting with the advisory council the beginning of July.
- 6) Old Business
 - a) Review loan program comparisons as submitted by Ehlers.
 - i) Dave Wagner attended the meeting to discuss various options that the District has regarding financing. Dave reminded the Commissioners that the District obtained the 4.75% rate on the existing loan from Public Lands by 1 day as the very next day it went to 5.5% and has stayed at that rate since.
 - (1) Dave said if the District can obtain the Safe Drinking Water Loan; this would be the best way to go as part of the loan is a grant. Kevin said the District will not know until July 1 if funds are available through this program.
 - (2) The new "All American Products", clause in the paperwork for the Safe Drinking Water Loans was discussed. The District bid the project before this clause was put in the contracts. Dave said if the District is eligible for this loan, you need to check the cost of the products.
 - ii) Dave said that because the District did not draw on The Public Lands Loan yet, that the District has the opportunity to go through a legal procedure that Quarles & Brady would help with by preparing the necessary paperwork.

- (1) The Build America Program would give the District a rebate of 35% of the interest on the loans every year. This is an obligation of the U S Government and currently it says that this rebate would be good for the life of the bonds. However, the Government could default and not allow this for the life of the bonds.
 - (a) Dave said that Quarles & Brady would charge a \$12,000 legal fee to complete the paperwork required to file for this program. Dave said the District would need to adopt resolutions to start the initial filing with the IRS showing the schedule of interest payments.
 - (b) In the future, on each interest date the District would be reimbursed 35% of the interest payment. There is a filing required each year. Dave recommends contracting with a company that charges \$150.00 per year to do the necessary paperwork. This company would make sure that no one forgets to timely file the annual form to obtain the rebate.
 - (2) Even if the Build American Bonds are canceled by the government in the future, the savings far exceeds the cost even in the first year.
 - (3) Dave recommended approving the Q&B engagement letter, but to withhold the authorization to proceed until the District sees if funding is available through the Safe Drinking Water Fund.
 - b) Review and act on Build America Bond proposal from Quarles and Brady.
 - i) **Alex made a motion to authorize the Utility Director to sign & submit the engagement letter with Quarles & Brady referencing their letter of May 11, 2009 pending Safe Drinking Water funding determination, but not to submit before July 1,second-Mike/carried unanimously.**
 - c) 1362 Conrad Street – The District’s operator checked this property again and said the sump pump is still not compliant. The property is still not occupied.
- 7) New Business:
- a) Review and discuss proposed table of organization structure changes.
 - i) Kevin discussed the job description and workload for the District’s requirement for a new employee.
 - (1) The position will be for 22 hours with part time benefits. The District based the pay rate on stats from the Fox Valley Tech and Wisconsin Rural Water.
 - (2) The District will interview in July and hire in September.
 - ii) Rose said the Bodini Center offers various tests and the District could require a potential employee to take the tests. Mike said this is a good idea and the commissioners agreed.
 - b) Town road permit and deposit
 - i) The Town of Algoma has a new ordinance that was approved in April regarding road permits.
 - (1) This came up as a new home is being built on Country Meadow Court where they had to cross the road to hook up to the District’s sanitary sewer main. The owner paid the District’s required road deposit.
 - (a) The District keeps this amount for a year and then returns it (less cost of inspection) if the road was brought back to the current standard and did not settle.
 - (b) This owner was contacted and told he had to obtain the Town’s new permit and pay required fees there also.
 - c) Water system special assessment for 975 N. Oakwood Road; Parcel No. 002-0150-12.
 - i) The homeowner’s plumber was able to fix the well so water is not an emergency at the moment.
 - ii) It was discussed to send a survey and letter out to the residents in this area to see who else may want water service available. This will be put back on next months agenda.
- 8) **Mike made a motion to adjourn-second-Alex/carried unanimously.**

Respectfully submitted: _____
 Rose Mraz, Office Manager

Approved: _____
 Earl Lawrence, President