

**Algoma Sanitary District #**  
**Regular Monthly Meeting - Minutes – April 9, 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, and Rose Mraz.
- 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 public hearing on March 12/second-Mike/carried unanimously. Alex made a motion to approve the minutes as submitted for the regular monthly meeting on March 12/second-Mike/carried unanimously.**
  - c) Approve cash receipts & investments for sanitary and water.
    - i) Note any investment changes
      - (1) Rose noted that there is a certificate of deposit due April 13 which will be needed for the bond payment on April 29. There is also a certificate due April 23 where approximately \$85,000 may be needed for bills and recommended renewing the balance for 30 days.
      - (2) Bond principal and interest payments will be wired out April 29, 2009.
    - ii) **Mike made a motion to approve the cash receipt and investment report as submitted including the recommendations/second-Alex/carried unanimously.**
  - d) Approve pending bills for sanitary and water.
    - i) Rose said the invoice included in pending bills for Davies for \$29,825.45 will not be paid until the Selmer Company approves the invoice for payment. **Alex made a motion to approve the pending bills for sanitary and water/second-Mike/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) Review of District statistics.
    - i) Kevin discussed a chart he keeps of water flows which is important and helps track unaccounted water. Staff watches the nighttime flows and these can indicate if there is a leak somewhere. The District purchased a listening device a couple of years ago which is used extensively to help find leaks.
      - (1) Staff listens to the fire hydrants with the device and you can hear a leak between these, and then you pressure test to find a leak and you trouble shoot the individual services from there. Staff just identified a leak on Nelson Drive which was repaired and brought the water flow back down.
        - (a) This leak was on the homeowner's side; however, the leak was prior to their residential meter and therefore was a 17 gallon a minute leak of unaccounted water.
      - (2) Each quarter Kevin keeps track of accounted and unaccounted water. There will always be some unaccounted water and the district is well within the PSC requirements of unaccounted water which is 20%.
      - (3) The District also found a leak in Omro this morning – they had a 5 gpm leak that they were looking for.
      - (4) Kevin commended staff as he knew there was a leak and staff found and repaired it.
    - ii) Kevin said he found it interesting that WE energies runs a water system elsewhere in Wisconsin that they are selling back to the village and the village is going to PSC for a rate hearing change which will lower their water rates. Due to WE energies being a taxpayer, water costs were higher than if the village ran the utility.
  - b) Correspondence.
    - i) The Fireman's parade is set for June 6. Kevin is looking to see who would like to be on the District's label to help save expense of doing water bottles.
    - ii) Tom Rusch stopped in this week to discuss an assessment on a parcel of his. He said that due to the fact that the Town put in a cul de sac, which Mr. Rusch believes is permanent, that his lot is not a benefiting property. Mr. Rusch asked if perhaps he could transfer the assessment to a different lot.
      - (1) Kevin said he explained to Mr. Rusch that the District's bonding is set up by the assessments levied.
      - (2) Ray said to find out first if this parcel will never be developed before starting the procedure for taking off the assessment.
        - (a) Kevin said the paperwork from the Town does not say the cul de sac is permanent. Kevin believes the parcel can be developed in the future and Earl asked if the land was deeded to the Town. There is no action this month as it is not on the agenda.
    - iii) Sump pump inspection program.
      - (1) The District is down to around 200 homes to be inspected yet. The District has found non compliant sump pumps which have been fixed; therefore lowering flows.
- 5) Report from Committees – there was no meetings.
- 6) Old Business.
  - a) Discuss water treatment facility #2 piping repairs competitive quote review.
    - i) Kevin received a competitive bid to replace everything that the District would like to see replaced which is from Lee's. This company did well #1 where there has been no problems.
      - (a) Their bid is for \$5,000.00 which will include demo of old pipes, 316 L material and all the installation. The District would have them do the complete repair and they indicated they do not do the robotic welds. The original contractor quoted much higher.

- (2) **Mike made a motion to have Kevin proceed with the repairs of the water treatment facility number 2 piping based on the quote received, not to exceed \$5,000.00/second-Alex/carried unanimously.**

(a) Ray said to keep the original materials.

7) New Business

- a) Review petition for addition of properties to be added to Algoma Sanitary District completed by the Town of Algoma.
- i) Kevin said the properties have been added and are now under the District's jurisdiction now.
- b) Discuss and act on final resolution authorizing public improvement and levying special assessments against benefited property in the Town of Algoma, benefited by the Witzel Avenue Utility Extension. (Resolution No. 2009-4-1)
- i) The District's spreadsheet shows the parcels that will have assessments levied against them. Earl asked if the parcel owners understand the assessments they will receive. Kevin said they do and that there was just one resident who did not respond at all.
- (1) **Mike made a motion to approve the final resolution authorizing public improvement and levying special assessments against benefited property in the Town of Algoma, Winnebago County, Wisconsin as noted in the resolution number 2009-4-1/second-Alex/carried unanimously.**
- c) Discuss and act on developer's agreement with Lutheran Home's Development.
- i) The neighbors are on board with the development. The owner's still need to go through planning and zoning so there could still be some contingencies.
- ii) Kevin will be meeting with them on April 20 so there's no developer's agreement to sign yet.
- (1) Kevin said this is a good development for the District and is excited to see this type of project.
- d) Review and act on task 09-03, design services for Thackery water and sewer main extension.
- i) The District previously approved to extend the water and sewer mains. This task order shows Strand's cost to design this extension. The task orders increased by exactly what the construction services are. Kevin said he is comfortable with the dollar values of the task order.
- (1) **Alex made a motion to approve task 09-03 for design services for Thackery water and sewer main extension/second-Mike/carried unanimously.**
- e) Review and act on amendment 1 to task 09-01 pursuant to Technical services agreement.
- (1) **Mike made a motion to approve amendment 1 to task order 09-01 for technical services from Strand/second-Alex/carried unanimously.**
- f) Review and act on working bank cost comparison.
- i) Rose said the District contacted West Point Bank and talked to a lady there to receive a quote for banking services. Rose was told to e-mail everything to another gentleman at the bank and he would complete the paperwork for banking fees. There was no reply to date from them.
- ii) Associated Bank was asked to come back with a study, but at this point, they came back with suggestions for lowering fees and not with the study showing what the savings would be.
- iii) It was recommended to set up a workshop and have Community First Credit Union come and discuss their proposal to the District regarding banking fees prior to making a decision.
- g) Act on resolution declaring official intent to reimburse expenditures to the SDWL - 2009. (Resolution No. 2009-4-2) Kevin recommended that this resolution should not be acted on because this is to actually reimburse the cash on hand that was spent on projects. The cash flow schedule indicated to use \$800,000.00 of existing bond revenue from the water utility so the District does not want to receive this back, and the District also is not looking to reimburse the \$1 million that the Sanitary utility will be spending on this. The cost of the project has not exceeded the 1.8 million yet, so the District isn't requesting reimbursement. The Commissioners agreed and did not pass this resolution to reimburse expenditures. The funds from the Public Lands loan will hopefully be reimbursed with the lower interest loan from the Safe Drinking Water Loan.
- h) The District broke the project into 2 sub projects: No. 1, the water and sewer on Witzel and No. 2, the administration building and well facility. Both were rated. The DNR decided both are fundable projects, but this does not mean that you will get funded. Next the dollar value will cascade down through the point system. By April 31, everything needs to be submitted to the DNR. The District needs an authorized representative for a point of contact to sign applications and other required information for the SDWL. Previously the contact was Earl. This person will need to sign the documents as the District proceeds through the safe drinking water loan program.
- i) **Mike made a motion to approve resolution number 2009-4-3 to authorize a representative to file applications for financial assistance from the state of Wisconsin Environmental Improvement fund for the Algoma Sanitary District #1, Town of Algoma, Wisconsin, with the authorized representative being Earl Lawrence/second-Alex/carried unanimously. Roll Call – Mr. Gelhar – aye, Mr. Irvine – aye, and Mr. Lawrence – aye.**
- i) Audit statement – Rose handed out the audit report and additional notes from the auditor. The auditor will attend a meeting to discuss and answer questions. The commissioners said to have this workshop the same day as the bank workshop.
- j) Review, discuss and act on offer to purchase Administrative Office.
- i) There was discussion regarding the offer to purchase the District's existing administrative building.
- (1) Discuss conditions.
- (a) Ray said there is a hold harmless condition (#1) that will need to change. This regards possible contamination from other parcels in the area which the District cannot guarantee forever. The Commissioners agreed they are willing to do the environmental check to say this is what is here, but not to be held responsible forever. Ray said this needs a point in time.

- (b) There is an easement on the District's property which needs to be added to the offer. The District previously installed the water pipe for the District and Fire Department in the same trench. The Fire Department's pipe is completely on their property, however, the Sanitary District granted the Fire Department a 20' easement in case they ever have to dig up and repair.
  - (c) The date on the offer is November 1. The District has a November 18 substantial completion date for the new building. Kevin said the potential buyer is not in a rush; however, the District will change this date to mid November and if longer, include a rental amount in the case of unforeseen delays.
    - (i) Kevin said there are liquidating damages to the contractor if not completed on time.
  - (2) Discuss offering price.
    - (a) They want the District to pay for the permits and Kevin said this is \$800.00 plus staff time to obtain. The Commissioners were ok with this.
    - (b) Kevin did an appraisal about a year ago and the offering price is reasonable.
  - (3) The Commissioners agreed to have staff proceed with a counter offer and make the above listed suggestions.
    - (a) Kevin said when this property is sold; it will become taxable property for the town, and will have a water and sewer fee giving additional revenue to the District also.
  - ii) This offer was found as Kevin said he talked to several people and developers who then talked to other people so this person was sent over to the District.
  - k) Discuss and act on sending staff to Leadership Oshkosh program.
    - i) The cost is \$1,250.00. This was a requirement for one of Kevin's job duties for 2009. Earl recommended this and believes this will be a good help for both the District and Kevin.
      - (1) Kevin said he checked into this program a couple of years ago and also believes it will be beneficial to the District. This cost was included in the 2009 budget.
      - (2) The Commissioners are all in favor of having Kevin attend this.
- 8) **Mike made a motion to adjourn-second-Alex/carried unanimously.**

Respectfully submitted: \_\_\_\_\_  
Rose Mraz, Office Manager

Approved: \_\_\_\_\_  
Earl Lawrence, President