

Algoma Sanitary District #1
November 12, 2009

- 1) Commission President Earl Lawrence with Commissioners Alexander Irvine and Michael Gelhar present called the regular monthly meeting to order. Also present were Kevin Mraz, Ray Edelstein, Rose Mraz and Joel Edson.
- 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) **Mike made a motion to approve the minutes as submitted for the regular monthly meeting on October 8, 2009/second-Alex/carried unanimously.**
 - c) Approve cash receipts & investments for sanitary and water.
 - i) **Alex made a motion to approve the cash receipt and investment report as submitted/second-Mike/carried unanimously.**
 - d) Approve pending bills for sanitary and water.
 - i) Rose noted there was a typo on the report and the Selmer Company should read payment #9. **Mike made a motion to approve the pending bills for sanitary and water as submitted including this change/second-Alex/carried unanimously.**
- 3) Public Forum – There are no members of the public in attendance at the meeting. Kevin said he does expect a person representing a cellular company to arrive shortly.
- 4) Director's report.
 - a) Review of District statistics. This was given out previously.
 - b) Earl asked if Kevin had any additional information to add with all the activity going on.
 - i) Kevin said since Friday, some additional things did come up since it was sent out.
 - (1) There is a funding possibility for our District for the project on Witzel Avenue and the new Administratin Facility Project. The District previously submitted for the American Recovery and Reinvestment Act Grant and the Safe Drinking Water Loan program; and just as recently as this last week, Linda Miller, the Financial Assistance Specialist with the Wisconsin Department of Natural Resources, started e-mailing Kevin and corresponding with the District's engineer.
 - (a) Kevin said that Linda is the head of the program for our area and the only reason that she would be contacting the District is that the Safe Drinking Water list has changed and the people above the District had projects that were not a go or that have been removed for some purpose.
 - (i) The District did move up the ladder and the funding is coming down toward our project. Currently, Linda is not able to confirm the dollar values that the District may be able to receive. However, Ed Brinson, from the Safe Drinking Water Loan did indicate, in a phone conversation, but no written confirmation at this time, that there could possibly be \$500,000 grant in the Recovery and Reinvestment Act.
 - (b) At this point in time, staff is feverishly going after obtaining this grant money and trying to get all the dollar values for our expenses to see how much it would cost for Ehlers, the District's financial advisor, Quarles & Brady, the District's legal advisor, and Strand, the District's engineer to put together the additional paperwork required.
 - (c) One of the costs that the District doesn't know yet is to see the difference in the Federal prevailing wage versus the Wisconsin prevailing wages. There has not been time to obtain the Federal wages yet for the contractors on the projects. The District paid the state wages, and needs to determine the difference between the State and Federal wages and possibly pay the difference.
 - (i) Kevin said he sent Linda Miller an e-mail that the District does want to seek the financing opportunity that she has available and is willing to do the additional paperwork for this; however, the District wants to be sure there are funds that would be committed to the District.
 - (ii) Kevin said he doesn't feel correct spending the District's money until some dollars are committed to the District. The District doesn't want to pay additional wages if the money is not available.
 - (d) Earl said that he and Kevin had a conference call on Tuesday with Dave Wagner and went through this. Dave indicated, and sent out an e-mail, that with the grant money in there to go for it. Without the grant money available, you may only save \$10,000, but with the grant money, there could be the opportunity for \$500,000 to \$600,000. The District needs to meet new rules and possibly change loans.
 - (2) Earl said the District would need to invest about \$15,000 to complete the paperwork to see if the District can get a possible payoff of \$600,000. The Commissioners agreed this would be well spent and agreed to have Kevin go forward and try to obtain funds available.

- ii) Another communication that the District had was with a contractor on Witzel Avenue. The contractor wanted to bill the District for owner supplied granular material on the road. In the contract, the District was to supply 1,200 cubic yards of material. Kevin said he hired the county last year and had them bring in milling material. The contractor was submitting a change order for \$17.00 a cubic yard for all the material they thought the District didn't supply.
 - (1) Kevin said he showed the contractor pictures of the county delivering the materials and the bill from the county. The contractor then didn't submit the change order. The District's camera paid for itself and saved thousands of dollars.
- 5) Report from Committees
 - i) District Advisory Council. No meeting since last date.
 - ii) Open House.
 - (1) Earl said that he would like to postpone for a few months the open house. He indicated that it is tough right now between the holidays to plan this. It was agreed to have an open house in the spring.
 - (a) The Commissioners decided to have a small gathering with the Commissioners and staff prior to next month's meeting at 4:30 for a walk through of the building.
- 6) Old Business.
 - a) 2010 annual budget.
 - i) Review, discuss, and adopt 2010 budget. Earl said he is happy with how the budget came together. **Mike made a motion to adopt the budget for the sewer utility for 2010/second-Alex/carried unanimously. Alex made a motion to adopt the budget for the water utility for 2010/second-Mike/carried unanimously.**
- 7) New Business.
 - a) Waldwic Lane Water Extension.
 - i) The District Commissioners held the Public Hearing for Special Assessments for Waldwic Lane just prior to this meeting.
 - (1) Several residents at the Hearing indicated that if the cost for the water main extension is bid out and comes in lower than the opinion of probable cost from Strand that they would consider changing their participation choice from defer to participate.
 - ii) Discuss next steps.
 - (1) Approve staff to proceed with the design and public bidding of this project.
 - (a) The Commissioners discussed proceeding with the design and bidding for the project. Kevin said that contract costs have been coming in lower than Strand's opinion of probable cost. **Mike made a motion to authorize staff to continue with the design and public bidding for the Waldwic Lane water main project/second-Alex/carried unanimously.**
 - (i) Kevin said it would be late December before the bids could be received and then the Commissioners could act on these in January.
 - (2) Approve staff to draw bond funds from Public Lands to finance the Waldwic Lane water main project. This draw needs to be completed by November 20, 2009 to maintain the same interest rate.
 - (a) The Commissioners did not approve a draw on the loan at this time. Rose said that there could be a possibility of extending the date for the next draw on the existing bond for this extension. **Alex made a motion to authorize staff to contact the Commission of Public Lands to see if the District can extend the date of the current loan/second-Mike/carried unanimously.** If it cannot be extended, there will not be another draw.
 - (3) It was decided to wait for the bids to come in prior to another correspondence to the residents on Waldwic.
 - b) Discuss co-location rental agreement for elevated tower.
 - i) Jim Winneman, attended the meeting to discuss a co-location agreement for one of his carriers. Jim works for a number of carriers, and attended the meeting to discuss the possibility of U S Cellular co-location and sharing the tower space. Ray and Kevin have been working with him.
 - (1) Ray suggested having everyone read the documents and put the item back on the December agenda. Ray said the contract is a longer term than he would prefer and Jim said this is the term that they have been using with other utilities.
 - ii) Kevin said he is concerned about the maintenance aspect of the contract. If they need to do welding. Kevin said he would like a statement regarding repainting.

- (1) Jim said the District's tower was planned to have carriers and not have to weld. Jim indicated with the layout, that the 3rd carrier would need to run cables differently. They will be discussing how to hook up the wires so another customer can share the tower.
- iii) Kevin said he is also concerned if there is a storm and the railing is bent and there are lost calls, who is liable.
 - (1) Jim said this would not be due to the District doing something wrong. Kevin asked what the remedy would be. Jim indicated this is an act of nature and not something the District caused.
- iv) Alex questioned if U S Cellular is on the tower, does their signal interfere with others. Jim indicated that the signals do not interfere with each other.
- v) **Alex made a motion to authorize staff to continue to develop a rental agreement and enter a right of entry agreement/carried unanimously.**
- c) Authorize staff to sign closing documents at Assurance Title for sale of 1220 Oakwood Circle property.
 - i) Ray said it is fine to have Kevin sign the documents. Ray is looking over the legal paperwork and doesn't see that there would be large costs at the closing. **Alex made a motion to adopt resolution No. 2009-11-1 to authorize the Utility Director to execute all necessary documents to close on the sale of 1220 Oakwood Circle on November 17, 2009 and furthermore to authorize the Utility Director to spend such funds as necessary to finalize the closing/second-Mike/carried unanimously.**
 - d) Approve DOT agreement for payment for relocation of Municipal utility facilities located in public held land.
 - i) This is for the Brooks Lane area. The reimbursement is at 90% and amounts to about \$92,000 from Brooks Lane. The manhole needs to be moved to be out of the round-about area. This is not in an easement; therefore reimbursed at 90% and not 100%.
 - (1) **Alex made a motion to approve the DOT agreement for payment for relocation of Municipal utility facilities located in public land held related to the Highway 21 project 1120-11-75 (Breezewood Lane); which is in the Brooks Lane area/second-Mike/carried unanimously.**
 - e) Discuss and approve Strand's task order for DOT Highway 21 relocation.
 - i) Strand will develop a task order to get all these projects in a biddable format but Pat sent an e-mail on Tuesday that this may not be ready so this will be on next months agenda.
 - f) Discuss and approve income continuation insurance.
 - i) Kevin said this was included in the budget at \$2,000. This plan is through the Wisconsin Public Employer's Plan. Kevin said a short term disability with the basic plan allows coverage after 180 days and would cover you until you receive long term disability through social security. This would cost the District .25% of payroll. If employees want a different coverage, they can choose it at their own cost.
 - (1) Kevin said that employees presented the idea for this coverage as they cannot get their own short term disability at a decent cost. Kevin said he explained to employees that there is a certain piece of the pie that goes into wages and benefits and this would affect wages. Kevin recommended that the commissioners approve this for staff. **Mike made a motion to approve the establishment of income continuation insurance for full time employees/second-Alex/carried unanimously.**
 - g) Sewer user fee rebates.
 - i) Rose said there was one rebate received for a parcel on Omro Road from Mary Jean Irvine. The credit would be \$183.93. **Earl made a motion to approve the user fee rebate for Mary Jean Irvine for the parcel at 2725 Omro Road; the credit would be 183.93/second-Mike/Alexabstained/carried 2.**
- 8) Adjourn.
 - a) Mike made a motion to adjourn/second-Alex.

Respectfully submitted: _____
Rose Mraz, Office Manager

Approved: _____
Earl Lawrence, President