

**Algoma Sanitary District #1**  
**October 8, 2009**

- 1) Commissioner Alexander Irvine with Commissioner Michael Gelhar present called the meeting to order at 6:00 p.m. Also present were Kevin Mraz, Ray Edelstein, Rose Mraz and Joel Edson. Commissioner Earl Lawrence was excused.
- 2) Call to Order.
  - a) Alex 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 September 9, 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 said the bond interest payments will go out the end of October.
    - ii) The Selmer Company may have several additional vendors approved for payment for direct purchases for this month over the \$45,410.00 received so far.
      - (1) **Mike made a motion to approve the pending bills for sanitary and water as submitted/second-Alex/carried unanimously.**
- 3) Public Forum – There are no additional members of the public in attendance at the meeting.
- 4) Director's report.
  - a) Review of District statistics.
    - i) Kevin said that with the budget work, there was not enough time to send a report out earlier this month.
  - b) Correspondence – No additional, other than correspondence included in agenda items.
  - c) Status of 2009 projects.
    - i) Water treatment facility #3
      - (1) Construction is moving right along; the garage doors, windows, and heaters will be put in tomorrow so they can get the moisture content down for painting and dry walling.
    - ii) Witzel water and sewer extension
      - (1) The lift station on Fenzl was started up and works. L W Allen came in yesterday to start installing the antennae to send a signal to the tower and the tower will send a signal to the building. It will work this way for all the stations.
      - (2) The water mains have been pressure tested and passed. The bacti tests are in process.
    - iii) The SCADA panel in the front office will be relocated out to the facility with the radio sending unit to a Tran's net radio. This is the biggest change.
      - (1) Mike asked if they are going to do this in one day and Kevin said that he put the red flags out yesterday in an e-mail so they all understand that once the SCADA is moved, they know that it must be operational by the end of the day, at least for all the high water alarms at all the stations. LW Allen is on the same page. One person said that it will take several days for the change and Kevin told them that will not work.
        - (a) They can do all the prep work ahead so the actual switch is completed in one day. They know that the sale of the District's property is November 18 and that it is the District's goal to have the SCADA panel pulled out and relocated before November 18.
    - iv) The new building does not have locks yet, but this is also being worked on.
    - v) Lutheran Home water and sewer extension.
      - (1) The water mains are installed and 100% safe and pressure tested. The bacti test was completed.
      - (2) Witzel Avenue should be paved tomorrow by Lutheran Homes. This needs to be completed prior to the 15<sup>th</sup> of the month.
      - (3) The sewer mains will be started on Monday off Bromfield and continue until completion with November 30<sup>th</sup> as the date the sewer extension needs to be completed.
    - vi) The other crossings on Witzel will be paved next week.
    - vii) Waldwic Lane water main extension
      - (1) There was a letter containing the opinion of probable cost sent out and only 3 phone calls and 1 letter was received from the residents.
    - viii) Administrative office sale.

- (1) This is set for November 18. The District hired Stephany at Assurance Title to complete the property transfers. She received all the paperwork and put the earnest money of \$500.00 into an escrow account. Kevin gave her Ray's name and she'll also contact Bill Manske, David Dodge's lawyer.
- (a) Ray will be gone the 18, but will look over the closing statements and the deed ahead of time.
- (i) Ray asked who is signing the document. Mike and Alex said they were fine with Kevin signing and Ray said the commissioners can authorize Kevin to sign the documents. The resolution for this will be on the agenda for November 12.
- 5) Report from Committees.
- a) There was no District Advisory Council since the last meeting.
- b) Earl Lawrence is heading up the open house committee.
- i) The tentative date for the open house needs to be changed as the contractor wants to do some construction start up on December 4 so the painting may not be ready for display by December 5.
- 6) Old Business:
- a) The 2009 user fee was \$262.75 and based on the entire benefit package going up 1.3% in the budget, the proposal was to present a sewer user fee that matches this. Increasing the current user fee by 1.3% will bring the fee up to \$266.17 per equivalent unit. Joel asked if this is the CPI and Kevin said the 1.3% is less than the CPI. **Alex made a motion to increase the sewer user fee to \$266.17 per equivalent unit/second-Mike/carried unanimously.**
- b) Review, discuss, and approve 2010 preliminary budget for publishing.
- i) Rose said she and Kevin used the recommendations received at the budget workshop from the commissioners and revised the proposed budgets. The overall water budget increased by 0.23%. The sanitary budget decreased by 0.42%.
- (1) For the sanitary budget, the amount recommended to be used from retained earnings was lowered to \$31,441.81.
- ii) **Mike made a motion to approve the publishing of the proposed budgets and also set the public hearing for November 12, at 6:00 p.m./second-Alex/carried unanimously.**
- 7) New Business:
- a) Approve pump replacement for both pumps at Brooks Lane Lift station.
- i) Kevin said that at Brooks Lane, the replacement pumps will be 2.2 hp with N style impellers. These impellers have worked well for the District in the past. The output will increase to 176 gpm from the current 115 gpm. They do not make the smaller motors any more and the 2.2 is the next smallest motor. The total price, including a mini cas, which checks for thermal overloads and leakage into the motor, is \$7,764.00. Kevin said he did place the order, but wanted approval prior to these getting shipped if the Commissioners agree with the purchase. The District was working with 1 pump. ITT Flyght was in the District working on Fenzl and after bargaining, agreed to install a temporary pump at Brooks Lane at no charge because they already had a lift here.
- (1) Mike asked if money was put aside for the pumps and Kevin said there was money. Kevin was going to purchase Bellhaven pumps first, but now it will be flip flopped and Bellhaven pumps purchased next year. **Mike made a motion to purchase the 2 pumps for Brooks Lane in the amount of \$7,764.00/second-Alex/carried unanimously.**
- b) Waldwic Lane preliminary assessment (resolution number 2009-10-1).
- i) In order to proceed with Waldwic Lane, the District needs to begin the preliminary resolution process.
- (1) Kevin said he sent out a letter regarding the opinion of probable cost to residents and received back three phone calls suggesting that the District divide the amount by affected parcels. One other resident called and said he is not interested in the water and will not be using it. In the letter sent to the residents last week the District asked them to submit a fair and equitable way to divide the assessments amongst themselves.
- (2) Ray asked Kevin where the District is getting the money to pay for the water mains to Waldwic. Kevin said the District will need to develop a bond or see if there are other bond revenues on hand. The water utility does not have the funds to do this without bonding. There is \$14,000 of contingencies in the opinion of probable cost.
- (i) Ray said it is fine to go forward with the preliminary resolution paperwork as drawn up at this time. Ray said there is no absolute one way of breaking down the assessment to the individual parcels. Each parcel will receive 1 assessment. If a parcel splits in the future, there will be additional supply assessments. There is one parcel on the end with approximately 30' of road frontage and Ray said the District is not locked into the breakdown and to let the owners know

that the assessment is broken down by the number of affected parcels. Ray said it will be a small enough group so a court reporter is not necessary.

- (3) **Mike made a motion to adopt preliminary resolution 2009-10-1 declaring the Sanitary District's intent to exercise its police power pursuant to section 66.0703 of the Wisconsin statutes, to authorize the extension and additions of a water system: wells, well houses, mains, hydrants, valves, and appurtenances thereto; and levy special assessments upon certain property in the Algoma Sanitary District No. 1 benefited by the improvements/second-Alex/carried unanimously.**

(a) The Public hearing was set for November 12, 2009 at 6:00 p.m. and will follow the budget hearing.

c) Discuss co-location rental agreement for elevated tower.

i) Kevin met with a wireless company and their customer who is interested in locating on the District's tower. This company had a surveyor and a couple of engineers out to look at the tower to verify what needs to be completed. They were impressed with how the tubes come through the floor so no welding needs to happen.

(1) Next week Kevin will climb the tower with them to look at the bracing which is already installed for antennae's.

(2) They will be sending a rental agreement to the District.

(a) Ray will look the contract over and want so make sure the District is held harmless by reason of their location of equipment from interference with any existing cells. Ray said it would be good to know how much room they are taking up.

(b) Kevin said he already talked to other communities to see how much rent they receive.

(3) This company also proposed that they would install a generator building at the base in case the power fails which could run on natural gas, propane or diesel. The District isn't interested in diesel and does not want an outside tank. Kevin will check what other communities have. The District also needs to check for vulnerability. Ray would like it set up so the District does not need to let them in.

(a) Mike asked if additional equipment will interfere with the cleaning of the tank in any way. Kevin said they will need to watch how they bring the pipes up as the District doesn't want any secured to the ladder. The District already has conduits going up with angle brackets.

ii) Prior to the District signing a contract with Utility Services, Kevin sent out a letter to numerous cell phone companies, to their acquisition department, to try and receive business, including U. S. Cellular.

iii) Kevin called Utility Services to see what they are doing to market the District's tower and asked if the District's tower is even on their data base because at first they didn't have it due to latitude and longitude. Utility Services is has not sent us any prospective renters to date. There has been no response yet. They are also a maintenance company and the District did not sign up for this to date.

d) Act on Step II water rate structure.

(1) When the District did the rate increase last year, the increase was completed in two steps rather than raising the costs in one step. The second step should be implemented when the new facility is complete. Based on this, Rose put together a possible motion that our facility is going to be completed in November and that the District would like to make sure the rates are submitted to PSC prior to January 1. The District will not prorate the bills as it wouldn't be cost effective to do so.

(a) Staff recommends implementing the rates approximately January 4, 2010. The PSC would like this information in writing as soon as possible.

(2) **Mike made a motion to authorize staff to inform the Public Service Commission that the substantial completion for the new Administration Building is planned for November 18, 2009. The new well, water mains, water treatment facility and administration building will be placed into service at that time. The District will not prorate; therefore the step II rates will be effective for service rendered on and after our next meter reading date which is approximately January 4, 2010/second Alex/carried unanimously.**

8) Adjourn.

a) Alex made a motion to adjourn/second-Mike.

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

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