

**Town of Algoma Sanitary District #1**  
**Meeting Minutes – January 14, 2021**

**Regular Monthly Meeting.**

- 1) Open regular monthly meeting.
- 2) Commission President Chad Hayes with Commissioners Peter Cernohous and Sue Drexler present called the regular monthly meeting for January to order at 12:00 p.m. Also present were Utility Director Kevin Mraz, Accounting Manager Mike Claffey, and District Attorney Ray Edelstein. Financial Utility Clerk Sara Gonzales was excused.
  - a) Chad noted the District is using a tape recorder for maintenance of the minutes.
  - b) Approve the minutes of the previous meeting. **Sue made a motion to approve the minutes of the regular monthly meeting on December 10 as submitted/second-Peter/carried unanimously.**
  - c) Approve balance adjustments. Mike mentioned the net 2020 Cost of Money adjustments of \$118,727.37 in assessments and two small balance adjustments, one to write off a duplicate late fee on a water bill of \$1.66 and one to remove a tax roll penalty of \$17.33, for a total of \$118,708.38. **Peter made a motion to approve the December balance adjustment as submitted/second-Chad/carried unanimously.**
  - d) Approve investment changes. None.
  - e) Approve cash receipts & investments for sanitary and water. **Sue made a motion to approve the cash receipts and investments for sanitary and water for December as submitted/second-Peter/carried unanimously.**
  - f) Approve pending bills and previous disbursements for sanitary and water. Mike mentioned the following information:
    - i) City of Omro: \$28,548.25 for 5.033 million gallons of flow and 440 connections plus prior quarter's credit of \$55.26.
    - ii) Community First Credit Union: sign a wire for the bond principal payment due on February 1, 2021.
      - **Chad made a motion to approve the January pending bills and the December previous disbursements for sanitary and water as submitted/second-Sue/carried unanimously.**
- 3) Public Forum. No one was in attendance from the public.
- 4) Commissioner Statements.
  - Sue thanked Sanitary District staff for responding to emergencies at all hours of the night.
  - Peter appreciated Kevin for taking the initiative and contacting the other sanitary districts regarding the master agreement with the City of Oshkosh.
  - Chad recognized two City of Omro residents that were tragically killed in an auto accident last month.
- 5) Director's Report.
  - a) Review of District statistics. No discussion was had on this agenda item.
  - b) Correspondence.
    - The District received an email from Winnebago County board member, Andy Buck, regarding drainage issues in the ditches on Witzel Avenue per correspondence received from Mr. & Mrs. Silva at 4688 County Road E as well as Mrs. Klemz at 4676 County Road E. Kevin responded to Mr. Buck's email and contacted Rich, the Town of Algoma Administrator, to let him know and also forwarded him the correspondence since the District does not handle stormwater or drainage issues.
  - c) Status of 2021 projects. No discussion was had on this agenda item.
- 6) Old Business. None.
- 7) New Business.
  - a) Discuss and Act on response to City of Oshkosh related to the sanitary sewer connection at "The Wit" development.
    - The District has sewermain running past the property line that previously served this parcel and continues to be available to serve this parcel, while the City does not.
    - In its letter the City stated, "the Wit" shall connect to the District's existing sewermain in Witzel Avenue.
    - The City stated its desire to meter this water usage and deduct the volume from the District's total wastewater flow.
    - The Commission and the City of Oshkosh both recognize the developer's desire to proceed with construction on his proposed development.
    - The Commission directed Kevin to work with Attorney Edelstein to send a letter the following day to respond to the points addressed by the City of Oshkosh in their correspondence dated January 6, 2021.
- 8) Adjourn. **Chad made a motion to adjourn the regular monthly meeting at 12:37 p.m./second-Sue/carried unanimously.**

Respectfully Submitted:

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Michael Claffey, Accounting Manager

Approved:

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Charles Hayes, President

**Town of Algoma Sanitary District #1**  
**Meeting Minutes – February 11, 2021**

**Regular Monthly Meeting.**

- 1) Open regular monthly meeting.
- 2) Commission President Chad Hayes with Commissioners Peter Cernohous and Sue Drexler present called the regular monthly meeting for February to order at 12:00 p.m. Also present were Utility Director Kevin Mraz, Accounting Manager Mike Claffey, District Attorney Ray Edelstein, and Financial Utility Clerk Sara Gonzales.
  - a) Chad noted the District is using a tape recorder for maintenance of the minutes.
  - b) Approve the minutes of the previous meeting. **Peter made a motion to approve the minutes of the regular monthly meeting on January 14 as amended previously/second-Sue/carried unanimously.**
  - c) Approve balance adjustments. None.
  - d) Approve investment changes. Mike proposed moving the funds from the CD that is due on February 13 into a money market account at 0.30%, as the rates are currently higher in that type of account than for a CD. **Sue made motion to transfer the funds from the 14-month CD at Verve, a Credit Union into a money market account earning 0.3% interest when it comes due in two days as recommended by Mike/second-Peter/carried unanimously.** Mike noted the District received the 2021 Letter of Credit from Community First Credit Union for \$3.25 million.
  - e) Approve cash receipts & investments for sanitary and water. Mike noted the District received the January 2021 tax roll settlements from both the Town of Algoma and the Town of Omro. **Chad made a motion to approve the cash receipts and investments for sanitary and water for January as submitted/second-Peter/carried unanimously.**
  - f) Approve pending bills and previous disbursements for sanitary and water. Mike mentioned the following information:
    - i) Cincinnati Insurance: 2021 business liability insurance invoice of \$21,555. The Commission can expect another invoice soon for approximately \$10,000 for 2021 Workman's Compensation insurance.
    - ii) Bond Trust Services: \$183,628.13 for the Series 2015A GO Bond principal and interest payment due on March 1.
      - **Peter made a motion to approve the February pending bills and the January previous disbursements for sanitary and water as submitted/second-Sue/carried unanimously.**
- 3) Public Forum. No one was in attendance from the public.
- 4) Commissioner Statements. Everyone welcomed Sara back from maternity leave and hoped everyone stays healthy and safe.
- 5) Director's Report.
  - a) Review of District statistics.
    - Staff released four new sewer and water permits so far this year and another water connection is expected the following week due to a house selling and the arsenic level exceeding 100 parts per billion (ppb). When excavations happen during this time of year, staff makes sure the frozen ground is not placed on top of the water service to prevent damage and he noted it is difficult to pump water from the trench.
  - b) Correspondence.
    - Kevin stated the District is awaiting the Regional Wastewater Treatment Facility approval letter for the Omro Road Sewer Utility Main Extension.
  - c) Status of 2021 projects.
    - Cold weather operations: Staff monitors the water level and temperature in the water tower very closely, which has been hovering around 33-35 degrees lately. Once the temperature falls to 33 degrees, the Operators turn on the wells to pump 42-degree water from the ground in order to prevent freezing. Staff looks forward to warmer weather expected the following week. Kevin noted the Water Utility has not experienced any frozen water services or mains and stated the frost will continue to go down lower in the ground the next couple of months, even as temperatures increase.
    - Annual Town of Algoma booklet: Staff sent the District's contact information and current water and sewer rates to be printed in the Town's annual booklet to Commissioners previously and asked that they confirm their phone numbers prior to staff sending it to the Town.
    - Fire Department Training: The Town of Algoma Fire Department requested to walk through the Water Utility's well facility in March. Staff also plans to discuss water hammer, water pressures, and the use of fire hydrants with them.
    - Omro Road Construction: Staff will publish the Public Notice advertisement to bid out the sewer and water relocation project on Omro Road in the Oshkosh Northwestern soon as required, with bid opening scheduled on March 10.
    - Operator Exams: Staff has been busy training the District's newest Water/Wastewater Operator and he recently passed all five of his exams. Kevin is happy to have another certified Operator on staff.
- 6) Old Business.
  - a) Discuss and Act on response to City of Oshkosh related to the sanitary sewer connection at "The Wit" development.
    - Kevin explained the District received a Diggers Hotline ticket the previous week to mark the utilities along Witzel Avenue. He contacted Davel Engineering and asked when they are proposing to start construction. They responded that morning and stated the City of Oshkosh (City) approved a private sewer and water system for that project and are

planning on starting construction the following week. However, the City does not have an agreement with the District allowing the City to use the District's sanitary sewer system.

- Ray explained his concern that tenants of apartment complexes are not invested in the property and tend not to care what they flush down the drain, where it would become the District's concern if District mains are used to serve this development. Ray has been communicating with the City. Kevin added the current agreement between the City and the District gives the District authority to serve properties in the City. Chad suggested the District allow the developer to install sanitary sewer within this parcel but not let them connect to the District's sewer main until the District has a long-term agreement with the City for wastewater treatment services. The other Commissioners agreed, and Kevin stated he would inform the developer.

7) New Business. None.

8) Adjourn. **Peter made a motion to adjourn the regular monthly meeting at 1:08 p.m./second-Sue/carried unanimously.**

Respectfully Submitted:

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Michael Claffey, Accounting Manager

Approved:

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Charles Hayes, President

**Town of Algoma Sanitary District #1**  
**Meeting Minutes – March 11, 2021**

**Regular Monthly Meeting.**

- 1) Open regular monthly meeting.
- 2) Commission President Chad Hayes with Commissioners Peter Cernohous and Sue Drexler present called the regular monthly meeting for March to order at 12:00 p.m. Also present were Utility Director Kevin Mraz, Accounting Manager Mike Claffey, District Attorney Ray Edelstein, and Financial Utility Clerk Sara Gonzales.
  - a) Chad noted the District is using a tape recorder for maintenance of the minutes.
  - b) Approve the minutes of the previous meeting. **Peter made a motion to approve the minutes of the regular monthly meeting on February 11 as submitted/second-Sue/carried unanimously.**
  - c) Approve balance adjustments. Mike explained there were two balance adjustments for a total of \$0.00. Staff divided the special assessment balances from the previous two large parcels into the individual parcels since the plat for Ormand Beach Heights has been recorded. The other one was to write-off and reinstate a late fee that ended up being paid. **Chad made a motion to approve the balance adjustments as submitted/second-Peter/carried unanimously.**
  - d) Approve investment changes. The only investment change will be discussed under Agenda Item 7b).
  - e) Approve cash receipts & investments for sanitary and water. Mike noted the District received the February 2021 tax roll payments from both the Town of Algoma and the Town of Omro. **Sue made a motion to approve the cash receipts and investments for sanitary and water for February as submitted/second-Peter/carried unanimously.**
  - f) Approve pending bills and previous disbursements for sanitary and water. Mike mentioned the following information:
    - i) Business Card: the District's February payment was not received. Staff called and was told mailed payments are taking 6-8 weeks to arrive. Mike proposes to pay February's statement balance of \$4,163.22 and track the payment. When the credit card company receives it, he will call to have the late fees removed and will deduct January's balance from March's invoice once the bill is received.
      - Peter asked if the District should consider a different credit card and Kevin answered this is the first time this has happened and appears to be an issue with the mail. Sue mentioned banks can process credit card payments for its customers locally instead of relying on the mail.
    - ii) GFL: payment of \$145.38 for garbage pickup reflects the actual invoice from February and the March invoice.
    - iii) General Obligation Bond: principal wire of \$230,000 is ready for signatures at Community First Credit Union. The interest will be withdrawn by the DTCC on April 1.
    - iv) Badger Meter: \$800 for 20,000 units at \$0.04 each was ordered prior to the price increase scheduled on April 1.
      - **Peter made a motion to approve the March pending bills and the February previous disbursements for sanitary and water as submitted/second-Chad/carried unanimously.**
- 3) Public Forum. No one was in attendance from the public.
- 4) Commissioner Statements. None.
- 5) Director's Report.
  - a) Review of District statistics. No discussion was had on this agenda item.
  - b) Correspondence.
    - Planning Meeting with Town of Algoma: Kevin thanked Chad for attending the meeting with the Town of Algoma with him. Chad added it was a very productive meeting and the Town was very receptive to the District's concerns. Staff hopes meetings between the two entities will continue to occur regularly for open communication.
    - City of Omro Wastewater Treatment Rates: Staff will send a letter to the City of Omro the following month to request that they update the data used in their sanitary sewer treatment rate formula.
    - Algoma Fire Department Tour: The Algoma Fire Department requested a tour of the District's Administration Building, which is scheduled the following Monday. Kevin prepared a PowerPoint presentation that discusses the District's recent projects, such as installing three additional fire hydrants on Leonard Point Lane with a turnaround at the end, along with the lane closures scheduled on Omro Road this year and to discuss the water tower painting next year. He will notify them that the water tower will be offline for about 65 days and request that they make sure the other fire departments are notified as well. During this time, the Water Utility would still be able to supply 1,500 gallons of water per minute, less our usage, but it will take additional effort from staff.
    - Vacant Lot Brochure: Staff developed a brochure as a marketing tool for the upcoming Home Show on April 9-11 at the Menomonee Nation Arena. In addition to the District's current sewer and water rates and connection costs, it also includes a map of all the District's current and future vacant lots available. Staff also plans to send it to area realtors.
    - Variable Frequency Drives: The District will add VFD's to two well facilities, which will be helpful while the water tower is offline, and allow the Operators to adjust the gallons of water per minute to maintain pressure in the system.
    - SCADA System Upgrade: The District's computer radio technology that provides updates on the status of its pumps, wells, wet well levels, etc. will be upgraded this year.
  - c) Status of 2021 projects.

- 2410 Omro Rd: Staff previously made the Commission aware that this home on a 0.6-acre parcel and the vacant, wooded one acre lot behind it are selling the following month. The parcel with the house is zoned as B-2: Commercial and the vacant lot is zoned as R-2: Multifamily Residential. The Omro Road reconstruction project is planned this year, and staff anticipates contacting the owner to gauge their future plans and whether they may need municipal water and/or sanitary sewer service. The house is currently on a private well in the Town of Algoma protected boundary, the City of Oshkosh has water across the street, and the District's watermain is over 400 feet away. Staff is not aware of an easement on the property to provide municipal services to the vacant lot from Kewaunee Street.
  - Owen Lane: The CSM for the Irvine property the Town is planning to purchase contains a new potential road off of Omro Road called Owen Lane that is 185' long to the end of the property and provides access to the pond.
    - The cost to install municipal water and sanitary sewer services from Omro Road into the future road right-of-way is about \$40,000, \$15,000 for water and \$25,000 for sewer, which can be added to the existing project and the cost deferred for a future developer. Staff wants to complete this project now to avoid excavating in the new road.
    - Chad asked if there are wetlands in this area, and Kevin answered a majority of it is, adding parcels in this CSM could be served from other areas such as Ran-Lie Street or Oakwood Road if no basements are installed. However, staff does not know what structures are going to be planned for this area and the deepest sewer to serve this area is from Omro Road. At the meeting with the Town, staff asked if this property was going to be zoned commercial because Oakwood Road, Owen Lane, and Irvine Drive in the current DOT project are not designed for commercial traffic. The Town should consider changing the size of the road and make District staff aware of what utilities would need to be relocated.
    - Kevin handed out a utility drawing and explained, after reviewing the bids, there are two options for installing sewer into the site. One option is to tap the sewermain, use a bypass pump, and install a new manhole for about \$4,000. Another option for about \$1,500 is to tap the existing manhole, extend sewermain about 100 feet under a couple of storm sewer inlets, and leave a stub for a future sewermain. The watermain would have to be extended about 100 feet and would require a water valve to be installed near the main.
    - Kevin would propose to install water and sewer into the driveway and get an easement to go further south when the land is developed. However, he was not asking the Commission for a decision, just simply making them aware of the situation. Sue suggested discussing these options with the owners, and Kevin stated any potential developer would need sewer and water, so they would be willing to work with the District.
- 6) Old Business.
- a) Discuss and act on wastewater treatment agreements with the City of Oshkosh. Ray stated there was no update.
- 7) New Business.
- a) Discuss and act on awarding the bid for watermain and sewermain relocations on Omro Road for Contract 1-2021.
- i) Review bid tabulations. Kevin stated five bids were received and opened the previous day. The apparent low bidder was Soper Sewer & Water, LLC at \$549,000, which is less than the Opinion of Probable Construction Cost, with the next lowest bid \$7,850 more. Strand sent the District a copy of all of the bid tabulations.
- ii) Review annual cash flow schedule. The District is able to pay for this project with cash on hand; however, staff will need to transfer some funds to the Water Utility to be discussed under Agenda Item 7b). Kevin asked the Town when they are going to award their Omro Road Reconstruction Project. The Town's engineer answered their bids will be reviewed by the Department of Transportation and then forwarded to the Governor's office for approval, which eliminated the risk of the project not being completed.
- iii) Award contract to the lowest responsive and responsible bidder. Kevin mentioned the District has worked with Soper in the past, such as for minor utility modifications in Ormand Beach Heights. Soper provided a bid bond of 10% and was deemed responsive. The company is somewhat new, has no citations against them, and several of their staff have years of experience completing utility projects. Kevin recommended the Commission award the project to Soper Sewer & Water, LLC for \$549,000. Sue requested a breakdown of the bid, and Kevin answered \$201,700 was for sewer and \$286,050 for water, with the rest of the costs allocated to both utilities. **Peter made a motion to award the contract to Soper Sewer and Water, LLC for \$549,000 as Kevin recommended/second-Sue/carried unanimously.**
- b) Discuss and act on Resolution 2021-3-1 to approve a 10-Year loan of \$2,000,000 to the Water Utility at an interest rate of 1.30%. Staff handed out the updated District cash flow schedule and reported the 1.30% interest rate projected previously for national 10-year AA municipal bonds had not changed. The Water Utility has several projects coming up, such as painting the water tower for \$325,000-\$350,000, Omro Road for up to \$500,000, and a new task order from Strand for some field-related construction projects, in addition to its annual bond payments. At the end of 2022, it is projected to have only \$375,000 of cash on hand, even after accounting for this loan. This loan simply transfers District funds from the Sewer Utility to the Water Utility. Mike mentioned these new cash flow projections, which include 2020 year-end results, have improved since the estimates provided during the budget review. Peter asked when the water tower was last painted, and Kevin answered this is the first time the water tower would be repainted since it was installed 20 years ago,

which is pretty typical. **Sue made a motion to approve Resolution 2021-3-1 for a loan of \$2,000,000 to the Water Utility at an interest rate of 1.30%/second-Peter/carried unanimously.**

- c) Discuss and act on adjusting the location of the fire hydrant at the entrance of LakeVista Estates at Leonard Point Road and Veanna Boulevard. Kevin presented the initial plan drawing that showed a straight entrance into the subdivision. However, the Town and the developer are now proposing to offset the road and install a median. Kevin explained when a semi makes a 90 degree turn with no median, the driver can use the full 22 feet of road. However, with a median, the fire hydrant installed at the property corner will be in the direct path of the truck's tires. Semis need 21 feet to make a 90-degree turn, and this proposed entrance would only provide 14 feet. Staff discussed this with the Town at their previous planning meeting. Chad wanted to verify that the District is going to charge this cost to the developer, and Kevin answered yes. **Peter made a motion to adjust the location of the fire hydrant at the entrance of LakeVista Estates at Leonard Point Road and Veanna Boulevard and charge the cost to the developer/second-Chad/carried unanimously.**
- 8) Adjourn. **Chad made a motion to adjourn the regular monthly meeting at 12:54 p.m./second-Sue/carried unanimously.**

Respectfully Submitted:

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Michael Claffey, Accounting Manager

Approved:

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Charles Hayes, President

**Town of Algoma Sanitary District #1**  
**Meeting Minutes – April 8, 2021**

**Regular Monthly Meeting.**

- 1) Open regular monthly meeting.
- 2) Commission President Chad Hayes with Commissioners Peter Cernohous and Sue Drexler present called the regular monthly meeting for April to order at 12:00 p.m. Also present were Utility Director Kevin Mraz, Accounting Manager Mike Claffey, District Attorney Ray Edelstein, and Financial Utility Clerk Sara Gonzales. Bryan Grunewald of CliftonLarsonAllen LLP, the District's auditor, was also in attendance for discussion on Agenda Item 7a).
  - a) Chad noted the District is using a tape recorder for maintenance of the minutes. **Chad made a motion to move Agenda Item 7a) before Agenda Item 6)/second-Peter/carried unanimously.**
  - b) Approve the minutes of the previous meeting. **Sue made a motion to approve the minutes of the regular monthly meeting on March 11 as submitted/second-Chad/carried unanimously.**
  - c) Approve balance adjustments. Mike explained one balance adjustment recorded the water supply charges for all 87 new lots in LakeVista Estates for a total of \$451,694.05 and another wrote off a small interest charge on a closed account. **Chad made a motion to approve the balance adjustments as submitted/second-Peter/carried unanimously.**
  - d) Approve investment changes. None.
  - e) Approve cash receipts & investments for sanitary and water. Mike mentioned the District released ten water and sewer permits for new construction last month. **Sue made a motion to approve the cash receipts and investments for sanitary and water for March as submitted/second-Peter/carried unanimously.**
  - f) Approve pending bills and previous disbursements for sanitary and water. Mike mentioned the following information:
    - i) Loan Payment: Wisconsin Environmental Improvement Fund for the Safe Drinking Water Loan principal and interest payment of \$748,980.08 to be paid by check.
    - ii) City of Omro: Revised total of \$28,510.54 based on receiving the total wastewater flows from the City for the quarter.
      - **Chad made a motion to approve the April pending bills and the March previous disbursements for sanitary and water as submitted/second-Sue/carried unanimously.**
- 3) Public Forum. No one was in attendance from the public.
- 4) Commissioner Statements.
  - In observance of the upcoming Administrative Professionals' Day, Peter thanked Sara for everything she does.
- 5) Director's Report.
  - a) Review of District statistics. No discussion was had on this agenda item.
  - b) Correspondence. No discussion was had on this agenda item.
  - c) Status of 2021 projects. Kevin mentioned the following information:
    - The Wit: Don Parker Excavating is onsite to begin sewer, water, and storm sewer installation for the development of the twelve 12-unit buildings on Witzel Avenue.
    - Oak Crest Drive: Precision Drilling was installing a 1.5" municipal water service about 300 feet from an existing fire hydrant to a residence on Oak Crest Drive that day due to high arsenic. The plumber plans to complete the connection and abandon the well within the next few days.
    - Sandhill Farms: The developer, RJ Albright, is ready to begin municipal water and sewer installation for the next two streets on the south end of his development. It will probably be at least six months before construction can begin; however, staff will begin working on a task order with OMNNI & Associates to serve the additional 33 lots.
    - Spring Mayhem Home Show: Staff created a map of available residential, condo, and duplex lots for sale within the District, a brochure handout with current rates, and a water bottle label of the map for four builder's booths at the Home Show that weekend. Staff advertises that information so potential buyers, builders, and contractors know where new developments are located that have water and sewer and the expected costs. The developers shown on the map approved it prior to distribution.
    - Omro Road Project: Staff had a preconstruction meeting with Soper Sewer and Water, who is the District's contractor for the utility relocations on Omro Road. Michels Materials, the Town of Algoma's contractor, released their schedule, which includes closing the road except for local traffic starting on April 26. The District will begin its construction at that time, expects it to take about two months, and should be complete in June. Staff is coordinating with the Fresenius Dialysis Center to avoid turning off their water and complete construction in the area outside of their business hours. The plan also includes extending a shut off valve into Owens Lane as discussed previously.
      - The District received approval from the City of Oshkosh for its utility relocations on Omro Road and submitted it to the Department of Natural Resources and East Central Wisconsin Regional Planning Commission to request an expedited sewer permit, which should be received prior to beginning construction.

- Peter asked for the status of the manhole conflicts with the gutter, and Kevin stated both contractors are aware of the issue and Strand will survey the back of the curb to determine the best location of the manhole in reference to the curb and gutter.
  - The meeting continued with Agenda Item 7a).
- 6) Old Business.
- a) Discuss and act on wastewater treatment agreements with the City of Oshkosh.
    - When Ray contacted the City's attorney to discuss the status of the wastewater treatment agreement, he was informed there was an internal staff meeting scheduled at the end of the month. The meeting continued with Agenda Item 7b).
- 7) New Business.
- a) Discuss and act on the 2020 financial audit completed and presented by CliftonLarsonAllen LLP. Kevin introduced Bryan Gruenwald as the District's auditor for the past several years. Bryan thanked staff for their continued cooperation and assistance during the audit process. He stated the audit includes the financial statements, footnotes, and supplementary information, as well as a governance letter that includes the standardized language they are required to communicate. He presented a PowerPoint slideshow that discussed the following:
    - **Water Utility**
      - o **Operating Results:** The Water Utility experienced a Net Operating Loss in 2019 of \$55,354 and a Net Operating Income of \$44,775 in 2020 due to an increase in revenues. The Change in Net Position increased by \$629,874.
      - o **Rate of Return (ROR):** The ROR, as calculated using the Public Service Commission's (PSC) formula, was 8.8%.
      - o **Other Statistics:** There was an increase in residential and commercial gallons of water sold and the water loss of 2% is trending downward. The Water Utility has not had a rate increase for several years. Kevin stated operationally, the Water Utility is doing excellent. Mike added the PSC's Simplified Rate Increase factor is based on a ROR of 4.9% for 2021, which is less than the Water Utility's current ROR, making the Water Utility ineligible for a rate increase.
        - Sue asked what water loss is, and Kevin answered it is the number of gallons pumped into the system less the number of gallons sold as calculated by the water meters in each property. Mike added the PSC allows up to 15% of gallons not sold. Peter added that number has decreased over the last 15 years due to finding and repairing leaks, and Kevin agreed adding District staff replaced corroding copper pipes throughout the Sandhill Farms subdivision. For example, the previous day the District replaced a 13-foot copper water service at the corner of Sand Pit Road and La Crosse Drive for a new home. The pipe was not leaking, but it was starting to corrode, and the District was proactive in replacing it. Bryan added a 2% water loss is very low and exceeding that 15% water loss happens more frequently than expected, usually in older water systems.
      - o **Cash & Investments:** These balances have been extremely consistent between the years. The Water Utility generated \$515,000 of cash flow from operations, and the challenge has been to make principal payments of \$1.2 million, which creates a little bit of pressure from a cash flow perspective.
      - o **Net Position:** The Water Utility's overall equity has been pretty consistent at approximately \$11.2 million total in 2018 and 2019, but the Overall Net Position increased by about \$630,000 in 2020. Net Investment in Capital Assets indicates how the utility accounts for capital assets, which is determined by cost, depreciation, and how much debt is outstanding. The trend has continued to show an increase over the years, and the biggest reason for that is how quickly the utility has been paying its outstanding debt.
      - o **Long Term Debt:** The \$7.7 million debt in 2019 decreased to \$6.5 million at the end of 2020, which does not include the advances from the Sewer Utility.
      - o **Summary:** The Water Utility had a very strong year, with Revenues and Operating Income increasing and total debt decreasing. He added it helps to have high-volume water users such as the Dialysis Center and suggested staff continue monitoring cash flow and the annual budgets.
    - **Sewer Utility**
      - o **Operating Results:** There was an increase in Operating Revenues and the Net Operating Loss of \$259,000 in 2019 decreased to \$185,000 for 2020. There was a \$677,000 increase in the overall Net Position.
      - o **Cash & Investments:** The Sewer Utility has been able to maintain a stable cash balance through the end of 2020, even after the advances in 2019 and 2020 to the Water Utility.
      - o **Net Position:** There has been a little growth, with balances of \$16.5 million in 2018, \$16.7 million in 2019, and \$17.4 million in 2020 due to operating results and capital contributions. Since the Sewer Utility does not have as much debt, it does not gain as much equity by repaying debt, so it is more important to look at how much is being reinvested versus depreciated over time. He added the growth in unrestricted net position to \$6.9 million is very strong.
      - o **Long-Term Debt:** Total long-term debt was \$801,000 at the end of 2019 and \$712,000 at the end of 2020.
      - o **Summary:** The operating results, equity, and debt position are good, but the biggest challenge is knowing the amount needed to maintain the system long-term and how to pay for that capital investment.
    - Chad asked if Bryan had any other suggestions besides the usual segregation of staff duties and Bryan mentioned that is a typical issue due to the size of the organization with a limited number of people in the office, which makes board



oversight important. He also added one thing that is not included in the financial reports is the increased IT risk many utilities are facing. There are many different schemes, partially due to COVID-19, and he has seen an increase in fraud. In response, Chad asked Bryan what he recommended and Bryan said general infrastructure framework and policies and procedures are important, and CliftonLarsonAllen LLP can focus more on this with staff. Kevin added the District's insurance company, McClone Insurance, offers a cyber security policy as well. Chad stated it will be more difficult to obtain cyber insurance in 2022 and suggests staff have policies and procedures set up and put in place before then, adding the average cost of a single data breach is about \$4 million.

- Sue asked if the District has a letter of credit for the funds at Community First Credit Union and Mike answered yes, which insures up to \$3.25 million of District funds. Sue asked how Credit Unions cover their letters of credit and Bryan answered there are many different ways that financial institutions can do this. The meeting continued with Agenda Item 6a).
- b) Discuss and act on approving the task order from Strand Associates for engineering and construction related services due to the Omro Road Utility Relocation Project.
  - Kevin explained these task orders increase engineering costs by \$30,000 for water and \$20,000 for sewer, for a total of \$125,000 for water and \$52,500 for sewer. This will include surveying and receiving as-built records upon completion of the project, and Kevin recommended approval. When Chad asked for the total cost of the project Kevin answered when including about \$550,000 for the contractor, plus about \$20,000 in staff time, the total cost of the project including engineering should be about \$750,000. **Sue made a motion to approve the revised task order from Strand Associates for a total amount not to exceed \$177,500/second-Peter/carried unanimously.**
- 8) Adjourn. **Chad made a motion to adjourn the regular monthly meeting at 12:46 p.m./second-Peter/carried unanimously.**

Respectfully Submitted:

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Michael Claffey, Accounting Manager

Approved:

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Charles Hayes, President

**Town of Algoma Sanitary District #1**  
**Meeting Minutes – May 13, 2021**

**Regular Monthly Meeting.**

- 1) Open regular monthly meeting.
- 2) Commission President Chad Hayes with Commissioners Peter Cernohous and Sue Drexler present called the regular monthly meeting for May to order at 12:00 p.m. Also present were Utility Director Kevin Mraz, Accounting Manager Mike Claffey, and District Attorney Ray Edelstein. Financial Utility Clerk Sara Gonzales attended via phone.
  - a) Chad noted the District is using a tape recorder for maintenance of the minutes.
  - b) Reorganization of the Commission due to public election.
    - i) The Commission shall elect officers including President, Secretary, and Treasurer.
      - **Sue made a motion to nominate Chad Hayes as President/second-Peter/carried unanimously.**
      - **Peter made a motion to nominate Sue Drexler as Secretary/second-Chad/carried unanimously.**
      - **Chad made a motion to nominate Peter Cernohous as Treasurer/second-Sue/carried unanimously.**
  - c) Approve the minutes of the previous meeting. Sue suggested changing two small typos in the minutes. **Chad made a motion to approve the minutes of the regular monthly meeting on April 8 with one of Sue's changes/second-Peter/carried unanimously.**
  - d) Approve balance adjustments. Mike explained one balance adjustment recorded a \$12,000 water cost for the new water service at 458 Oak Crest Drive, and two others wrote off a small credit and interest on a final sewer and water bill on closed accounts, for total balance adjustments in April of \$11,995.37. **Peter made a motion to approve the balance adjustments as submitted/second-Sue/carried unanimously.**
  - e) Approve investment changes. Mike stated the CD at Community First Credit Union (CFCU) will come due this month and suggested it be renewed as a 14-month CD special currently at 1.0% less the cost of collateral. He also suggested transferring \$200,000 from the Local Government Investment Pool to CFCU. **Chad made a motion to approve investment changes as presented by Mike/second-Sue/carried unanimously.**
  - f) Approve cash receipts & investments for sanitary and water. Sue asked if the Town of Omro could collect the Public Fire Protection (PFP) Fee in their tax levy since they no longer have to reduce it in order to do so. Mike explained the Town has previously declined to include the PFP in their tax levy. Kevin further explained if they did, they would have to charge the entire Town rather than just Town parcels within the Sanitary District. He added staff will continue to send a letter each year with the amount and request that they collect the cost in their tax levy. **Chad made a motion to approve the cash receipts and investments for sanitary and water for April as submitted/second-Peter/carried unanimously.**
  - g) Approve pending bills and previous disbursements for sanitary and water. Mike mentioned the following information:
    - City of Oshkosh: The fourth quarter invoice for sanitary sewer wastewater treatment was \$59,068.50 and the first quarter invoice was \$41,403.08, for a total amount due of \$100,471.58. The District's wastewater flow was 4.7% of the entire flow to the treatment plant in 2020. Kevin added the City waits to send the fourth quarter invoice for wastewater treatment until after their annual audit is completed.
    - **Peter made a motion to approve the May pending bills and the April previous disbursements for sanitary and water as submitted/second-Sue/carried unanimously.**
- 3) Public Forum. No one was in attendance from the public.
- 4) Commissioner Statements. None.
- 5) Director's Report.
  - a) Review of District statistics. Kevin mentioned the District released 29 water and 22 sewer permits, already reaching its annual goal for sanitary sewer and water connection permits. There are currently many new houses being built within the Sanitary District.
  - b) Correspondence.
    - Kevin showed a picture and explained the existing water service for Oakwood Manor currently conflicts with the proposed storm sewer and must be lowered by two feet. This requires the water service to be turned off to this building, as well as the Fresenius Dialysis Center, for about four hours. Staff is currently working with a representative for both businesses and have been allotted between 1:00 p.m.-5:00 p.m. on next week Thursday, May 20. Fresenius scheduled all patients to be done that day by 1:00, and Oakwood Manor would complete lunch by 1:00 and would not begin preparing for dinner until 5:00. This is the best and safest time to complete this as water is still needed at Oakwood Manor during the night. Staff recognizes the inconvenience and appreciates these entities working with us. Staff is finalizing a letter to send these entities that asks for their emergency contact in case something comes up to alter the schedule. Soper will prep the project in the morning and they will have water available within four hours. Staff notified the other construction companies in the area at the weekly construction meeting the previous day so they are aware the road will be blocked during this time, but trucks will be able to get around. Omro Road has remained open before 8:00 and after 2:00 to allow buses and parents to reach the school.

- Other known conflicts for the Omro Road project include one sewer lateral serving 2410 Omro Road and about ten water services near Oakwood School that may need to be relocated. The District hired Speedy Clean to hydro-excavate as many water services as possible. Staff has a quote from Baumhart of \$1,000 per hour to complete this work and the District will supply the materials, with staff having all of the types and sizes of pipe on hand to complete these relocations, with an estimate of \$45,000-\$100,000 to relocate the water services about 18” below the future storm sewer.
  - Peter asked what the known costs were for this project, and Kevin answered engineering cost is \$200,000, Soper is \$550,000, Baumhart is \$45,000-\$100,000, and the deferred assessment on the Irvine parcel of \$125,000 that the District paid to install becomes obsolete, for a total estimate of \$875,000 plus Baumhart’s cost.
  - Kevin also stated residents on Omro Road in the City of Oshkosh east of North Westhaven to Brooks Lane have been assessed for this road project based on their linear feet of road frontage while the Town of Algoma is spreading the entire cost for this project throughout the whole town on their tax levy.
- c) Status of 2021 projects. Kevin mentioned the following information:
- Jones Pond: When the Town of Algoma purchased the land that would be used for Jones Pond, the Town’s offer included language for municipal water and sewer to be made available to the rest of the parcel. District staff drafted a letter that details the cost to the Town that will explain the specific costs from Soper Sewer and Water which includes \$13,500 watermain cost for a 6” service and \$12,530 for sanitary sewer service for a total of \$25,988.40. The letter will request confirmation that the Town will pay these costs. When a commercial company purchases this parcel, there may be an additional water supply charge(s) due based on if their estimated water consumption is greater than 17,000 gallons per quarter.
- 6) Old Business.
- a) Discuss and act on wastewater treatment agreements with the City of Oshkosh.
- Ray stated there was nothing new to report, and Kevin added the developer for the Wit is waiting to hear where the last 70 feet of sewermain will be installed.
- 7) New Business.
- a) Discuss and act on Resolution #2021-5-1 to approve the submission of the 2020 Compliance Maintenance Annual Report for the Wastewater Utility to the Wisconsin Department of Natural Resources.
- Staff sent the CMAR to the Commissioners previously and no further discussion was had. **Peter made a motion to approve Resolution 2021-5-1/second-Chad/carried unanimously.**
- b) Discuss and act on Developer’s Agreement with ASA Development, Inc. for Sandhill Farms – Final Phase.
- Kevin stated this development is proceeding as the developers have signed all three developer agreements, which are to design, bid, and proceed. Kevin has also approved the Task Order from Westwood, previously known as OMNNI, and the design of the project to add 33 lots is 60% complete. The District still needs to receive a water and sewer extension approval from the Department of Natural Resources, which may take up to 60-90 days. RJ Albright, Inc. would like to begin as quickly as possible, with construction potentially beginning in August. **Chad made a motion to approve the Developer’s Agreement with ASA Development, Inc. for Sandhill Farms – Final Phase/second-Peter/carried unanimously.** Kevin mentioned Chad, as President, would counter sign those developer agreements.
- c) Discuss and act on Resolution #2021-5-2 to Approve a Final Resolution declaring the Sanitary District’s intent to exercise its police power, pursuant to Section 66.0703 of the Wisconsin Statutes, to levy a Special Assessments upon Parcel #002-0154-01, 002-0696, 002-0694, 002-0136-01 in the Town of Algoma Sanitary District No. 1 benefitted by the improvements.
- i) Acknowledge Receipt of the Waivers of Special Assessment Notices and Public Hearings in Accordance with Wisconsin Statute 66.0703(7)(b). Kevin stated staff received the signed waivers of special assessment notice and public hearings from the Dutchers, who own parcel #002-0154-01, and from the Kerrigans, who own parcel #'s 002-0696 & 002-0694. This allows these three parcels to be assessed and allows the District to extend municipal water to these properties without requiring a public hearing. **Chad made a motion to approve Resolution 2021-5-3 as presented/second-Sue/carried unanimously.**
- 8) Adjourn. **Peter made a motion to adjourn the regular monthly meeting at 12:46 p.m./second-Chad/carried unanimously.**

Respectfully Submitted:

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Michael Claffey, Accounting Manager

Approved:

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Charles Hayes, President

**Town of Algoma Sanitary District #1  
Meeting Minutes – June 10, 2021**

**Regular Monthly Meeting.**

- 1) Open regular monthly meeting.
- 2) Commission President Chad Hayes with Commissioner Sue Drexler present called the regular monthly meeting for June to order at 12:00 p.m. Also present were Utility Director Kevin Mraz, Accounting Manager Mike Claffey, District Attorney Ray Edelstein, and Financial Utility Clerk Sara Gonzales. Commissioner Peter Cernohous was absent.
  - a) Chad noted the District is using a tape recorder for maintenance of the minutes.
  - d) Approve the minutes of the previous meeting. **Sue made a motion to approve the minutes of the regular monthly meeting on May 13 as submitted/second-Chad/carried unanimously.**
  - c) Approve balance adjustments. None.
  - d) Approve investment changes. Mike recommended the District purchase a 14-month CD of \$250,000 at Community First Credit Union (CFCU) at 1% less collateral. He also suggested transferring \$300,000 from the Local Government Investment Pool (LGIP) to CFCU to pay the invoice from Soper Sewer and Water for the Omro Road utility relocation project and to maximize interest earned. **Sue made a motion to approve investment changes as presented by Mike/second-Chad/carried unanimously.**
  - e) Approve cash receipts & investments for sanitary and water. Mike mentioned the District received about \$23,000 in grant funds for Our Pier on June 1. Kevin added these funds were from the US Fish & Wildlife Service of the Natural Resource Damage Assessment and Restoration (NRDA) Program, and he explained staff has incurred about \$23,000 in expenses thus far of the total grant of \$79,000. **Sue made a motion to approve the cash receipts and investments for sanitary and water for May as submitted/second-Chad/carried unanimously.**
  - f) Approve pending bills and previous disbursements for sanitary and water. Mike mentioned the following information:
    - Soper Sewer & Water: \$293,440.75 for sewer and water utility relocations on Omro Road, which is 52% complete.
    - Ferguson Waterworks: \$34,283.94 for sewer and water parts related to the Omro Road relocation project.
    - 2021 Loan Payments: \$54,041.67 for 2021 annual interest loan payments from the Water Utility to the Sewer Utility.
    - **Sue made a motion to approve the June pending bills and the May previous disbursements for sanitary and water as submitted/second-Chad/carried unanimously.**
- 3) Public Forum. No one was in attendance from the public.
- 4) Commissioner Statements. None.
- 5) Director's Report.
  - a) Review of District statistics. At the time of the meeting, Water Utility customers were using at least 500 gallons per minute of water. The previous night was the first night the utility flatlined, meaning it used the same amount of water as was pumped. The Water Utility has two other wells to provide additional water if necessary.
  - b) Correspondence.
    - Commerce Partners, LLC: The owner of several parcels on Springbrook Road is proposing development of 19 lots.
      - The property is located about ¼ mile west of Reighmoor Road, where municipal sewer mains currently exist, and about a ½ mile west of Harbor Village Drive, where municipal water mains currently exist. Staff is in the process of verifying the cost effectiveness of serving water and sewer to this development and will look into whether there are some grant funds available to help defray the cost.
      - Ray asked if these parcels were in the Sanitary District, and Kevin explained about a year ago staff had the East Central Wisconsin Regional Planning Commission (East Central) add these parcels to the District's Sewer Service Area. East Central also supports providing municipal water service to this area.
      - The developer was notified previously that when he is ready to develop, he will be required to be added to the District and install municipal water and sewer to his properties. Brian Noe, the Town of Omro Chairman, also supports the District in installing municipal water to that development, and the Town of Omro should review the stormwater plan soon.
  - c) Status of 2021 projects. Kevin mentioned the following information:
    - Rock the Block Water Bottles: The District donated 300 water bottles to Habitat for Humanity's Rock the Block event to serve about 30 different sites in Oshkosh throughout that week and the following.
    - Our Pier: Chad asked if there was an update from the contractor, Radtke Contractors Inc., and Kevin answered they still say the water level is too low to float the barge to the site. Sue mentioned the lily pads in that area are creeping up now, and if we wait until later in July, it may be difficult to get through. Kevin agreed, stating the water is shallow, and he hopes the barge is able to get in. Sue asked if the District plans to treat that vegetation and Kevin answered the Department of Natural Resources is open to treating it since it will be a kayak and canoe water pathway, but the District has to complete the site work first and he hopes to find another grant to help sponsor that.
- 6) Old Business.

- a) Discuss and act on wastewater treatment agreements with the City of Oshkosh.
  - Kevin stated the City of Oshkosh sent the District a draft master agreement and explained it is a starting point. This is the District's opportunity to review, address, and question any items included. Also included is a map showing the District's service area and a Cost of Service Study provided by Ehlers.
  - The District's annual treatment cost with the City was about \$190,000 and the City is proposing to increase that to \$691,000, or an annual increase of \$500,000. If approved, this would be a substantial increase on user fees, which almost triples the District's current charge from the City of Oshkosh, and is a worst-case scenario.
  - Mike explained the rate study proposal is a utility-based rate formula that includes depreciation and is similar to the one the City currently uses to charge City customers. Chad asked how the District can justify paying significantly more for the same service and asked if the wastewater treatment plant (WWTP) was expanding, and Mike answered the proposed rate increase includes additional contributions toward capital costs. Ray asked if the rate study accounts for inflow and infiltration (I&I) and Mike answered the City used total plant flow, which includes I&I, to determine the rates to charge the District. Kevin added staff has calculated how much the District has invested for 10.4% of the capital cost of the WWTP. Staff anticipates hiring Trilogy Consulting, LLC to assist the District with analyzing this master agreement proposal. Ray mentioned that the City is proposing to have this agreement in effect for 20 years.
  - Chad suggested to leave this item on future agendas until it is resolved. No action was taken.
- 7) New Business.
  - a) Discuss and act on 2021 Consumer Confidence Report prior to publishing.
    - Staff sent the CCR to the Commissioners previously to review. Chad thinks it looks awesome and is glad it is on one page while still being able to read it. No changes were suggested. **Chad made a motion to direct staff to send the 2021 Consumer Confidence Report to the printing company as submitted/second-Sue/carried unanimously.**
- 8) Adjourn. **Chad made a motion to adjourn the regular monthly meeting at 12:52 p.m./second-Sue/carried unanimously.**

Respectfully Submitted:

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Michael Claffey, Accounting Manager

Approved:

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Charles Hayes, President

**Town of Algoma Sanitary District #1**  
**Meeting Minutes – July 8, 2021**

**Regular Monthly Meeting.**

- 1) Open regular monthly meeting.
- 2) Commission President Chad Hayes with Commissioners Peter Cernohous and Sue Drexler present called the regular monthly meeting for July to order at 12:30 p.m. Also present were Utility Director Kevin Mraz, Accounting Manager Mike Claffey, District Attorney Ray Edelstein, and Financial Utility Clerk Sara Gonzales.
  - a) Chad noted the District is using a tape recorder for maintenance of the minutes.
  - b) Approve the minutes of the previous meeting. **Sue made a motion to approve the minutes of the regular monthly meeting on June 10 as submitted/second-Chad/motion carried-Peter abstained as he did not attend the meeting.**
  - c) Approve balance adjustments. None.
  - d) Approve investment changes. Mike recommended a \$150,000 transfer from the Wisconsin Local Government Investment Pool to the sewer general funds account at Community First Credit Union. **Chad made a motion to approve the investment change as presented by Mike/second-Peter/carried unanimously.**
  - e) Approve cash receipts & investments for sanitary and water. **Sue made a motion to approve the cash receipts and investments for sanitary and water for June as submitted/second-Peter/carried unanimously.**
  - f) Approve pending bills and previous disbursements for sanitary and water. Mike mentioned the following information:
    - City of Omro: \$5,000 payment for 10 new connections at \$500 each, as well as the second quarter sewage treatment invoice of \$29,150.86 for 5.076 million gallons of flow and 454 connections.
    - Soper Sewer & Water: second pay request of \$102,058.50 for the sewer and water utility relocations on Omro Road.
    - Baumhart: sewer and water lateral adjustments for the Omro Road Relocation Project for \$10,549.08.
    - Zillges: four water lateral relocations for Omro Road for \$16,800, plus mulch for \$520, for a total of \$17,320.
    - Expert Towing Service: removed sales tax, for a revised invoice total of \$226.
    - **Chad made a motion to approve the July pending bills and the June previous disbursements for sanitary and water as submitted/second-Sue/carried unanimously.**
- 3) Public Forum. No one was in attendance from the public.
- 4) Commissioner Statements. Sue read a statement she prepared regarding a phone call she received at the Algoma Town Hall from a resident regarding road closures by the District's contractor, Soper Sewer and Water, along Omro Road this past Thursday and Friday. This statement is attached to the minutes.
  - In response, Kevin stated Soper Sewer and Water was not working for the District Thursday and Friday referenced in Sue's statement, and that Zillges Excavating was the District's contractor those days. He said he texted the Town of Algoma Fire Chief, as well as called the DOT Communication Center, verbally told the DOT project manager along with his two surveyors, and informed numerous residents in the area about the closure related to this work a week ahead of time. He stated it was necessary to close the road during this time for the safety of the contractor and he was not aware the Town Hall received a complaint about road closures. He noted WPS had closed the road that same day to work on a gas line on the east side of Oakwood Road, and when the District spoke with a representative with Winnebago County, they stated they were not informed of any other road closures in the area for that period of time. Kevin told Sue if she contacts the Communication Center, she can verify the District contacted them prior to the days she referenced. He concluded that the District has completed its portion of the project and Soper would remove its equipment from the site the following day. Any further work or damage incurred would not be from the District.
  - Chad added that Sue needs to make sure that the State DOT representative is properly informed about pre-scheduled closures, as he knows the District is communicating with the proper local government agencies of its road closures in advance. He understands the frustration from residents on Omro Road, as he has heard residents asking why the District is doing construction on Omro Road. He finds them unaware that the Town of Algoma is the entity facilitating this road project and believes this is because they only see District trucks and employees on the site. Chad stated there are no representatives from the Town of Algoma nor has there been any direct communication to the residents in this area from the Town of Algoma, which is a disservice to the District and its reputation. Chad added now that the District's portion of the project is complete, barring any damage caused by other contractors working as part of this project, any construction-related complaints will need to be directed to the Town.
  - Peter agreed stating residents have been largely unaware of this project, but they had over a year to be heard at a Town meeting. He understands there will be traffic delays, dust, and debris with any road construction project in a busy area. He agreed that any contractor or resident complaint about the project going forward should be addressed to the Town, more specifically, the Town Administrator.
- 5) Director's Report. Kevin stated he submitted his report prior to the meeting and there were no questions about it.
  - a) Review of District statistics.
  - b) Correspondence.
  - c) Status of 2021 projects. Kevin mentioned the following information:

- The Wit: The developer for the project stated he plans for occupancy in May of 2022, and he would need sanitary sewer service prior to that date. There was no update from the City of Oshkosh about connecting to the District's sewermain running along this property line.
  - Town of Omro Planning Commission: The recently elected Chairman for the Town of Omro Planning Commission requested a meeting to discuss any upcoming projects. Kevin scheduled this meeting with him and the Town of Omro Board Chairman the following day.
  - Sandhill Farms: Staff received the DNR Watermain Extension approval and expects to receive the Sanitary Sewermain Permit within two to three weeks, which is the final approval needed for this project. Bid opening is scheduled July 16 and the Commission can expect to act on awarding the project at the August meeting. The contractor should be able to begin as early as mid-to-late August, depending their schedule.
- 6) Old Business. The meeting discussed Item 7a) prior to going into closed session under Item 6a).
- a) Discuss and act on wastewater treatment agreements with the City of Oshkosh.
    - **Chad made a motion at 1:01 p.m. to go into closed session pursuant to Wisconsin Statute 19.85 (1) (g) to confer with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved: Wastewater Treatment Agreement negotiations with the City of Oshkosh/second-Peter/carried unanimously.**
    - **Peter made a motion to reconvene into open session at 1:33 p.m. to discuss and act on matters discussed during closed session regarding the Wastewater Treatment Agreement negotiations with the City of Oshkosh/second-Chad/carried unanimously.** The meeting continued with Agenda Item 8).
- 7) New Business.
- a) Acknowledge written agreement with Trilogy Consulting, Inc. to review the Sewer Service Agreement and Sewer Rate Study with the City of Oshkosh.
    - Kevin explained the District signed a contract with Trilogy Consulting, Inc. for \$14,000 to review the City of Oshkosh sewer rate study, and he recommended the Commission approve it. Peter asked if any of the other Sanitary Districts would contribute toward this cost, and Chad stated that would be worked out during the negotiations between the Districts and the City.
    - **Sue made a motion to approve the written agreement with Trilogy Consulting, Inc. to review the Sewer Service Agreement and Sewer Rate Study with the City of Oshkosh/second-Chad/carried unanimously.** The meeting continued with Agenda Item 6a).
- 8) Adjourn. **Peter made a motion to adjourn the regular monthly meeting at 1:33 p.m./second-Sue/carried unanimously.**

Respectfully Submitted:

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Michael Claffey, Accounting Manager

Approved:

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Charles Hayes, President

### Sanitary District's Utility Work For The Omro Road Project

I happened to pick up a phone call from a Town of Algoma resident concerning closures on Omro Road during the construction.

I passed the call off and afterwards followed up to find out what had caused their concern.

I learned that there have been numerous road closure complaints made to town staff regarding the construction on Omro Road. When these complaints have been passed on to the State DOT General Contractor, he has expressed frustration over the Sanitary District contractor's lack of communication to coordinate site work locations and full and partial road closures.

As an example, Soper's hard closure at Oakwood School last Thursday and Friday without proper notification to the state contractor and Winnebago County Communications Center affected not only local residents and businesses, but especially emergency services.

It is my hope that future work done on Omro Road by Sanitary District contractors is coordinated with more consideration for all parties, so that the Sanitary District reputation is not adversely affected.

Respectfully,

Sue Drexler  
Commissioner



**Town of Algoma Sanitary District #1**  
**Meeting Minutes – August 12, 2021**

**Regular Monthly Meeting.**

- 1) Open regular monthly meeting.
- 2) Commission President Chad Hayes with Commissioner Sue Drexler present called the regular monthly meeting for August to order at 12:00 p.m. Also present were Utility Director Kevin Mraz, Accounting Manager Mike Claffey, District Attorney Ray Edelstein, and Financial Utility Clerk Sara Gonzales. Commissioner Peter Cernohous was excused.
  - a) Chad noted the District is using a tape recorder for maintenance of the minutes.
  - b) Approve the minutes of the previous meeting. **Chad made a motion to approve the minutes of the regular monthly meeting on July 8 as submitted/second-Sue/carried unanimously.**
  - c) Approve balance adjustments. None.
  - d) Approve investment changes. Mike recommended the District open a 15-month CD for \$250,000 at 0.9% interest at Community First Credit Union. **Chad made a motion to approve the investment change as presented by Mike/second-Sue/carried unanimously.**
  - e) Approve cash receipts & investments for sanitary and water. **Sue made a motion to approve the cash receipts and investments for sanitary and water for July as submitted/second-Chad/carried unanimously.**
  - f) Approve pending bills and previous disbursements for sanitary and water. Mike mentioned the following information:
    - Soper Sewer & Water: revised payment total of \$74,275.75.
    - Midwest Meter: revised payment total of \$2,854.50 for only the water meters, excluding the receiver.
    - City of Oshkosh: second quarter invoice of \$54,430.80 for wastewater treatment, for about 5.3% of the total flow.
    - Chad asked how the NRDA grant for Our Pier was being accounted for, and Mike explained the grant receipts are shown as income in the Sewer Utility under the Contributions of Fixed Assets account on the financial statement.
    - **Chad made a motion to approve the August pending bills and the July previous disbursements for sanitary and water as submitted/second-Sue/carried unanimously.**
- 3) Public Forum. No one was in attendance from the public.
- 4) Commissioner Statements.
  - Sue thanked the District for the water bottle donation for the Town of Algoma Car Show and complimented staff on creating the label.
- 5) Director's Report. Kevin submitted his report prior to the meeting.
  - a) Review of District statistics.
    - The District tested its drinking water for nitrates at all three municipal wells, with each result showing a no detect.
    - Staff received wastewater test results for BODs, phosphorus, etc., which would be discussed during closed session.
  - b) Correspondence.
    - District staff will interview a Water / Wastewater Operator candidate that afternoon.
  - c) Status of 2021 projects.
    - Grinder Pump Panel: There is a duplex grinder pump in the Town of Omro serving about six homes. The outdoor panel, which was installed in 2002 and the electronics are almost 20 years old, is sending false alarms and requires staff to address them during non-business hours. Kevin proposes to replace the panel with a new version called Sentry Advisors for \$2,400, which would allow for cellular alarm notifications, and the Commission will likely see a bill for that next month. He mentioned the District budgets for replacing three to five grinder pumps each year, so there are funds available in the budget for this purchase.
    - Town of Algoma Car Show: The Town of Algoma Fire Department approved the label the District will use for its water bottle donation for the car show later that month.
    - Sanitary Sewermain Damage: The District used the Town of Algoma's contractor to excavate around the broken sewermain while the District supplied the pipe and necessary fittings. The District will bill the Town's contractor the cost of the replacement parts and staff time due to hitting the sanitary sewermain on two separate occasions. Kevin noted the sewermain was adequately marked and stated the contractors should have been hand-digging in this area.
    - Town Flooding: Staff emailed the Town of Algoma's Administrator regarding the increased sewer flows of about 1,500 gallons per minute (gpm) to the Washburn Flow Station the Sewer Utility experienced due to storm water entering basements and going down the 4" floor drain. The sanitary sewer system is not designed to handle that amount of inflow. At the most recent meeting with the DOT, the Town stated they were aware of a house on Honey Creek Road and Omro Road that flooded. Residents told District staff about six other houses in that area that had flood damage as well. Ray asked if the surge in sewer flows were due to sump pump discharges and Kevin said, although it was possible, the graph showed the flows spiked up and down quickly, and sump pumps tend to continue pumping for 24-48 hours. Kevin also noted the storm water on parts of Sheldon Drive were up to the front door of some homes.
    - Inflation Expectations: Chad mentioned the inflation index and asked if staff is anticipating the cost of goods going up and whether that would be built into next year's budget. Mike answered the inflation rate is currently over 5%. He

- noted some raw materials are difficult to obtain right now and it is unknown whether or not this will improve by the end of the year. Kevin stated staff uses the current inflation rate as a place holder to estimate 2022 budgeted expenses.
- d) Schedule 2022 budget workshop. Mike stated this is usually scheduled directly following the September monthly meeting, which would be held on September 9, 2021.
- 6) Old Business.
- a) Discuss and act on wastewater treatment agreements with the City of Oshkosh.
- **Chad made a motion at 12:29 p.m. to go into closed session pursuant to Wisconsin Statute 19.85 (1) (g) to confer with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved: Wastewater Treatment Agreement negotiations with the City of Oshkosh/second-Sue/carried unanimously.**
  - **Chad made a motion to reconvene into open session at 12:40 p.m. to discuss and act on matters discussed during closed session regarding the Wastewater Treatment Agreement negotiations with the City of Oshkosh/second-Sue/carried unanimously. Chad made a motion to authorize the Director to sign the MOU with the other Sanitary Districts regarding negotiations with the City of Oshkosh/second-Sue/carried unanimously.**
- 7) New Business.
- a) Discuss and act on awarding the bid for the Sandhill Farms – Final Phase water and sewer utility construction project to DeGroot, Inc. for \$404,405.27.
- Kevin received confirmation from RJ Albright, Inc. to proceed with the final phase of Sandhill Farms, which would add 33 lots. The lowest bid of \$404,405.27 was submitted by DeGroot, Inc. Kevin recommends awarding the bid and stated staff would have Westwood Infrastructure perform construction staking for \$10,500. He added the District has special assessment authority through the State Statutes and has had prior success with this company.
    - Sue asked if any infrastructure funds would be available for this project, and Kevin answered no as this is a private, for-profit development. If the District secures any funding, it would be used to repair any aging infrastructure or install a watermain loop. Mike explained Sanitary Districts did not receive any federal infrastructure funding, so either the Town of Algoma or Omro would have to offer funds to the District. Kevin stated he had direct conversations with the Town of Omro about extending watermain to create a loop on two projects should they be pursued and mentioned these funds have a very limited scope of what they can be used for. Mike thought the Town of Omro would receive two draws for about \$120,000, with the first one to be received this year. Sue stated the Town of Algoma has plans to use all of their funds, mainly for the Irvine Pond and other storm water projects.
  - **Chad made a motion to approve the bid for the Sandhill Farms – Final Phase water and sewer utility construction project to DeGroot, Inc. for \$404,405.27/second-Sue/carried unanimously.**
- b) Discuss and act on purchasing a new truck for a cost not to exceed \$46,000.
- Kevin stated the District obtained three truck quotes. Delivery is currently expected in 4-6 months so it may end up as a 2022 purchase. He recommends approving the purchase as the District has about \$111,000 of existing funds for vehicle purchases available on hand. Staff also plans to sell the 2006 F-150 to offset a portion of this cost.
    - Sue asked how much the truck cost has increased since the previous purchase and wondered if the District should hold off, but Chad stated not to because the District would get more for its trade in now than later. Kevin mentioned there are certain incentives for state and local governments which reduces the retail price by about \$10,000.
  - **Chad made a motion to approve the purchase of a new truck for a cost not to exceed \$46,000/second-Sue/carried unanimously.**
- 8) Adjourn. **Chad made a motion to adjourn the regular monthly meeting at 12:49 p.m./second-Sue/carried unanimously.**

Respectfully Submitted:

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Michael Claffey, Accounting Manager

Approved:

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Charles Hayes, President

**Town of Algoma Sanitary District #1  
Meeting Minutes – September 9, 2021**

**Regular Monthly Meeting.**

- 1) Open regular monthly meeting.
- 2) Commission President Chad Hayes with Commissioners Peter Cernohous and Sue Drexler present called the regular monthly meeting for September to order at 12:00 p.m. Also present were Utility Director Kevin Mraz, Accounting Manager Mike Claffey, District Attorney Ray Edelstein, and Financial Utility Clerk Sara Gonzales.
  - a) Chad noted the District is using a tape recorder for maintenance of the minutes.
  - b) Approve the minutes of the previous meeting. **Sue made a motion to approve the minutes of the regular monthly meeting on August 12 as submitted/second-Chad/carried unanimously.**
  - c) Approve balance adjustments. None.
  - d) Approve investment changes. Mike recommended the District renew its CD at Fox Communities Credit Union due on September 12 for a 12-month term at 0.7% interest. **Chad made a motion to approve the investment change as presented by Mike/second-Sue/carried unanimously.**
  - e) Approve cash receipts & investments for sanitary and water. Mike noted the Town of Algoma forwarded the District's balance from the 2020 tax roll, and he anticipates the final payment from the Town of Omro to be received soon. **Chad made a motion to approve the cash receipts and investments for sanitary and water for August as submitted/second-Peter/carried unanimously.**
  - f) Approve pending bills and previous disbursements for sanitary and water. Mike mentioned the following information:
    - Radke Contracting: Invoice for \$46,650 for installation of Our Pier. He also mentioned the District received grant funding earlier that week in the same amount.
    - **Chad made a motion to approve the September pending bills and the August previous disbursements for sanitary and water as submitted/second-Sue/carried unanimously.**
- 3) Public Forum. No one was in attendance from the public.
- 4) Commissioner Statements. None.
- 5) Director's Report. Kevin submitted his report prior to the meeting.
  - a) Review of District statistics. No discussion was had on this agenda item.
  - b) Correspondence.
    - Quandt Parcel: The property owners plan to build a house on their 40-acre parcel west of the Barony and south of Sandhill Farms, which was recently added to the Omro Sewer Service Area (SSA). The Town does not want to lose acreage for future development and asked the owner to create a CSM to place the house on a 1-3 acre parcel, which would allow the Town to swap 37 developable acres in the SSA. Kevin requested the owners grant the District an easement for sewer, water, and stormwater through their property from Hayfield Drive, which Davel Engineering will draft. Sue asked if an owner can be required to create a CSM, and Kevin stated the Town of Omro requires 100' of road frontage to build a house, which this parcel does not currently have. However, the Town may allow the owners to use the existing cul de sac for their driveway as long as they dedicate road right-of-way for Notre Dame to go west 100 feet in the future, which the Town may allow them to not install until it is developed. The town is planning to discuss the CSM and the Petition for Addition at their October meeting.
  - c) Status of 2021 projects.
    - Sandhill Farms – Final Phase: DeGroot is scheduled to begin water and sewer construction on October 4, 2021. Zillges Materials will remove the topsoil and begin erosion control requirements about two weeks before and then the surveyors will stake the water and sewer.
    - Sewermain by Honey Creek: Kevin met with VisuSewer and received a quote for \$17,500 to line the sewermain by Honey Creek, which is anticipated to be done in 2022. When the Town's contractor dug through the pipe, the District had the contractor install two Ferncos with concrete collars around them and additional concrete over them, so the stream will not erode around the pipe. Lining the pipe would provide further integrity to the pipe wall to prevent future damage as it runs perpendicular to Honey Creek.
      - Sue previously asked if the manhole is going to stick up like it is currently, and Kevin stated yes, because if the manhole was flush with the ground, it would be two feet under Honey Creek during storm events.
      - Peter wondered why the Town did not build the bridge higher in elevation, stating he wished it was level as Omro Road is approached. Kevin mentioned there is currently a chunk of concrete missing on the end wall of the bridge near the District's manhole. Sue requested that Kevin contact Rich regarding this and any other bridge-related issues.
    - 5392 Leonard Point Road: this property, located just west of Harbor Village, currently has a private holding tank and the homeowner has recently inquired about connecting to municipal sanitary sewer.
- 6) Old Business.

- a) Discuss and act on wastewater treatment agreements with the City of Oshkosh.
  - Kevin stated the Memorandum of Understanding (MOU) is now going to include the Winnebago Area Sanitary District, previously known as the Winnebago County Mental Health Institute, which will also contribute 10% towards the negotiation costs. The executive team, which consists of two members from each District, will meet on September 29 along with Trilogy Consulting, LLC to discuss their findings on the rate case and the Master Agreement. He noted the District has not received any of the documents requested from the City of Oshkosh attorney, including fixed asset detail and wastewater treatment plant influent loadings for TSS, NH3, and Phosphorous.
- 7) New Business. None.
- 8) Adjourn. **Chad made a motion to adjourn the regular monthly meeting at 12:17 p.m./second-Peter/carried unanimously.**

Respectfully Submitted:

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Michael Claffey, Accounting Manager

Approved:

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Charles Hayes, President

**Town of Algoma Sanitary District #1**  
**Meeting Minutes – October 14, 2021**

**Regular Monthly Meeting.**

- 1) Open regular monthly meeting.
- 2) Commission President Chad Hayes with Commissioners Peter Cernohous and Sue Drexler present called the regular monthly meeting for October to order at 12:30 p.m. following the 2022 Sanitary Sewer and Municipal Water Utility Budget Workshop. Also present were Utility Director Kevin Mraz, Accounting Manager Mike Claffey, District Attorney Ray Edelstein, and Financial Utility Clerk Sara Gonzales.
  - a) Chad noted the District is using a tape recorder for maintenance of the minutes.
  - b) Approve the minutes of the previous meeting. **Sue made a motion to approve the minutes of the regular monthly meeting on September 9 as submitted/second-Peter/carried unanimously.**
  - c) Approve balance adjustments. None.
  - d) Approve investment changes. None.
  - e) Approve cash receipts & investments for sanitary and water. **Sue made a motion to approve the cash receipts and investments for sanitary and water for September as submitted/second-Chad/carried unanimously.**
  - f) Approve pending bills and previous disbursements for sanitary and water. Mike mentioned the following information:
    - Safe Drinking Water Loan: Interest payment of \$22,960.77 due November 1, 2021.
    - City of Omro: Third quarter sewage treatment invoice of \$29,823.70 for 5.357 million gallons of flow and 456 connections.
    - Precision Drilling: Invoice for \$45,140 to install nine water services on various roads.
    - **Peter made a motion to approve the October pending bills and the September previous disbursements for sanitary and water as submitted/second-Sue/carried unanimously.**
- 3) Public Forum. No one was in attendance from the public.
- 4) Commissioner Statements.
  - Chad stated he may attend the November meeting remotely. Kevin noted it will be important to have a quorum for the budget public hearing prior to the meeting.
- 5) Director's Report. Kevin submitted his report prior to the meeting.
  - a) Review of District statistics. No discussion was had on this agenda item.
  - b) Correspondence.
    - Leonard Point Road Roundabout: William Bertram from the State of Wisconsin Department of Transportation (DOT), contacted Kevin regarding the Highway 21 plan change to incorporate a roundabout at the Leonard Point Road intersection and stated construction is scheduled for 2027. Chad asked if the developer(s) on the south side of Highway 21 is aware of this and will be ready at that time, and Kevin stated there are some development proposals that staff is aware of; however, the Town of Algoma has to approve all new developments.
    - Bellhaven Lane Vacant Lot: Staff received a request from a builder for water and sewer services for a vacant lot on Bellhaven Lane that recently had a CSM approved to split a larger parcel into two lots. The vacant parcel currently has no sanitary sewer or municipal water laterals available. The sewer is 18 feet deep in the middle of road and tapping the sewermain would be a major road excavation. The District received a quote from DeGroot Inc. who is the contractor for the utility installation in Sandhill Farms and has the necessary equipment in the area. Kevin stated staff would inform the Town that the District proposes to install a new sewer lateral and bore a 320' water service from the closest watermain at Roselawn Lane to serve this new parcel. Sue asked if other properties in the area are interested in receiving municipal water service and Kevin stated all six property owners have stated no in the past, with the most recent survey in 2013. Sue suggested the District ask again, and Kevin stated staff can; however, he does not have a proposed water special assessment amount established yet.
  - c) Status of 2021 projects.
    - Grinder Pump Failure: A shared grinder pump in Ormand Beach that serves two properties failed the previous weekend and had to be replaced. Kevin would like to connect several parcels in this area to the gravity sewermain located on Bellhaven Lane in the future to remove multiple grinder pumps in that area.
    - Quandt Parcel: The Town of Omro Planning Commission recently recommended their Town Board approve a Certified Survey Map (CSM) that would create a 1.3 acre parcel from a 40 acre parcel owned Jason and Kimberly Quandt. The Town Board is expected to act on it along with the Petition for Addition to the Sanitary District of the 1.3 acre parcel at their meeting the following Monday. Ray wanted to verify the current status of the parcel, and Kevin stated it is not in the District but is included in the Omro Sewer Service Area (SSA). He presented a map of the CSM and stated the owner is not interested in developing at this time, but when Kevin mentioned to him that he would like to see a trail going through the parcel to Our Park, the property owner stated they may be willing to work with him.
    - APEX Building Water Request: Kevin Purtell, the owner of the APEX building on Omro Road, called earlier that day and would like to connect to the municipal water system. The parcel has a fire hydrant and a 6" water service available

beyond the sidewalk. Kevin stated a new service should be installed prior to the road being paved, and he is working on the details to bore a 2" water service from the terrace to serve the building while preserving the sidewalk.

- Re-line Sanitary Sewermain: Staff received a quote from Visu-Sewer for \$17,500 to re-line the sewermain by the Honey Creek bridge that was damaged during road construction.
  - Sandhill Farms-Final Addition: DeGroot, Inc. is currently installing watermain and sewermain to serve the last phase of this subdivision.
  - Ormand Beach Heights: Kevin mentioned a spec house on Lakeland Drive has a sign advertising an Open House every Saturday from 11:00 a.m. to 12:00 p.m.
  - Monthly Water Sample Increase: Kevin explained as the Water Utility grows, the required number of monthly bacteria samples increases. Based on the Water Utility serving an estimated population of about 3,600 residents, the District will be required to do four samples per month instead of three beginning in 2022.
- 6) Old Business.
- a) Discuss and act on wastewater treatment agreement with the City of Oshkosh.
    - **Chad made a motion to go into closed session pursuant to Wisconsin Statute 19.85 (1) (g) to confer with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved: Wastewater Treatment Agreement negotiations with the City of Oshkosh at 12:46 p.m./second-Sue/carried unanimously.**
    - **Chad made a motion to reconvene into open session to discuss and act on matters discussed during closed session regarding the: Wastewater Treatment Agreement negotiations with the City of Oshkosh/second-Peter/carried unanimously.** The meeting resumed in open session at 1:03 pm. No action was taken on closed session matters.
- 7) New Business.
- a) Discuss and act on Resolution #2021-10-1 to Approve a Final Resolution declaring the Sanitary District's intent to exercise its police power, pursuant to Section 66.0703 of the Wisconsin Statutes, to levy a Special Assessments upon Parcel #002-0002-03-01, 002-0141-01-02, 002-0141-08, 002-0142, 002-0142-01, 002-0143, 002-1360 in the Town of Algoma Sanitary District No. 1 benefitted by the improvements.
    - i) Acknowledge Receipt of the Waivers of Special Assessment Notices and Public Hearings in Accordance with Wisconsin Statute 66.0703(7)(b).
      - Kevin stated staff received signed waivers and participation forms from each of the homeowners listed in the resolution acknowledging the amount of their special assessment and he recommended approval.
      - **Chad made a motion to approve Resolution 2021-10-1 to levy a special assessment on each parcel included in the resolution/second-Peter/carried unanimously.**
  - b) Discuss and act on proposed 2022 Annual Budget.
    - i) Approve proposed 2022 Annual Budget for publication.
    - ii) Schedule the public hearing for 2022 Annual Budget on November 11, 2021 at Noon.
      - **Chad made a motion to publish the current 2022 budget and schedule the public hearing for the 2022 budget at 12:00 p.m. on November 11, 2021 as recommended by Kevin/second-Sue/carried unanimously.**
  - c) Discuss and act on Resolution #2021-10-2 to set the 2021 Property Tax Levy at \$214,619.
    - Kevin stated the tax levy needs approval this month as staff goes through the tax roll process. Mike stated the levy will be divided between the three municipalities served: Oshkosh, Algoma, and Omro. The District can levy taxes on property in the Towns of Algoma and Omro, and properties served in the City of Oshkosh will be billed a separate charge at the same equalized value rate as the tax levy for Algoma and Omro. **Peter made a motion to approve Resolution 2021-10-2 to set the 2021 District Tax Levy at \$214,619/second-Chad/carried unanimously.**
- 8) Adjourn. **Sue made a motion to adjourn the regular monthly meeting at 1:07 p.m./second-Chad/carried unanimously.**

Respectfully Submitted:

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Michael Claffey, Accounting Manager

Approved:

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Charles Hayes, President

**Town of Algoma Sanitary District #1  
Meeting Minutes – November 11, 2021**

**Public Hearing for Proposed 2022 Annual Budget.**

- 1) Open public hearing. Commission President Chad Hayes via teleconference with Commissioners Peter Cernohous and Sue Drexler present called the public hearing for the proposed 2022 annual budget to order at 12:00 p.m. Also present were Utility Director Kevin Mraz, Accounting Manager Mike Claffey, District Attorney Ray Edelstein, and Financial Utility Clerk Sara Gonzales.
- 2) Public Forum. No one was in attendance from the public.
- 3) Adjourn. **Chad made a motion to adjourn the public hearing at 12:02 p.m./second-Sue/carried unanimously.**

**Regular Monthly Meeting.**

- 1) Open regular monthly meeting.
- 2) Commission President Chad Hayes via teleconference with Commissioners Peter Cernohous and Sue Drexler present called the regular monthly meeting for November to order at 12:02 p.m. following the 2022 Sanitary Sewer and Municipal Water Utility Public Hearing. Also present were Utility Director Kevin Mraz, Accounting Manager Mike Claffey, District Attorney Ray Edelstein, and Financial Utility Clerk Sara Gonzales.
  - a) Chad noted the District is using a tape recorder for maintenance of the minutes.
  - b) Approve the minutes of the previous meeting. **Sue made a motion to approve the minutes of the regular monthly meeting on October 14 as submitted/second-Peter/carried unanimously.**
  - c) Approve balance adjustments. Mike explained staff wrote off Public Fire Protection late fees and recorded water assessments that were approved for 2021 totaling \$124,792.82. He also mentioned the special assessments were published in the newspaper and all impacted residents received their assessment packets, completing the assessment process. **Sue made a motion to approve balance adjustments as submitted/second-Peter/carried unanimously.**
  - d) Approve investment changes. Mike suggested transferring \$75,000 from the Local Government Investment Pool (LGIP) to the sewer account at Community First Credit Union (CFCU). **Sue made a motion to make the investment change as presented by Mike/second-Chad/carried unanimously.**
  - e) Approve cash receipts & investments for sanitary and water. **Chad made a motion to approve the cash receipts and investments for sanitary and water for October as submitted/second-Sue/carried unanimously.**
  - f) Approve pending bills and previous disbursements for sanitary and water. Mike mentioned the following information:
    - City of Oshkosh: the third quarter invoice for sanitary sewer wastewater treatment of \$48,490.80.
    - DeGroot: first pay request for water and sewer installation for the Sandhill Farms Subdivision-Final Addition for \$368,512.48.
    - **Sue made a motion to approve the November pending bills and the October previous disbursements for sanitary and water as submitted/second-Chad/carried unanimously.**
- 3) Public Forum. No one was in attendance from the public.
- 4) Commissioner Statements.
  - Peter commended Kevin and staff for addressing issues as they arose on the Omro Road reconstruction project throughout the year. He appreciates always being prepared to take care of things in a timely manner. Kevin said he appreciated that and mentioned staff still needs to raise a fire hydrant near the fire station after additional topsoil was laid down in that area.
  - Chad stated his appreciation for everyone accommodating his virtual attendance at this meeting and wished everyone a happy Thanksgiving.
- 5) Director's Report. Kevin submitted his report prior to the meeting.
  - a) Review of District statistics. No discussion was had on this agenda item.
  - b) Correspondence. No discussion was had on this agenda item.
  - c) Status of 2021 projects. Kevin stated the District is planning for several upcoming projects going through plats or Certified Survey Maps (CSMs) within the next two to three years.
    - Water Valve Turning: Water Utility Operators will begin the annual exercise of every watermain valve in the water system with the valve-turning machine starting the following week.
    - Jones Parcel: Chad asked if payment for water and sewer services for the Jones parcel on Omro Road were resolved, and Kevin stated staff is working directly with the property owner who initially received full disclosure of the sewer and water extension costs. Kevin began conversations with the Town of Algoma in February of 2020 after the Town asked that 6" services be installed. The expense in the end is due from the property owner as the District is a third party and was not a part of any negotiating between the owners and the Town. The District received some requests from the Town asking for costs, which staff submitted to them. Chad asked for verification that it was paid, and Kevin stated no; however, the property was previously specially assessed for water. The District will get paid if/when a current or future property owner decides to connect to municipal water and sanitary sewer.

- 6) Old Business.
- a) Discuss and act on wastewater treatment agreement with the City of Oshkosh.
    - **Chad made a motion to go into closed session pursuant to Wisconsin Statute 19.85 (1) (g) to confer with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved: Wastewater Treatment Agreement negotiations with the City of Oshkosh at 12:11 p.m./second-Sue/carried unanimously.**
    - **Chad made a motion to reconvene into open session at 12:32 p.m. to discuss and act on matters discussed during closed session regarding Wastewater Treatment Agreement negotiations with the City of Oshkosh/second-Peter/carried unanimously.** No action was taken on closed session matters.
- 7) New Business.
- a) Discuss and act on Resolution 2021-11-1 to approve the 2022 annual sanitary sewer user fee for Town of Algoma Sanitary District #1 residents per equivalent unit.
    - i) Set the user fee for properties discharging to the Oshkosh Wastewater Treatment Facility at \$380.
    - ii) Set the user fee for properties discharging to the Omro Wastewater Treatment Facility at \$510.
    - **Chad made a motion to approve Resolution 2021-11-1 to set the 2022 annual sanitary sewer user fee for properties discharging to the Oshkosh Wastewater Treatment Facility at \$380 and for properties discharging to the Omro Wastewater Treatment Facility at \$510/second-Peter/carried unanimously.**
  - b) Discuss and act on Resolution 2021-11-2 to increase the 2022 Contribution in Aid of Construction (CAC) by 3%. No discussion was had on this agenda item.
    - **Sue made a motion to approve Resolution 2021-11-2 to increase the 2022 Contribution in Aid (CAC) by 3%/second-Peter/carried unanimously.**
  - c) Discuss and act on Resolution 2021-11-3 to adopt the 2022 Annual Budget for the Sanitary Sewer and Water Utilities.
    - Mike stated the budget was published in the Oshkosh Northwestern and explained sewer utility revenue from the Non-Operating Charge for City of Oshkosh customers was increased by \$800. This was done to have the rate charged to Oshkosh customers match the levy rate approved for the Town of Algoma and the Town of Omro due to the City of Oshkosh assessed values becoming available from the Department of Revenue as of late October. The Other Special Funds Budgeted Expense was correspondingly increased by \$800, which results in a balanced budget. The revised Sewer Utility Budget was sent out to the Commission the previous day with the revised pending bills report.
    - **Peter made a motion to approve Resolution 2021-11-3 to adopt the 2022 Annual Budget, including the \$800 change, for the Sanitary Sewer and Water Utilities/second-Chad/carried unanimously.**
  - d) The Commission will go into closed session pursuant to Wisconsin Statute 19.85 (1) (c) to discuss matters in relation to annual employee evaluation, compensation, and benefits.
    - **Peter motioned to table this agenda item until the December meeting when all Commissioners are present as suggested by Chad/second-Sue/carried unanimously.**
- 8) Adjourn. **Sue made a motion to adjourn the regular monthly meeting at 12:47 p.m./second-Peter/carried unanimously.**

Respectfully Submitted:

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Michael Claffey, Accounting Manager

Approved:

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Charles Hayes, President



**Town of Algoma Sanitary District #1**  
**Meeting Minutes – December 9, 2021**

**Regular Monthly Meeting.**

- 1) Open regular monthly meeting.
- 2) Commission President Chad Hayes with Commissioners Peter Cernohous and Sue Drexler present called the regular monthly meeting for December to order at 12:00 p.m. Also present were Utility Director Kevin Mraz, Accounting Manager Mike Claffey, and Financial Utility Clerk Sara Gonzales. District Attorney Ray Edelstein was excused.
  - a) Chad noted the District is using a tape recorder for maintenance of the minutes.
  - b) Approve the minutes of the previous meeting. **Peter made a motion to approve the minutes of the regular monthly meeting on November 11 as submitted/second-Sue/carried unanimously.**
  - c) Approve balance adjustments. None.
  - d) Approve investment changes. None.
  - e) Approve cash receipts & investments for sanitary and water. **Chad made a motion to approve the cash receipts and investments for sanitary and water for November as submitted/second-Peter/carried unanimously.**
  - f) Approve pending bills and previous disbursements for sanitary and water. Mike mentioned the following information:
    - DeGroot: \$14,744.33 for the second pay request for water and sewer installation at Sandhill Farms – Final Phase.
    - WPS: revised total of \$3,272.78, which includes an increase of \$251.38 added to the Wednesday pending bills sheet.
    - Great Lakes: a total of \$2,992.96, which was added to the Wednesday pending bills report.
    - **Peter made a motion to approve the December pending bills and the November previous disbursements for sanitary and water as submitted/second-Chad/carried unanimously.**
- 3) Public Forum. No one was in attendance from the public.
- 4) Commissioner Statements.
  - Peter stated staff has been doing a good job, as usual, handling all the updates and ongoing projects.
  - Chad thanked District staff for their hard work, adding it has been a pleasure serving and working with District staff.
- 5) Director's Report. Kevin submitted his report prior to the meeting.
  - a) Review of District statistics. No discussion was had on this agenda item.
  - b) Correspondence.
    - Great Lakes Compact: the District received approval from the Department of Natural Resources (DNR) to renew the Water Utility's ability to withdraw up to 1.9 million gallons per day (gpd) of ground water from the Great Lakes Basin as part of the Great Lakes Compact. The Water Utility currently pumps about 200,000 gpd.
  - c) Status of 2021 projects.
    - Our Pier: Kevin is working with the Steinert family, who were previously the Abrahams and formerly owned this parcel as a farmstead for about 100 years. He asked for the history of the site and a picture to make a sign and plans to list all the people who contributed to the development of Our Pier. Peter mentioned the pier site looked good this past fall, and Kevin stated he had some students clean up branches for a school project. He also mentioned the possibility of installing a life preserver supply rack like many other parks have, and he added the pier is a "leave no trace" site. He also stated the grant funds have all been received and commended everyone who worked on the project.
    - Water Utility Customer Population: the population served by the Water Utility has increased to over 3,600, and the Operators will now need to submit four bacteriological samples per month beginning in January of 2022.
    - Olde Apple Acres: Kevin met with the developer of Olde Apple Acres earlier that week to discuss a water and sewer extension to serve 30 previously platted lots to complete the subdivision. Kevin explained the developer will need to sign a developer's agreement with the District before he can award the design contract to the District's engineer. Upon the developer's completion of the wetland delineation plan for stormwater, the engineers will begin designing municipal water and sanitary sewer infrastructure.
      - Sue asked if Rich was included in that meeting, and Kevin explained it was just a preliminary meeting to help a staff member at Midwest Realty Management, who is new to understanding the development process. The developer will have a joint meeting with the Town of Algoma in the future.
    - Horicon Bank: An engineering firm contacted the District regarding an expansion planned over the next six months. This City of Oshkosh parcel along Omro Road is served by District sanitary sewer and City municipal water. This structure is connected to a six-inch sewer lateral, which is the minimum size required by the District for all commercial property, but only has an 1-1/4" water service which may need to be upsized depending on the building design.
    - Omro Rd: Staff received a call regarding a damaged water valve from the slow plows which the Operators fixed that afternoon. The asphalt company is to leave the valves down about a quarter inch. Staff was able to grind the damaged valve down and complete the repair below the asphalt surface without damaging the new road. Sue asked if the water valve was inspected prior to that which could have prevented the damage, and Kevin stated the asphalt company is

responsible for making the final water valve adjustments and the final walk through should have identified it. It took about two hours of staff time and about \$20 worth of parts.

- **City of Omro:** Sue asked about the information about the City of Omro in Kevin’s Director’s Report, and Kevin stated it was regarding the City’s need to update its wastewater treatment rate schedule. The Public Service Commission (PSC) approved the City of Omro’s sewer treatment rate schedule about five years ago, and the City is required to update it every three years. The PSC allowed the City to charge its customers and the District about \$25,000 annually in attorney fees for the rate case, which was the amount amortized over the five-year period. Mike added that, as of July 1, the City is past due in removing this amount from rates as it is fully reimbursed along with updating their current expenses, the number of users, and loan payment amounts. Kevin stated staff is looking forward to working with Vicky Fitzgerald, the new City Administrator. Chad suggested reaching out to Vicky once she is on board and consider inviting her to a meeting to introduce herself to the Commission.
- 6) Old Business.
- a) Discuss and act on wastewater treatment agreement with the City of Oshkosh.
    - i) **Chad made a motion to go into closed session pursuant to Wisconsin Statute 19.85 (1) (g) to confer with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved: Wastewater Treatment Agreement negotiations with the City of Oshkosh at 12:28 p.m./second-Peter/carried unanimously.**
    - ii) **Peter made a motion to reconvene into open session at 12:52 p.m. to discuss and act on matters discussed during closed session regarding Wastewater Treatment Agreement negotiations with the City of Oshkosh/second-Sue/carried unanimously.**
  - b) Discuss and act on sanitary sewer extension for “The Wit” development on 18.5 acres at parcel #90614920100, located on the south side of Witzel Avenue, east of Barton Road and generally north of Mercy Medical Center.
    - Chad directed staff to draft a response letter to the City and send it to the Commissioners first.
- 7) New Business.
- a) Discuss and act on Resolution 2021-12-1 to approve a Premium Only Plan Document to allow tax-free employee health insurance premium deductions with a plan effective date of January 1, 2022. **Sue made a motion to approve Resolution 2021-12-1 as submitted/second-Peter/carried unanimously.**
  - b) Discuss and act on Resolution 2021-12-2 to extend the existing wastewater treatment agreement with City of Oshkosh. Kevin recommended the Commission approve the resolution, adding that he hopes the City will amend their agenda and act on this one-year extension at their meeting on December 14. **Sue made a motion to approve Resolution 2021-12-2 as submitted/second-Chad/carried unanimously.**
  - c) The Commission will go into closed session pursuant to Wisconsin Statute 19.85 (1) (c) to discuss matters in relation to annual employee evaluation, compensation, and benefits.
    - i) **Chad made a motion to go into closed session at 12:54 p.m./second-Peter/carried unanimously.**
    - ii) **Peter made a motion to reconvene into open session at 1:44 p.m./second-Sue-carried unanimously.** Chad thanked Kevin for doing a wonderful job in 2021. He asked that Kevin focus on bridge-building and updating the commission information binder with the current ordinances and the succession plan. **Chad made a motion to approve the annual wage for 2022 of \$155,250, along with a bonus of \$2,612.69/second-Sue/carried unanimously.**
- 8) Adjourn. **Chad made a motion to adjourn the regular monthly meeting at 1:45 p.m./second-Peter/carried unanimously.**

Respectfully Submitted:

\_\_\_\_\_  
Michael Claffey, Accounting Manager

Approved:

\_\_\_\_\_  
Charles Hayes, President