

**Algoma Sanitary District #1**  
**January 14, 2010**

- 1) Commission President Earl Lawrence with Commissioners Alexander Irvine and Michael Gelhar present called the regular monthly meeting for January to order at 6:00 p.m. Also present were Kevin Mraz, Ray Edelstein, Joel Edson, and Rose Mraz.
- 2) Call to Order.
  - a) Earl noted that the District is using a tape recorder for the maintenance of the minutes. No one else is using one.
  - b) **Alex made a motion to approve the minutes as submitted for the regular monthly meeting on December 10/second-Mike/carried unanimously.**
  - c) Approve cash receipts & investments for sanitary and water.
    - i) Rose noted that the cash receipts and investments report is submitted prior to the audit for 2009; therefore, there could be changes. **Mike made a motion to approve the cash receipt and investment report as submitted/second-Alex/carried unanimously.**
  - d) Approve pending bills for sanitary and water.
    - i) Earl noted that the District has a section on pending bills to pay off contract 2 & 3 - 2008 in full as this will enable the District with a great opportunity to reduce the overall costs regarding the grant.
      - (1) Kevin explained that if the contracts are paid in full, prior to the closing for the grant, the program waives the requirement of the Davis Bacon act. This act requires you to pay Federal prevailing wage and would be costly. This is the last item the District has to check off for the grant.
      - (2) **Alex made a motion to approve the pending bills for sanitary and water as submitted/second-Mike/carried unanimously.**
- 3) Public Forum.
  - a) There were no members of the public in attendance at the meeting.
- 4) **Director's report.**
  - a) Correspondence.
    - i) Kevin received a letter from Kathy Larson, with Winnebago County, regarding the sign removal. The District is in compliance.
    - ii) The District held an Advisory Council meeting on Tuesday.
      - (1) Earl said that three of the four neighbors to the North of the District attended and presented the idea of a 12 to 14' tall noise barrier, to satisfy them, between the properties, preferably on the berm. Members of the council explained to the neighbors that a barrier that tall would not be allowed.
        - (a) The Advisory Council had considerable discussion regarding the new requests from the residents, and Bob Nadolske told them if they build something on their own property that they can go 6' tall without approval; whereas, if the District does anything, it must go to the site plan committee and county.
          - (i) Kevin said the District installed everything the way the Town's elected officials decided as a correct site plan and that the Winnebago County required the site to look like based on feedback from the residents. Now three neighbors are coming to meetings requesting alternatives.
    - iii) The District received the ARRA packet from the DNR and then notified the State Trust Fund Loan's Board of Commissioners that the District will be making a prepayment in February. The District was required to give a 30 day request. Rose will call in the morning to be sure they received the e-mail.
      - (1) The District's engineer, handling the closing, received a phone call from the DNR stating that as long as the District closes on the contract prior to the ARRA closing, that the District will be exempt from the Davis Bacon Act.
    - iv) Kevin said he contacted the Town of Omro and has been receiving some quotes for meter vault calibration which is required every two years. The Town of Omro will pay for calibration devices to insert into the meters.
    - v) The District received a request from 73 Wyldeberry for an extension on the safe well test for bacteria after hooking up to the water system. They requested until spring as their well is not turned on at this time. Kevin said he is comfortable with this as it is a District policy which set the 2 month time period.
      - (1) The DNR requests the two tests, but didn't specify the time frame. Kevin said he has no concern with this or he would present an alternative.
  - b) Status of 2010 projects.
    - i) Brooks Lane Project. – The District has the new pumps in the garage but is waiting for the mini casts units which monitor for moisture and over temperature. These will be installed in the spring.
    - ii) The pumps for the Bellhaven Lift Station were ordered on the 2009 budget and will take about 5 to 6 weeks for shipping time.

- (1) Waldwic Lane water main extension. The District received the bid plan set from the engineer. Staff looked through the plan and made several modifications and sent back to Strand to change.
    - (a) Earl asked what modifications, and Kevin said that Strand had some of the water main being bored in at 15' deep which would be fine for the contractor to install, but if the District would have to repair a water main leak at this depth, it would be costly. With the existing water mains, the minimum depth is 6' as anything less needs insulation.
      - (i) The District requested the depth to go closer to the sewer elevation. The conflict is that the sewer main is about 10' deep and without knowing the exact elevations of the laterals, it's hard to show where they want it on paper. In the contract, the District will have the contractor expose each lateral to be sure to avoid the sanitary laterals.
      - (ii) Some fire hydrant locations were modified from the plan. Kevin said when he and Dan drove the entire site; they noticed how the snow plows go and changed some hydrant locations to avoid having snow on top of the hydrants.
    - (b) Ray asked if any additional residents replied to participate and Kevin said not yet.
      - (i) Kevin said that his goal is to get the quote at \$12,000 per house prior to presenting to the residents again. Earl said \$13,000 may also work.
      - (ii) Kevin said the unfortunate part is that he is required to use the engineer's estimated opinion of probable costs and for Witzel, they estimated water and sewer coming in at 1.5 million and it came in at \$738,000 which was a large difference. Kevin said this is worth bidding.
    - (c) The bids will determine if the District continues.
  - iii) The exterior of the tower will be cleaned in the spring
  - iv) Mixer installation at Shorehaven. Kevin said the operators will work on creating an air operated mixer at the station. The District owns a 35 cubic foot per minute air compressor and Kevin wants them to figure out if something can work using this. This will be used to break up the grease at the station. The District has been hiring the grease removal to Hyler Septic yearly.
  - v) The operators sealed 200 manhole chimney seals in 2009.
  - vi) The District is looking at the co-location rental agreement for the elevated tower. The current rate agreed to is 1,450 monthly with a 2.5 annual escalator. The agreement is not set until they go through the town with the site plan review. There will be a generator building on site.
- 5) Report from committees
- a) There was a meeting on Tuesday with the Advisory Council.
    - i) The neighbors on Witzel also attended the meeting regarding several concerns.
      - (1) Earl said the neighbors are looking for a noise barrier and landscaping opportunities that will respond to their concerns in some manner. Earl said anything the District does needs to go to the Town site plan committee.
        - (a) The advisory members present told the neighbors that 12' barriers would not be allowed to go up.
      - (2) Kevin said he called Mrs. Leinweber today regarding her concern about lights and told her the District would remove the lights to the North this evening to see if it solves her concern. Kevin asked her to look at the lights this evening and call back tomorrow.
    - ii) e agenda. Ray said if it is treated as a separate request then istaff discussing the neighbors' concerns.
    - iii) Open House
      - (1) The open house was discussed with a possible date in mid May.
    - iv) The stimulus funds the District is expecting were discussed.
    - v) It was discussed that the 3<sup>rd</sup> well was on line approximately 40 residential equivalent units prior to being required for supply and demand. The District needed this well operational for extra supply capacity at 900 residential equivalent units and the District is above 850.
      - (1) Today was the second time the third well was ran live into the system.
- 6) Old Business.
- a) There was no old business left open.
- 7) New Business.
- a) Authorize staff to contract with Baker Tilly, accounting firm to complete Federal Audit. This was quoted at \$2,000 a couple of years ago. Joel reminded the commissioners that Virchow Krause joined with Baker Tilly. Joel said he is comfortable to stay with the same auditor as there is something to be said about continuity. Rose will obtain a quote for future audits from them and at that time the Commissioners will decide if they want additional quotes.
  - b) The Federal audit was in the original quote from the existing firm and this agenda item is merely to address authorization to exercise this option. **Alex made a motion to authorize staff to institute the provision in the contract with Baker Tilly to contract for the Federal Audit if required/second-Mike.**

- 8) Approve sale of hydro pneumatic tank.
- a) The cost to install this was around \$22,000 with the tank costing around \$15,000. The District received an offer, from an unknown company, to purchase this tank for \$8,000. Earl said he believes he knows who the client is and he suspects it could be his employer and due to this Earl is abstaining from the discussion. He does not know for sure if it is his employer or not.
  - b) Kevin explained his comfort level of selling this tank. Kevin said this is a 5,000 gallon tank, about 26' long and 6' tall. It compresses air and can push water back into the system. This was originally designed as backup to service the first 50 homes. Kevin said even if this is sold, that each well house has at least 8,000 gallons worth of space in an iron filtration tank to serve the same purpose. Currently there is sand taking up the space. In theory this could be filled up with compressed air and could be used like a hydro pneumatic tank if the tower went off line. The District has not used this hydro pneumatic tank since 2 months after it was put in.
    - i) The longer the tank is kept, the more it depreciates. Ray wanted to be sure the District does not need this.
      - (1) Kevin said he presented the idea of the iron tank being used in place to his operators and they agree it would work. Kevin said it's not the name of the tank, but can work.
    - ii) Mike asked how to get the tank out of the building and the cost for this. Kevin said this sale proposal says they would pay \$8,000 for the tank and agree to remove and ship at their cost.
    - iii) It was discussed to advertise this in other places. Kevin asked the Commissioners for a price that they would be comfortable with. **Mike made a motion to sell the hydro pneumatic tank for not less than \$8,000/second-Alex/Earl-abstained/carried 2.**
  - c) Discuss Witzel Avenue sewer hookup request.
    - i) The District sent letters to the residents on Witzel with a date of hooking up by March 11. There are 3 parcels not hooked up yet. One resident requested an extension to the end of April to allow him to have funds. The District took no action on this request. Kevin will check what the County specifies for a time frame. The Commissioners left the hookup date as indicated as Ray recommended leaving as is and keep after the residents to get hooked up prior to issuing citations. Earl said he does not believe that the Commissioners have authority to vary the date. One of the parcels affected is the foreclosed house which is vacant.
- 9) Other new business.
- a) Alex wanted to discuss and asked if the Town was involved in the ponds that have been discussed in the paper lately. Earl said these are South of Oshkosh and not in the Sanitary District. The area is in the Town, but outside of the protected area of the Town. The District does need to watch the setbacks for contamination and Kevin said this is outside the well head protection area.
- 10) Adjourn.
- a) Mike made a motion to adjourn/second-Alex.

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

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

**Algoma Sanitary District #1**  
**February 11, 2010**

- 1) Commission President Earl Lawrence with Commissioners Alexander Irvine and Michael Gelhar present called the regular monthly meeting for February to order at 6:00 p.m. Also present were Kevin Mraz, Ray Edelstein, Joel Edson, and Rose Mraz.
- 2) Call to Order.
  - a) Earl noted that the District is using a tape recorder for the maintenance of the minutes. No one else is using one.
  - b) **Mike made a motion to approve the minutes as submitted for the regular monthly meeting on January 14, and the special meeting on February 2, 2010/ second-Alex/carried unanimously.**
  - c) **Alex made a motion to approve the cash receipts & investments report for sanitary and water as submitted/second-Mike/carried unanimously.**
  - d) Approve pending bills for sanitary and water. Rose added an invoice for Michels Materials in the amount of \$3.43 to be added to pending bills. Alex made a motion to approve the pending bills for February as revised with the additional item of Michels Materials/second-Mike/carried unanimously.
- 3) Public Forum – Sue Drexler was in attendance at the meeting.
  - a) Sue attended to discuss the District's neighbors' concerns regarding their view of the District's property and said she did not talk to the neighbors yet regarding her idea. Sue said she talked to Bob Nadolske regarding the barrier that the neighbors' discussed at the last meeting and realizes that such a high barrier is not acceptable. Sue said she is trying to help the neighbors and the District come up with a solution to their concerns with the view.
    - i) Sue said that she isn't sure that even if the District made landscaping changes that this would actually block the neighbors' view and Sue believes that landscaping changes may need to be completed in their own backyards. Sue discussed her idea and said she would volunteer to see a landscaper and put plans together.
      - (1) Sue asked if the District could give a dollar amount to help the neighbors with the cost as this could cost less than landscaping on the District's property.
        - (a) Ray interjected that the District needs to be careful about spending public funds on private property. Ray said if it came down to this he would be against it.
        - (b) Joel said he has to discuss the negative side and told Sue that you need to be careful as this is setting precedence for other areas in the Town. Joel said the District also needs to be careful how to proceed and that the neighbors may have numerous goals other than just appearance.
        - (c) The commissioners agreed that the District cannot flow monies to private owners.
      - ii) Sue asked if Kevin can get together sometime and Kevin said he would be happy to sit down and talk with her, but not to make any decision before the next meeting.
      - iii) Sue will contact the neighbors, but not on behalf of the District, that she is looking into this.
      - iv) This item will be added to next month's agenda.
- 4) Director's report.
  - a) Review of existing bonds' schedules.
    - i) Kevin said that Rose has a print out of the bond schedules if the Commissioners want to look at them.
      - (1) Staff will continue putting a spreadsheet together and give copies to the commissioners.
  - b) Review of District statistics – given out previously.
  - c) Correspondence.
    - i) The District received a letter from Mrs. Kneepkins, on Omro Road. She is requesting a change in her sanitary sewer user fee based on the fact that she does not use much water. This has been ongoing. Kevin told her to send a letter which she did. He also told her that the fee is set up in the ordinance.
      - (1) Sue's fee is 1.5 times the residential fee which is for offices up to 10 employees.
      - (2) Earl asked if the commissioners can take action on this as it was not on the agenda. Ray said if it is treated as a separate request then it should be a separate agenda item. If the instruction is to tell the Director to deal with it according to the ordinance; then it does not need to be a separate item.
        - (a) The Commissioners said the fee is 1.5 the ordinance and that is what it is. The commissioners will not be changing the ordinance. Kevin said he will send her a copy of the ordinance which states this so she can see what the District is following.
    - ii) Mrs. Rost sent the District a letter indicating she is now using shades so the lights from the District's building do not affect her.
    - iii) The District received calls from Michels Materials and Davies about the project for Lutheran Homes. These two entities called to tell the District that they have not received payment from the contractor in the amount of their materials.
      - (1) Tenor Pipeline, the contractor for Lutheran Homes, sanitary and water mains was paid in November and to date did not pay them.

- (a) Kevin called the bonding company again this morning and told them that they are duly noted that there is a potential claim coming out if they do not pursue full payment.
- (2) Ray said he talked to Rose regarding this and she gathered documents. Ray said he also requested that Kevin do several things and this has been accomplished to date. Ray said to continue with the process and at this point, if the bills are not paid by next month, he will start action against Tenor Pipeline.
  - (a) There's a retainage of \$13,000, and with the bond, there is enough money to cover both claims.
    - (i) Ray said in the meantime to gather the required paperwork to submit a claim and be ready to go.
- (3) Rose said Davies wants a call back as to how the District is proceeding and asked what to tell them.
  - (a) Ray said to get their invoices from them and that they can do whatever they want to do, but to help in our process, to give us copies of the invoices.
  - (b) Ray said to tell them that the District is proceeding. Ray said it'll be solved by this time next month or there will be a suit.
- d) Status of 2010 projects
  - i) Kevin said he is working on updating the long range state of infrastructure facilities plan. Once this is updated and includes the new building, Earl said to set up a meeting with him and then set up a workshop with the Commissioners to continue on this and Alex and Mike agreed.
- 5) Report from Committees – there was no meeting to report on.
  - a) The District is waiting for spring for the open house.
- 6) Old Business.
  - a) Discuss ARRA grant status.
    - i) Rose said the 1.2 million dollars did come to the bank yesterday, and the balance will be received on closing out the project. Alex went to the bank today to set up the wire to prepay the bond on February 19.
    - ii) The auditors are currently working on the Federal audit for this.
  - b) Approve lease and easement agreements with US Cellular.
    - i) Earl said Kevin was authorized last month to proceed with this agreement. Kevin said the District should have just about everything needed to sign off on this. Kevin said he is in agreement with the lease agreement which could be signed this evening if the Commissioners agree with the proposed plans.
      - (1) Earl asked if Kevin is in agreement and he is, but he wanted their opinion of the building exterior and the roof layout. Kevin showed the commissioners pictures of the proposed building to obtain their preference. They also agree with an angled roof rather than a flat roof,
        - (a) The commissioners questioned if there are any large lights on the proposed building and Kevin said there is just a small one.
      - (2) Signing the lease this evening does not finalize the lease, it gives them approval to go ahead and make sure they have all the approvals and can actually use the site.
        - (a) Once they take their option on it, they begin their lease payments on it. This was approved previously, so it just needs to be signed this evening. The payments will come directly to the bank rather than a check. These will be monthly payments.
- 7) New Business.
  - a) Discuss and authorize staff to contract with Ehlers to update long term financial plan.
    - i) Kevin said the budget did not include this, and the quote was \$2,750 which includes time and travel for two trips, one with Kevin & Rose and one with the Commissioners to give a thorough review of the financial plan. Kevin told Dave Wagner, that this estimate was above the anticipated cost. Dave said they may try to incorporate it with other trips in the area to reduce the cost some.
      - (1) Kevin said he is going to request that Ehlers have user adjustable values. Kevin would like one to be used for water rates in the future as rates go up or down. Kevin would also like a variable for special assessments. This will adjust assessments received, but not changes to assessment amounts. **Mike made a motion to approve staff to proceed with entering into a contract with Ehler's to update the long term financial plan and ask Ehlers to provide some flexibility in the spreadsheets to adjust common variables such as water rates and assessment amounts received/second-Alex/carried unanimously.**
  - b) Discuss and authorize staff to prepare a tabletop emergency exercise program during 2010.
    - i) Kevin said that during his 2010 he is expected to do a table top emergency program. This was developed after the budget was prepared for 2010. Kevin said he analyzed the budget and to address the financial side of this exercise, he will be able to pull some of the funds out of the director's expenses and some out of training as this would fall under training.
    - ii) Kevin did not obtain a quote from the company that did the last exercise as they did not respond with a dollar value yet. Last time there was a grant which paid for this.
      - (1) Kevin said that last time it was facilitated through the DNR's pre emergency planning.

iii) Earl suggested that this be added to the discussion at the workshop. Then they can review the plan as it sits today so they can make comment and after this, to look at setting the table top.

(1) Kevin was asked to obtain the information, but not set it up yet. Kevin only knows of one company in Wisconsin who does this exercise, but he can pursue other companies. Kevin said he doesn't think this would cost more than what Ehlers is charging; there was about 8 to 12 hours last time. Earl said he knows some contractors that would possibly facilitate this and they work with the same people that the District would. Earl said if the cost is \$10,000, that he can find a lesser cost.

8) Adjourn.

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

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

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

**Algoma Sanitary District #1**  
**March 11, 2010**

- 1) Commission President Earl Lawrence with Commissioners Alexander Irvine and Michael Gelhar present called the regular monthly meeting for February to order at 6:00 p.m. Also present were Kevin Mraz, Ray Edelstein, Joel Edson, and Rose Mraz. Richard Leinweber and Sue Drexler were also in attendance at the meeting.
- 2) Call to Order.
  - a) Earl noted that the District is using a tape recorder for the maintenance of the minutes. No one else is using one.
  - b) **Alex made a motion to approve the minutes as submitted for the regular monthly meeting on February 11/ second-Mike/carried unanimously.**
  - c) **Mike made a motion to approve the cash receipts & investments report for sanitary and water as submitted/second-Alex/carried unanimously.**
  - d) Approve pending bills for sanitary and water.
    - i) Rose mentioned closing out the assessment accounts at Associated Bank to use toward the bond payments due May 1.  
**Alex made a motion to approve the pending bills for March and to close the assessment accounts /second-Mike/carried unanimously.**
- 3) Public Forum – Richard Leinweber attended the meeting and brought along some pictures of the ditch between the District’s administration building and his home. Mr. Leinweber said he believes that the culverts are incorrectly sized for the District’s building and said the County should come out and decide what should be done – whether a larger culvert or a deeper ditch. Mr. Leinweber said that it is suppose to rain for the next week and he indicated the water will go into his property.
  - a) Earl said that the ditch is not supposed to flow quickly and said the District had an approved drainage plan and cannot make changes on our own. The drainage plan is designed to hold the water there and may be doing what the intention was which is what the District needs to comply with. Earl gave Kevin two questions to come back with answers for. 1. Is the drainage doing what it was planned to do? 2. If not, what can be changed and who does the District go to.
  - b) Kevin will show the county the pictures from Mr. Leinweber to see if this is what they anticipated. Kevin added that the District’s culvert is the same size as the one downstream as you can’t have a larger culvert upstream so this is a challenge for the county. You plan so you don’t send more flow downstream and back up someone. Kevin told Mr. Leinweber that the District will get some answers.
    - i) Mr. Leinweber said the water is already backing up on his property; therefore, the District will check where the property pins are.
- 4) Director’s report.
  - a) Earl asked how the bond schedules are coming. Kevin said they are coming along with the goal of showing the payments due each year. This will be used for Ehlers also for the cash flow statement. The 35% of interest payments to be returned is incorporated into the schedules. Once the audit is complete, the District will obtain the cash flow report from Ehlers.
  - b) Correspondence – Everything is listed as agenda items.
  - c) Co-location rental agreement for elevated tower. The District received the option money.
- 5) Report from Committees.
  - a) There were no meetings during February.
  - b) Open House.
    - i) There was discussion about holding the open house on the same day as the Fire Department’s parade. Joel asked if this would pull people away from the picnic and Earl said this could possibly increase the flow to the fireman’s picnic. Kevin said that staff donates their time and this would eliminate another Saturday for staff. The District will try to come up with a way to have people attend both the open house and the Town’s picnic. Sue Drexler thought the same day could be a plus. It was discussed to hold the District’s open house outside of meal time and not to offer free food.
- 6) Old Business – None
- 7) New business
  - a) Discuss and act on Landscape Aesthetics Development Committee.
    - i) Sue Drexler attended the meeting to discuss her idea of planting additional trees along the lot line between the District’s building and the neighbors’ property. Sue contacted a landscaper who drew up preliminary plans for additional landscaping. She thanked Mr. Leinweber for the idea of placing additional trees along the berm. Sue said that she talked to Bob Nadolske and he said that the District can plant trees without having to go back to the site plan committee and Kevin said he also contacted Bob to get this in writing. Kevin said there are two pipes that go through the berm area now which Mr. Leinweber was also aware of. There are two storm sewer manholes with a flume to control the velocity of how the pond flows. Kevin said you need to be sure that a full grown tree will not affect this.
      - (1) Earl said the trees proposed seem to be the same as those planted out there now. Alex mentioned to check the radius of the proposed trees also to be sure of the impact. Mike agreed the District has to be careful of the root system next to pipes and he asked how tall the existing trees will get and Kevin said he believes 15 feet. The commissioners want to know the impact of the proposed trees on the berm.
      - (2) Kevin said anything over \$25,000 needs to be bid out. Kevin said he only has \$800.00 in the budget for landscaping so the proposed changes do not fit into his budget. Earl said the District would have to pull these funds from somewhere else as it’s not in the budget. Kevin said that whatever changes are made need to also work for the other neighbor and the farmers in the area.

- (3) There was discussion as to how to break up the appearance of the side of the building. Kevin said the District has trees planted already to block the natural gas pipe on the building as the trees grow. Earl asked Kevin to look into a different color on the building that could break up the appearance of the side of the building.
- b) Kevin was asked to come back with a proposal as to what could work along side the building. Whether the District implements Sue's proposal or something different. Kevin will also check on the impact of the tree line on the berm. Sue will have her contact fax information right to Kevin. Earl also wants written paperwork from the Town that the District is ok with planting trees.
- c) Discuss Waldwic Lane easement watermain loop extension.
- i) Kevin received a quote to discuss this evening but not to act on yet. Kevin received a quote from Strand for \$4,950 for boring to design a loop if Waldwic Lane water main extension goes in. The majority is designed, but not in spec form. The goal is the timing to have this completed with Waldwic Lane as it would keep the price down. Earl asked how many people would be affected by a repair job if water needed to be shut off without this loop. Kevin said depending where a possible water main break would be, there could be approximately 47 parcels affected with the worse case scenario.
    - (1) Earl said he is for loops when there are approximately 50 homes affected by shutting off the water so this is close.
    - (2) Kevin said once he receives all the signed Waldwic easements, he wants to be ready at the next meeting to act on this in order to have time to obtain DNR approvals. There's not a large window and he doesn't want to do this unless Waldwic is approved. Earl said he would be fine with 90% assurance that Waldwic will go and then do this.
      - (a) Earl said to also identify the funding for this from the budget when it is back on the agenda.
      - (b) Joel mentioned he thought that Joel Rasmussen, the Town Road Supervisor, has plans to rebuild Lake Breeze and Country Side Meadow this coming summer so he will check on this.
- d) Discuss and act on contract 1-2009 – Lutheran Homes.
- i) This is post-contract for Tenor who installed the water and sewer mains. Tenor still did not pay the subcontractors.
    - (1) Ray said the bonding company claims they are in the process of investigating but Ray said they have not been as responsive as they could be. It's in their contract adjustor's hands. Ray said the next step is to send them a letter to obtain their feedback for updates so the District can act accordingly. Ray said that Kevin gave them a deadline, around the end of March, for payment and to see if they meet this.
      - (a) Kevin didn't know if the District continues with the bonding company or files suit. Ray said the suit would come later. Kevin was instructed to call the bonding company to see how far they are. If there is nothing received by Kevin's date, Ray was asked to send out a letter.
- e) Discuss audit for 2009
- i) Act on expensing versus capitalizing costs. Rose said the auditors requested a written policy for this so she put together a short resolution using the \$1,000.00 cost for expensing amounts. It was decided to not act on this currently as the commissioners would prefer an in-depth policy.
    - (1) The Commissioners asked Kevin to take a better look at this and come back with ideas as to how he would like to proceed.
  - ii) Discuss and act on balance adjustments.
    - (1) There was discussion regarding balance adjustments. Rose said the most common for 2009 was to remove the interest charge where customer payments crossed in the mail. The Commissioners asked Rose to come up with a monthly worksheet that they approve at the meetings.
      - (i) Ray said regardless of the amount, to keep a record of the adjustments even if it is just interest. Ray recommends having the resident send a letter requesting any adjustments in the future and to have these approved at the monthly meeting. Joel said the Town needs to do something with this also.
    - (2) Ray recommended developing some type of criteria. He doesn't believe every request needs to come to the commissioners. If someone is chronically late, you put it on the tax roll. If there's a measure of discretion for staff you need criteria established that the commissioners approve. Joel said this type of policy is protection for staff.
    - (3) Kevin recommended waiting for face to face contact with the auditors prior to putting policies together. This would possibly be May or so.
- f) Received Sanitary Survey Report from WIDNR. Kevin said this report is from the DNR and was a great pat on the back. This is for the drinking water system.
- i) The DNR has to tour all the District's facilities to see that the District is meeting codes. The DNR said there were zero deficiencies along with no recommendations or actions to take at any of our facilities. This includes the wellhouses and tower – everything that has anything to do with the drinking water system. Jim Schedgick is the contact on the drinking water side of things. He looks at all the screens also – it is in-depth.
    - (1) The District also services Omro and they also received a good bill of health.
  - ii) The Commissioners said to note to the operators of a job well done.
- g) Discuss and act on request from Evans Title for 2030 Spencer Court.
- i) This parcel had an assessment being paid on the tax roll which the new owner was going to assume. \$5,530.19. Evans Title called and asked for their check back as the assessment was paid off in error. The District cashed this check and the assessment listed was paid off. The District did not make a mistake on this tax letter.
    - (1) The Commissioners, with legal advice, took no action on this and said not to return the funds. Ray said that Evans Title needs to turn around to the parties and correct this. Ray said he's not saying it cannot be changed, but it should not be changed. The funds were taken from the seller's side.
    - (2) Ray said this is an example of a change that the auditors would look at and frown upon. This needs to be corrected between the parties.



- ii) Rose will send a letter to Evans Title
- 8) Discuss District expansion.
  - a) This will be discussed more in the future. Kevin said he was invited to a meeting with the Commissioners for the Omro Sanitary District. This is all fact finding at this point.
    - i) Ray said Kevin has the correct statute on this and has a good handle on this.
    - ii) Ray said he would have to remove himself from either side if this were to continue. He would not be the lawyer for either side of this. Ray said in this situation, the legal is on the bottom. This is more financial at the moment. There would also be discussions regarding sewerage treatment depending on what happens. Ray said the statute is written good and in this situation easy to follow.
      - (1) Kevin said he contacted Dave Wagner with Ehlers and the District's auditor. Ehlers will add a formula to plug information regarding the Omro Sanitary District in the District's cash flow study.
    - iii) This could be a plus all around, but needs to be checked out first. Ray said currently problems were not due to bad management; it was the economy that went way down which now would cause their water rates to sky rocket. The Town of Omro is not helping with any fire protection for the Omro Sanitary District.
    - iv) Ray said what he recommends is to have Kevin participate with any discussions on either side and if it gets to the stage where legal is necessary, each would hire their own counsel.
    - v) This could take a year or two as it would need referendums and looks favorable to the Algoma Sanitary District, but needs informed reviews first. This is perfect timing with Ehlers working on the cash review to save money on a financial review.
    - vi) Ray said a critical question for Omro Sanitary District is "what is the nature of the community that the town wants". Kevin was instructed to review further.
- 9) Other Business:
  - a) Joel asked Kevin, as new customers come in on the sewer side, if he can change the graph and breakdown the connections between City of Oshkosh permits and permits in the Town of Algoma. Joel said it's not necessary to go backward but just start forward. Kevin agreed to do this.
- 10) Adjourn.
  - a) Mike made a motion to adjourn/second-Alex/carried unanimously.

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

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

**Algoma Sanitary District #1**  
**April 15, 2010**

- 1) Commission President Earl Lawrence with Commissioners Alexander Irvine and Michael Gelhar present called the regular monthly meeting for April to order at 6:00 p.m. Also present were Kevin Mraz, Ray Edelstein, Joel Edson, and Rose Mraz. Eric Ziebel was also in attendance at the meeting.
- 2) Call to Order.
  - a) Earl noted that the District is using a tape recorder for the maintenance of the minutes. No one else is using one.
  - b) Earl recognized two milestones occurring today.
    - i) Earl recognized Alex Irvine on his 90<sup>th</sup> birthday today.
    - ii) Earl recognized Rose for her 20<sup>th</sup> anniversary with the District and the Commissioners thanked Rose for keeping the District running smoothly during her years of service.
  - c) **Alex made a motion to approve the minutes as submitted for the regular monthly meeting on March 11/ second-Mike/carried unanimously.**
  - d) **Mike made a motion to approve the cash receipts & investments report for March for sanitary and water as submitted/second-Alex/carried unanimously.**
    - i) Alex and Joel went to Associated Bank today and closed a number of accounts and then deposited the funds at Community First C.U. to use for the bond payments due in about 2 weeks.
  - e) Approve pending bills for sanitary and water.
    - i) **Alex made a motion to approve the pending bills for April /second-Mike/carried unanimously.**
- 3) Public Forum – Mr. Ziebell attended to discuss the proposed Waldwic Lane water extension.
- 4) Director's Report.
  - a) On May 5 the District is hosting a water and information exchange group which includes a group from approximately 25 to 30 current water utilities. Kevin will be targeting radium removal as our District was the first in the state to have this set up. Steve Kluesner, one of the District's engineers will attend.
  - b) Kevin said a group of girl scouts will be touring the District's well house.
    - i) Ray discussed the insurance issue and said to be sure the group has insurance. Kevin will also call our insurance agent also.
      - (1) Earl said the insurance is not a large issue as other places allow tours of kids going through and Ray said if McClone is good with the tours, then it is fine.
  - c) Kevin said the District is receiving numerous comments to have a sign out so the public knows this is our building. Kevin will check if the District needs to go through the site committee to put one out. Alex added that the road is not on GPS or map quest yet so people have trouble finding the District.
    - (1) Kevin asked what type of sign the Commissioners would like and Earl indicated that the town just put a new wooden sign out and to use a wooden sign here also. Mike mentioned using something similar to the logo on the water tower. The Commissioners agreed to use a wooden sign similar to what we had at our previous office.
    - (2) It was discussed to also check with the County and see if they can put a notice along Witzel indicating the Sanitary District Office is coming up. Mike said they have a sign on Highway 21 indicating to turn for the Motor Vehicle Dept. and perhaps can put one out for the District.
- 5) Report from Committees.
  - a) District Advisory Council. There was no meeting.
  - b) Open House.
    - i) Kevin said he is looking to have the open house June 5, which is the same day as the Fireman's annual parade as staff donates their time for this and the Commissioners agreed with the date.
    - ii) Kevin mentioned giving out tickets to those attending the open house for a free hot dog at the Fire Department's picnic. Kevin will discuss the idea of purchasing tickets for hot dogs at the picnic.
      - (1) The Commissioners liked this idea as it could increase the participation at both the picnic and our open house.
    - iii) Kevin is discussing what to do with overflow parking also. The District could possibly park our vehicles across the street.
- 6) Old Business.
  - a) Discuss and act on Landscape Aesthetics Development Committee.
    - i) There was no one in attendance for this. Sue and the neighbors could not make this meeting.
    - ii) Kevin received a letter from the Town regarding the tree issue which stated that an agreement was reached to plant trees and shrubs on the Sanitary District property. The Town said that due to this agreement, the District can plant trees without submitting a new site plan.
      - (1) Ray has issues with the letter as it indicates the District has an agreement; however, the District did not reach an agreement to date.
        - (a) Kevin was asked to send a letter to the Town indicating the District does not have an agreement at this time and add that the District will notify them when and if the District does come to an agreement.
    - iii) This letter from the Town at least lets the District know there is no need for a new site plan.
  - b) Discuss Waldwic Lane easement water main loop extension.
    - i) Number of affected homes.
      - (1) There was considerable discussion regarding the proposed Waldwic Lane Municipal water extension. Kevin discussed that the total contract has 10 participating residents to date which would give \$146,000 towards the

contract price of \$247,000. This means currently 56% is funded. There are 7 residents who chose to defer and 3 residents that did not respond to date. If the 3 no responses agree to participate it would be another \$42,000 which puts the District up to 76% funding for the project and the remaining 24% would be funded out of water rates over the 20 years.

- (2) There are a number of easements not signed to date. The District would need all the easements signed and notarized in order for the project to go forward.
  - ii) Mr. Ziebel said he has his house for sale and has prospective buyers who want the water if he pays for the extension, which Mr. Ziebell said he cannot afford to do.
    - (1) Earl asked if he had questions and Mr. Ziebell said the District has answered all his questions to date. Mr. Ziebel said the prospective buyers need to know the status of the project in order to proceed with the sale. His closing date is expected to be the end of this month.
      - (a) Earl explained that whether the water goes in or not is technically in his hands or the new owners. If they do not sign the easement, the District cannot go forward.
      - (b) Earl said the District cannot say quite yet if this project will go or not. The District can only tell them the situation to date.
      - (c) Kevin said the District has until May 15 to award the bids and a decision will be made at the meeting on May 13, 2010.
        - (i) Mr. Ziebel said he will not sign the easement as he does not want to commit the new owners to an assessment on the property. Therefore, Earl said that the new owners would be in control as this is a private road and the District needs an easement from each affected parcel.
          1. Earl added that the water going past properties is good for homeowners as the water is available and the assessment could be in a deferred status.
          2. Mr. Ziebel said the prospective owners know they can defer, but prefer Mr. Ziebel pays for the assessment.
        - (d) Kevin will write up a current status letter next week for Eric and explain that currently the District is short on easements and participation.
  - c) Discuss and act on Contract 1-2009 Lutheran Homes/Tenor declaration of default.
    - i) Ray said that Kevin has been diligently contacting Tip Carroll who is the general council and president of National Claims Services, Inc. and giving a lot of information. What the District didn't have until this week is an actual copy of the bond itself. Ray said the carrier is Companion Property out of Atlanta which has the same address as National Claims Services and could be a subsidiary. Companion Property is aware of the situation and now requires the District to do the following:
      - (1) Notify the Contractor and surety that the District is considering declaring contractor default. Ray said this has not formally happened.
      - (2) Request and attempt to reach a conference with the contractor and surety. This needs to happen and should happen within 15 days after receipt of the notice. These need to be sent by certified mail.
      - (3) The District has to declare contractor default and terminate the contractor's right to complete the project. This cannot happen earlier than 20 days after the notice of intent.
    - ii) Ray recommended the commissioners authorize Kevin, as Director, to provide the necessary notices pursuant to the bond. The District also needs to pay the balance of the contract price and Kevin said the District only has the retainage left. **Mike made a motion to authorize staff to notify the Contractor and Surety for Contract 1-2009 for Lutheran Homes regarding a declaration of default of terms for the bond and to authorize Kevin to provide the necessary notifications to trigger surety liability under the terms of the bond-second/Alex/carried unanimously.**
- 7) New Business.
- a) Discuss and act on contract 1-2010 (Waldwic Lane Water Extension).
    - i) This was discussed under old business and will be put back on old business next month.
  - b) Set date to review 2009 audit.
    - i) Rose received an e-mail from John that he is available anytime the week of the next meeting. The Commissioners prefer to have this discussion in a separate meeting and Tuesday May 11, at 5:30 was chosen for the workshop.
    - ii) This will also be on the agenda for May 13 in order to act on the audit review.
    - iii) Earl said he received a phone call from the auditor but nothing out of the ordinary. They asked Earl what the commissioners may be looking for. The auditors were concerned regarding the overtime that Rose had over the year, and Earl told them that Kevin notified the commissioners throughout the year regarding the overtime due to the District's circumstances.
      - (1) Kevin said they were correct to call on this issue but there was no other office staff during the turnover.
      - (2) Kevin said the overviews of the audit are on page 4 and page 9 for the operating revenue and expenses for the Commissioners review.
- 8) Discuss consolidation workshop.
- a) The possible consolidation of Omro Sanitary District with the Algoma Sanitary District was discussed. Prior to a joint workshop, each side must put together their information.
    - i) Kevin said he has been brainstorming and would like to look at everything to see if there would be a net positive result for the Algoma Sanitary District. The possible consolidation would require a referendum on both sides. Kevin said he needs to sit down with Betty from Omro to get the fine details for the Omro Sanitary District.
      - (1) Kevin said for this to go forward, Algoma residents need to see if and how this is good for them.

- (a) Kevin had maps drawn up showing both Districts and the sewer treatment plants in the area. Ray mentioned that both sides need to also look at their protected areas.
  - ii) Ray said that each District needs to discuss the process for evaluating the consolidation and decide what criteria will be used and come up with objectives of what would make this a success for the District and then to set a final goal.
    - (1) The Commissioners decided to look at rates, staff, and support help, what would make this a success for each side.
    - (2) Ray said that benefits may not be co equal at certain points in time so you need to consider the short and long term benefits. If this can be achieved; the Districts can go to the next step. Ray said each side needs a fair opportunity to evaluate all necessary information and once this is completed, it can be combined. You should set a timeline. This must be completed prior to the next phase.
      - (a) For now, there needs to be discussions regarding objectives for both sides. The District's Commissioners on both sides need to do what is good for each particular District. This not may be what is good for both sides.
      - (b) Earl said he can sit down with Kevin for a couple of hours to get this started on Algoma's side.
    - (3) Ray will not make any recommendations whether this is smart for either side one way or the other or whether it is smart or not feasible.
  - iii) Mike asked where this originated.
    - (1) Kevin said the first call came to him from the PSC in which the rate analyst sounded like he didn't want to give out the possible water rates for Omro.
      - (a) This person was pursuing other options for the Omro Sanitary District and since he put this option in a letter to the Town of Omro Sanitary District, he then also contacted Kevin and gave him a copy of the letter indicating this as a viable option for the Omro Sanitary District to look at.
    - (2) Kevin said he is not spending too many hours on this yet. Kevin did throw together several brainstorming ideas that crossed his mind so far, such as legal, engineering charges, insurance costs, audit fees (John told Kevin it's pretty much one audit whether it's 500 or 5,000 customers and would cost the same because you still need to do the same basic level research) Workhorse costs would go down, Omro's \$4,000 town hall rent would be eliminated, and only one CCR report would need to be sent out.. The Commissioners told Kevin to continue to collect data.
  - iv) Alex asked how much time to give the Omro Sanitary District for the information and it was agreed to give 2 months. Alex said to also keep Dave Wagner in the loop with any information.
- 9) Adjourn.
- a) Mike made a motion to adjourn at 7:30/second-Alex/carried unanimously.

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

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

**Algoma Sanitary District #1**  
**May 13, 2010**

- 1) Commission President Earl Lawrence with Commissioners Alexander Irvine and Michael Gelhar present called the regular monthly meeting for May to order at 6:00 p.m. Also present were Kevin Mraz, Ray Edelstein, Joel Edson, Rose Mraz, Sue Drexler, and Betty Reimer.
- 2) Call to Order.
  - a) Earl noted that the District is using a tape recorder for the maintenance of the minutes. No one else is using one.
  - b) **Mike made a motion to approve the minutes as submitted for the regular monthly meeting on April 15/second-Alex/carried unanimously.**
  - c) **Alex made a motion to approve the cash receipts & investments report for April for sanitary and water as submitted including the balance adjustments/second-Mike/carried unanimously.**
    - i) Rose noted that there was a transfer of \$211,513.38 from sanitary to water for an adjustment made during the audit. The contract for sanitary mains on Witzel was transferred to the sanitary utility.
  - d) Approve pending bills for sanitary and water.
    - i) **Alex made a motion to approve the pending bills for May/second-Mike/carried unanimously.**
- 3) Public Forum – Betty and Sue attended to discuss items that are on the agenda.
- 4) Director's Report.
  - a) Review of District statistics – these were given out previously.
  - b) Correspondence
    - i) Kevin noted that the office is in the process of sending out the final notice for the remaining sump pump inspections to approximately 200 homes to be sure they are not pumping into the District's sanitary sewer.
  - c) Status of 2010 projects.
    - i) Kevin sent a question to the Town Clerk, regarding advertising with a temporary banner on the District's vacant lot for the open house on June 5 and she sent an e-mail back indicating that it is ok to have a temporary banner.
    - ii) NTD has a program built into the District's website indicating how many hits the site receives per day/month. The District averaged about 280 hits a month from March of 2009 to Feb. 2010.
    - iii) Kevin said he talked to two Town Board Members (Scott Groth and Sue Drexler) regarding the Public Fire protection fee. Kevin said he explained how this fee is derived and how the District makes up the difference between what the town collects and the amount required for the utility.
    - iv) The co-location rental agreement for the elevated tower is signed. Currently U.S. Cellular is developing their final building plans and submitting it to the Town of Algoma for the site plan review.
    - v) The Ormand Beach sewer service agreement has been recorded. Ray said this came about as the Town of Omro chairman didn't like that nothing was recorded. This simply shows that the Algoma Sanitary District is providing sewer service to them and will continue to do so even though they are not in the Algoma Sanitary District.
- 5) Report from Committees.
  - a) District Advisory Council - There was no meeting to report on.
  - b) Open House.
    - (1) Promotions.
      - (a) The Fire Department will charge \$1.50 for each ticket turned in. The Commissioners said to give out 100.
- 6) Old Business:
  - a) Discuss and act on Landscape Aesthetics Development Committee recommendations. Sue Drexler received a picture from Mrs. Leinweber showing Cyprus shrubs that she would like the District to plant. There was also a picture of a 15' hedge the Leinweber's would like on the berm. Earl said these may be nice shrubs on the side of the building.
    - (1) Sue said that Judy Leinweber could be the spoke person for the neighbors, but Kevin indicated he will talk to each neighbor to be sure they are in agreement. The Commissioners agreed that all the neighbors need to say yes and not just Judy.
    - (2) Kevin said he will touch base with a landscaper to obtain the root depth and the full grown size of the shrubs and trees to be sure they will not cause damage. The Commissioners asked Kevin to come up with a plan and cost it out.
    - (3) Ray said if the shrubs get large, there is future maintenance to consider and Mike said the City of Oshkosh cut some hedges down in the city as they needed a lot of maintenance.
  - ii) Sue asked what she should tell the neighbors and Earl said she can tell them that Commissioners will be taking action at the next meeting regarding financing and a plan for additional shrubbery.
- b) Discuss and act on Contract 1-1020 (Waldwic Lane Water Extension).
  - i) Receive easements.
    - (1) Kevin said he has 17 easements and asked if he should record them. Ray said his preference is to record the easements at this time as the easements can be released in the future if you want to. It was decided it would be a benefit to record the easements; therefore, the Commissioners decided to record the easements at this time.
  - ii) Award contract.
    - (1) This contract will not be awarded due to not having all the easements and also a lack of participation. Staff will send a letter to the residents informing them of this.
- c) Discuss and act on proceeding with Waldwic Lane easement water main loop extension.
  - i) This extension will not be completed at this time.
- d) Discuss and act on Contract 1-2009 Lutheran Homes declaring contractor Tenor Pipeline Construction, Inc. in default.

- i) Ray explained this started out with open communications and since has changed with requiring the District to send out additional paperwork. Ray will send out the paperwork required in order to declare Tenor Pipeline Construction, Inc. in default. Ray said the District must pay the retainage if it is requested in order for the bonding company to perform their obligations.
  - (1) There has been an additional vendor that Tenor Pipeline did not pay.
- e) Discuss and act on Town of Omro Sanitary/District #1 requests.
  - i) Water rate review that includes the Town of Omro Sanitary District #1.
    - (1) There was considerable discussion regarding the request for our District to have another rate review, and Earl said he is not sure this is what the Omro Sanitary District wants as it could give them higher rates. Earl said the numbers used would be higher than the 2008 numbers. Kevin said he also believes a new rate case by us would have their rates go up as the dollar values were very close to the final numbers. Kevin indicated he doesn't even know if the Algoma Sanitary District can go through another rate review this close to the previous one.
      - (a) Kevin said the PSC uses and analyzes all the District's costs. Earl said the District will submit if that is what they actually want.
      - (b) Kevin said the District's Step 1 increase was the first increase since 2003. Kevin said there are many hours and costs that go into a rate review and cost is what the District is trying to avoid.
      - (c) Betty said it is difficult to tell their water users that the water bill would raise to approximately \$205.00 for a family of 6 and Earl stressed again that going back to the PSC could increase this even more.
      - (d) Ray said that he is not taking a position one way or the other but there are 3 things that are public information causing the increase:
        - (i) Rate study from 2008
        - (ii) Lack of development numbers when the market fell.
        - (iii) Failure, neglect, and refusal of the Town of Omro to pick up the fire protection component; however, Ray said it isn't mandatory for the town to pick up this cost. Betty said the District has been asking for ½ and hasn't even received this amount.
      - (e) Earl asked if the District can obtain an evaluation rather than a rate case from the PSC or someone who reviews the numbers, such as an auditor, but he knows there would be a cost and the District will check.
      - (f) Betty said there was about a 12% increase in support services. Ray said in his dual capacity without being an advocate one way or the other, this could be negotiable, but he said this is not contributing in a massive way to the increase,
        - (i) Kevin told Betty he took some offence to this as at times he volunteers his time because he understands their situation and takes his lunch hour to drive through checking out things and does not bill it. Kevin said he bills what needs to be documented, whether meeting with the DNR, completing PSC reports and bacteria reports. Kevin said something is driving Omro Sanitary District's additional cost over and above the cost of water charges from the Algoma Sanitary District.
          - 1. Betty said she does appreciate Kevin's volunteer work, and she also volunteers and understands.
      - (g) Joel asked when the new numbers would need to be submitted. Kevin said you do not need another rate study until there is another infrastructure purchase which would be at 1900 customers based on more storage needs.
      - (h) Kevin was asked what impact growth would have in the Omro Sanitary District. Kevin said water rates are prorated for each customer which helps ratio's to go down. Kevin said if they increase by approximately 100 customers, they could probably go in for another study. However, Kevin said he believes the rate case used an assumption of customers at different years and at the test year.
        - (i) Ray said they did, but this was prior to the market going way down. They estimated about 100 to 125 total and only have half what was expected. Joel asked if our District is also below estimates, and Earl said we are just about right on with what has been used.
      - (i) Betty also questioned the original construction cost in the service agreement increasing by almost \$100.00 yearly. Earl said this is the cost of money and is also charged in the Town of Algoma.
        - (i) Earl said the pipe was put in and if in 10 years, someone wants to hook up, the District charges more.
        - (ii) Kevin has the service agreement that was signed by both municipalities. The breakdown included engineering, construction for wells and mains and does not compound.
        - (iii) Earl said Betty could cap this, but they would need to collect the difference in the water rates but they would go up even more and Kevin said these costs could be paid up front also to reduce the cost of money.
      - (j) Betty will go back and discuss a request for the Algoma Sanitary District to have a new rate review as their commissioners would need to make a motion. Earl thought their letter was their formal request.
        - (i) Betty said she doesn't know why the PSC requested a new rate case, and Ray said the PSC wouldn't know if the numbers are up or down until they receive the numbers.
        - (ii) Earl said if they really want the rate case, that the District will do it.
  - ii) Our commissioners agreed to sit down with the Omro Sanitary District, and learn what everything means for both Districts and identify who to bring in to review everything and set up a workshop. Alex said this will take time as there's so much involved with consolidation and this is something that does not occur often. Mike agrees with getting together.
    - (a) Kevin asked Betty what their turn around date is for the new rate and she believes it needs to be completed in early July.
  - iii) Earl said he wants both Districts to have a list of questions in order to have the right people present to answer them. It was chosen to have this June 28 at 5:30. Betty will confirm the date.

- (a) Earl said Kevin can work with both groups and arrange to have the correct people be it legal, financial, etc. Ray said until the dollars and cents are run, you won't know how this affects each side.

7) New Business:

- a) Discuss and act on the request from the Town of Algoma for a joint workshop to consider the creation of a storm water utility.
    - i) Set date of storm water utility workshop. Kevin said he forwarded information to Tim Blake to see what they want to discuss. This came about partly as the Town of Algoma is inundated with problems and calls regarding storm water and knows something needs to be done.
    - ii) The Commissioners discussed that there are 3 major areas that a storm water utility addresses and the importance of looking at these to come up with an agenda.
      - (1) Storm water flooding issues creating property damage and contaminating residential wells
      - (2) Quality of water that goes in the lake. This may need to be treated prior to entering the lake to reduce pollution.
      - (3) Dealing with ditches and what may be happening in front of someone's house.
    - iii) Ray asked about the study Strand originally completed and if there would be an overall change to this. Earl said this report was focused more on the storm water management in the Town, but it has not been implemented and Joel said there was a number of large retention ponds planned.
      - (1) Earl indicated this is where the District, as a utility, would start and not with the ditches.
      - (2) Joel said there are issues about money being spent on private land improvements. You may need larger easements to avoid private property.
    - iv) The District's Commissioners are open to discussing storm water and set this for June 3. This is a costly job to be taken on and needs to be discussed publicly and the District would want a town wide referendum. Joel said the drainage on the south end of the town is not as serious as the north side.
  - b) Discuss and act on auditor recommendations from the audit workshop.
    - i) Earl said the District acted on most recommendations already. The auditor is going to send a sample policy for fixed assets.
    - ii) Mike thanked Kevin, Rose and staff for all their work on the audit as this is a lot of work especially with all the building this last year.
- 8) Mike made a motion to adjourn at 8:00/second-Alex/carried unanimously.

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

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

**Algoma Sanitary District #1**  
**June 10, 2010**

- 1) Commission President Earl Lawrence with Commissioners Alexander Irvine and Michael Gelhar present called the regular monthly meeting for June to order at 6:00 p.m. Also present were Kevin Mraz, Ray Edelstein, and Rose Mraz. Those in attendance from the public were, Berniece Aronson, Paula-Rae Rost, Judith & Richard Leinweber.
- 2) Call to Order.
  - a) Earl noted that the District is using a tape recorder for the maintenance of the minutes. No one else is using one.
  - b) **Alex made a motion to approve the minutes as submitted for the regular monthly meeting on May 13/second-Mike/carried unanimously.**
  - c) **Mike made a motion to approve the cash receipts & investments report for May for sanitary and water as submitted including the balance adjustments/second-Alex/carried unanimously.**
    - i) There were no investment changes or balance adjustments.
  - d) Approve pending bills for sanitary and water.
    - i) **Alex made a motion to approve the pending bills for June/second-Mike/carried unanimously.**
- 3) Public Forum – those in attendance were here to speak on agenda items.
- 4) Director's Report.
  - a) Report of District statistics – this was sent out previously.
  - b) Correspondence
    - i) The PSC received the draft minutes from the Town of Algoma in regards to the Town of Algoma taking on 100% of the public fire protection. Dave Prohaska will be sending the District a new rate schedule based on the minutes.
      - (1) Kevin will find out from Joel when the District will receive the funds, in order to decide when to enact the new rate schedule.
        - (a) Earl said to make sure everything is approved prior to any adjustments so the Town board doesn't change their mind on this. If the check comes prior to the next meeting, staff can modify the bills.
  - c) Status of 2010 projects.
    - i) Elevated Water Tower cleaning
    - ii) The bottom of the tower has built up some dirt and mold and there are 2 methods for cleaning this.
      - (1) One is to have a device come down with rollers from the top of the tower which is robotically controlled from the ground. This sprays up and down similar to a power spray.
      - (2) The second way sprays from the ground and has more potential for human error and is more expensive.
      - (3) The District has this task in the budget and chose the first method.
    - iii) There were a number of applications received for the accountant position with 4 interviews set up so far.
      - (1) Some applicants are right out of college and some have experience.
      - (2) Earl said he will bring in a pay range for this position and check it with the pay range that Kevin put together. The District will stay between 90 and 110 percentile of the rates for this area.
    - iv) Sanitary District's open house
      - (1) There was a good turn out with approximately 60 residents attending.
        - (a) There were 16 coupons turned in at the Firemen's picnic for a free hot dog.
- 5) Report from Committees.
  - a) No workshops to report on.
- 6) Old Business:
  - a) Discuss and act on Landscape Aesthetics Development Committee recommendations.
    - i) There was discussion with the neighbors present regarding the District's landscaping and their view of our building. Kevin said that what he is hearing from the neighbors is to target the berm to break their view of the District's building.
      - (1) Earl said that all the properties except one has shrubbery along their own backyard and when the District is looking to plant shrubs on the berm, there may not be a need to plant on the complete berm.
      - (2) Kevin said that staff can send a laser beam from the neighbors' homes to the District's building to see what areas to target to address their concerns as planting shrubs may not be the answer to their concerns.
        - (a) Earl asked if staff has permission to go on their property to see where to put the stakes for possible planting. They agreed to staff doing this and going on their property.
        - (b) The height of the evergreens needs to be determined. The commissioners asked Kevin to come up with a plan within the next 2 weeks to have pictures to bounce off the landscaper so at the next meeting, the Commissioners will have feedback as to planting.
    - ii) Mr. Leinweber asked what type of pipe is in the berm, and Kevin explained that there is a solid plastic pipe in the berm. The District is concerned where the fittings are so that the roots do not wreck pipes in the future. Kevin needs to obtain the size of the root ball from the landscaper yet as they didn't send it with the other information.
    - iii) Kevin said he also needs approval for the landscaping from the neighbors that are not in attendance at the meeting.
    - iv) Alex said that some evergreens get wind damage and also what to do if branches break off.
      - (1) Kevin will check warranties.
      - (2) Mike asked if the height of the trees will affect the lighting for security reasons. Kevin said if the shrubs are planted on the berm, it's not as easy for someone to hide, but it doesn't allow the neighbors to see if something is going on.
        - (a) The neighbors said there are a number of people coming in and going behind the building quite often. Kevin said the District does have security measures in place. Kevin said staff was called in twice in the last month, but



at reasonable times. The Fire Department used the building for training purposes on one occasion, but this would not be an ongoing situation.

- v) Earl asked the neighbors, what they thought of a mural along the side of the building, and Mrs. Leinweber said it would be tacky.
- b) Discuss and act on contract 1-2009 Lutheran Homes declaring contractor Tenor Pipeline Construction Inc. in default.
  - i) Ray said this is going along better than last time. The bonding company started to pay the vendors that Tenor Pipeline did not pay. Michels Materials was paid and said they will remove their lien on the bond.
  - ii) Kevin submitted to the DNR the notice for termination of erosion control. The DNR asked for a few pictures and when received, they should close this erosion control site. The grass is growing and everything required by the DNR to be done during their phone call has been completed. The silt fence needs to be removed, but not until the DNR approval.
- c) Discuss and act on town of Omro Sanitary District #1 requests.
  - i) Earl asked if they are going to ask for a review of the water rates and Ray said he didn't think so because when Betty attended our previous meeting, and based on Kevin's belief to be careful of what you ask for as it could be worse; they chose not to ask for this. Earl reinforced this statement.
    - (1) Omro Sanitary District has a hearing set up with the PSC for July 12.
  - ii) Consider a consolidation with Town of Omro Sanitary District #1.
    - (1) Possible consolidation was discussed and the commissioners agreed to proceed with a joint workshop to determine if this would be positive for residents in both Districts as it may be the right thing to do.
  - iii) Discuss and prepare for June 28 at 5:30 for a joint consolidation workshop.
    - (1) Kevin put together a power point presentation for the workshop and discussed the slides.
      - (a) There are many issues that need to be discussed to come up with a beneficial plan for both sides.
- 7) New Business.
  - a) Discuss and act on the Storm Water Utility workshop held on June 3, 2010.
  - b) The District held the workshop and presented a power point presentation.
    - i) Earl asked Kevin to send a copy of the presentation to the Town of Algoma Board Members.
- 8) Discuss and approve the 2009 annual resolution from the Department of Natural Resources "CMAR" Compliance Maintenance Annual Report. This report was discussed in detail and the District received an A.
  - a) **Mike made a motion to approve the Department of Natural Resources Compliance Maintenance Annual report under resolution number 2010-06-01/second-Alex/carried unanimously.**
- 9) Adjourn.
  - a) **Alex made a motion to adjourn at 7:20/second Mike/carried unanimously.**

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

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

**Algoma Sanitary District #1**  
**July 8, 2010**

- 1) Commission President Earl Lawrence with Commissioners Alexander Irvine and Michael Gelhar present called the regular monthly meeting for July to order at 6:00 p.m. Also present were Kevin Mraz, Joel Edson, and Rose Mraz. Those in attendance from the public were, Berniece Aronson, Paula-Rae Rost, Judith & Richard Leinweber.
- 2) Call to Order.
  - a) Earl noted that the District is using a tape recorder for the maintenance of the minutes. No one else is using one.
  - b) **Alex made a motion to approve the minutes as submitted for the regular monthly meeting on June 10/second-Mike/carried unanimously.**
  - c) **Mike made a motion to approve the cash receipts & investments report for June for sanitary and water as submitted including the balance adjustment/second-Alex/carried unanimously.**
    - i) There were no investment changes. There was one balance adjustment for an assessment for the Bellhaven Sprinkler Assessment in the amount of \$7,716.18 which will be paid over 20 years and was assessed in 2009.
  - d) Approve pending bills for sanitary and water.
    - i) **Alex made a motion to approve the pending bills for July as submitted with the addition of an invoice for Hawkins Water Treatment for chemicals in the amount of \$801.35/second-Mike/carried unanimously.**
- 3) Public Forum – those in attendance were here to speak on agenda items.
- 4) Director's Report.
  - a) Report of District statistics – this was sent out previously.
  - b) Correspondence
    - i) Joel sent Kevin a copy of a rate increase from the Town of Menasha showing their wholesale water rates went up by 20%.
  - c) Status of 2010 projects.
    - i) There's a new disinfection by-product sampling requirement from the DNR that the District needs to complete before September. This is considered one sample which the DNR is requesting from 3 locations. Kevin said he sent in a request to reduce or remove the sampling requirement as there is a waiver if you are pulling from one aquifer which the District is doing.
      - (1) This test is for HAA5 and TTHM's and you sample during your maximum residency time.
    - ii) Emergency lighting for this building - the state inspector completed the 2nd walk through for our new building, the initial one was before we occupied the building. Previously, the inspector found lighting not in compliance; therefore, the District did \$13,000 worth of changes through the engineer to correct this. Now the inspector said there still needs to be 1' candle of light for egress.
      - (a) The e-mail from Strand said that we need \$16,000 worth of equipment to correct this so at this point in time Kevin told Strand to hold off. Kevin said he purchased a \$280.00 light tester that is NIST certified and staff is working on completing this for \$2,000 to \$2,500.
        - (i) Staff will be purchasing inexpensive battery backup lights to have 1' candle everywhere. The District has a certified electrician to do this.
        - (ii) In the worse case scenario the District may need to purchase trailer mounted lights with a switch gear that would cost a lot less than what Strand is quoting.
          1. Earl asked about the generator in the building that will power everything except the air conditioner if power goes off. Kevin said the state inspector says that you need a separate switch gear to power the emergency lighting in case there is a short in the building. The cost to change this would cost more than \$16,000. Kevin wanted the commissioners aware that there will be some purchases for this and the commissioners agreed to do the work for less than Strand's quote.
    - (b) Earl asked if there is a warranty issue involved here.
      - (i) Kevin said there is a discrepancy between what the state inspector and our engineer is saying. The inspector said that the rules haven't changed since 2000 and 2006. Strand is saying that there was a rule change that the inspector is following since they drafted our documents. Kevin said he told Strand to have this discussion with the state inspector due to the discrepancy between both of them.
  - iii) Strand said the engineering budget is spent. Strand said they spent the entire cost for the amendments to do the inspections and observations here and are asking for a change order and Kevin told them no. Kevin said there is a line item in the contract for inspection for defective work that they didn't bill to the contractor.
    - (1) Kevin asked Strand for a list detailing defective work and they said they do not do this.
    - (2) Strand still needs to do the final inspection; however, the contractor hasn't given them written notice that they completed everything which will start the one year warranty. The contractor, Selmer, may argue that it starts with the final pay request.
      - (a) Kevin said the final inspection for Strand is under the covered task order cost already paid to them so the District shouldn't get a bill from them.
      - (b) Some of the landscaping ditch has a 6 inch dip so Kevin said he is still working on this with the contractors.
  - iv) The tower cleaning was completed. Kevin had pictures to show how well it was cleaned. There are 3 spots on the ball that may need painting but Kevin is waiting until the cell company completes their work in case they scratch anything. The District was quoted \$1,800 for this with mobilization being the highest portion of the cost. Alex asked if this was corrosion and Kevin said he doesn't have the answer to this.

- (1) The jetting and televising this year has been productive. The District found at least 35 gallons per minute of leaks that we are in the process of repairing. This equates to 50,000 gallons a day reduced by these repairs.
  - (2) One inflow was due to a water softener that was recycling every 5 minutes. It's not a sump pump but is equivalent. The woman let the District's operator in to see what was going on and her softener cycled twice while they were talking. She was happy to have this found.
  - (3) On Prairie Wood they found a 2 inch future shower connection in the basement of a house where the pipe was off and all the water under the house was going into the sewer instead of going through the sump pump. This was also repaired.
  - (4) Laterals that were leaking at the main wye connection were repaired by the District. Homeowners have been notified to repair leaks outside of the property line.
- 5) Report from Committees.
- a) No workshops to report on. The District will schedule a workshop in September and will discuss possible consolidation with the Omro Sanitary District and also to discuss storm water.
- 6) Old Business:
- a) Discuss and act on Landscape Aesthetics Development Committee recommendations.
    - i) The neighbors agreed they prefer the District plant Arborvitae to Spruce trees. They would like something similar to what is in Berniece's yard.
    - ii) The District put simulated shapes for trees on the berm to be sure where the neighbors would like the trees planted. The District is still working with the neighbors on placement of these trees and will continue to do so. **Earl made a motion to approve the expenditure of \$3,000 on Arborvitae along the berm at the locations where the simulated trees are located per the residents' request with the discretion of staff to increase height and width in coordination with the residents/second-Mike/carried unanimously.** Kevin told the neighbors that these may not be planted until fall as it is currently too hot.
  - b) Paula said that the light by the flag pole shines into her house and she would like it turned up more. Earl said perhaps we need to put sheet metal on the side if necessary.
  - c) Discuss and act on preparation for joint consolidation workshop scheduled for August 30 with Town of Omro Sanitary District #1. Kevin will verify the time.
    - i) Kevin is working with Dave Wagner to be sure the financials are together for the August workshop.
    - ii) There was discussion regarding what the commissioners would like prepared for the workshop, and Earl said at next months meeting to segregate a period of time for a presentation to walk the commissioners through a couple of scenarios.
      - (1) The commissioners requested a power point showing if we do this, this & this here is what it means. Mike said it sounds like Kevin has this info and just needs to put it together.
      - (2) Kevin asked Joel if he knows how we can handle the mil rate – can it be different inside the boundary. Currently the District tells the city of Oshkosh the amount needed and they collect the ad valorem tax from City of Oshkosh parcels. Joel said he would call the Town's Association.
      - (3) The fire protection fee would be different as the Town of Algoma now picks up the entire amount, and the Town of Omro does not pick any up. The PSC said that for 2 to 5 years they will allow different charges for water rates.
      - (4) Currently Omro finances their developers until something is built and the Town of Algoma does not.
      - (5) The Town of Algoma hasn't required new developers to use the municipal water system. Brand new developments could be required by the town to connect to the municipal water system, but Earl said that most developers want sewer & water available and do not wish to drill wells.
- 7) New Business.
- a) Discuss and act on receipt of Fire Protection Fee from the Town of Algoma.
    - i) The District received the check from the Town of Algoma to cover the entire amount of the Fire Protection Fee that the District needed to collect for 2010 for Algoma. .
      - (1) On the 2<sup>nd</sup> quarter water bill just sent out to water users, the fire protection fee was reduced to zero. Kevin said the first quarter water could be credited back to the users. Earl said if the check covers the entire fire protection, the commissioners would rebate the first quarter on the next bill. Joel said this showed good spirit from the Town Board.
      - (2) **Alex made a motion to provide a Fire Protection Fee credit on the next water bill for the first quarters' fire protection charge based on the property served; new users would not receive a credit/second-Mike/carried unanimously.**
- 8) **Mike made a motion to adjourn at 7:20/second-Alex/carried unanimously.**

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

Approved: \_\_\_\_\_  
Earl Lawrence

**Algoma Sanitary District #1**  
**August 12, 2010**

- 1) Commission President Earl Lawrence with Commissioners Alexander Irvine and Michael Gelhar present called the regular monthly meeting for August to order at 6:00 p.m. Also present were Kevin Mraz, Ray Edelstein, Joel Edson, and Rose Mraz.
- 2) Call to Order.
  - a) Earl noted that the District is using a tape recorder for the maintenance of the minutes. No one else is using one.
  - b) **Alex made a motion to approve the minutes as submitted for the regular monthly meeting on July 8/second-Mike/carried unanimously.**
  - c) **Mike made a motion to approve the cash receipts & investments report for July for sanitary and water as submitted/second-Alex/carried unanimously.**
  - d) There were no investment changes or balance adjustments.
  - e) Approve pending bills for sanitary and water.
    - i) **Alex made a motion to approve the pending bills for August as submitted/second-Mike/carried unanimously.**
- 3) Public Forum – there was no one in attendance from the Public.
- 4) Director's Report.
  - a) Review of District statistics. This was given out previously.
    - i) There have been 20 sewer connections to date and the District targeted 27 for the year.
    - ii) There have been 34 water permits to date which exceeds our expectations of 29; 14 of these are for existing homes.
  - b) Correspondence.
    - i) The District is sending out approximately 123 letters to residents that have not had their sump pump inspected to date. The letters include a scheduled appointment date & time.
  - c) Status of 2010 projects.
    - i) Update of long range state of infrastructure facilities plan.
      - (1) The operators will update the flow rates at the stations to have current information since the pumps have been updated.
      - (2) The GIS maps are being updated to show locations of new pipes installed.
    - ii) Grouting and repairs of sewer mains.
      - (1) Great Lakes were here on Monday and Tuesday and grouted some of the wye's and manholes that have leaks.
    - iii) Hydrant painting.
      - (1) The operators have been working on sandblasting hydrants and then painting them Mike asked what they wear for protection and Kevin said they wear shields and air filters to protect their face and lungs. The rain slowed the work slightly as you need about 2 days for the hydrants to dry prior to painting.
- 5) Report from Committees.
  - a) There were no meetings. The District will schedule a meeting in September to meet with the District Advisory Council to discuss possible consolidation with the Omro Sanitary District.
- 6) Old Business.
  - a) Discuss and prepare for second consolidation workshop with Town of Omro Sanitary District #1
    - i) There was discussion on the power point presentation and various spreadsheets that Kevin put together for the next consolidation workshop. Our Commissioners agreed that they would like several items discussed at the workshop:
      - (1) Objectives.
        - (a) Each District should discuss their objectives again.
      - (2) Understanding.
        - (a) Provide a clear understanding of the situation and what may and may not be completed during a consolidation.
      - (3) Education.
        - (a) Determine if it is economically beneficial to proceed.
          - (i) The goal of the meeting will be to determine if it is economically beneficial on both sides and does this justify going further.
          - (ii) Kevin was asked to put together a series of slides to explain key points – assumptions & outcome. The District will use estimated totals and include the source of information on the slide. It was recommended that the last slide shows an estimated percentage of error – showing a high and low %. If construction picks up the numbers would look better. If was requested to keep the slides with basic information at this point.
      - (b) Two items need to be cleared up.

- (i) Mil rate. Ray said this needs to be cleared up as it's hypothetical at this point if you can equalize the mil rate to have different rates for a number of years.
  - (ii) Fire protection is another question. Omro water users pay this completely, as the Town of Omro has not picked up an amount to put on the tax roll for all residents in the Town. The Town of Algoma now puts the entire fire protection fee on the tax roll.
- b) Discuss storm water management issues.
- i) There was not action to take at this time.
- 7) New Business.
- a) Discuss and act on Strand Task order 09-06 design relocation and installation of manhole 26.6.
- i) Kevin said he had a task order from Strand to design this extension and the original showed the infrastructure costing \$6,000 and their engineering being \$1,300 to do the design. Strand, since then, revised their engineering design twice – the second increased design work to \$4,000, and the third to \$6,335. Kevin asked Pat Rank how the cost was decided and Pat said \$3,450 for design and the balance for the DOT meeting & paperwork.
    - (1) Kevin said he doesn't feel that \$6,335 is a fair price to pass on to the DOT so he contacted Omni Associates to receive a cost estimate from them. Omni was going to send the estimate by e-mail by 4:30 today, but unfortunately we had a power failure and NTD was unable to send over the e-mails. Omni said this relocation would just take a minimal of engineering so Kevin advised the Commissioners not to approve Strand's task order 09-06. The Commissioners chose to set up a special meeting when the task order from Omni is here.
    - (2) Kevin said this manhole needs to be moved to the West about 200' and said the engineering is so miniscule that Strand's proposal of probably cost is too high. The commissioners agreed that the District needs to pay attention to costs and Strand's have been getting very high. Kevin said there have been a number of engineering firms that have come in wanting to work for the District and this is a good project to try another engineering firm and see how they do.
- b) Discuss and act on DOT utility agreement for relocation of utilities within Hwy 21 right of way.
- i) There are two documents the DOT would like signed and Ray said given the fact that the District is moving the manhole out of the area, it is ok to sign, otherwise he would disagree with some of the wording. The manhole left in the ground will not be used. **Mike made a motion to resolve that the District is approving the temporary construction easement and conveyance of rights in land for the DOT project 11-20-11-75/second-Alex/carried unanimously.**
- c) Discuss and act on the three year Audit proposal prepared by Baker Tilly for years 2010, 2011, and 2012.
- i) This will be put on the next meeting for action. John Andres will get back to Rose if the District needs to have the single audit.
- d) apwn of Algoma request to discuss County E drainage.
- i) Kevin put together a report regarding the timeline for the County E drainage which Earl requested and this was sent to the Commissioners previously. The District checked and there are no leaks in the mains.
    - (1) Joel said that John Hayes told the homeowners that the County will be checking the ditch weekly through the winter to see what is happening.
- 8) Adjourn.
- a) **Mike made a motion to adjourn at 7:20/second-Alex/carried unanimously.**

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

Approved: \_\_\_\_\_  
Earl Lawrence

**Algoma Sanitary District #1**  
**September 9, 2010**

- 1) Commission President Earl Lawrence with Commissioners Alexander Irvine and Michael Gelhar present called the regular monthly meeting for September to order at 6:00 p.m. Also present were Kevin Mraz, Ray Edelstein, Joel Edson, Michael Claffey, and Rose Mraz. Nobody was in attendance from the public.
- 2) Call to Order.
  - a) Earl noted that the District is using a tape recorder for the maintenance of the minutes. No one else is using one.
  - b) **Alex made a motion to approve the minutes as submitted for the regular monthly meeting on August 12 and the special meeting on August 18/second-Mike/carried unanimously.**
  - c) **Mike made a motion to approve the cash receipts & investments report for August for sanitary and water as submitted including the balance adjustment/second-Alex/carried unanimously.**
    - i) There were no investment changes. There were two balance adjustments, one for Roger & Beth Koepsel reducing their amount owed by \$220 and writing off Roger and Ruth Wilde balance of \$1.55.
    - ii) It was also noted that there was a rebate from the workman's comp insurance. Congratulations to Kevin for helping keep it low and earning the rebate by keeping a safe work environment.
  - d) Approve pending bills for sanitary and water.
    - i) **Alex made a motion to approve the pending bills for September as submitted/second-Mike/carried unanimously.**
    - ii) It was noted that the audit from Baker Tilly from last year was an additional \$1,120 for extra bookkeeping work. This should not be the case next year.
    - iii) The seminar offered by Baker Tilly was listed as two separate items since part of the cost will be charged on the credit card and part of it will be paid by check.
- 3) Public Forum – no one is present, so there are no issues to be discussed.
- 4) Director's Report.
  - a) We welcome the new accountant, Michael Claffey, to the meeting. It is good to have him part of the team.
  - b) Correspondence
    - i) Received a letter from Paula Rost thanking us for purchasing trees and planting them on the berm.
    - ii) Light shields were purchased and installed for less than \$10 to block the light from the flagpole inside her house.
  - c) Status of 2010 projects.
    - i) Utility estimation report was submitted to the DOT for the road project on Highways 21 and 41.
      - (1) 100% Reimbursement project for Force Main on Washburn through Highway 21 for when the highway is rerouted over Highway 41. The report was an opinion of probable cost because of the easement we have for the property in question. This project is scheduled to begin March of 2012. This planning report was submitted to help the DOT estimate their cost, and the revisions once the bids are received will be resent to them subject to +-20% cost changes. Our rights to the land are changing from an easement to a road right-of-way as part of this agreement.
      - (2) There are multiple 90% reimbursement cost projects in the works, including changes to the 18" PVC sanitary sewer main and the 200 feet of Brooks Lane force main replacement for a total cost of \$125,000, of which we would need to pay 10% or \$12,500 in 2012. This amount would need to be budgeted under our capital improvement section of 2012's budget. Strand reviewed the project to make sure that these changes had a negligible effect on our gallons/minute sewage flow discharge. We have to move the manholes outside of the new roundabout at the Highway 21 and Brooks Lane intersection. The current force mains are in good condition and are in no need of complete replacement, even though they are the oldest ones in the District. They are made of ductile iron pipe and should be good for quite some time. The 4" ductile pipe could be lined to repair it in the future. To increase the flow if necessary due to increased development in the future the pipe would need to be upsized at the developer's cost.
    - ii) The one last property that was part of the Witzel Avenue extension will be connected shortly. The owners have had various personal issues in the past but have recently hired a plumber to begin connection next month. If this fails to progress, the county may take necessary action first since they should take the lead in enforcement and testing matters.
    - iii) ARRA change order #4 from Selmer was \$5,928.16 and from contingency was \$1,866.09. We will be submitting a pay request to receive the additional money we are entitled to, either the \$5,928.16 or the entire amount of \$7,796.38. We will be contacting Bob Hannes to determine what amount we need to apply for. This will be a part of the final retainer of around \$66K that was held back until the project was complete. Normally the engineer would be filling out this paperwork, but we are doing this ourselves to save some money.
      - (1) ARRA funding grants have been exhausted according to Linda Miller at the DNR. We may be eligible for additional Safe Drinking Water loan funding of our eligible balances if we apply for it. We are having Ehlers review this to see how it fits into our overall cash flow picture. It would save the District \$70K over 20 years even after the \$10K application costs. We will check with Linda to see how much money will be available if we were to choose to apply for this. The application is due by December 31, 2010.
    - iv) There was a power failure here at the building on the date of the last meeting until around 1 AM. We are looking at analyzing the replacement of our generator at the Shorehaven Lift Station and the need for possible upgrades in equipment and power requirements. One possibility is acquiring a 2<sup>nd</sup> trailer so we can use both portable generators at multiple stations.
    - v) At Well #2 by Addie Parkway our Programmable Logic Controller computer on the electronic boards was hit by lightning and needs to be replaced. The cost of replacing this would be between \$5K-\$10K, \$3K of which being hardware costs alone. We called the Local Government Pool Insurance Company and submitted a lightning claim for this

damage, and we were notified that our premium would not increase as a result of doing this. The lightning was able to bypass our system that was in place to prevent this due to the unique things that lightning can do. Earl inquired about a better isolation circuit being installed to prevent this. Kevin said that may not help due to the unique nature of lightning, and the current systems we have include preventative measures but they failed to stop it. We could not determine that exact location of where the lightning struck. Tonka replaced the program, and when we had continued heartbeat failures LW Allen came in to replace all of the panels.

- 5) Report from Committees.
  - a) The District has scheduled a District Advisory Council workshop for Thursday September 16 at 7 P.M. This is another opportunity to publicly discuss possible consolidation with the Omro Sanitary District.
- 6) Old Business.
  - a) The second workshop on the Town of Omro Sanitary District was delayed. The rescheduled date will be on Wednesday September 15 at 3:30 P.M.
    - i) We are waiting for the cash flow schedules from Ehlers with the projections from the consolidation.
    - ii) Kevin had a meeting with Betty for a few hours yesterday to go over some of the things regarding the consolidation and what would happen after it occurred. He described the numerous cost savings that would occur and how the new District would function.
    - iii) A big issue that was brought up was the indebtedness of the Omro Sanitary District and how that debt repayment would be covered under the combined entity's operating revenues/cash reserves.
    - iv) In the proposed arrangement, the cost of commissioners, auditors, and lawyers would be cut in half.
    - v) There is also the need to have a referendum question passed from both Districts.
    - vi) The Town of Omro's land use plans that were passed need to be reviewed to see how they would work for the combined district.
  - b) Town of Algoma has not acted on the addition of around 30 properties to the Algoma Sanitary District.
    - i) Kevin has been e-mailing Char once a month since April requesting action from the Town.
    - ii) Ray said to send a letter to Burt and cc the town chair and we need an answer as to the next step to take. We should also let the town know the results that inaction on this issue has caused. They are in essence raising taxes on the residents that are already in the District by failing to act on adding these properties to our equalized value.
- 7) New Business.
  - a) Award the contract for Manhole 26.6 relocation construction project to Dave Rabe Trucking and Excavating, Inc. Staff has received three quotes and some have not included asphalt in their bids. This company has been used before, is a qualified bid, and is below the \$25,000 public bid limit. **Motion made to award contract by Mike and seconded by Alex/carried unanimously.**
  - b) Hydraulic Pipeline Saw purchase approval for \$2,900 and pipe clamp assembly \$478 was brought up for discussion. Kevin discussed the benefits of purchasing the saw, the #1 benefit of which is safety. The saw comes with a clamp to hold the pipe of up to 12" in place while cutting it. There is no need to purchase a new hydraulic pump since the one we have works fine. This purchase was in the budget for this year. **Motion made to approve purchase by Mike and seconded by Alex/carried unanimously.**
  - c) Audit Proposal approval. The proposed amount of the 3 year contract for the annual audit was \$12,500 for the first year, with a \$500 increase for each of the following 2 years. Also included was the special audit fee of \$2,500 if we have more than \$500K of federal grant money and \$1,500 per year for the completion of the PSC Report. We would probably not need to have the special audit next year and may be able to avoid having them do the PSC Report due to having an additional staff accountant to help with the Report. If there would be additional work necessary regarding district consolidation being approved, that would be over and above the proposed cost. Baker Tilly has utility teams with utility industry experience available for advice, and this is something to consider. **If they are willing to clarify the two clauses discussed, a motion was made to approve the audit by Mike and seconded by Alex/carried unanimously.**
  - d) Budget Workshops. We would like to schedule budget workshops coming up by the end of the month so that the Budget would be ready for discussion and approval at the October meeting. The first workshop is scheduled for Thursday September 30 at 4P.M., and the review of the changes is set for Wednesday October 5 at 4P.M.
- 8) **Mike made a motion to adjourn at 7:25/second-Alex/carried unanimously.**

Respectfully submitted: \_\_\_\_\_  
Michael Claffey, Accountant

Approved: \_\_\_\_\_  
Earl Lawrence

**Algoma Sanitary District #1**  
**October 14, 2010**

- 1) Commission President Earl Lawrence with Commissioners Alexander Irvine and Michael Gelhar present called the regular monthly meeting for September to order at 6:03 p.m. Also present were Kevin Mraz, Ray Edelstein, Michael Claffey, and Rose Mraz. Joel Edson was absent. Nobody was in attendance from the public.
- 2) Call to Order.
  - a) Earl noted that the District is using a tape recorder for the maintenance of the minutes. No one else is using one.
  - b) **Alex made a motion to approve the minutes as submitted for the regular monthly meeting on September 9/second-Mike/carried unanimously.**
  - c) **Mike made a motion to approve the cash receipts & investments report for September for sanitary and water as submitted including the balance adjustment/second-Alex/carried unanimously.**
    - i) There were no investment changes. There were two balance adjustments, one for writing off some small balances totaling \$7.39 and a duplicate billing for \$25.
  - d) Approve pending bills for sanitary and water.
    - i) **Mike made a motion to approve the pending bills for September as submitted/second-Alex/carried unanimously.**
      - (1) Two invoices to add, LSS for \$277.18 for safety supplies and uniform reimbursement for \$208.92.
- 3) Public Forum – Dan Benson is present, but there are no issues to be discussed.
- 4) Director's Report.
  - a) Correspondence
    - i) The Omro Sanitary District was in the paper on multiple occasions regarding their large water rate increase.
  - b) Status of 2010 projects.
    - i) Finished Manhole 26.6 over by Norm Mueller's which was moved due to Highway 41 construction. The main was either plugged or capped and has now been properly sealed.
    - ii) Great Lakes sealed up a 5 gallon/minute leak on Willow Bend today over by the Brooks Lane Lift Station.
    - iii) Staff will be installing a door alarm on the water tower to monitor when anyone is opening the door there, with a notice sent to the operator's pager. Recommendation to contact Sheriff's Office regarding facilities monitoring and keeping in touch regarding a review and familiarization of our security plan. There may be a need to give a tour of the location for Police to be able to get a view of the layout in case an incident occurs there in the future.
    - iv) Staff is working on installing a hatch to be able to install a mixer over by Shorehaven Lift Station if approved. We have a skid steer on site in the shop on a trial basis to see whether or not we like it. We could use it to raise things up and into the shop area upstairs. This one is a used one that has around 600 hours of usage on it.
    - v) Review each commissioner's April reelection dates. Mike Gehler is up for election in 2011, Alex Irvine in 2013, and Earl Lawrence in 2015.
    - vi) Reviewed a chart on 2010 peak water hourly flow rates during the summer, using August as an example, which would be used to judge system capacity. There is a peak demand from 6-7 A.M. and slows down at night. This is analyzed to make sure that, as our water users increase, the system is able to meet the higher demand.
    - vii) There was a concern at the end of one of the Omro water lines. The Omro Sanitary District Operators may need to flush the system more frequently to keep up the water quality. The average Algoma resident uses about 17,000 gallons/quarter, which is about average according to the PSC. The average Omro resident uses only 10,000-11,000 gallons/quarter, which is why they need to flush their dead ends more often to keep water fresh. Due to the water rate increase, Omro recently has changed their directive for flushing from doing it every two months to whenever a resident calls to complain about the water. We need to make sure to monitor that Omro is meeting minimum flushing standards.
- 5) Report from Committees.
  - a) The District held a District Advisory Council workshop on Thursday September 16 at 7 P.M. This was an opportunity to publicly discuss possible consolidation with the Omro Sanitary District. There needs to be a benefit and/or savings to both the Algoma and Omro water and sewer user to make the consolidation beneficial and be approved by the voters of both sides.
- 6) Old Business.
  - a) The third workshop for the Town of Omro Sanitary District consolidation will be in December. The exact date and time are to be determined.
    - i) There is no election in November 2011, so this item could be scheduled on the ballot in April of 2011 or 2012.
    - ii) To put the size of the current Omro Sanitary District into perspective, the equalized value of the portion of our District in the City of Oshkosh is \$150 Million, while the equalized value of the Omro Sanitary District is around \$70 Million.
    - iii) The maintenance cost per water and sewer connection in Omro is higher, with 30 grinder pumps and 5 lift stations for a smaller number of users.
- 7) New Business.
  - a) Discuss and act on the annual budget for publishing in the newspaper and set a date and time for the public hearing.
    - i) Reviewed the revised budget assumptions that were agreed upon at the Budget Workshop on September 30. The tax levy in the proposed budget will increase 1.83%. The Sanitary side will increase total revenues and expenses by around 3%. The wages and maintenance expense accounts changed based on where the resources are being allocated to certain areas versus where we were last year. The capital outlay has increased because \$80k has been allocated to the purchase of a wheeled excavator.
    - ii) On the water budget, the percentage that is published in the paper is the total percent change of revenues and expenses, which was around 10%. The biggest expense item in the budget was interest expense, which showed a 25% increase. For



Utilities Expense, we had to account for the change this year in utilities usage from the new building plus a 6.9% electrical rate increase and a 1.2% gas rate increase proposed by WPS.

- iii) The Commissioners discussed a need to have a cash reserves goal in place to meet 1 year's operating expenses plus the cost of a major emergency repair and the cost of upgrading the Oshkosh Treatment Plant to 1.5 Million Gallons/Day. According to these parameters, the amount of cash necessary to cover these items would be \$2.9 Million. As of now, the Sanitary Utility currently has \$1.48 Million of cash on hand and the water utility has \$1.3 Million of cash on hand. There are a few challenging years ahead until principal and interest payments start declining, and this should be kept in mind when preparing the annual budget in the future and trying to put off major purchases in order to stay on target. The two things we are looking at to try to meet this cash reserves requirement are the monitoring of the annual budget and refinancing both our GOB loan coming due in 2013 and a higher interest loan from the State Trust Funds to a lower interest rate.
  - iv) We made calls to other communities regarding our increase in health insurance premiums under the Wisconsin State Trust Funds Health Insurance Plan. The City of Oshkosh has a monthly family health insurance plan premium of around \$1,900, which is a self-funded plan managed by Prairie States. The Winnebago County monthly insurance plan is around \$1,750, which is around the same cost as the State of Wisconsin plan next year. It was suggested to research other plans in the area next year to see where they are in price and to make sure that the price that we are paying is not out of line with others in the area.
  - v) The topic of a proposed purchase of a wheeled excavator was discussed. We have our application in to the federal surplus materials sales site and they are searching their database for used equipment. We have also searched the site for Wisconsin material but with no luck. We checked with FABCO regarding the lease of an excavator, and the problem with that would be that it could only be done with a new machine which would be valued at around \$250K. We would then be paying an interest rate of 3.5% on the value of the machine over the term of the lease. The price of purchasing a used excavator through them would be around \$85K.
  - vi) We have reviewed our options for refinancing with Dave Wagner from Ehlers & Associates regarding when the optimal time for refinancing would be. Our loan comes due in 2013, and the earliest that it could be refinanced would be March of 2011. He recommends starting the planning process for this in November of 2010 so that the sale of the bonds could begin in February 2011. The total loan payments if we are able to refinance at the current rates in early 2011 would be around \$17.7 Million, with a savings of around \$50K if we were to wait until 2012. But, the potential risk would be around a \$250K total payment increase if rates increased by only 1% before we were able to refinance. He recommends starting this process in November to be able to lock in these low rates as soon as we could, since the increased savings was not worth the risk. It was decided to notify Dave and put the potential bond sale on the November meeting agenda.
  - vii) **Motion made to approve budget for publishing by Alex and seconded by Mike/carried unanimously.** The public hearing for the budget will be set for November 11 at 6:00P.M., followed by the monthly meeting.
  - b) Audit Proposal from Baker Tilly. The changes that were adopted from the last meeting were approved by Baker Tilly and inserted into the contract. If a consolidation with Omro were to happen, the audit contract would need to be renegotiated. **A motion was made by Mike to approve the audit as changed and seconded by Alex/carried unanimously.**
  - c) Capital Purchases: Purchase of an Aluminum Trench Box was discussed to improve employee safety while making cuts to sewer and water pipes. It is big enough for our new pipe cutter to fit between the wall safely. The cost of this would be \$4K, with half of this being paid by each utility. To transport it you would need to purchase or rent a skid steer, which is the next item on the proposed purchase list. The skid steer would cost around \$29K for a used one with around 600 hours of usage on it, and \$35K for the purchase of a new one. Another item proposed to be purchased was the wheeled excavator mentioned above at a price of \$85K. The last thing on the list is a submersible mixer for grease removal at the Shorehaven wet well. This would cost around \$8,500 for the project including hiring an electrician to install the wiring. The purpose of this mixer would be to prevent the extreme grease buildup that develops within the wet well. So far this year we have spent \$9K out of \$81K budgeted on the sewer side and none of the \$17,500 budgeted on the water side. There is also a projected operating surplus in 2010 of \$73K on the sanitary side and \$140K on the water side. There is a motion to spend 40% of the capital purchases budget surplus of \$89,500, which would be \$35,800, at the director's discretion, with a detailed report of each individual item purchased to be discussed at the November meeting. **A motion was made to approve spending 40% of the remaining capital purchases budget of 2010 as described above by Mike and seconded by Alex/carried unanimously.**
  - d) Sewer user fee credit for 70% of the sewer user fee for 2275 Omro Road owned by Alex and Mary Jean Irvine. **Mike motioned to approve the credit and Earl seconded since Alex is abstaining/motion carried 2-0.**
- 8) **Mike made a motion to adjourn at 8:10/second-Alex/carried unanimously.**

Respectfully submitted:

\_\_\_\_\_  
Michael Claffey, Accountant

Approved:

\_\_\_\_\_  
Alexander Irvine, Secretary

**Algoma Sanitary District #1**  
**November 11, 2010**

Public Hearing for the 2011 Budget

- 1) Commission President Earl Lawrence with Commissioners Alexander Irvine and Michael Gelhar present called the public hearing for the 2011 budget to order at 6:00 p.m. Also present were Kevin Mraz, Ray Edelstein, Joel Edson, Michael Claffey, and Rose Mraz.
- 2) No members of the public were present for the public forum, and no comments on the 2011 budget were made. **Mike made a motion to adjourn the Public Hearing at 6:03 p.m./second-Alex/carried unanimously.**

Regular Monthly Meeting

- 1) Open Regular Monthly Meeting
- 2) Commission President Earl Lawrence via telephone/video conference with Commissioners Alexander Irvine and Michael Gelhar present called the regular monthly meeting for November to order at 6:04 p.m. Also present were Kevin Mraz, Ray Edelstein, Joel Edson, Michael Claffey, and Rose Mraz. Nobody was in attendance from the public. Today we recognize Veteran's Day and the sacrifice that our veterans have made to serve in our nation's armed services.
  - a) Earl noted that the District is using a tape recorder for the maintenance of the minutes. No one else is using one.
  - b) **Mike made a motion to approve the minutes as submitted for the regular monthly meeting on October 14/second-Alex/carried unanimously.**
  - c) **Mike made a motion to approve the cash receipts & investments report for October for sanitary and water as submitted including the balance adjustment/second-Alex/carried unanimously.**
    - i) There were no investment changes. There were no balance adjustments.
  - d) Approve pending bills for sanitary and water.
    - i) **Mike made a motion to approve the pending bills for October as submitted with the addition of the Great Lakes bill described below/second-Alex/carried unanimously.**
      - (1) Great Lakes Televising Seal for \$13,195.40 for the televising, repairing, and sealing of lateral leaks and manholes.
- 3) Public Forum – No one is present, and there are no issues to be discussed.
- 4) Director's Report. Staff will be upgrading the security of the water tower entry. The estimated expense was listed in our pending bills, and we will receive the final invoice for this upgrade from LW Allen prior to our next meeting.
  - a) Review of District Statistics. The district has 45 new water permits and 22 new sewer permits in 2010. The number of new water permits was higher than was budgeted and great news for the District. Included in the new water permits the past few months are a few people who switched from deferred to participating assessments, which will increase the annual amount received from assessments.
  - b) Correspondence
    - i) Vacancy of a Commissioner. Upon review of State of Wisconsin Statutes 60.75, (4), "Any vacancy of an elective or appointive commission may be filled by appointment by the town board for the remainder of the unexpired term". The idea being proposed is to have the vacancy discussed at the next Town of Algoma meeting with the goal of appointing a new commissioner at the December town meeting.
    - ii) A draft letter has been drafted by both our attorney and the town's attorney notifying the town board of the pending vacancy. There also is a job description that was written up that describes the duties and expectations of a commissioner. This would be necessary for the town to be able to solicit applications from anyone who is interested in serving as a commissioner. In order for the town board to act, there would need to be a formal resignation.
    - iii) After a new commissioner has been appointed or elected to the board, positions would be chosen by the new commission. In a side note, Mike Gelhar has sent his official notification to the town stating that he is choosing not to seek another term as a commissioner. The commission approved sending the job description to the town to start the process of appointing a commissioner.
    - iv) The Wyldewood Baptist Church is looking to add a gymnasium. They have submitted plans to the city site review committee for approval of this project.
  - c) Status of 2010 projects. Given out previously.
- 5) Report from Committees.
  - a) The District Advisory Council. No council meeting was held this last month.
- 6) Old Business.
  - a) The third workshop for the Town of Omro Sanitary District consolidation will be put off until 2011. The date will be discussed with the Omro Sanitary District and will be added to the agenda for December to choose a date.
  - b) Discuss and act on resolution #2010-11-1 to increase the sanitary sewer user fee per equivalent unit by 3.5% to \$275.49 effective January 1, 2011. **Mike made a motion to approve resolution #2010-11-1 that increases the sanitary sewer user fee per equivalent unit by 3.5% to \$275.49, effective January 1, 2011/seconded-Alex/carried unanimously.**
  - c) Discuss and act on resolution #2010-11-2 to increase the sanitary Contribution in Aid of Construction (CAC) 3.5% effective on January 1, 2011. **Mike made a motion to approve resolution #2010-11-2 that increases the CAC by 3.5% and rounds it to the nearest dollar/seconded-Alex/carried unanimously.**
- 7) New Business.
  - a) Discuss and act on the annual budget for approval. The Oshkosh Northwestern published both budgets in the paper on October 22, 2010. We received their invoice along with an affidavit from the Northwestern and a copy of the paper showing

they were published for our records. **Mike motioned to approve the annual budget for 2011 for both sanitary and water/seconded-Alex/motion carried unanimously.**

- i) Review the options for refinancing GOB debt in 2011. The item was reviewed and was deemed to be properly posted and submitted to the newspaper. We have reviewed our options for refinancing with Dave Wagner from Ehlers & Associates regarding when the optimal time for refinancing would be. Our loan comes due in 2013, and the earliest that it could be refinanced would be March of 2011. The bond rates are at historic lows and are starting to creep back up, according to the information presented by Dave, which would make this a great time to refinance. Also, January is the best month of the year for a bond sale. Dave also recommended getting rated, which could lower the interest rate if were at least A rated. This would cost around \$5,000 to get rated and would result in lowering the interest rate by 0.1% and would pay for itself in around 24 months. **Motion was made by Earl to approve resolution #2010-11-3 for refinancing the bonds of \$2.55 Million/Mike seconded/roll call vote carried 3-0 with all commissioners voting yes.**
  - b) Capital Purchases: We have negotiated with FABCO on the price of the skid steer, which would cost around \$28,250 for a used one with 6,000 hours of usage and an extended warranty of 1 year or 500 hours. It comes with a bucket and pallet forks. It has 2 speeds, which allow it to travel up to 12 miles/hour on the road. We will check with our insurance company to make sure that it would be covered while it is being driven on the road. The remaining amount approved to be spent for 2010 on capital purchases from the October meeting is \$35,800 less the \$28,250 price for the skid steer, which would leave a balance of \$7,550. **Motion made by Mike to approve the purchase of the skid steer from FABCO for \$28,250/seconded by Alex/carried unanimously.**
- 8) **Mike made a motion to adjourn at 6:50/second-Alex/carried 2-0.**

Respectfully submitted: \_\_\_\_\_  
Michael Claffey, Accountant

Approved: \_\_\_\_\_  
Alexander Irvine, Secretary

**Algoma Sanitary District #1**  
**December 9, 2010**

Regular Monthly Meeting

- 1) Open Regular Monthly Meeting
- 2) Commissioner Mike Gelhar with Commissioner Alexander Irvine present and President Earl Lawrence via telephone called the regular monthly meeting for December to order at 6:00 p.m. Also present were Kevin Mraz, Ray Edelstein, Michael Claffey, and Rose Mraz. Joel Edson was absent. Todd Bethe was in attendance from the public.
  - a) Mike noted that the District is using a tape recorder for the maintenance of the minutes. No one else is using one.
  - b) **Alex made a motion to approve the minutes as submitted for the regular monthly meeting on November 11/second-Earl/carried unanimously.**
  - c) **Alex made a motion to approve the cash receipts & investments report for November for sanitary and water as submitted including the balance adjustments/second-Alex/carried unanimously.**
    - i) There were no investment changes. There were balance adjustments for Andrew & Kristina Cater to add \$12.11 for their 10% penalty on their past due water bill and write off \$0.38 for Henry & Debra Cade since they have moved and it would cost more to mail them a final bill.
  - d) Approve pending bills for sanitary and water.
    - i) **Alex made a motion to approve the pending bills for December as submitted/second-Earl/carried unanimously.**
      - (1) The bill from ITT Flygt for the mixer to stir up the grease at the Shorehaven Lift Station wet well does not include the electrical work involved with installing it. This cost will be an additional \$1K, and the work will be completed and the mixer operational in January 2011. There were various problems that led to the delay in having this machine here and installed, including the fact that it is only manufactured in Switzerland and someone there cut a 150' wire that comes with the machine into three sections before shipment instead of leaving it in one large piece as requested.
- 3) Public Forum – Todd Bethe is present, and he is here to talk about the issue in New Business 7e. The Commissioners have agreed to revise the agenda to discuss the item Mr. Bethe is here to discuss now.
- 4) Director's Report.
  - a) Review of District Statistics.
  - b) Correspondence
    - i) We received an e-mail today from Dave Wagner at Ehlers & Associates stating that interest rates are rising, but he still recommends proceeding with the re-financing and the bond issue.
    - ii) We have received from the DNR our CMAR report and we had a 4.0 rating, which is an A+. Jim Savinski has reviewed and approved it, so it is all taken care of.
    - iii) We received a letter from Betty at the Omro Sanitary District requesting a consolidation meeting again in January. The Omro Sanitary District Commissioners are not available to meet the second or fourth Thursday and the third Tuesday in January. Since there may be a replacement commissioner appointed next Wednesday at the Town of Algoma monthly meeting, the commissioners have decided to put off the meeting until February to allow time for a new commissioner to get up to speed on this issue.
    - iv) Kevin will be attending the Algoma town meeting on Wednesday December 15<sup>th</sup> and will notify everyone who they chose to appoint as the new commissioner to replace Earl Lawrence.
  - c) Status of 2010 projects.
    - i) Update of long range state of infrastructure facilities plan.
    - ii) Grouting and repairing of sewer mains. Manhole grouting was completed this summer and 138 manhole kits were used to seal the District's manholes, with each manhole requiring 1½-2 kits. We went from running the pump 1.6 hours per day before the repairs to 1.1 hours per day at Brooks Lane on each pump after the repairs. We ordered 200 more kits, and the bill for them was included in the pending bills which were approved earlier.
- 5) Report from Committees.
  - a) The District Advisory Council. Sue Drexler was appointed as the new Town of Algoma representative.
- 6) Old Business-None.
- 7) New Business.
  - a) Appointment of replacement commissioner status. The Town of Algoma has posted the appointment and made December 3<sup>rd</sup> the last day to turn in applications. They received two applicants, Mark Thompson and Bob Nadolske. The town has scheduled the appointment for their next meeting on December 15<sup>th</sup>. Ray recommended having Earl prepare his resignation letter and have Kevin hand it to the town clerk, which would state that his resignation would be effective once presented to the town clerk. Kevin would do this upon seeing this appointment scheduled on the town's agenda and determining whether the town is prepared to appoint his replacement at that day's meeting. Ray advised that the town would not act to appoint a vacant commissioner until there is an official vacancy.
  - b) Water Main Repair in the Town of Omro Sanitary District. The Town of Omro Sanitary District has discovered a broken water service in a farmer's field on Hayfield Drive. This leak is in the range of 30-45 gallons per minute. A graph was presented showing the flow before the valve was opened after flushing, after the valve was opened on November 8<sup>th</sup>, and then when it was closed again on December 2<sup>nd</sup> after the leak was located. The damage likely occurred a year earlier when the farmer ripped it out while plowing his field, but wasn't leaking because the valve was closed. The operators from the Algoma and Omro Sanitary Districts collaboratively were able to locate the leak. It is estimated that the amount of water lost was 1.3 Million gallons, and the bill to the Omro SD at \$3.23 per thousand gallons would be around \$4K.

- i) The Omro Sanitary District knew about this issue but have yet to take care of fixing this water valve. We will have to estimate the amount of water lost due to this leak in order to bill the Omro Sanitary District for this lost water. Earl mentioned that we should bill like we have in the past for the amount of water going through the meter vault over and above the amount billed to their customers. The problem is that one of Omro's meters has not been calibrated in over 2 ½ years and the amount of water that is registered as having gone through it isn't always accurate. We should give them all the information that we have regarding this leak so they can be informed as to the amount of water lost because of it.
  - c) Received audit agreement change order and permit for Hwy 21 sewer main/force main alignment project. The WI DOT has approved UA 302 (90% reimbursement) for \$125,436.20 and UA 106 (100% reimbursement) in the amount of \$324,827.67. This project is now ready to bid out to allow enough time to receive the bids so that the contract is ready to go when the DOT closes down that road in August of 2011 and should take around 11 days to complete. We will have one of our operators on site to make sure that the repair and construction are done according to the plans.
  - d) Investment rates. Staff has prepared information regarding rates for money markets and CDs in the area. They recommend going with three banks to keep the amount invested at each one under the FDIC Insurance limit of \$250,000, would result in additional interest income of around \$2,500. **Earl made a motion to approve moving our money currently held at Associated Bank to be invested at Choice Bank, Anchor Bank, and Citizens First CU, according to the investment schedule presented/seconded Alex/passed unanimously.** We will have staff continue to monitor these rates and update them periodically to make sure we receive the best possible rate on our money.
  - e) Act on delinquent sanitary hookup for citation at 3325 Witzel Avenue. The six month requirement to hook this location into the sewer line extension expired in March of 2010. There have been numerous contacts with Mr. Bethe after this deadline informing him that this is past due and needs to be completed. There have been numerous personal issues that have come up which have caused delays in completing this project in a timely fashion. Mr. Bethe has scheduled the excavation work to dig in the sewer line for Monday, December 13, 2010, and should be completed that same day. Straw has been laid down to help insulate the ground and keep it from freezing further. Diggers Hotline has been called and the locations of utility lines have been marked, further evidence that this work could be started soon. The sanitary permit has also been taken out and has been paid for earlier today. This matter has been turned over to the commissioners for a ruling on how to proceed. Per our attorney, staff and the commissioners are able to issue a citation, and each day that passes would constitute a new violation and an additional citation. It has been recommended to set a deadline for Mr. Bethe of December 23<sup>rd</sup>, 2010, to complete this project and have it pass an inspection by a District Inspector, otherwise a citation will be issued. The commission accepted this recommendation and the above deadline set for Mr. Bethe.
  - f) Mike made a motion to go into a closed-door meeting in relation to employee matters. The meeting has been moved into a closed session at 7:05pm and Ray, Michael, and Rose have left the building.
    - 1) And, if this monthly meeting is Earl's last as a commissioner, everyone in attendance would like to thank him for his many years of service as the Sanitary District Commission President.
  - g) The meeting was opened back up and there will be no further action until the next month's meeting. The commissioners have satisfactorily completed Kevin Mraz's job review and will take formal action on a pay increase at the next month's meeting. Kevin will gather the salary information for a utility director from WI Rural Water, the GS Schedule, and the Oshkosh Superintendent to present to the Commissioners at the next meeting.
- 8) **Mike made a motion to adjourn at 8:27/second-Alex/carried 3-0.**

Respectfully submitted: \_\_\_\_\_  
Michael Claffey, Accountant

Approved: \_\_\_\_\_  
Alexander Irvine, Secretary