

**MEETING MINUTES OF
TOWN OF SHEBOYGAN SANITARY DISTRICT NO. 3 (WATER)
AND
TOWN OF SHEBOYGAN SANITARY DISTRICT NO. 2 (SEWER)**

Date: Monday, November 20, 2017

Place: Town Hall, 1512 N. 40th St., Sheboygan, Wisconsin

Time: 4:00 p.m. – San. Dist. No. 3 Water 2018 Budget Public Hearing & Monthly Meeting

Time: To Follow San 3 Meeting – Sanitary Dist. No. 2 Sewer & Sanitary Dist. No. 3 Water Joint Meeting

Time: To Follow Joint Meeting – San. Dist. No. 2 Sewer 2018 Budget Public Hearing & Monthly Meeting

A 2018 Budget Public Hearing and monthly meeting of the Town of Sheboygan Sanitary District No. 3 (Water) Commission began at 4:00 p.m. and a joint meeting of the Sanitary District No. 2 (Sewer) and Sanitary District No. 3 (Water) Commissions began at 4:10 p.m., following the Water District meeting. The Sanitary District No. 2 (Sewer) Commission continued on with their 2018 Budget Public Hearing and monthly meeting after the matters in Joint Session had been discussed at 5:22 p.m. on Monday, November 20, 2017 in open session at the Town of Sheboygan Town Hall, 1512 N. 40th St., Sheboygan, WI 53081, Sheboygan County.

Notice of the meeting was given to the public at least 24 hours prior to the meeting by posting in three (3) different places and forwarding to all news media who have requested the same.

Upon motions duly made and seconded, the following resolutions were unanimously adopted and made a part of these minutes by reference as if fully set forth herein.

Sanitary District No. 3 (Water) Agenda – 4:00 p.m.

1. Call to Order

The Town of Sheboygan Sanitary District No. 3 (Water) Commission monthly meeting is called to order by President Mark Flasher, Sanitary District No. 3 (Water) at 4:00 p.m. The following were also present at the meeting: Secretary Spencer Lutzke, Sanitary District No. 3 (Water); Art Stewart, Sanitary Districts Alternate Commissioner; Attorney Michael Bauer; Director of Public Works William Blashka; Office Manager Darla Free and those persons on the attached list.

2. Public Hearing for the 2018 Budget

Commissioner Flasher opens the public hearing and asks if anyone has any comments or concerns regarding the proposed 2018 Budget. There are no comments or concerns.

“The 2018 Budget Public Hearing for Sanitary District No. 3 (Water) is closed per a motion by Commissioner Flasher and a second by Commissioner Lutzke.” Motion carried.

3. Approval of the 2018 Budget

“The Town of Sheboygan Sanitary District No. 3 (Water) Commission hereby approves the 2018 Budget as proposed per a motion by Commissioner Flasher and a second by Commissioner Lutzke.” Motion carried.

4. Approval of the Tax Levy for the Town of Sheboygan

“The Town of Sheboygan Sanitary District No. 3 (Water) Commission hereby approves a tax levy for the Town of Sheboygan in the amount of \$100,000.00 per a motion by Commissioner Flasher and a second by Commissioner Lutzke.” Motion carried.

5. Approval of the November 20, 2017 Monthly Bills

“The Town of Sheboygan Sanitary District No. 3 (Water) Commission hereby approves the November 20, 2017 monthly bills as submitted per a motion by Commissioner Flasher and a second by Commissioner Lutzke.” Motion carried.

6. Discussion/Action – Wells Fargo BMW Bank of North America CD Maturity Date of Dec 11, 2017

Commissioner Flasher states that we have an agreement with Wells Fargo Bank; we have an investment account that we can have up to \$500,000.00 to have dispersed into cd's or other investments; currently there are no funds in this account; the TIAA FSB cd has a rate of 1.950% with a maturity date of November 23, 2020; this would be a good option; we can move \$500,000.00 from our Wisconsin Bank & Trust money market to

Wells Fargo and purchase this cd or another one with comparable terms; when the BMW Bank of North America cd matures on December 11, we can have that balance put into the investment account.

“The Town of Sheboygan Sanitary District No. 3 (Water) Commission hereby approves transferring \$500,000.00 from the Wisconsin Bank & Trust money market into the Wells Fargo Bank investment account and to purchase a cd at a rate of 1.800% or better with a maturity date of two to three years per a motion by Commissioner Flasher and a second by Commissioner Lutzke.” Motion carried.

7. Discussion/Action – Site for New Water Tower

Commissioner Flasher states that since last month’s meeting, he e-mailed Jim Hapeman; Mr. Hapeman said that there won’t be any issues regarding their AT&T antennas; Mr. Hapeman has the appraisals and he verbalized that he wants to work with the District; he reminded Mr. Hapeman of the benefits to their facility by having a loop; the height of this location is ideal; we should be hearing back from them in the next month or two. Attorney Bauer asks how much the appraisal came in at. Commissioner Flasher states that it was around \$30,000.00 for two acres. DPW Blashka states that we could put up a sign stating that the land is the site of a future water tower; that would be good for development and then we’ll have everything in place ahead of time. Commissioner Lutzke asks what large pipes are going in near that area. DPW Blashka states that it’s new gas mains.

8. Communication & Correspondence Received After Posting of Agenda

Nothing submitted; no updates.

Sanitary District No. 2 (Sewer) and Sanitary District No. 3 (Water) Joint Agenda – Immediately Following Completion of Sanitary District No. 3 (Water) Monthly Meeting

9. Call to Order - Sanitary District No. 2 (Sewer)

The Town of Sheboygan Sanitary District No. 3 (Water) and Sanitary District No. 2 (Sewer) Commissions monthly joint meeting is called to order at 4:10 p.m. by Commissioner Flasher and Commissioner Dave Griffin, President/Sanitary District No. 2 Sewer. Commissioner Ken Katte, Treasurer/Sanitary District No. 2 Sewer is also in attendance.

10. Approval of the October 16, 2017 Monthly Meeting Minutes

Commissioner Katte states that he has a question about agenda item 9 and asks what was meant about parcels not in the District but that they could be served in the future. DPW Blashka states that we have areas, one on Mill Rd, that are in the Town but not in the water District, but we could extend service to the area; there’s also an area near Main Ave and Lakeshore Rd. Commissioner Katte states that a neighbor of his recently put in a new well; would he have been aware that he could maybe have Town water. DPW Blashka states that we didn’t get any requests to extend water and we didn’t mail anything to the residents; we do have areas that are in the District that we would never serve with water, like the Tree Streets. Commissioner Flasher states that the Water District has three areas that it would make sense to annex into their District, but District No. 3 will wait until District No. 2 annexes the manufactured home area into their District. He states that there were five parcels that were clerical errors; Ms. Free’s sent the information to the County Treasurer’s office and they’re fixing these problems; there are also some additions that didn’t get recorded; Ms. Free also sent this information to the County and they’re working on it. He asks Attorney Bauer, regarding the legal description of the area, do we need to define the area exactly or can we put it in a quarter section; some of these areas are part of sections and some parts are out of the section. Attorney Bauer states that it can be outside of the boundaries, we don’t have to list each parcel. Commissioner Flasher asks if the description can be outside of the area, but not need to fall into the legal description for each parcel. Attorney Bauer states that the description needs to list all of the area you want to bring in. DPW Blashka states that we have annexed areas that we didn’t give each parcel description, but we went from point to point, in a straight line. Commissioner Flasher states that he’s trying to get away from the description being so irregular. DPW Blashka states that this can happen because there could be parcels in the area that are in the City. Commissioner Flasher states that we’re trying to simplify and we’re trying not to have to pay for a legal description. Commissioner Griffin states that some people would only be interested in being in the Water District if their well goes bad. Commissioner Flasher states that this will help, because then if they do ever want water from the District, they’re already in the District. Commissioner Griffin states that people’s wells go out one at a time, then they install a new one and they don’t want or need the District’s water. DPW Blashka states that a part of the manufactured home park is designated park land; it was deeded to the Town for this use. Commissioner Griffin states that then there’d be

no reason for that part to be annexed into the District. Commissioner Flasher states that once they are sure of what each District wants to bring in, they'll do it at the same time because the Town Board has to do this through a public hearing.

"The Town of Sheboygan Sanitary District No. 2 (Sewer) Commission hereby approves the October 16, 2017 monthly meeting minutes per a motion by Commissioner Griffin and a second by Commissioner Katte." Motion carried.

"The Town of Sheboygan Sanitary District No. 3 (Water) Commission hereby approves the October 16, 2017 monthly meeting minutes per a motion by Commissioner Flasher and a second by Commissioner Lutzke." Motion carried.

11. Discussion/Action – Parcels in the Town that are not in the Districts

Commissioner Griffin states that this issue was discussed under agenda item 10.

12. Discussion/Action – Aspen Trails Final Walk-Thru, Punch List and Acceptance of Water and Sewer

DPW Blashka states that he and Engineer Holtan walked thru Aspen Trails but he hasn't seen the televising report or video; the inspection report states that the pressure and mandrill tests passed; manhole one and two needed to be reset; this is done now but manhole two is still offset; the valve on the east end needs the dirt graded away from it and he thinks that they'll need a 1' extension on it. Attorney Bauer asks if there is a master site grade plan. DPW Blashka states yes, there is; the ditches are deep and need to be fixed; if people start moving in, we'll have to do the work; the shouldering isn't done and we've had one resident complain of restoration not being done; it looks like they haven't met the master site grading plan. He asks Sanitary No. 2 Sewer if they want to wait to approve the sewer system until they have the televising report. Commissioner Griffin states yes. DPW Blashka states that he received the water samples and the pressure tests and they're all good for Sanitary District No. 3, there's just the hydrant issue; we are going to make them raise it. Commissioner Griffin states that he would like the Town Board to have this information and that we don't approve anything until the master site grading plan is complete along with a punch list; he asks who will be following up on these issues. Attorney Bauer states that when it's a single family home, it's the contractor working with the Town engineer to make sure the site is restored to meet the master site plan. DPW Blashka states that the ditches have deep sinkholes that will cause drainage problems. Supervisor Schwinn states that we'll hold all new home permits until the punch list is complete. DPW Blashka states that the water and sewer haven't been accepted. Ms. Free states that the Elgin's have paid the Park Fee and one closing has gone through; so far there have been a total of four special assessment requests. Attorney Bauer asks who we've been working with on the project. DPW Blashka states that he'll talk to Engineer Holtan and see who his contact is. Attorney Bauer states that this is on the Town Board's agenda for tomorrow night. DPW Blashka states that the road only has the top coat done. Attorney Bauer states that the Districts could approve the water and sewer systems condition upon DPW Blashka, Town Engineer and Town Board approvals. Commissioner Flasher states that they might need final grading done in spring. DPW Blashka states that he went to the site last week and today. Commissioner Lutzke asks if we can make them aware of what needs to be done. DPW Blashka states that we will. Attorney Bauer states that before anyone builds, we should take video; if there's any damage done by any of the contractors, we'll have proof; the Town takes a \$3,000.00 deposit that isn't refunded until everything's restored and completed properly; the video gives us evidence.

"The Town of Sheboygan Sanitary District No. 2 (Sewer) Commission hereby accepts the sewer system for Aspen Trails condition upon the master site grading plan being restored to the correct elevations and conditions, the punch list being completed, and review and approval of the site and all reports by the Director of Public Works, Town Engineer and Town Board per a motion by Commissioner Griffin and a second by Commissioner Albright." Motion carried.

"The Town of Sheboygan Sanitary District No. 3 (Water) Commission hereby accepts the sewer system for Aspen Trails condition upon the master site grading plan being restored to the correct elevations and conditions, the punch list being completed, and review and approval of the site and all reports by the Director of Public Works, Town Engineer and Town Board per a motion by Commissioner Flasher and a second by Commissioner Lutzke." Motion carried.

13. Discussion/Action – Mechanical Updates to Town Hall

DPW Blashka states that he met with Engineer Holtan and Engineer Stange at the Town Hall; they e-mailed us their findings and provided a bid of \$1,750.00 to provide us with an evaluation. Commissioner Katte states that

the Town already paid someone for estimates for updates. Commissioner Griffin states that we already decided to move forward with only the necessary repairs; one was a boiler vent issue. DPW Blashka states that it would be best if the Town Board and the Districts met. Commissioner Katte asks if anyone in the office is having a specific issue. DPW Blashka states that some rooms are too hot, some are too cold. Commissioner Katte states that you can have that problem in a brand new building. Commissioner Griffin states that \$1,750.00 is too much to spend for this and says he's willing to get together with the Town Board. Commissioner Flasher states that he'd like to know what the long term plan is for this building. Commissioner Griffin states that there were e-mails from Chairman Hein where he stated that we're committed to this building. Commissioner Stewart asks if there were problems with the air conditioning system. Commissioner Katte states that they were originally looking at the boiler. DPW Blashka states that the air was put in sometime in the 1980's; Mr. Stange said that the building needs more zones; only the Hall and by Mr. Wehrwein's office area has this; the heating is probably an R-4 system. Commissioner Katte states that adding zones is piping work. Commissioner Stewart states that if an R-4 system breaks down, you can't fix it. Commissioner Griffin states that we'll meet with the Town Board and compare quotes and review it together; this would be better than paying a bid fee of \$1,750.00. Commissioner Flasher asks if this is what Engineer Stange would do. DPW Blashka states yes, but at this cost. Commissioner Katte states that you can get a mechanical estimate for free. Commissioner Flasher states that we have an estimate, so we can have a joint meeting and have Engineer Stange attend; we can make decisions on how we should proceed at that point; we can pay for this out of our general engineering account; we can check with the Town Board tomorrow. Supervisor Schwinn states that Clerk Conrad talked to three contractors but only got one estimate back; they don't seem interested in small projects. Attorney Bauer states that he's understanding that the Districts want to just complete the minor issues, then stop there; should we be asking AECOM for a new quote and to also attend a joint meeting. Commissioner Flasher states yes. Commissioner Griffin recommends fixing the small issues and to have a joint meeting; the Districts can split the costs incurred by AECOM; the repairs can be a 3-way split. Commissioner Katte states that repairs could cost \$70,000.00, will we do them then, if that's the situation. Commissioner Griffin states that it depends on the Town Board. Supervisor Schwinn states that this all started when the State came in for the boiler inspection. Commissioner Griffin states that this agenda item is on hold until they meet with the Town Board.

14. Town of Sheboygan Plan Commission Update

Commissioner Griffin states that the chiropractic office on Enterprise Dr. was discussed and there was a sign permit for Green Meadow Subd. He states that the Kellner's still own the land where the chiropractic office is going to be built; there aren't any laterals to the property, so they'll be working with DPW Blashka on this. DPW Blashka states that the Kellner's will be taking out all of the necessary permits because they're the owners; the asphalt plants are closing, so they won't be able to open the road.

15. Operator's Report

DPW Blashka states that the systems are running good; all of the lift stations were cleaned this month; the main break by the main lift station was fixed, it was a big break; the televising is done for the season; the Preserve at Briarwood is done and there weren't any issues; Ms. Free sent out the invoice to both Mr. Rohde and Mr. Diener; Bain's has just started and it's going to take time; their estimated billing was for \$1,200.00 but the Great Lakes bill ended up being \$2,500.00 because they had problems getting access; this is probably why the cost was higher; the report said "due to alignment and bigger and smaller pipes, which didn't allow them to continue; everything will be reviewed for Bain's by next month's meeting.

DPW Blashka states that Wisconsin Rural Water has a class on December 11 in Saukville that addresses wet wells, pumps and other lift station issues and he would like to send the full time crew; there aren't any fees to attend and this would be good training for the new crew members; it's from 8 a.m. to 3 p.m.; unless it snows, it would be four crew attending; if the weather is bad, he'll just send Mr. Norton. Commissioner Griffin states that it's fine to do this.

DPW Blashka states that the water system is all winterized; he removed the meter from Well 1 that Northeast Asphalt was using because it's now too cold and it's starting to freeze; Northeast Asphalt went to Well 1 and took water after the meter was removed; since we've caught them taking water illegally three times this year, we're charging them an additional \$20.00; he's not sure if he wants to allow them to buy water from the District in the future. Commissioner Lutzke asks if they were doing work for the Town. DPW Blashka states no, we use the County for our work; we can decide next year. He states that Energenecs was in today because we were having communication problems with Tower 1; it might be in the programming; they haven't found the problem yet; we'll continue to monitor the situation; the alarm has been going off in the middle of the night; it

happened three times this morning. He states that we had a hydrant hit behind the Mall, at the end of Greendale Rd; we don't have any proof of who did it, but we sent the information to the insurance company; there was damage 30" underground by the barrel section; we already have it replaced; we found the damage during the winterizing of the system; LA Equipment made the repair. Commissioner Flasher states that the electric bill was high for Well 1; is this well more expensive to run. DPW Blashka states yes, it runs all the time; Well 2 and Well 3 rotate. Commissioner Flasher states that the electric bill is two times higher than the other wells, but the pumpage isn't. DPW Blashka states that this is how the pumps operate, it's running correctly.

16. Communication & Correspondence Received After Posting of Agenda

Commissioner Griffin states that Plan Commission member Pam Dekker's husband passed away; a donation was made to the American Cancer Foundation in his name.

17. Pending Item List Review

The pending item list is reviewed and updated accordingly. The list is part of the minutes' book for review and record retention purposes.

Commissioner Griffin states that he's thinking about doing a six-year rotation for manhole inspections, like we do for televising. He states that he'd like to meet with DPW Blashka and Ms. Free in spring to work on CMOM.

18. Adjourn – Sanitary District #3 (Water)

"There being no further business, the Town of Sheboygan Sanitary District No. 3 (Water) Commission adjourns the meeting at 5:22 p.m. until Monday, December 18, 2017 at 4:00 p.m. per a motion by Commissioner Flasher and a second by Commissioner Lutzke." Motion carried.

Sanitary District No. 2 (Sewer) Agenda - Immediately Following Completion of Joint Agenda

19. Public Hearing for the 2018 Budget

Commissioner Griffin opens the public hearing and asks if anyone has any comments or concerns regarding the proposed 2018 Budget. There are no comments or concerns.

"The 2018 Budget Public Hearing for Sanitary District No. 2 (Sewer) is closed per a motion by Commissioner Griffin and a second by Commissioner Katte." Motion carried.

20. Approval of the 2018 Budget

"The Town of Sheboygan Sanitary District No. 2 (Sewer) Commission hereby approves the 2018 Budget as proposed per a motion by Commissioner Griffin and a second by Commissioner Katte." Motion carried.

21. Approval of the Tax Levy for the Town of Sheboygan and Town of Sheboygan Falls

"The Town of Sheboygan Sanitary District No. 2 (Sewer) Commission hereby approves a tax levy for the Town of Sheboygan and the Town of Sheboygan Falls in the amount of \$60,300.00 per a motion by Commissioner Griffin and a second by Commissioner Katte." Motion carried.

22. Approval of the November 20, 2017 Monthly Bills

"The Town of Sheboygan Sanitary District No. 2 (Sewer) Commission hereby approves the November 20, 2017 monthly bills as submitted per a motion by Commissioner Griffin and a second by Commissioner Katte." Motion carried.

23. Discussion/Action – Policy on Maintenance Obligation, The Preserve at Briarwood

Commissioner Griffin states that there are no updates; the invoice for the televising has been sent to Mr. Diener and Mr. Rohde.

24. Discussion/Action – N6462 Woodland Rd Sewer Service and Connection Fee Review

DPW Blashka states that Mr. Bemis is putting in an additional garage and they'll require a second sewer billing. Supervisor Schwinn states that they plan to use it for a catering business. DPW Blashka states that the water goes into the main house, it's metered, then it splits into the additional garage building; but the sewer goes off of a 6" lateral, so it has to have a manhole; it's considered a private interceptor; it needs to be recorded on their deed; it is built to State code; the owner wanted to bury the manhole; we told him that he could, but that we needed to get the exact location in case we have to get into it; they also have a private well that has to be

abandoned. DPW Blashka asks if the Commissioners think there needs to be an additional sewer connection fee. Commissioner Griffin states no, they should just get an additional quarterly sewer charge; it's only one connection; the home has metered water and metered sewer, so the second building can get the minimum base rate of \$24.00 quarterly.

"The Town of Sheboygan Sanitary District No. 2 (Sewer) Commission hereby approves to charge N6462 Woodland Rd for an additional quarterly sewer charge of \$24.00 for their separate garage building per a motion by Commissioner Griffin and a second by Commissioner Katte." Motion carried.

25. Discussion/Action – 4325 Industrial Ct Utility and Connection Charge Review for Foods Manufacturing Use

Commissioner Griffin states that this agenda item will be discussed next week at the Plan Commission meeting. DPW Blashka states that dairy products, especially in a commercial capacity, creates havoc on a sewer system; there are phosphorus, pH and bod issues. He states that he contacted the City WWTP and they confirmed this information; they have an ordinance that if anyone is commercial dairy, the City requires a sampling pit and quarterly sampling; they charge the businesses on their bill and the businesses have to hire someone and provide the results to the City. Commissioner Griffin states that if any industrial user has to provide this information to the City, and if they want to pursue this business venture, we also want this information. DPW Blashka states that the building that will be running this business is by the north shed; it was originally the Windridge Homes building; they want to make gelato. Commissioner Katte asks how this is different from restaurants and bakeries and their discharge. Commissioner Griffin states that the proposal for this operation says that they're anticipating less than five gallons of additional flows per day, but we're not sure if this is correct; there should be a lot of sanitation requirements, a lot of bleaches. DPW Blashka states that he was told they are taking powder and adding flavoring into a ten quart drum. Commissioner Katte asks if this is what Culver's does. DPW Blashka states no. Supervisor Schwinn states that they said it is like Menchie's Frozen Yogurt at Deer Trace. Commissioner Griffin states that he recommends approval condition upon meeting any City wastewater requirements; they'll need to let us know. Commissioner Stewart asks if their process is like Randall's Restaurant. DPW Blashka states no, Randall's adds liquid and flavoring; the City WWTP explained what has to be done; they said the sampling is up to us and what we want to be required of them; we don't sample for this low of a usage, only five gallons a day; we could check the flow and concentration and review it. Commissioner Griffin states that we'll watch their quarterly reads; if they go up, we can review their rates and any issues at that time; they've paid for one UCE rating, but this can also be reviewed. Supervisor Schwinn states that a plumbing contractor came to the Hall for a permit after the work was started, that's what triggered this; the Town can decide to double their permit fees for not having them prior to beginning the project; Inspector Drager is now involved and making sure everything's to code. DPW Blashka states that their flows will go through the main lift station; now's the time to decide if they go from five gallons a day to 50 gallons, that we'll charge them additional fees. Commissioner Griffin states that we'll start at allowing an additional 50 gallons a day, then we'll add a surcharge if they exceed it. Commissioner Katte asks if it turns into a concrete-like substance. DPW Blashka states no, but dairy products become grease-like. Commissioner Griffin states that this item should remain on the agenda.

26. Discussion/Action – CMOM Update/Capacity, Management, Operations & Maintenance Plan

Commissioner Griffin states that we already discussed this under agenda item 17; we'll schedule a meeting for spring.

27. Communication & Correspondence Received After Posting of Agenda

Nothing submitted; no updates.

28. Adjourn – Sanitary District No. 2 (Sewer)

"There being no further business, the Town of Sheboygan Sanitary District No. 2 (Sewer) Commission adjourns the meeting at 5:58 p.m. until Monday, December 18, 2017, following the Sanitary District No. 3 Water monthly meeting per a motion by Commissioner Griffin and a second by Commissioner Katte." Motion carried.

Town of Sheboygan Sanitary District No. 2 Sewer

David Griffin, President
Ken Katte, Treasurer
David Albright, Secretary

Town of Sheboygan Sanitary District No. 3 Water

Mark Flasher, President
Jerome Hoepfner, Treasurer
Spencer Lutzke, Secretary

Minutes approved on December 18, 2017