

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

**TOWN OF SHEBOYGAN SANITARY DISTRICT NO. 2 (SEWER)**

**Date: Monday, February 19, 2018**

**Place: Town Hall, 1512 N. 40<sup>th</sup> St., Sheboygan, Wisconsin**

**Time: 4:00 p.m. – Sanitary District No. 3 Water 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 – Sanitary District No. 2 Sewer Monthly Meeting**

The 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 4:03 p.m., following the Water District meeting. The Sanitary District No. 2 (Sewer) Commission continued on with their monthly meeting after the matters in Joint Session had been discussed at 4:46 p.m. on Monday, February 19, 2018 in open session at the Town of Sheboygan Town Hall, 1512 N. 40<sup>th</sup> 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.

**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: Treasurer Jerry Hoepfner, Sanitary District No. 3 (Water); Art Stewart, Sanitary Districts Alternate Commissioner; Town Attorney Michael Bauer; Town Engineer Tom Holtan; Director of Public Works William Blashka; Office Manager Darla Free and those persons on the attached list.

**2. Approval of the February 19, 2018 Monthly Bills**

“The Town of Sheboygan Sanitary District No. 3 (Water) Commission hereby approves the February 19, 2018 monthly bills as submitted per a motion by Commissioner Flasher and a second by Commissioner Hoepfner.” Motion carried.

**3. 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 the Sanitary District No. 3 (Water) Monthly Meeting**

**4. 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 4:03 p.m. by Commissioner Flasher and President Dave Griffin, Sanitary District No. 2 (Sewer). Treasurer Ken Katte (via speaker phone), Sanitary District No. 2 (Sewer) and Secretary Dave Albright, Sanitary District No. 2 (Sewer) are also in attendance.

**5. Approval of the January 15, 2018 Monthly Meeting Minutes**

“The Town of Sheboygan Sanitary District No. 2 (Sewer) Commission hereby approves the January 15, 2018 monthly meeting minutes per a motion by Commissioner Albright and a second by Commissioner Griffin.” Motion carried.

“The Town of Sheboygan Sanitary District No. 3 (Water) Commission hereby approves the January 15, 2018 monthly meeting minutes per a motion by Commissioner Flasher and a second by Commissioner Hoepfner.” Motion carried.

## **6. Discussion/Action – Review of Districts’ Investments**

Commissioner Griffin states that he’d like to see the Sewer District purchase two cd’s with \$100,000.00 balances and stagger their maturity dates, using the District’s replacement/operational money market at Wisconsin Bank & Trust; maybe one due in spring and another in fall; the information provided by Wells Fargo Bank is for \$250,000.00 cd balances. Commissioner Katte states that we need to make sure that the Districts are FDIC covered. Commissioner Flasher states that each District is covered up to \$650,000.000 per bank; FDIC coverage is \$250,000.00 and the State covers up to \$400,000.00 for municipalities. DPW Blashka states that the Sewer District could also use their Wisconsin Bank & Trust Investors Choice money market; the Sewer District doesn’t have any big anticipated expenses this year; just epoxying manholes. Commissioner Flasher asks DPW Blashka if he’s expecting any large purchases in the near future for the Water District. DPW Blashka states no; he’ll check with Dixon Engineering, but he believes there’s maintenance for Tower 1 and it should cost around \$50,000.00; the purchase of a new utility truck is budgeted for this year and will be split between the Districts; he doesn’t anticipate anything else; construction of a new tower would maybe be around 2021. Commissioner Flasher states that tower maintenance is part of the regular budget expense; there’s a cd at 3% that matures in 2024; this would be a good option; the funds would come from the District’s Wells Fargo Investment account.

“The Town of Sheboygan Sanitary District No. 3 (Water) Commission hereby approves the purchase of the HSBC Bank USA cd at a rate of 3.000% in the amount of \$250,000.00 with a maturity date of August 28, 2024, or a cd of equivalent terms, per a motion by Commissioner Flasher and a second by Commissioner Hoepfner.”  
Motion carried.

## **7. Discussion/Action – Schenck & Associates 2017 Audit**

Commissioner Griffin states that he asked that this item be placed on the agenda; Schenck e-mailed a “Those Charged with Governance” letter to him and Commissioner Flasher to sign; there will be an increase in audit fees from last year; this letter is standard; we get it each year. Ms. Free states that the auditors will be at the April meeting to present their reports. Commissioner Flasher asks when the Town Annual Meeting is. Ms. Free states Tuesday, April 17, 6:00 p.m. at the Town Hall. Commissioner Flasher asks if the auditors have been here yet. Ms. Free states yes, they were here for a week in December and they were also here two weeks ago.

## **8. Town of Sheboygan Plan Commission Update**

Attorney Bauer states that there was a permit review for GanderOutdoors for a remodel and also conditional use permit requests for two antenna additions; one located at 1810 N 44<sup>th</sup> St and the other at 4908 N 40<sup>th</sup> St. Commissioner Griffin states that there wasn’t any plumbing work for GanderOutdoors, it’s only going to be cosmetic work.

## **9. Operator’s Report**

DPW Blashka states that he and the crew have gone through approximately 95% of the easements; they cut grass and trees; it’s helped dramatically with the visibility; this is prep work for Great Lakes TV & Seal; the new tracks helped to get to the swampy areas; they were a good investment. He states that the relay for the old generator quit working, so he’s waiting for the new part to come in; they had to change the Cth Y lift station check valve; it’s now repaired; the problem was that it wasn’t pumping out because part of the valve had broken off. He states that the soft starter at the Pigeon River lift station broke; Specht Electric came in and made the repair; then they had to make a repair at the N 47<sup>th</sup> St lift station because a contact burned out; we switched to another set because there are eight; we were losing communication between the N 47<sup>th</sup> St lift station and the tower; we had Energenecs in for this; they fixed it, but they weren’t sure what was causing the problem; he also asked Energenecs to look at the Cth Y lift station flow meter because it’s shot; they’ll be in to repair this, too. Commissioner Griffin states that they didn’t receive the City’s flow report again this month. DPW Blashka states that they used to send them automatically; now he has to call to get them; he’ll follow up with Mark Woodstock to see what the issue is. Commissioner Griffin states that they need this report to evaluate the system; he can try calling the new superintendent. Engineer Holtan recommends contacting Dave Biebel. DPW Blashka states that he’s tried to contact him and other staff. Commissioner Griffin asks what areas Great Lakes TV & Seal are working on now. DPW Blashka states that they are working on Woodland Meadows Subdivision and some of Cth Y; they are televising the Mapledale area and south of Wilgus Ave. to Indiana Ave.; about 50,000 ft.

DPW Blashka states that Well 3 had a flow meter error; Energenecs reset it and this corrected the problem. He states that we had a major power outage but we didn’t have any issues; everything ran fine and we didn’t need

to use the generator. He states that there's a leak in the water system, but he's been to all of the hot areas and isn't finding anything; he and the crew are keeping their eyes open to anything that could be suspicious; the leak is about 80 gallons per minute; it could be one leak or multiple leaks; the PSC requires us to monitor our unaccounted water; there were a couple of house fires, but they didn't cause any issues with the system; one of the fires was on Douglas Fir Ln and that service has now been shut off. He states that he and Ms. Free got a request from the auditors, per PSC regulations, to give them a private lateral total; they are looking for the number of laterals from the curb stop to the home; the District owns, operates and maintains the main to the curb stop; the auditors want every one of these accounted for, from the curb stop to the home; some properties have a shared lateral that splits into two services, so this will count for two; there are some areas that have private systems and we don't know how they feed the building because we don't have as-builts; the services on Twin Oaks Ln is an example of this; Neumann Plumbing did the work, but no as-builts exist; we usually only get as-builts after the system's built and they turn it over to us. Attorney Bauer asks if this request is due to lead services. DPW Blashka states that it could be, but he's not sure. Attorney Bauer asks if we'd be exempt because we're a newer system. DPW Blashka states that there are no exemptions and we'll now have to report this information every year. Attorney Bauer asks if the WI Rural Water Association has a position on this; because we don't own this portion and we didn't construct it, how can we be required to report it. DPW Blashka states that he doesn't know, but he'll look into it at the upcoming conference. Commissioner Flasher asks if we only heard about this new requirement through the auditors. DPW Blashka states yes. He states that the tower levels are set for winter and the wells are running on and off more often to prevent freezing.

#### **10. Communication & Correspondence Received After Posting of Agenda**

Paul Dvorak, of Coldwell Banker, is in attendance for this agenda item. DPW Blashka states there is property on N Taylor Dr that is both Town and City; the Town has a sliver of this land to avoid an island; it's owned by the Jehovah's Witness Church; the City parcel is to the back and the Town's parcel is to the front of N Taylor Dr; the Church wants to sell the property for the construction of a home; we don't have any sewer or water there. He asks Mr. Dvorak if they're planning on merging the parcels. Mr. Dvorak states yes, they are. Attorney Bauer states that, per the map provided, it looks like one lot; legally, it's one lot. Mr. Dvorak states that it's two parcels; it has two different tax id numbers. DPW Blashka states that if it all gets annexed, an island will be created; most of the building will be in the City portion; the City can supply the property with water and sewer, but they can't annex due to the island issue. Attorney Bauer states that the easiest solution will be to keep the jurisdiction as is; we have no problem with the City bringing in laterals to supply a new home with water and sewer; it will be their property, but part should remain in the City and part should remain in the Town; the building will be in the City portion. DPW Blashka states that he doesn't foresee any issues and it is City right-of-way. Attorney Bauer states that it's a complicated issue and it's best not to change the jurisdiction. DPW Blashka states that you used to be required to annex into the City if you wanted to get their water service. Attorney Bauer states that the Town's portion of land is too small to develop; the City shouldn't be concerned, they just want something documented. Commissioner Katte states that he needs to adjourn the meeting at this time. Mr. Dvorak states that he thinks that the City will be fine with Attorney Bauer's recommendation. Attorney Bauer states that this way everything will be documented; it will help with any title company search now and in the future.

"The Town of Sheboygan Sanitary District No. 3 (Water) Commission hereby approves to allow the City of Sheboygan to extend a water lateral across Town parcel 59024346889 to service City parcel 59281619315 with water service per a motion by Commissioner Flasher and a second by Commissioner Hoepfner." Motion carried.

"The Town of Sheboygan Sanitary District No. 2 (Sewer) Commission hereby approves to allow the City of Sheboygan to extend a sewer lateral across Town parcel 59024346889 to service City parcel 59281619315 with sewer service per a motion by Commissioner Griffin and a second by Commissioner Albright." Motion carried.

Commissioner Griffin states that Alliant Energy e-mailed us to confirm the rate change that was reviewed and approved last month. DPW Blashka states that Commissioner Stewart sent him and Commissioner Flasher an e-mail, asking about requirements for sprinkler systems for residential homes. He states that he spoke with Town Commercial Building Inspector Jane Drager and she said that it used to be required for three or more units; now the State wants to change the criteria to be twelve or more units. Commissioner Stewart states that the homeowners have the right to have it; it will happen eventually. DPW Blashka states that Inspector Drager told him that it will never happen; people wouldn't build new homes if they had to do this; she said Wisconsin's working on eliminating this.

Supervisor Schwinn states that the Town's Business Owner's Insurance policy had a 4% increase; this was due to inflation, but the Worker's Comp Insurance was reduced by about \$1,700.00; the Town's Experience Modification Factor is based off of employee payroll and loss information; it had been at 1.33; last year it was .91 and this year it dropped to .88; it was \$900.00 less than in 2017; the drop is due to the crew working safely; insurance for the Districts only went up \$200.00 each for this year. Commissioner Griffin asks if we're using the same insurer. Supervisor Schwinn states yes, we all use Rural Mutual; we didn't have a rate increase for seven years; the only increase during that time was for the Cth Y park shelter; this was because they had made an error in their calculations and they undercharged the Town; Rural Mutual works well with the staff. Commissioner Griffin asks if this insurance is mainly for property. Supervisor Schwinn states yes; the health insurance is through McClone, the old Burkart Heisdorf.

#### **11. 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.

DPW Blashka states that he doesn't have any time this month to work on the CMOM; we can try to schedule something for March; regarding the grease traps, when they get a program going, instead of a three year rotation, it will be a six year rotation. Commissioner Griffin states that he doesn't want to start something new until the CMOM is done. Commissioner Flasher states that Nick Franzen and Jim Hapeman were going to talk regarding the land purchase for Tower 3; he wanted to give them time, so he'll contact Mr. Hapeman before the March meeting.

#### **12. Adjourn – Sanitary District No. 3 (Water)**

"There being no further business, the Town of Sheboygan Sanitary District No. 3 (Water) Commission adjourns the meeting at 4:46 p.m. until Monday, March 19, 2018 at 4:00 p.m. per a motion by Commissioner Flasher and a second by Commissioner Hoepfner." Motion carried.

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

#### **13. Approval of the February 19, 2018 Monthly Bills**

"The Town of Sheboygan Sanitary District No. 2 (Sewer) Commission hereby approves the February 19, 2018 monthly bills as submitted per a motion by Commissioner Griffin and a second by Commissioner Albright." Motion carried.

#### **14. Discussion/Action – Utility Upgrades by Mi-Tech Services Inc**

Commissioner Griffin states that we received information, maps and plans from Mi-Tech Services. DPW Blashka states that they are staying within our easement. Attorney Bauer states that he has two concerns; paragraph three "Buildings and Structures" states that the Grantor agrees not to build or make other improvements, or place water, sewer or drainage facilities within the easement area; that means we couldn't do anything without their consent; this could be a problem if you ever need to build anything or make a change. DPW Blashka asks if this means that if we ever wanted to extend water, we'd need their approval. Attorney Bauer states yes, we'd need their approval. DPW Blashka states that this should be removed from the document. Attorney Bauer states that he also has concerns with paragraph five "Elevation"; it states that, after the installation of the facilities and final grading of the Easement Area, the Grantor agrees not to alter the elevation of the existing ground surface by more than six inches or place rocks or boulders more than eight inches in diameter within the Easement Area without the express written consent of the Grantee"; do we expect an elevation change of more than six inches. DPW Blashka states that he's fine with this; he doesn't see any problem with it. Commissioner Griffin asks if anyone checked the longitude and latitude of the area. Attorney Bauer states that without a survey, we have to assume the documents they provided are correct. He states that he'll make the discussed change and e-mail the revision to Perri Petropoulos of Mi-Tech.

"The Town of Sheboygan Sanitary District No. 2 (Sewer) Commission hereby approves the Easement Underground Electric document as amended with the revision to paragraph three "Buildings and Structures" and also with the District President's signature on the final document per a motion by Commissioner Griffin and a second by Commissioner Albright." Motion carried.

**15. Review/Adopt – Ordinance No. 2018-1 An Ordinance Repealing and Recreating Section 7.06 of the Town of Sheboygan Sanitary District No. 2 Sewer Use and Sewer Service Charge Ordinance**

Attorney Bauer states that this is the City's increase and we are simply passing along these charges to the City residents who we are responsible for billing quarterly; this is done every year.

"The Town of Sheboygan Sanitary District No. 2 (Sewer) Commission hereby adopts Ordinance No. 2018-1 An Ordinance Repealing and Recreating Section 7.06 of the Town of Sheboygan Sanitary District No. 2 Sewer Use and Sewer Service Charge Ordinance as presented per a motion by Commissioner Griffin and a second by Commissioner Albright." Motion carried.

**16. Communication & Correspondence Received After Posting of Agenda**

Nothing submitted; no updates.

**17. 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 4:55 p.m. until Monday, March 19, 2018, following the Sanitary District No. 3 (Water) monthly meeting per a motion by Commissioner Griffin and a second by Commissioner Albright." 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 Hoeppe**, Treasurer  
**Spencer Lutzke**, Secretary

Minutes approved on March 19, 2018