

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

TOWN OF SHEBOYGAN SANITARY DISTRICT NO. 2 (SEWER)

Date: Monday, April 16, 2018

Place: Town Hall, 1512 N. 40th 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 4:10 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 5:27 p.m. on Monday, April 16, 2018 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.

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); Secretary Spencer Lutzke, Sanitary District No. 3 (Water); Town Attorney Michael Bauer; Director of Public Works William Blashka; Office Manager Darla Free and those persons on the attached list.

2. Approval of the April 16, 2018 Monthly Bills

“The Town of Sheboygan Sanitary District No. 3 (Water) Commission hereby approves the April 16, 2018 monthly bills as submitted per a motion by Commissioner Flasher and a second by Commissioner Hoepfner.” Motion carried.

3. Discussion/Action – New Water Tower Site

Commissioner Flasher states that he called Jim Hapeman about one week ago; Mr. Hapeman said that they're in the process of working with a realtor regarding the documents we had previously provided to them; they're moving forward. He states that he'll e-mail them before next month's meeting for an update.

4. Communication & Correspondence Received After Posting of Agenda

Ms. Free states that the audit report came in after the packets were complete and there's a copy at each person's chair; Accountant Bryan Grunewald will be at the Districts May meeting to give the 2017 audit reports. DPW Blashka states that he just received a draft of the 2017 PSC Report via e-mail; he'll send it to everyone; the audit loss may be the only issue this year; it's calculated by percentage; it was 17% in 2017; it's an increase from the previous year; it's probably the suspected leak, which he's calculated at approximately 90 gallons per minute; this is based off of pumpage over sales. Commissioner Flasher asks that, when we're on top of leaks in the system, aren't we around 10% unaccounted water. DPW Blashka states no, we're closer to 2%. Commissioner Flasher asks if he thinks it's a cross connection issue. DPW Blashka states that he's found properties that have access to our water but don't have a meter; we shut the water off at the curb stop and water shoots out in the home; we found one property like this in December; Ms. Free is working with the homeowner to resolve the issue. He states that they found one big leak and he thought that the loss total would come down, but it hasn't; with lawn sprinkling and system flushing, it's hard to tell; we had a small drop but then it went up again; the only real way to find out for sure is by checking for cross connections; we did all of these inspections when we changed meters out around eight to ten years ago; fire sprinkler systems are also a loss issue.

**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**

5. 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 President Dave Griffin, Sanitary District No. 2 (Sewer). Treasurer Ken Katte, Sanitary District No. 2 (Sewer) and Secretary Dave Albright, Sanitary District No. 2 (Sewer) are also in attendance.

6. Approval of the March 19, 2018 Monthly Meeting Minutes

“The Town of Sheboygan Sanitary District No. 2 (Sewer) Commission hereby approves the March 19, 2018 monthly meeting minutes per a motion by Commissioner Katte and a second by Commissioner Albright.” Motion carried.

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

7. Discussion/Action – Condominium Development on Lakeshore Rd/Parcel 340990, Mike Koenig

Ms. Free states that Chairman Hein spoke with Mr. Koenig regarding this project and it's been postponed at this time.

8. Town of Sheboygan Plan Commission Update

Commissioner Hoepfner states that there were two public hearings; one for a beauty salon in the 3300 block of Mill Rd, which was tabled until next month, and another for a re-zoning from C-1 to R-1 at 1200 Riverview Dr that was approved. He states that there was approval given for a sign permit for Sheboygan Senior Community on Cth Y, a land split approved at 2814 Cth Y and approval for the cabinet shop at 3692 Progress Dr to add an addition.

Commissioner Griffin states that the cabinet shop anticipates adding 5-10 employees and it may go up to 15; we calculate one UCE for 25 employees for a commercial facility; they've already paid the initial connection fee when the building was first constructed. He states that he feels the District shouldn't charge an additional connection fee because they've already paid to cover up to 25 employees; Mr. Schmitz was told at the Plan Commission meeting that we would let him know what the District decides. Ms. Free states that she'll call Mr. Schmitz and let him know that there won't be any additional sewer connection fees at this time.

“The Town of Sheboygan Sanitary District No. 2 (Sewer) Commission hereby approves to not charge an additional sewer connection fee for the addition at 3692 Progress Dr at this time but will review this matter further if there are any future expansions or more employees hired per a motion by Commissioner Griffin and a second by Commissioner Albright.” Motion carried.

9. Operator's Report

DPW Blashka states that everything's running fine with the sewer system; there have been no problems or back-ups, no mop heads stuck in the pumps; the lift stations are running good.

DPW Blashka states that there was a water leak on Kirkwood Ct; it's a private 4" water line that is off of an 8" line; it serves six condo complexes; they discovered the leak and called Chairman Hein; the Chairman told the owners that the District pays for repairs to the system and told them we'd be paying; he wasn't aware that this part of the system is private. He states that they also contacted the office and he told them that we usually use LA Equipment, Larry Gordon, to make our repairs; they did hire LA Equipment and they capped off the leak; the residents also have a flushing hydrant that was leaking; he told Mr. Gordon that it would be a good time to change the hydrant out to what the District has because it would make it easier for us to help the owners maintain it. He states that the property owner he spoke with asked why this part of the system isn't public; he was told that we require a 6" line and the developer wanted to install 4" lines; so it ended up being private; he also asked if we would take it over now, but he informed him that we couldn't because it's not built to our specifications and also because we don't have an easement; he also explained to the owner how it wrecked in the first place, that it wore off due to the leak. He states that the owners have a condo association meeting on April 28 and asked if he'd attend to explain how their private system works. He states that he'll attend their meeting and explain that it's not built to our specs and why they need a flushing hydrant. Attorney Bauer states

that all six units contribute to the private system; resident Russ Wiverstad contacted him and he explained to him that it's a private system and that this is what he bought when he bought his condo. Commissioner Lutzke asks if the rest of the Mapledale development is like this. DPW Blashka states that this is the only area like this. Attorney Bauer asks if Mapledale Dr is public. DPW Blashka states yes, it is; we have easements and everything is built to our specs. He states that there are a couple of private mains, on Twin Oaks Ln, Sheboygan OMS on Wilgus Ave., the old AECOM building; maybe the District has to change the ordinance that if you have a private main, you would be required to have a master meter. Attorney Bauer states that the Mapledale development was an annexation issue; we needed to work with the developer. Commissioner Flasher asks, with a leak like this, do you calculate the water loss and charge the resident. DPW Blashka states no, we never have. He states that it would cost a lot to re-build this portion of the system to make it public. Attorney Bauer states that the residents probably wouldn't want to incur these costs.

DPW Blashka states that, because of the unaccounted water, he's going to change out the 1", 1-1/2" and 2" meters; the new meters can read to one-tenth of a gallon; the current meters at this size register at one gallon; they are the old brass meters; when we take them out, we have them tested, but they can't be re-installed; he has the order in for the new meters. He states that the Superior Ave. car wash had a mechanical problem, so now he's looking at changing both car washes with a new ultrasonic meter; the 1-1/2" meters cost around \$600.00; these new meters might help with some of the unaccounted water. Town resident Paul Gonnering asks if we can give the Mapledale residents an option with an estimate. DPW Blashka states that we've never done that for a private service; the cost would probably be between \$52-\$53 per foot. Commissioner Griffin states that they'd need a contractor to give them a cost; if we gave an estimate, they'd hold us to that amount. Commissioner Flasher states that we'd also need easements. Commissioner Albright states that these minutes should be attached to the condo association's property records for future reference.

DPW Blashka states that he spoke with Dixon Engineering at the WRWA Conference regarding maintenance for Tower 1; he should have an estimate for the maintenance at the May meeting; we'll need some painting; there needs to be some work on the spill overflow because it needs to come out at a ninety degree angle. He states that the District might want to consider changing the logo on Tower 1 at that time; he spoke to a painter at the conference and he gave an estimate of \$25,000.00 to re-paint the logo. Commissioner Flasher states that, at \$25,000.00, he'd recommend to not paint the new logo on Tower 1.

10. Communication & Correspondence Received After Posting of Agenda

Nothing submitted; no updates.

Commissioner Griffin thanks everybody who took the time to attend the joint Districts and Town Board meeting on April 12th to discuss upgrades to the Town Hall.

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 met with Commissioner Griffin and they worked on the CMOM. Commissioner Griffin states that he gave revisions to Ms. Free and she's handed out copies for everyone to review; this should be placed on the May agenda for review and approval. DPW Blashka states that he's had some time and has been working on the gis program; we can work on the grease trap program after we're done with the CMOM Program; he talked with HydroCorp, which is the company that does the commercial cross-connection inspections for the Water District, and they can also do grease trap inspections.

Commissioner Griffin states that he'd like Districts Investments on the pending list, to be reviewed every six months. Commissioner Flasher states that the Water District's cd's and investments are different than the Sewer District's; when a cd is due, they review and re-invest at that time.

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 5:27 p.m. until Monday, May 21, 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 April 16, 2018 Monthly Bills

“The Town of Sheboygan Sanitary District No. 2 (Sewer) Commission hereby approves the April 16, 2018 monthly bills as submitted per a motion by Commissioner Griffin and a second by Commissioner Katte.” Motion carried.

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

Attorney Bauer states that he sent Mi-Tech Services revised language to the agreement and we haven't heard back from them; if they're not happy with our revisions, they should be letting us know.

15. Discussion/Action – District Policy on Inside Drop Connections

Town resident Paul Gonnering is in attendance for this agenda item. Commissioner Griffin states that the District occasionally gets this request; this kind of connection to sewer can be a time and money savings, but the District doesn't allow this kind of connection. He asks if it's a policy or an ordinance. DPW Blashka states that it's a policy; we only allow it if the sewer main is more than 14' deep, because then the hole has to be so deep and big; it's also a safety precaution and a maintenance issue; if it breaks or gets plugged, it can create even worse problems being so deep; that's why we don't allow it; we do have some like this, some that were overlooked at the time. Mr. Gonnering states that the manhole he'd like to connect to is 14' deep; from the top of the rim to the invert is 13.7'; from the bottom of the hole, it would be 14'. Commissioner Griffin asks if it's a cost concern to him. Mr. Gonnering states yes. Commissioner Griffin asks if he knows about how much more it would cost. Mr. Gonnering states that there will be backfill, the road patch, the extra labor; there would be about a 25% savings if he would be allowed to go directly into the manhole; about a \$4,000.00 savings. Attorney Bauer asks if he's building a single family home. Mr. Gonnering states yes; there would be a 4" lateral. Commissioner Griffin states that the District should think about considering a variance in the sewer connection fee; if we forgive the connection fee, we'd be avoiding the inside drop issue; it would be better for the District. DPW Blashka states that if they have an inside drop, all the flows go into that line; your flows get grabbed and go all over the bench and creates a mess; if the crew has to access the manhole, it's a terrible problem. Attorney Bauer states that it's the Town's road and the District's main, so they get to decide. Commissioner Griffin proposes the reduction in the connection fee to alleviate the expense to add a lateral and not go into the manhole. DPW Blashka asks Mr. Gonnering if he owns the whole parcel. Mr. Gonnering states yes. DPW Blashka asks if he has any future plans to split the parcel. Mr. Gonnering states no, not now, but asks if that would be a problem. DPW Blashka states no, but because a copper lateral can deteriorate inside and out, if the extra lateral isn't going to be used, he would recommend that the District have Mr. Gonnering abandon the extra lateral. Mr. Gonnering states that he probably wouldn't be utilizing the southeast lateral. He asks what he needs to do regarding the backfill in the road. DPW Blashka states the pipe needs to be bedded in clear stone, then backfilled with stone, then compacted road gravel will be on top; because it will be a bigger area, you can't use slurry, you'll need granule backfill. Mr. Gonnering asks if the District helps with any of this. DPW Blashka states that we can, and then we bill you back; we don't bring in fill or gravel. Mr. Gonnering asks if his contractor can do all of the work. DPW Blashka states yes, or Sheboygan County Highway can do the work and you pay them; it might be quicker to have your own contractor do the work.

“The Town of Sheboygan Sanitary District No. 2 (Sewer) Commission hereby approves waiving the \$2,000.00 sewer connection fee for parcel number 59024-344330 to alleviate the expense to the property owner for having to install a lateral and thus denying the request to allow an inside drop per a motion by Commissioner Griffin and a second by Commissioner Albright.” Motion carried.

16. Discussion/Action – Additional Sewer Connection Fee for 3692 Progress Dr/Custom Built, John Schmitz

This agenda item was already discussed under agenda item 8; there will be no additional sewer connection fee charged at this time.

17. Communication & Correspondence Received After Posting of Agenda

Nothing submitted; no updates.

Commissioner Griffin states that the District purchased two cd's through Wells Fargo Bank last month and documents are presented that require the Commissioners signatures. He states that Ms. Free e-mailed the Commissioners after the first quarter utility readings to let everyone know that the gelato business had a drop in their water usage; we're going to continue to watch this and if there is a big increase in water, the District may

charge additional fees.

18. 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 4:54 p.m. until Monday, May 21, 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 Hoepfner, Treasurer
Spencer Lutzke, Secretary

Minutes approved on May 21, 2018