

## **NOTICE OF PUBLIC MEETINGS**

TOWN OF SHEBOYGAN SANITARY DISTRICT NO. 3 (WATER)

AND

TOWN OF SHEBOYGAN SANITARY DISTRICT NO. 2 (SEWER)

**Date: MONDAY, June 15, 2020**

**Place:** Town Firehouse, 3911 Cth Y, Sheboygan, Wisconsin

**Time: 4:00 p.m.** - Sanitary District No. 3 (Water) Monthly Meeting

**Time: To Follow Sanitary District No. 3 Meeting** – Districts Joint Monthly 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 4:23 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 5:43 p.m. on Monday, June 15, 2020 in open session at the Town of Sheboygan Firehouse, 3911 Cth Y, Sheboygan, WI 53081, Sheboygan County.

### **1. Call to Order**

The Town of Sheboygan Sanitary District No. 3 (Water) Commission monthly meeting is called to order by President Dave Albright 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; Town Engineer Tom Holtan; Director of Public Works William Blashka; Deputy Director of Public Utilities Damian Nevers; Office Manager Darla Free and those persons on the attached list.

### **2. Approval of the June 15, 2020 Monthly Bills**

"The Town of Sheboygan Sanitary District No. 3 (Water) Commission hereby approves the June 15, 2020 monthly bills as submitted per a motion by Commissioner Albright and a second by Commissioner Lutzke." Motion carried.

### **3. Discussion/Action – 2019 Audit and PSC Report, Bryan Grunewald, Clifton Larson Allen LLP**

Bryan Grunewald states that a lot more of the audit was done remotely due to Covid-19; the PSC Report has been filed and the Communication Letter and Audit Report have been distributed; included is the audit opinion which they believe to be accurate and in accordance; the District is extremely strong in cash and equity; the debt is low; the Communication Letter talks about the Wisconsin Retirement System being slightly underfunded but they're better than other State pensions; segregation of duties has been disclosed in the past; it's always an issue for small municipalities; it's important to continue your checks and balances and getting multiple people involved. Commissioner Lutzke asks what the process is normally and how do you do the audit remotely. Mr. Grunewald states that the auditors were able to be at the Hall for a week and did a lot more remotely; it did take longer to complete; the PSC extended their due date. Ms. Free states that this year CLA didn't do a pre-audit, that normally happened in December; we had two new auditors but didn't have any issues.

"The Town of Sheboygan Sanitary District No. 3 (Water) Commission hereby approves the 2019 Audit, Communication Letter and PSC Report as presented per a motion by Commissioner Albright and a second by Commissioner Hoepfner." Motion carried.

### **4. 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**

### **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 4:23 p.m. by Commissioner Albright and President Dave Griffin, Sanitary District No. 2 (Sewer). Secretary Art Stewart, Sanitary District No. 2 (Sewer) is also in attendance.

### **6. Approval of the May 18, 2020 Monthly Meeting Minutes**

Commissioner Stewart states that there was a mistake on agenda item four; he attended the meeting via speaker phone and Commissioner Katte attended at the Town Hall.

"The Town of Sheboygan Sanitary District No. 2 (Sewer) Commission hereby approves the May 18, 2020 monthly meeting minutes with the correction made to agenda item four per a motion by Commissioner Griffin and a second by Commissioner Stewart." Motion carried.

"The Town of Sheboygan Sanitary District No. 3 (Water) Commission hereby approves the May 18, 2020 monthly meeting minutes with the correction made to agenda item four per a motion by Commissioner Lutzke and a second by Commissioner Hoepfner." Motion carried.

#### **7. Discussion/Action – Districts' Investments, Curtis Roberts, Wells Fargo Bank**

Curtis Roberts is in attendance for this agenda item. Commissioner Griffin states that he asked Mr. Roberts to attend this meeting to discuss investment opportunities. Mr. Roberts states that rates are low right now; we've seen some of the Water District's cd's being called; he'll check for available cd's with call protection; the bank gets the flexibility to call but they give you more for this; rates are usually higher if you want to buy municipal bonds; the downside is that there are very small quantities. Commissioner Lutzke states that because of how our meetings work, we can miss out on a purchase and with bonds being more limited, it could be more difficult. Attorney Bauer asks Ms. Free to forward his e-mail regarding Wis Stat 66.0603 Municipal Investments to Mr. Roberts. Commissioner Griffin states that all of the information was useful and thanks Mr. Roberts for attending today; he and Commissioner Albright will be at the Town Board meeting tomorrow and can discuss this further.

#### **8. Discussion/Action – Whistling Oak Apartments LLC, Parcel 59024341880, WI Lakefront Property Management**

Attorney Bauer states that the development agreement is signed and the project is moving forward; the property closing is soon.

#### **9. Discussion/Action – Development Agreement for Lincoln Estates Subdivision**

Attorney Bauer states that we're working to get Mike Werner's concept approved; he doesn't have all of his numbers and he's dealing with wetland delineation; paragraph five is something different, we don't typically ask for master site grading plan compliance; there are ten lots on N 50<sup>th</sup> St that can be built on right away; the site grading plan compliance will make sure the drainage is taken care of and encourages getting the rest of the lots done; when building is done one lot at a time it can cause issues; there are twenty lots proposed, plus the ten on N 50<sup>th</sup> St; paragraph eight requires the developer to provide three sets of as-builts, in PDF and ArcGIS/ESRI formats; paragraph twelve has hard completion dates for the streets, utilities, etc.; Phase 2 is the two cul-de-sacs with water and sewer extensions to be completed by October 31, 2023; there will be two construction seasons and last is asphalt to be completed by October 31, 2025; this will be part of the TID 1. DPW Blashka states that if Phase 2 is constructed earlier, we'd want the roads graded; we should correlate the changes; we wouldn't want them to hold back work until these later dates if certain other work is complete. Attorney Bauer states that paragraph 26a requires a letter of credit in an amount equal to 110% of the estimated cost of all improvements. Engineer Holtan states that erosion control and stormwater management should be added to paragraph five. Commissioner Albright states that we'll want a calendar for reminders of dates so nothing's forgotten. Commissioner Lutzke asks where this project is at right now. Attorney Bauer states that the Town Board made some changes that were sent to the developer a week and a half ago, now they have some questions; he hopes to have a final agreement for next month's meeting; there's no formal action required at this time.

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

Attorney Bauer states that the TID was approved and there's a Joint Review Board meeting on June 30<sup>th</sup> and it's on the Town Board's agenda tomorrow; they are recommending adding the Hayssen Family Foundation land into the TID; there will be three types of residents: 1) three units per acre 2) conservation subdivision, like Windmor and 3) traditional neighborhood applies, with homes and businesses mixed. Commissioner Griffin states that Jeff Klosterman is on this committee. He states that the Plan Commission also met on June 19<sup>th</sup> and the following items were addressed: Edgewater Plumbing applied for a conditional use permit; a CSM for Sheboygan Senior Center; sign permit for Champion Storage; final approval for WI Lakefront Property Management.

#### **11. Operator's Report**

DDU Nevers states that they've been outside cleaning up from storm damage. DPW Blashka states that there were a lot of trees down; Joe Winscher's been assisting; there have been a lot of alarms from the towers and lift stations. Mr. Nevers states that they're inspecting and rebuilding manholes on Cth J; he and John Witters have been rebuilding 23 manholes in Stonefield Community. DPW Blashka states that they found a lateral leak in Stonefield Community; it was on the owner's side of the curb stop and it was repaired the next day. Commissioner Lutzke asks if the owners had to pay for the repairs. Mr. Nevers states yes, but they didn't get to see the pipe so they can't calculate the water loss. DPW Blashka states that flushing of hydrants has been going on for a few weeks; they've flushed and energized the splash pad and have a few adjustments to make; they are waiting for the Town Board to approve opening it up. He states that all three parties that had paint on their vehicles from the painting of Tower 1 have e-mailed that everything's been taken care of physically and financially from the damage and the pay request is in payables to Seven Brothers Painting; he's waiting to hear from Dixon Engineering regarding questions he has about antennas. Attorney Bauer asks DPW Blashka if he has

the final signed agreement from USCellular for Tower 2. DPW Blashka states that he does. Commissioner Griffin asks how the cleaning and televising is going. DPW Blashka states that the cleaning was finished today; they're scanning and televising now; they found a couple of leaks, 5-10 gallons each, and they'll fix them right away. Commissioner Albright states that we missed our 2019 Tower 2 inspection. DPW Blashka states yes, but we have a signed contract now and it will be done when Covid-19 slows down; we'll empty the tower, then they'll clean and inspect it; it takes about 1-1 ½ weeks; Tower 2 will be out of service for about two weeks. Mr. Nevers states that tomorrow he'll be with the Town four months and wants to thank the Districts; the Districts are run great and everyone is working together.

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

Commissioner Griffin states that there's a check to Town resident Robert Lee; we are reimbursing him because he had a large credit on his sewer account; Ms. Free contacted him and asked that he adjust his autopay. He states that the Districts still want to have a joint meeting with the Town Board; they do this annually but it was cancelled due to Covid-19.

**13. 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.

**14. 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 5:43 p.m. until Monday, July 20, 2020 per motion by Commissioner Albright and a second by Commissioner Lutzke." Motion carried.

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

**15. Approval of the June 15, 2020 Monthly Bills**

"The Town of Sheboygan Sanitary District No. 2 (Sewer) Commission hereby approves the June 15, 2020 monthly bills as submitted per a motion by Commissioner Stewart and a second by Commissioner Griffin." Motion carried.

**16. Discussion/Action – 2019 Audit Report, Bryan Grunewald, Clifton Larson Allen LLP**

Bryan Grunewald states that a lot more of the audit was done remotely due to Covid-19; the Communication Letter and Audit Report have been distributed; included is the audit opinion which they believe to be accurate and in accordance; the District is extremely strong in cash and equity and the only debit is with the City of Sheboygan for the Western Interceptor Rehabilitation; sewer connection fees fluctuate; your interest income is up. Commissioner Griffin asks if there are any concerns due to Covid-19, bankruptcies and tax collection, anything we should be doing differently. Mr. Grunewald states that the County bears the risk of tax collection but you should continue to monitor things; from a water and sewer perspective, you have tax roll to collect your utilities revenue. He states that the Communication Letter talks about the Wisconsin Retirement System being slightly underfunded but they're better than other State pensions; segregation of duties has been disclosed in the past; it's always an issue for small municipalities; it's important to continue your checks and balances and getting multiple people involved; Ms. Free stated earlier that this year CLA didn't do a pre-audit but it didn't create any issues.

"The Town of Sheboygan Sanitary District No. 2 (Sewer) Commission hereby approves the 2019 Audit and Communication Letter as presented per a motion by Commissioner Stewart and a second by Commissioner Griffin." Motion carried.

**17. Pursuant to Wis. Stat. 60.785(1)(b), the Town of Sheboygan Sanitary District No. 2 Commission hereby requests the Town Board to add the following territory (parcels) to the Town Sanitary District:**

<u>Parcel Number</u>	<u>Owner</u>
1) 59024-342650	Hayssen Family Foundation Inc
2) 59024-342652	Hayssen Family Foundation Inc
3) 59024-342730	Hayssen Family Foundation Inc
4) 59024-342731	Hayssen Family Foundation Inc

"The Town of Sheboygan Sanitary District No. 2 (Sewer) Commission hereby requests the Town Board to add parcel numbers 59024-342650, 59024-342652, 59024-342730 and 59024-342731 into their District per a motion by Commissioner Griffin and a second by Commissioner Stewart." Motion carried.

**18. Discussion/Action – Sewer Service to 5524 Mueller Rd, Ed Worthman**

Ms. Free states that she spoke with Mr. Worthman today and he's waiting to hear from his plumber; if he decides to connect to sewer, Attorney Bauer will draft a sewer connection/assessment agreement that would address future sewer main being installed on Mueller Rd.

**19. Discussion/Action – North South Interceptor, Village of Kohler I-43 Crossing**

Engineer Holtan states that the Village of Kohler had to change the agreement due to the drilling having to be moved further north and they have to up-size the pipe; there are no issues but Attorney Bauer has to make these revisions to the agreement; Kohler will be covering any costs incurred. Commissioner Griffin states that this item should remain on the agenda.

**20. Discussion/Action – Approval of the Southside Interceptor System Feasibility Study**

Engineer Steve Parse of AECOM is in attendance for this agenda item; he submitted the projected flows report as requested by the City of Sheboygan; the information represents the 2030, 2040 and the ultimate daily average sanitary sewer capacity for Town flows that contribute to the City's Kentucky Avenue lift station; he reviews the report with the Commission.

"The Town of Sheboygan Sanitary District No. 2 (Sewer) Commission hereby approves the Southside Interceptor System Feasibility Study as presented by AECOM per a motion by Commissioner Griffin and a second by Commissioner Stewart." Motion carried.

Engineer Holtan asks if this report should also be sent to Dave Biebel at the City of Sheboygan. DPW Blashka asks Engineer Holtan to send it to Mr. Biebel on behalf of the Sanitary Sewer District.

**21. Discussion/Action – Cth Y Lift Station Modifications**

Engineer Holtan hands out an Additional Peak Flow Pumping Study and reviews the report with the Commission; he states that the Commissioners may want to have a curb around the lift station. Commissioner Griffin states that he thinks they need to proceed; they have to get costs. DPW Blashka states that after Engineer Holtan does the design, they'll get quotes. Commissioner Stewart asks where we'll pump while the lift station is down. DPW Blashka states that they'll pump into the old force main; we didn't remove it when the new one was constructed; the old main comes north on Cth Y to Grote Rd, then heads east to Pine Hills, then to Greenview Cir; we did this because the City wouldn't accept the flows from Pigeon Creek unless we re-routed; the north main is 6", the new one is 12"; this fix will help with large storms. Commissioner Griffin states that the District wants to move forward pending more review.

"The Town of Sheboygan Sanitary District No. 2 (Sewer) Commission hereby approves the Cth Y lift station modifications project proposal pending a project kickoff per a motion by Commissioner Griffin and a second by Commissioner Stewart." Motion carried.

**22. Discussion/Action – City of Sheboygan's Proposed Amendment No. 2 to Addendum to Joint Sewage Treatment Agreement, Sewer Billing for City Residents**

Ms. Free states that she and DPW Blashka were contacted by the City of Sheboygan requesting that the District allow them to bill City residents who are being billed for Town sewer by the Town; we already do this for 683 City properties; we bill the City bi-annually for this, with the rate being calculated from the City's budget/Schedule I; there are three City properties that this won't work for because they also have Town water; the City would like us to reduce our sewer charge to these three customers using City rates and the City will pay us the difference through the bi-annual billing. Commissioner Griffin states that Attorney Bauer reviewed the Addendum and was fine with it. Ms. Free states that she found an error and e-mailed the City; the City has "and shall be effective for billings commencing June 1, 2020 and thereafter", this needs to be changed to July 1, 2020.

"The Town of Sheboygan Sanitary District No. 2 (Sewer) Commission hereby approves the City of Sheboygan's Proposed Amendment No. 2 to Addendum to Joint Sewage Treatment Agreement and also agrees to adjust the three City accounts who have Town water per a motion by Commissioner Griffin and a second by Commissioner Stewart." Motion carried.

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

Nothing submitted; no updates.

**24. 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 6:22 p.m. until Monday, July 20, 2020 after the Water District monthly meeting per motion by Commissioner Griffin and a second by Commissioner Stewart." Motion carried.

**Town of Sheboygan Sanitary District No. 2 Sewer**

**David Griffin**, President  
**Ken Katte**, Treasurer  
**Arthur Stewart**, Secretary

**Town of Sheboygan Sanitary District No. 3 Water**

**David Albright**, President  
**Jerome Hoepfner**, Treasurer  
**Spencer Lutzke**, Secretary

**Minutes approved on July 20, 2020**