

**Village of Egg Harbor
Utility Committee Meeting Minutes
July 20, 2021 11:00 AM**

<https://villageofegg Harbor.zoom.us/j/92718840733>

Phone Number: 312 626 6799 Meeting ID: 927 1884 0733

John Heller, Chair
Mack Bonk, Member
Tom Prohl, Member

TC Johnson, Member
Paul Zeller, Member
Bert Sawyer, Operator

1. Call to order and approval of the agenda
 - a. TC Johnson called the meeting to order at 11:00 AM.
 - b. Committee Present: Mack Bonk, Tom Prohl, TC Johnson, Paul Zeller (arrived at 11:18 AM)
 - c. Staff present: Tom Strong, Bert Sawyer
 - d. Audience members: Tom Kispert, Brian Roemer
 - e. **TC Johnson moved to approve the agenda. Seconded by Tom Prohl.**
 - f. **Motion unanimously carried.**

2. Approve June 15, 2021 Meeting Minutes
 - a. Corrections: No corrections.
 - b. **TC Johnson moved to approve the June 15, 2021 meeting minutes as presented. Seconded by Mack Bonk**
 - c. **Motion unanimously carried.**

3. Open Session (Limited to Ten Minutes)
 - a. *TC Johnson opened the floor for public comment.*
 - b. *No public comments.*

4. Wastewater Treatment Plant Improvement Project Update
 - a. *Tom Kispert provided an overview of the WWTP Phase I project as outlined in the packet on P6-16 of the packet. The project is on time and looking good.*
 - b. *Mack Bonk: On Section E, missing parts are ordered but not on sight yet. This has been here for several months. Is the face shield for protecting the WWTP workers?*
 - c. *Tom Kispert: Yes. This is for the WWTP workers. There should be some face shields available soon. Anytime we put in new UV Systems, we install new face shields so they are clear and not scratched up.*
 - d. *TC Johnson: Miron is a huge company? Are they a Wisconsin company?*

- e. *Tom Kispert: Miron is a very large company with their home office right down the street from McMahon's home office. They have other offices around the Midwest. They are a very big player.*

5. Wastewater Treatment Plant Manager Report

- a. *Bert Sawyer provided an overview of his June report in the packet. Haulers were up over 900,000 gallons. Total flow was up about 2.8 million gallons for the month. I added the 2019 numbers to this report as requested. We are well over the 2019 numbers for both haulers and total flowage as well. Everything is going out pretty clean. Percent removals are all above 95%.*
- b. *TC Johnson: How did the 4th of July weekend go?*
- c. *Bert Sawyer: Everything went well. The pumps kept up.*
- d. *Bert Sawyer: Provided a summary of the bad sewer odor report summary as presented in the packet on page 18 of the packet. I could smell a strong odor outside the house. McMahon recommended installing an odor eater unit on the vent pipe coming out of the roof.*
- e. *Mack Bonk: Lynn and I have had an odor recently from a shower drain. This is the first time it has ever happened. What brought this on now?*
- f. *Bert Sawyer: This is usually due to a dry drain trap in the house. This is especially true for seasonal properties.*
- g. *Tom Prohl: We have to do that in our laundry room every three or four months. I have run into a situation that if there is extremely low atmospheric pressure can result in the smell coming back up as well. There are many variables in play.*
- h. *TC Johnson: Either way, this is not the Village's responsibility. Correct?*
- i. *Bert Sawyer: In most cases, yes that is correct.*

6. Reed Bed Cleanout – 2021 testing and authorize quotes for 2022 Budget

- a. *Bert Sawyer provided an overview of his recommendation to schedule the 2021 testing for the reed bed clean out, then get quotes to do the work for the 2022 budget. We emptied 2 of the 6 beds in 2018. We got 15 years of service before we had to empty these out. We have 4 remaining to empty. We can only empty two at a time. Tom Kispert looked this over with us. He recommended emptying two of them next year. We need to do testing this year to empty it next year. The landfill that we plan to take it to needs to understand what materials they would be receiving. We need to stop pumping to those beds in advance.*
- b. *Tom Prohl: Would we do the last two the following year?*
- c. *Bert Sawyer: I would like to do that the following year, but we wouldn't have to do it in 2023. We would have the option to delay it another year or two if we need to spread the costs out. Tom Kispert coordinated the bidding process. We need to authorize Tom to start working on this.*
- d. *Tom Kispert: I can get a proposal for the next months committee meeting. Winnebago, Outagamie, and Brown County are pooling their resources. Last time we went to Winnebago. This time I believe we would be hauling it to Outagamie County.*

- e. *Committee consensus is to have Tom Kispert to get a proposal for the August committee meeting then on to the Village Board in September.*
- f. *Mack Bonk: The last reed bed clean out was around \$70,000.*

7. Clean Water Fund Loan with Principal Forgiveness Update

- a. *Tom Strong provided a progress update to the committee on the CWF loan application and approval. No action is needed. The paperwork review with Quarrels and Brady took place on June 12th and the village trustees approved it, also on June 12th. The closing date is scheduled for July 28th with all engineering and construction invoices submitted through June to be reimbursed on that date.*
- b. *Brian Roemer: We unfortunately had some long delays from the DNR on the Financial Assistance Agreement. I originally wanted this to close in May. I will mention that that page 34 shows disbursement and debt repayment schedules. You will be invoiced directly from the DNR and DOA for these payments. In addition, you will have an additional \$44,500 to the annual sewer budget to the ERF. The additional debt capacity is \$294,000 per year. You need to meet this test to borrow additional funds. You have some additional capacity, but you should increase your debt capacity coverage for the Phase II project.*
- c. *Mack Bonk: Thank you to all who worked on this. It has been a long haul to get this finished.*
- d. *Tom Strong provided an overview of the first pass at a financial breakdown of 2020 actual results. This is to look ahead to the 2022 budgeting process and potential revision of the ordinance calculations. A few key points are that 30% of our revenue is from Haulers, 70% from connected users. We are well covered for the phase I project. As we look at these expenses, including for the equipment replacement fund, and the depreciation expense of \$372,000 that I believe needs to be recognized as sound financial management of our WWTP facilities and operations. With this project, I anticipate this depreciation cost will go up. This is presented to you today. I believe we should consider our fixed costs with the seasonal rate. I also believe we are marching towards a rate increase from \$161.10 to \$165.00 for 2022. Once the Phase II costs are known, we can see if we need to increase it to \$170.00 at that time.*
- e. *TC Johnson: When will we start the planning for the phase II lift station update?*
- f. *Tom Strong: It made sense to me to start planning for this project once we own the property. We are scheduled to close in mid to late August. We could schedule a time to walk the property and start to look at it in the next month. That parcel is flatter than it might appear from the current Alpine Road. There is room there for the lift station. I believe it would likely be best placed close to the eastern edge of the parcel being purchased.*
- g. *Bert Sawyer: With the increase in our flow amounts, I would like to see the planning for this start up as soon as possible.*
- h. *Mack Bonk: I was surprised to find out this area is at the same elevation as the current lift station. I know John was talking about the Utility Fund will be paying for 20% of the purchase price. I am curious to find out where that might be laid out.*

- i. *Tom Strong: I think it makes sense to extend the parking spots on that side of the road. I don't believe a parking lot would make sense there. That is just my opinion. We can start looking at official options soon.*
- j. *TC Johnson: What is happening with the road that runs through there? That isn't a public road, is it?*
- k. *Tom Strong: That is a private road with an easement that was likely put into place before Hwy G was constructed. The new owner has no plans to close it off at this point. We have ongoing discussions with the owner to be sure we are on the same page.*
- l. *Paul Zeller: As we discuss the possible REU rate increase, wouldn't we also look at increasing the hauler rate?*
- m. *Tom Strong: Yes, absolutely. The spread sheet in the packet is just the first step to break down our costs to take into consideration as we review the rates.*
- n. *TC Johnson: Do we have any idea of how much phase II will increase our rates?*
- o. *Tom Strong: I don't think it will increase our rates much. If we go to \$165.00 next year, it would be a matter of if we keep it at \$165.00 or move up to \$170.00 per quarter. I don't see it needing to go up to something like \$190.00. I should note that the DNR doesn't account for depreciation. I believe however that we should continue to cover that expense.*

8. Community Water & Wastewater Utility Mutual Assistance Agreement

- a. *Tom Strong provided a summary of the response from the Insurance Company CEO Matt Becker, regarding the concerns about the liability coverage in the Mutual Assistance Agreement. Staff needs to confirm with towns in the agreement.*

9. Open Session (Limited to Ten Minutes)

- a. *TC Johnson opened the floor for public comment.*
- b. *Mack Bonk: I will stop in for a visit in the next few days. How is our new employee doing?*
- c. *Bert Sawyer: He is off to a great start. The best part is that he is enjoying the work.*
- d. *Tom Strong indicated that the trustees approved the connection fee increase from \$1,800 per REU to \$2,400 per REU.*
- e. *Paul Zeller: Going back to the Equipment Replacement line item, we just heard from Brian Roemer that we might need to add an additional \$44,500. That is in addition to the \$53,000 that is already contributed.*
- f. *Tom Strong: I understood Brian to say that this would be in addition to \$53,000 that is there. This will be confirmed with the DNR as we work towards our 2020 budget. That is a regular conversation we have with the DNR. Bert and I worked with them on updating that sheet to confirm how much we can take out of that fund for this Phase I project. If that needs to increase, we will have that on the budget.*

10. Next Meeting Time and Date

- a. August 17, 2021 11:00 AM.
- b. By consensus, the committee will meet in person at the Bertschinger.

11. Adjourn

- a. **Tom Prohl moved to adjourn.**
- b. **Paul Zeller second.**
- c. **Motion unanimously carried.**
- d. Meeting Adjourned at 11:51 AM

Minutes completed by Tom Strong on July 21, 2021. Submitted for approval on August 17, 2021.

Bold – Official Action

Italics – summarized comments