

DELAVAN LAKE SANITARY DISTRICT

MINUTES

**Special Meeting
September 2, 2020
8:00 A.M.**

CALL TO ORDER

Commissioner Miller called the Special Meeting to order at 8:00 A.M. at the Delavan Lake Sanitary District located at 2990 County Rd F South, Delavan, Wisconsin.

ROLL CALL Present: Thomas Miller, President
Kim O'Keefe, Commissioner
Thomas Johnson, Commissioner
David Reider, Commissioner
Richard Beers, Commissioner

Absent: None

Other: Administrator Jim DeLuca
Kim Crosby
Shelly Weeks

Visitors: Katherine Gaulke

DECLARATION OF A QUORUM

President Miller declared a quorum present for doing business.

DISCUSSION/POSSIBLE ACTION LS#4 CONTROL PANEL UPGRADE

Administrator DeLuca discussed the generator replacement taking place at LS#4 and his desire to have Todd build a control panel for it. This would require use of capital replacement funds. Todd has given us a quote of \$17,900 and Power Tech has given us a quote of \$20,425 to rewire the circuits. This should give us

stability until late 2021 or 2022 when we can focus on the pumps, get the wet well lined, valves cleaned, floors, and other details. As we are tearing things apart replacing the generator, this is a good time to take care of the control panel. Commissioner O'Keefe made a motion to approve the expenditures to replace the control panel. Commissioner Beers seconded the motion which carried unanimously.

DISCUSSION/POSSIBLE ACTION SERVICE UPGRADE TO LS#4

The service at LS#4 needs to be upgraded to a grounded 3-phase. We are going to turn this into the insurance company as part of the generator replacement with hopes that insurance will cover this expenditure. Alliant is going to be directional boring a whole new service underground to feed this lift station. We need to get off the ungrounded 3-phase. The cost to upgrade to the grounded 3-phase is \$15,925. Commissioner Reider made a motion to approve the \$15,925 service upgrade to LS#4. Commissioner O'Keefe seconded the motion which passed unanimously.

DISCUSSION/POSSIBLE ACTION 2021 BUDGET WORKSHOP

Administrator DeLuca went through each category of the budget with the commissioners. Anticipated future large sewer expenses that need to be kept in mind were mentioned. The biggest expense will be the force main by Hwy 50. Cleaning and televising of this force main could cost \$250,000 and should it have deteriorated and need replacement, the cost is estimated at \$2,000,000 or more.


The biggest change in office expense is to telephone as we may need to go to fiber optic to solve the internet issues we are currently struggling with. Professional expense increased as we have several projects we are looking at and litigation with the county will increase our attorney fees. Flows are up as more Illinois residents are choosing to stay up here this year. The WalCoMet expense has gone up as we are averaging between \$98,000 to \$108,000 per month. Some of this expense is from leaking laterals that need repair and we are in the process of addressing those issues. Under lake expenditures, wage & benefits have gone down as we have shifted some wages to dredging. The increase in weed harvesting expense is for the maintenance of the 4453 S Shore Dr. property.

On the revenue side, there is a \$2 per month per ERU increase on the sewer bill. We will not receive the equalized value number till the end of the month. Right now, our goal is to hold the mill rate steady at \$1.30. We will adjust once we

receive the equalized value. Commissioner Johnson shared a concern for thoughts to move \$250,000 of capital outlay for dredging when the \$250,000 that is built in to the budget each year to build up reserves for capital outlay expenses will be needed for large sewer capital outlays in the near future. What we are setting ourselves up for in the future is borrowing. We are not facing the future expenses that we know are coming because we do not have the courage to build that into the budget and increase the mill rate and/or ERU rate to a level needed. This would be the mature thing to do. If this is not done, future boards will need to borrow money to cover capital projects. President Miller agreed this needs to be considered. It was decided to meet October 1, 2020 at 8:00 a.m. to make any last-minute adjustments to the budget.

ADJOURNMENT

There being no further items to discuss, President Miller made a motion to adjourn the meeting. Commissioner Beers seconded the motion which carried unanimously. The meeting adjourned at 9:18 a.m.



Kim O'Keefe, Secretary

Date Approved: 9/16/2020