

## **Larsen Winchester Sanitary District Meeting Minutes**

Location: Winchester Town Hall, 8522 Parkway Lane, Larsen  
Date/Time: Tuesday, October 17, 2023—4:00 p.m.

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### **I. Call to order**

1. Verification of Notice
2. Roll Call

Chair Scott Reif	PRESENT
Vice Chair Rob Nelson	PRESENT
Commissioner Connie Kreutzberg	PRESENT
Commissioner Adam Blackburn	PRESENT
Commissioner Jeff Guth	PRESENT
Plant Operator Mike Pfankuch	PRESENT
M & E Engineer Mary Jo Miller	PRESENT
Treasurer Cori Thomas	PRESENT
Secretary/Billing Clerk Holly Stevens	PRESENT

### **II. Minutes**

1. October 3, 2023 Meeting Minutes

Secretary Stevens presented the minutes of the October 5, 2023 meeting.

#### **MOTION:**

**Motion by Vice Chair Nelson**

**Second by Commissioner Kreutzberg**

**Motion to approve the minutes of the October 3, 2023 meeting as presented.**

**Motion carried by unanimous voice vote.**

### **III. Business**

1. Facility Plan

- WI DNR Correspondence from Mark Stanek relating to Lemtec Systems

The Board reviewed the correspondence from Mr. Stanek. Chair Reif said he did not want to respond to Mr. Stanek until after having a discussion with the Board. He said the main question for Mr. Stanek relates to his comments regarding the Lemtec System at O'Dell's Bay. He explained that Mr. Stanek's comments noted significant exceedances but gave no indication of what type of industry they have intake from which would be causing the issues. He noted that there must be something specifically causing these problems. He said the letter does not include enough information to conclude that the system does not work.

Vice Chair Nelson said it seemed like Mr. Stanek chose to exclude the explanation. He said we have to understand why the issues are occurring and if there is a solution in the works. He noted that without all the facts, the limited information is not helpful in the development of our own system.

Operator Pfankuch said that his takeaway was a concern with the weed build up. He said that is not a big issue. He added that he is a WI DATCP certified pesticide, insecticide, and herbicide

applicator. He said we could physically pull weeds, or they could be sprayed. It should not become a big issue. He said no one is going to care what is on our cover—we will deal with it and take care of it, but it won't affect treatment.

Engineer Miller noted that Mr. Stanek did comment that in the case of O'Dell's Bay, he did comment that they are having some unique challenges that are likely due to the influent wastewater chemistry. She said that is indicative that there is some sort of industry causing the issues. She said situations like that can be dealt with by requiring the industry to pretreat their sewerage.

Operator Pfankuch explained that chemical balances change throughout the year and adjustments have to be made all the time. He said he tests and follows and treats trends which are often the result of the change of seasons.

Engineer Miller noted that her biggest takeaway was the statement that Mr. Stanek made about the LWSD system. He said, "...the department is still concerned that this treatment process will have difficulty achieving effluent phosphorus concentrations which will comply with Larsen-Winchester's final TMDL limits." She noted that they have been aware of that all along. She said that is why the facility plan allowed for the tertiary treatment. She said we knew that all along and she doesn't understand why he is making that statement.

Chair Reif said he would respond to Mr. Stanek thanking him for the report and requesting more information about O'Dell's Bay so we can better understand the concerns.

- System Design Update

Engineer Miller said she does not have any updates at this time. She said she expects to get some proposals for potential equipment options from Paul Nygaard of ICS within the next few weeks.

## 2. Operator's Report

- September Operations

September Flow Report  
Winchester – 647,192 gallons  
Larsen – 363,060 gallons  
Total for September – 1,010,252 gallons  
September Daily Average – 33,675

- Replacement of Mixing Pumps

No update at this time—the pumps are ordered and will be installed once they arrive.

- Phone Co. Lift Station Panel Upgrade

The panel upgrade was started on October 17, 2023. Operator Pfankuch said he stopped to check status, and all seems to be going well so far.

- Private Lateral Repair Update

Operator Pfankuch reported he spoke with Speedy Clean after last Friday's heavy rain, inquiring if the televising could be done. He was told that due to the drought conditions, the rain was absorbed by the ground and leaks would likely not be evident. He said they will continue to watch conditions, but the work will likely have to wait until next spring.

- Manhole Flex Sealing Update

Operator Pfankuch reported there were two manholes which were not sealed. He said there is one on Grandview which they were unable to complete because they did not want to chip out the blacktop. He said he spoke to Troy Immel who indicated they can drop one or two 1-inch riser rings into it. The cost would be less than \$1,000 and he was looking at options for getting it completed.

Operator Pfankuch explained the other manhole skipped is to the south in the Wingate Subdivision. He said he will be investigating it to see if there is any action needed.

### 3. District Employee Credentials – Business Card Design Review

Secretary Stevens presented a mock-up for a two-sided, shared use business card. She reported the cost will be about \$61.00 for 1,000 cards.

The Board decided to include contact information for all Board members as well, if possible, and to include the Towns' websites where district information is posted.

### 4. Engineer's Report

Engineer Miller reported she had reached out to Focus on Energy and arranged for the district's representative to attend the November 7th meeting. She said he was very helpful. She noted that he said he will help secure as many incentives as possible. She also noted that the WI DNR will match the Focus on Energy incentives up to \$50,000 so the program is well worth exploring.

### 5. Chairman's Report

Chair Reif reported he sent an email to the State Representatives and received an almost immediate response requesting a phone conference. He said so far, no one has called, but they are still working on the request for the district. He said he will keep the Board informed about what he hears.

The Board also discussed the alarm issues which have been occurring. Operator Pfankuch explained Crane is working the bugs out. He said they are making adjustments, and it will be corrected.

### 6. 2024 Budget Review and Considerations

Treasurer Thomas presented a draft budget for 2024. She explained she used revenue values based on a Mill Rate of 1.85 and a rate increase to the volume charge from .007 to .009. She said with that in mind, the budget for 2024 is essentially balanced. The Board reviewed the spending categories including but not limited to Operating Expenses, Engineering costs which include the new facility design work, repairs, maintenance, and upgrade expenses, and payroll.

Major costs identified are the new system design which is contracted for \$130,000 and existing equipment repair and maintenance for \$50,000. The district employees declined pay increases.

A budget summary provides for Revenues of \$320,765 and Expenses of \$318,650. The Board agreed that the proposed budget was in order.

#### 7. Mill Rate Consideration

The Board reviewed the Mill Rates and generated revenue totals for the past nine years. The district has fluctuated from a Mill Rate of 1.75 in 2014 down to 1.00 in 2019 and back up to 1.75 in 2022. The Board considered various Mill Rates and the corresponding revenues for the current year ranging from 1.75 up to 2.00. To support the proposed operating expenses in the budget, the Board determined a Mill Rate of 1.85 is necessary to support the 2024 operations..

#### 8. Volume Rate Consideration

The Board had discussed a potential increase to the volume charge for wastewater at its last meeting. The Board reviewed the estimated revenues for volume charges ranging from .007 to .010. The Board determined that a volume rate increase to .009 is necessary to support the 2024 operations.

#### **MOTION:**

**Motion by Vice Chair Nelson**

**Second by Commissioner Guth**

**Motion to set the 2023 Levy at \$145,265 resulting in a Mill Rate of 1.85/1,000; and to increase the volume rate from .007 to .009 beginning with the 2023 Q4 Billing Cycle.**

**Motion carried by unanimous voice vote.**

#### 9. Financial Report / Bills

- LGIP Account Update – Consideration to transfer CDs to LGIP Accounts

Treasurer Thomas reported that she spoke with Verve and provided the penalty calculations for early withdrawal. She said the 60-month CD (interest rate of 1.5%) penalty would be \$5,856.42 and the 48-month CD (1.1% interest) penalty would be \$5,701.58. The request for this information sparked an inquiry from Verve who indicated they would like to continue servicing the district, and offered a CD conversion which would combine the funds from the two CDs into a 14-month CD with an interest rate of 5.10%.

Treasurer Thomas noted that the LGIP accounts are protected up to \$400,000 and currently earning more than 5% in interest. She said the Verve money market balance is currently at ~\$617,000 earning 4.25% (as long as the balance remains over \$500,000). Treasurer Thomas will inquire if a new Business Money Market Prime account can be established with the higher 4.25% interest rate provided or what interest rate is available after transferring funds to LGIP. We are currently earning 2.5%.

The Board determined the CDs should be converted to the 14-month CD offer to maximize the interest income as the funds for the plant upgrade will not be needed until the spring of 2025. They also determined that \$400,000 should be moved to the LGIP accounts with the balance remaining with Verve.

**MOTION:**

**Motion by Chair Reif**

**Second by Vice Chair Nelson**

**Motion to surrender and convert the current CDs held with Verve to a 14-month CD with Verve with an interest rate of 5.10%; and to transfer \$400,000 to the LGIP account from the Verve money market.**

**Motion carried by unanimous voice vote.**

- Clean Water Fund – Environmental Loans Report

Treasurer Thomas and Engineer Miller reported that the Intent to Apply was submitted today. The WI DNR will create a priority list after the application deadline of October 31, 2023.

- Bills

Treasurer Thomas presented the current accounts payable for a total of \$6,459.68.

**MOTION:**

**Motion by Commissioner Guth**

**Second by Commissioner Blackburn**

**Motion to approve the accounts payable as presented.**

**Motion carried by unanimous voice vote.**

**IV. Public Comment and Requests for Future Agenda Items**

No public comments.

**V. Next Meeting**

The Board scheduled the next meeting for November 7, 2023 at 4:00 p.m.

**VI. Adjournment**

**MOTION:**

**Motion by Commissioner Guth**

**Second by Commissioner Kreutzberg**

**Motion to adjourn at 5:18 p.m.**

**Motion carried unanimously.**