

Dale Sanitary District 1
Monthly Meeting
December 17, 2019
6:30 P.M.

The regular monthly meeting of Dale Sanitary District 1, Town of Dale, Wisconsin was called to order on December 17, 2019 at 6:30 p.m. by Doug Wunderlich. In attendance for the Dale Sanitary District were Doug Wunderlich, President, Daryl Kistenmacher, Vice President, Charles Zehner, Secretary/Treasurer and Cornelius Van Voorhis, Plant Manager. Mary Jo Miller from Martenson & Eisle was also in attendance. Two residents in attendance were Denise Vos and Charlie Bauer.

Public Input: Open forum for all Users of the Dale Sanitary District to ask questions/ comments on the final plans for the Upgrade to the Dale Sanitary Waste Water Treatment. Two residents were present.

- Total Project Cost: \$ 1,046,825.00
- Financing through Wisconsin Clean Water Fund
- 30% Principal Forgiveness
- Approximate Loan Cost: \$735,000.00
- 20 year Loan Terms
- 1.65%
- New user rates that take effect January 1, 2020 as follows:
- Resident \$117.00 per/qtr, Business \$150.00 per/qtr and Alzena Subdivision \$204 per/ qtr.

President Wunderlich moved to approve the above mentioned financial changes and loans, Vice President Kistenmacher seconded; motion carried and new user rate and loans agreement are approved.

Plant Manager's Report. Cornelius did a couple of manhole inspections and both were good. He stated that a couple of floating balls on the pond sank into water so he had to recover them. All DNR required testing limits for the month were within standards.

Martensen & Eisele: Mary Jo Miller was present at meeting and she presented the changes to the Construction Project bid and all changes were approved by MZ Construction so President Wunderlich signed all updated contract paperwork.

Jan 1, 2020 Implement New Rate Structure
Construction could start as early as Feb 2020 and our required completion date is Sep 30, 2020.

Budget Review. Clerk/Treasurer Chuck Zehner presented the current 2019 Budget status. Currently we are at 29% on the 2019 budget remaining and we do not foresee any financial shortfalls for 2019. President Wunderlich moved to approve the current 2019 Budget, Vice President Kistenmacher seconded; motion carried and budget as of October 30, 2019 is approved. A 2020 Budget draft was presented and will be finalized at Jan 2020 meeting.

Approval of Invoices. All invoices were reviewed and approved for payment. Checks 4512 thru 4522.

Approval of Minutes. Charles Zehner made a motion to approve the minutes, as revised, from the November, 2019 monthly meeting. Daryl Kistenmacher seconded; motion carried and the minutes from the November, 2019 minutes were approved. Minutes will be posted on webpage and post office.

Clerk/Treasurer's Report. Treasurer issued to each member the bank account balances and activities for each member. President Wunderlich made a motion to approve the financial report, Vice President Kistenmacher seconded; motion carried and Clerk/Treasurer Report was approved.

James Wheeler signed an agreement letter from the Dale Sanitary to allow construction equipment to cross this property to completed upgrade to our Waste Water Treatment Plant. This agreement is for the period of Jan, 2020 thru Sep 2020. Thanks James Wheeler!

President's Report. Doug asked about how we conducted snow removal at the Sanitary Plant and he came up with a plan for this year.

Vice President Report: Daryl is continually working with a contractor to start the process of reducing the Phosphorus level of the water that leaves the plant. He presented a third letter that he received. This letter gave us some cost estimates that we can put into our planning factors for this project which has a completion date of 2025. We are looking into doing a Pilot Demo of this new project at our Sanitary Plant with a target date of Jan 5 thru Jan 17, 2020 per DNR requirement.

Old Business: None.

Adjournment. Motion was made by Chuck Zehner and seconded by Daryl Kistenmacher to adjourn and meeting was adjourned at 7:40 p.m.

Next Annual meeting: April 22, 2020 at 6:30 p.m.

Next Regular meeting: Jan 21, 2020 at 6:30 p.m.

Respectfully submitted: Charles Zehner, Secretary/Treasurer

Minutes approved this ____ day of January 21, 2020

Charles Zehner, Secretary/ Treasurer

**Dale Sanitary District
Wastewater Treatment Plant Upgrades and Proposed Rate Increase
December 2019**

Construction Contract awarded to MZ Construction – Livingston, WI
 Base Bid - \$ 861,865.00
 Change Order – removed fence work, tree work, alternate valve spec,
 aggregate and plywood deductions- \$78,600.00
 Construction Contract - \$783,265.00

Contracts for equipment directly purchased by Sanitary District:
 Nexom – SAGR and OPTAER Components - \$184,800.00
 PJ Kortens – Controls \$20,760.00

M &E - Construction Related Services and Administration - \$43,000.00

Legal Fees/ Closing Costs - \$15,000.00

Project costs came in @ 40% above estimates

Total Project Costs - \$1,046,825.00

Financing through Wisconsin Clean Water Fund

30% Principal Forgiveness
 Approximate Loan Amount = \$735,000

20 Year Loan Terms

1.65% Interest

Proposed New Sewer User Rates – No Change to Sanitary District Mill Rate

| Customer | Current Quarterly Rate | Proposed Quarterly Rate |
|---------------------------|-----------------------------------|------------------------------------|
| Residential | \$84 | \$117 |
| Business | \$108 | \$150 |
| Alzena Subdivision | \$147 | \$204 |

*Approved
12/17/19*

Dale Sanitary District Sewer User Rate Calculations
December 2019

| REVENUE | Current Revenue | | | | User Ratio | Equivalent User | Required Rates/Revenue | | | Proposed Rates/Revenue | | | | Proposed Rate Increase | | |
|---|-----------------|-------|-----------|-----------|------------|-----------------|------------------------|----------|-------------|------------------------|--------|----------|-------------|------------------------|---------|-----------|
| | User | Rate | Quarterly | Annual | | | User | User | Rate | Quarterly | Annual | User | Rate | Quarterly | Annual | Quarterly |
| Single Residential | 159 | \$84 | \$13,356 | \$53,424 | 1.0 | 159 | 159 | \$128.67 | \$20,458.92 | \$81,835.66 | 159 | \$117.00 | \$18,603.00 | \$74,412.00 | \$33.00 | \$132.00 |
| Business | 30 | \$108 | \$3,240 | \$12,960 | 1.3 | 39 | 30 | \$165.44 | \$4,963.08 | \$19,852.32 | 30 | \$150.00 | \$4,500.00 | \$18,000.00 | \$42.00 | \$168.00 |
| Alzena Subdivision | 17 | \$147 | \$2,499 | \$9,996 | 1.8 | 30 | 17 | \$225.18 | \$3,828.00 | \$15,312.02 | 17 | \$204.00 | \$3,468.00 | \$13,872.00 | \$57.00 | \$228.00 |
| Total Usage Fees | 206 | | \$19,095 | \$76,380 | | 227 | | | | \$117,000 | 206 | | \$26,571 | \$106,284 | | |
| Tax Roll Assessment | | | | \$90,500 | | | | | | \$90,500 | | | | \$90,500 | | |
| Interest | | | | \$800 | | | | | | \$800 | | | | \$800 | | |
| TOTAL REVENUE | | | | \$167,680 | | | | | | \$208,300 | | | | \$197,584 | | |
| EXPENSES 2022 | | | | | | | | | | | | | | | | |
| 2022 Estimated O&M | | | | \$139,800 | | | | | | | | | | | | |
| Equip. Repl. Fund | | | | \$25,000 | | | | | | | | | | | | |
| Debt Retirement | | | | \$43,500 | | | | | | | | | | | | |
| TOTAL EXPENSES 2022 | | | | \$208,300 | | | | | | | | | | | | |
| EXPENSES MINUS REVENUE | | | | \$40,620 | | | | | | \$0 | | | | \$10,716 | | |
| Annual Increase Required Per Equiv User | | | | \$178.69 | | | | | | | | | | | | |
| Quarterly Increase Required Per Equiv User | | | | \$44.67 | | | | | | | | | | | | |

Future Debt Retirement
(\$1,050,000, 30% PF, 1.65%, 20 Years)

\$43,500

| CWF LOAN | |
|------------------------------|--------------------|
| MZ Construction | \$783,265 |
| Nexom | \$184,800 |
| PJ Kortens | \$20,760 |
| M&E CRS and Admin | \$43,000 |
| Legal Fees/Closing Costs | \$15,000 |
| Total | \$1,046,825 |
| 30% Principal Forgiveness | \$314,048 |
| CWF Loan Amount (70%) | \$732,778 |

Note:

At the December 17, 2019 meeting of the Dale Sanitary District, the District Board voted to adopt the proposed sewer rates shown above, with the understanding that if revenues do not meet expenses, the difference will be covered by reserve funds that the District has on hand.

The District will re-evaluate sewer rates within two years to consider if rates need to be adjusted.