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MINUTES
SUMMIT UTILITY DISTRICT #2
District Commission Regular Meeting
August 8, 2024

CALL TO ORDER

Chairperson Riley called to order the Summit Utility District #2 meeting at 6:15 p.m. on Thursday, August 8, 2024 at the Summit Village Hall, 37100 Delafield Road, Summit, WI.

ROLL CALL AND CONFIRM POSTING

Administrator Michael took roll call and confirmed that the meeting was noticed to the local media as required and requested and posted on the Village posting board and website. Commissioners present were: Jeff Lee, Jim Petronovich, Kraig Arenz, Sr., and Justin Phillips. Also present were: Chairperson Jack Riley, Public Works Director Kamron Nash and Administrator-Clerk/Treasurer Debbie Michael.

PUBLIC COMMENT - None

MINUTES: July 11, 2024 regular meeting

MOTION: (Lee, Petronovich) *to approve the July 11, 2024 meeting minutes.* Carried.

Discussion and action on July 2024 payables and Financial Report

MOTION: (Petronovich, Lee) *to approve the financial report and the July 2024 payables in the amount of \$57,501.22.* Carried.

Discussion on July 2024 engineering report

There was no further discussion on the submitted report (on file).

Discussion and action on Notice of Intent Letter from Excel Underground for underpayment of invoices

Director Nash stated that she provided a lot of history and found old emails from Henry, who managed this work in the past. Excel has put us on notice regarding those tickets we have short paid, they are asking for payment for them but haven't stated how far back they would go. If we can't come to an agreement on this or new terms, they will end locating services at the end of the month. Henry had met with Trustee Casterline and

the owner of Excel, Ray, and they did agree to some revisions for payment. We have been unable to locate a signed contract. Asked Ray if he would like to sit down and meet to negotiate.

Trustee Lee stated he would like to sit down and discuss with the owner, and he would propose to meet Thursday morning or Monday morning. Commissioner Arenz stated it could be done virtually if needed.

Director Nash stated that SEH has said they can do the work and could negotiate, it might be in our best interest to look elsewhere.

Trustee Lee stated there are two types of locates: ones that are fairly close to the Village line and some that are clearly out.

MOTION: (Lee, Arenz) to direct Kamron to set up a meeting with Excel Underground for either next Thursday morning or the following Monday at 8 am to discuss the scope and severity of what they're proposing. Carried.

Discussion and action on monthly user fee price increase from Delafield-Hartland Water Pollution Control Commission

Administrator Michael stated the Utility District received an email from Del-Hart on June 14 stating they needed to increase their fees because they haven't done so since 2021. The Utility District receives an invoice from Del-Hart for the treatment of the waste and the Utility District collects a fee from the users as Treatment revenue. Currently the Utility District charges \$53.00 per quarter which is \$17.67 per month and the district was being charged \$16.50 from Del-Hart. As of the July 1, 2024 bill from Del-Hart, the district will be charged \$19.50 per month per DUE. If the district continues with their current fee, we would be \$1.83 short of what Del-Hart has started charging the district. The question now is does the Utility District want to raise the rates to our customers starting July 1 as well or would the district recognize it as a deficit and use general fund monies to cover the expense and look at the rates during our budget process. The Ehler's cash flow report will have to be reviewed based on the increased charges from Del-Hart but it did show an increase to \$56.00 per quarter for the Treatment fee.

Commissioner Arenz stated he was around when we had to figure out the DUE's to start the Utility District and then we had an agreement with Del-Hart to state ownership. He still believes we are considered as an owner yet we aren't even on the board to know or understand how they got here. Commissioner Petronovich stated he had the same thought as to why Summit doesn't have a member on that board. Commissioner Arenz stated that they did provide a breakdown of connection fees and special assessments as well and each community has a different way of calculating the special assessment but the connection fee is the same because we are all owners. Doesn't think anybody here knew this was coming. President Riley stated he had the same opinion that we were an owner but added that we've never been treated that way.

Administrator Michael stated that she did go back to Del-Hart and question the process and reviewed the agreement and it seems they have acted within their rights. They stated that 1981, 1986, and 2021 were the years of previous increases.

Commissioner Arenz stated the process in his mind would've been to notify the group and consider these increases during budget discussions and implement January 1.

Chairperson Riley stated there are two things we need to figure out: 1. What is the ownership and voice piece? and 2. What do we do as far as collecting?

Chairperson Riley added that he thinks we need to have Ehler's plug in these new numbers and see what would happen if we floated that \$8,000 difference to our cash flow.

Commissioner Petronovich asked why we can't just raise their bills. Commissioner Arenz replied we could have suggested that be done January 1 but because we didn't have a voice and not to saying the request is unreasonable but the timing. Administrator Michael reminded the group that there was an \$8 increase January 1, 2024 already. To accommodate this new rate from Del-Hart, the Utility District would have to increase by another \$5.50.

Chairperson Riley stated that we should have Ehlers run the model and see if our end is still black. Commissioner Arenz added that two increases in one year doesn't seem to make sense.

ADJOURN UTILITY COMMISSION MEETING

MOTION: (Lee, Phillips) *to adjourn at 6:37 p.m.* Carried.

Respectfully Submitted,

Debra J Michael, WCMC
Village Administrator-Clerk/Treasurer

Next Regular Meeting: September 12, 2024