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MINUTES
SUMMIT UTILITY DISTRICT #2 COMMISSION
May 8, 2025

CALL TO ORDER

Chairperson Riley called to order the Summit Utility District #2 Commission meeting at 6:15 p.m. on Thursday, May 8, 2025 at 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: Kraig Arenz, Sr., Jim Petronovich, and Jeff Lee. Also, present were: Chairperson Jack Riley, Public Works Director Kamron Nash and Administrator-Clerk/Treasurer Debbie Michael. Commissioner Justin Phillips was absent.

PUBLIC COMMENT - None

MINUTES: April 10, 2025 regular meeting

MOTION: (Petronovich, Arenz) *to approve the minutes of the April 10, 2025 regular meeting.*
Carried.

Discussion and action on April 2025 payables and Financial Report

MOTION: (Petronovich, Lee) *to approve the payables and the financial report in the amount of \$817,210.57. Carried.*

Discussion and action on owner's request for reimbursement of sewer service expenses related to lateral break at 2326 N 2nd Lane

Director Nash explained that there was a break on the riser for a main sewer line to a property on 2nd Lane, this was installed as part of the project when the system was constructed. At the recommendation of the Engineer, SEH, we hired a contractor with the assumption that this was part of the Village's infrastructure. When the break happened, the property owner had back up in

their system and had it investigated and then turned it over to ASI to go out and they televised it and found what the issue was. DF Tomasini did the work and the property owners have now come back and they are requesting reimbursement for the bill for the contractor service call, and they have also asked for consideration of some expenses related to travel, they are seasonal residents so they were planning on traveling south for the Winter season and as the result of this break, they had to delay plane and vehicle rental.

Director Nash added that Debbie reached out to insurance company, generally when we have a claim like this, we submit it to insurance and they provided a response today and they're recommending that the claim is disallowed and have a number of reasons for that. Administrator-Clerk/Treasurer stated that it was the Village Attorney's opinion that this is not something the Village should be reimbursing.

Director Nash stated even though the insurance company has stated it will not approve the claim, there is opportunity for the Commission to make a decision to pay it out of operating expenses of the utility district.

Commissioner Petronovich stated from what he's reading it sounds like we shouldn't have even paid for the work done by Tomasini. Director Nash stated there is a little bit of a gray area in what it is that we cover, and she would like to have a conversation with SEH in terms of what we've covered in the past related to breaks because in general when we put in infrastructure in a system, we are responsible for everything except for the lateral and thinks since the break wasn't in the lateral but in the riser that leads to the lateral, that was the reason that SEH made the recommendation that we correct that. In the future, we need to get on the same page of what exactly is the utility district responsibility versus the private property owner's responsibility.

Commissioner Lee stated, it looks like the insurance company is counting the riser as part of the lateral. Director Nash stated that is their opinion. Commissioner Lee added but SEH believes it is part of. Director Nash replied that she hasn't had a discussion with SEH as this information from the insurance just came through today.

Commissioner Petronovich asked what about Tomasini, can we ask them. Director Nash responded that they wouldn't know anything about that. They were just hired to go out and do the repairs. Chairperson Riley asked how much we paid Tomasini. Director Nash replied just shy of \$8,000 for the repair and the Village DPW restored the landscaping along the road.

Chairperson Riley asked for confirmation that the insurance company knows the break was in the riser, not in the lateral. Director Nash stated yes.

Trustee Arenz stated that is the struggle he has, they can't have service to us without the riser and the lateral downstream, he fully agrees that where you connect on, just like pressure water, stops at the valve and the utility takes upstream from the valve stop and the customer takes the responsibility downstream of a valve stop. Commissioner Petronovich stated this is a gravity system so he doesn't think there are any stops on it. Commissioner Arenz stated but the riser is ours, the customer can't install the riser.

Commissioner Lee stated so if the crack is located there, he doesn't understand why the insurance company would be claiming that the riser is part of the lateral and belongs to the property owner. Commissioner Lee thinks we need to investigate this a little further before a decision because we are setting precedent here. He recommended a conversation with SEH and a follow up with the insurance company is in order before a decision is made on this.

Commissioner Petronovich asked who's opinion would this be. Trustee Arenz asked why we would pay Tomasini's bill. Commissioner Lee stated he doesn't disagree with that but we did that based on SEH's recommendation but the insurance company is saying something totally different.

Chairperson Riley stated that Commissioner Lee is on the right track and we need to clarify with insurance company and if the riser was installed as part of the system. Administrator-Clerk/Treasurer Michael stated that she sent the drawing from Robbie at SEH and the information related to the issue to the claims specialist and he is absolutely aware of that. Commissioner Lee responded so that person is basically saying that that is part of the lateral but if there was no house there, would the riser be there. Commissioner Arenz responded yes, it was built and designed as part of the system and then they connect to it there.

Commissioner Petronovich stated when he lived in West Allis he had an old house and the sewer caved in and it was the lateral, the part that went from the house to the main, he had to pay for that out of his pocket. Here, on Silver Lake, he has an impulse system and when he had that, he was told that the City owns up to the stop and everything from that stop up to his house is his responsibility.

Commissioner Arenz stated where does their lateral connect to, the riser or curb stop. Commissioner Petronovich responded that he doesn't know what a riser is, where it is located, any of that. Administrator-Clerk/Treasurer explained that the sewer main is in the road and because of change in topography or depth of the main and depth of connection to house is a significant number, the riser drops down from the main to where the pipe coming from the house (lateral) will be connected. Commissioner Arenz stated that he doesn't have a problem with getting more information but if the riser is part of the system and we were having Tomasini fix it, and it is on the original as-builts and we paid to have it put in there we just need clarification but he would call that ours. Commissioner Lee agreed but stated that the insurance company is stating that it isn't ours. Administrator-Clerk/Treasurer Michael stated that we shouldn't get hung up on the riser part because there was another clause that the insurance company provided that says we have immunity from damage and read point number four from the insurance company's response. Administrator-Clerk Treasurer Michael also added that this was the same situation in the Silver Lake Utility District with the issues on Indian Mound Road and the same insurance company for the City of Oconomowoc denied those claims for the same reason, immunity. That is the main reason for the statement that the claim would be denied, not who owns the riser. Commissioner Petronovich stated that the way he read the insurance's response is that the utility district basically gave a gift to the property owner in paying for the repair. The Commissioners agreed that we need to be careful with this decision because on that whole leg of the system, there are a lot of risers and we would be setting precedent with this decision.

Commissioner Lee asked if there are preventative measures that can be employed so that this doesn't happen in the future.

Chairperson Riley asked if it was a clog or a leak. Director Nash explained it was both and that what happened was tree roots got into the line so there was a leak but it was also clogged which is what caused the back up. The property owners stated that they did laundry and there was back up coming in through the floor drain in the basement.

Chairperson Riley said we probably should table this and get more information on it but what about preventative maintenance. Director Nash responded that if we are really concerned in this area because we know there are tree roots, we can do proactive maintenance like televising the laterals. There will be an expense related to that but we can talk to SEH about getting some quotes and then we would have to include in the budget. Chairperson Riley stated that the utility district doesn't own the laterals, the homeowners do. Director Nash stated we would go through and check the risers to make sure there are no issues and the main line.

Commissioner Arenz asked what are we asking staff to bring forward. Commissioner Lee stated the question is that SEH obviously thought this was a Village issue so it would be good to determine why they felt that way and what the supporting documentation is. The commissioners determined that we should have Robbie come to the next meeting and he should be prepared to talk about this. Director Nash thinks their interpretation is similar to what Jim said about Silver Lake Utility District, the infrastructure is owned up to the private property line and ultimately anything that's on private property is the responsibility of the property owners but in the public right of way up to where that infrastructure is installed generally falls on the municipality. Director Nash thinks the utility district needs to reach out to the insurance company and just get some clarification because if we are responsible for it but the insurance company isn't going to cover it, then we are always going to be on the hook for this.

Trustee Lee stated that the real question he has for the insurance company is if the bottom line is that a clog and broken sanitary sewer lateral pipe belongs to the claimant, as a homeowner am I supposed to have that televised periodically or what should a property owner be doing? Commissioner Arenz responded that in the same system, in a different area, on the island, people are required to flush their lines because they are the end of the line so that answer is yes but he doesn't know if there is any other place that has been identified by this group. Commissioner Lee stated the question for Robbie is what is the responsibility of the homeowner and what should the be doing.

MOTION: (Arenz, Lee) *to consider this at the next regularly scheduled meeting and ask staff to bring forward some additional information from both SEH and the insurance carrier. Carried.*

Discussion on March 2025 engineering report

The report was reviewed. Commissioner Lee asked what is televised, Director Nash stated the mains are televised and cleaned so this is preventative maintenance. How much riser is there and can it go into the riser when they are televising the mains.

Commissioner Petronovich asked about the Roger's remote metering system and who is paying SEH for that, the district or Rogers. Director Nash stated the initial investigation is being paid by the district but when the installation occurs there will be some time involved and Rogers will be responsible for all those fees, including the new meters. It is a mutually beneficial program. Administrator-Clerk/Treasurer Michael clarified that she believes Commissioner Petronovich is referring to SEH's time spent on this and if the district is charging Rogers. Director Nash replied no, the district has been paying for that so far. Commissioner Petronovich stated he thinks they should be billed for that. Director Nash explained that Rogers brought up the idea a while ago but then it went stagnant and we didn't hear anything about it but now they have brought it up so we will be asking for a commitment on this program.

Commissioner Petronovich asked about the WE Energies situation stating he didn't understand what this referred to. Director Nash explained this is related to the property on Elm Street that burned down a couple years ago and they are building a new home so there was a right of way permit that was pulled and as part of that they were going to be boring under the road for gas and electric but when the contractor came in, they said they don't blind bore sewers and they need to cut into the road to physically locate the sewer line. This is a brand new road just paved last year so the SEH went out after looking at the as-builts and pulled manhole covers and located the sewer line which is approximately 6' below the surface of the road and the contractor was only boring at 24 – 36 inches so we gave them the go ahead to do their boring with the statement that if they hit that sewer line and you're only going 36 inches then that is on the district. Commissioner Petronovich questioned if that work will be charged to the homeowner or the district. Director Nash responded this is charged to the district and is a right of way permit.

Discussion and action to award 2025 Sewer Cleaning & Televising Program contract

Director Nash stated the recommendation is to go with The Expeditors at a cost of \$8,013.66 and that the budget include \$10,000 for this work.

MOTION: (Arenz, Petronovich) *to award the 2025 Sewer Cleaning and Televising Program contract to The Expeditors, Inc. in the amount of \$8,013.66. Carried.*

ADJOURN UTILITY COMMISSION MEETING

MOTION: (Lee, Arenz) *to adjourn at 6:51 p.m. Carried.*

Respectfully Submitted,

Debra J Michael, WCMC
Village Administrator-Clerk/Treasurer

Next Regular Meeting: June 12, 2025