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Summit Village Hall • 37100 Delafield Road • Summit, WI 53066

MINUTES
Summit Utility District #2 Commission Meeting
June 12, 2025

CALL TO ORDER

Chairperson Riley called to order the Summit Utility District #2 Commission meeting on Thursday, June 12, 2025 at 6:15 p.m. at Summit Village Hall, 37100 Delafield Road, Summit, WI.

ROLL CALL AND CONFIRM POSTING

Administrator-Clerk/Treasurer 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 Justin Phillips. Also present were: Chairperson Jack Riley, Public Works Director Kamron Nash, SEH Engineer Robert Malzahn, and Administrator-Clerk/Treasurer Debbie Michael. Commissioner Jeff Lee was absent.

PUBLIC COMMENT – none.

MINUTES: May 8, 2025 regular meeting

MOTION: (Petronovich, Phillips) *to approve the minutes of May 8, 2025 regular meeting.* Carried.

Discussion and action on May 2025 payables and Financial Report

MOTION: (Petronovich, Phillips) *to approve the financial report and May 2025 payables in the amount of \$42,773.07.* Carried.

Discussion and action on offering optional e-bill service for sewer billing customers

Administrator-Clerk/Treasurer Michael stated this is the same request we just spoke about for Silver Lake Utility District but this district sends approximately 700 bills per quarter so the potential for cost savings is greater.

Chairperson Riley asked if there are grinder pumps in this district too, and if so, maybe we should send the flyer they just discussed at the Silver Lake Utility District meeting. He stated that the direction would be the same as far as piloting and getting to ACH eventually but this one is a lot bigger.

Direction was given to start with Silver Lake and see how that works and the lessons that we learn we can apply to this district.

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 at the last meeting we had brought forward a request from the property owner for expenses they had from a contractor to come in and look at a backup that had occurred on their property. There were some questions that the Commission wanted answered so staff was directed to go back and get additional information. The conversation at the last meeting was really two separate items so it was separated that way. The first is the claim from the property owner, for the contractor coming in. Whereas, the other item is to determine the responsibility for repairs and who has that maintenance responsibility for the lateral up to the sewer main. We talked at the last meeting about how the insurance company responded and also Attorney Macy chimed in with his comments as well and they both recommend that the Commission disallows the claim and the primary reasons are that the break occurred in the lateral system, which is considered to be private plumbing that extends from the private home to the sewer main. The issue with the lateral was an unnoticed clog or break and the Village isn't liable for causing it and Wisconsin Statute 893.8 affords the Village liability and the only reason we would take responsibility is if we were truly negligent for something we weren't doing or creating the issue ourselves. Based on that, staff is recommending that it be disallowed. However, the Commission can make their decision and if they determine they want to reimburse expenses just with the understanding that this would set precedent. If the property owners wish to make a formal claim, they can do that and we'd submit to the insurance company with the understanding that it would likely be disallowed unless there is additional evidence that is provided that proves otherwise and that the Village would be liable.

MOTION: (Petronovich, Phillips) *to disallow the claim submitted by the property owners of 2326 N. 2nd Lane for expenses incurred related to a damaged sewer lateral adjacent to their property.* Carried.

Discussion and action on responsibility for sewer laterals within the public right-of-way in Summit Utility District #2

Director Nash explained that she did a lot of outreach to other communities and utility districts to see how they manage this and the majority treat the lateral as private property all the way to the connection to the main and at times including the connection to the main. There are a few communities that don't do that, they end responsibility for the property owner at the property line. Director Nash spoke with the new manager at Oconomowoc Wastewater Treatment Plant and he has some experience outside the community and said that a lot of the communities that do that have other types of issues they are trying to manage for instance, they would have a lot of I&I, Inflow & Infiltration, that's adding excess flow to the system, so that's their way of trying to control it and monitor and take control over the maintenance and repair work. Director Nash added that a lot of those communities have a funding mechanism to cover issues in that area. For example, one community had a sewer lateral fee that is assessed to all the property owners and then goes into an account that is set aside for those types of repairs. There are a variety of different ways to look at this, it really comes down to what it is that the Commission believes the intent of our ordinance is and whether or not we want to put that responsibility on the property owner or we want to put that on ourselves. Director Nash added that she reached out to the Village of

Johnson Creek, they take responsibility up to the property line and specifically asked questions about how they deal with their insurance company but they didn't respond back. In other conversations she heard that the claims that would come from private property owners, the utility district has an inherent immunity unless they were truly negligent or caused an issue, so we wouldn't be worrying about insurance claims, per se, it would be more the question of how do you pay for the expense of the repairs and who's responsible for that.

The insurance company provided feedback and stated we are not legally responsible for those and also that the Claims Specialist was going to consult with attorneys to get more feedback. The Claims Specialist believes that anything up to the sewer main can be considered private property and we do not have to take responsibility for that.

Director Nash stated she spoke to Mike Court at SEH and he stated we haven't dealt with this very often, there haven't been a lot of lateral breaks and their assumption is that we treated that as public property because when the district installed the system that was included. Went through our ordinance and it is not super clear. In the definitions it considers the "Building Sewer" the pipe extension that begins at the outside of the building wall to a point of connection to the public sewer. It doesn't define what the public sewer is. "Public Sewer" says it subject to the jurisdiction of the district. She checked some other ordinances and there are some with pretty good language out there that explains what it is and one thing to consider is if we want to leave the lateral as the responsibility of the property owner, we could define the sewer lateral as pipeline that connects the property to the local sanitary sewer main and that the sewer lateral would be owned and maintained by the property owner. If we change the language to make it more specific, we can make it clearer but it is the Commission's determination whether we want to go that route or take responsibility within the public right-of-way.

There is one section that is more specific to the infrastructure in right-of-way in Chapter 4. Section 4.6 that states: in the event of any blockage, damage or break in any building sewer which occurs within a public street, alley, highway or other public right-of-way, the district shall have the exclusive right and option to repair the sewer, in such event, the owner of the building sewer should promptly reimburse the district for all the costs. This is clearer and seems the intent is that the property owner would be responsible for that maintenance but the Utility District has the option to go in and do the repairs so that it doesn't create any more damage. Chairperson Riley questioned if that would apply to the main or lateral. Director Nash responded the lateral.

Director Nash stated she went through the Del-Hart Ordinance because the District Ordinance states if there is any contrary information, we would default to what their ordinance states and they do clearly define what that is but their ordinance refers to what Del-Hart owns so we could defer to that but thinks it would be easier in the future if we made the District's Ordinance clearer.

Commissioner Arenz stated he would direct staff to focus on that clarity and bring back to the group. President Riley responded where does that start.

Commissioner Petronovich stated to him it should be the homeowner's responsibility for the lateral all the way to the main sewer and the reason is because let's say it is plugged up and the property owner calls someone to rot it out, they could report that it is past the property line and say it's the district's responsibility to pay for it. Whereas, if the main sewer is plugged, then that's the district problem and it

would show up on multiple houses. If just one house is plugged up, then it is obviously in their lateral. Chairperson Riley agrees but where he struggles is how do the main and lateral connect and is that junction part of the main or part of the lateral. Director Nash responded that most ordinances that she read state that the connection is included as part of the lateral because it is serving the lateral but in one ordinance it says unless there is an actual “Y” that’s installed in the main itself, which is not very common, doesn’t think we have any of these in this district, so if you are tapping into the district’s main then anything from that point back to the property would be the property owner’s responsibility.

Commissioner Petronovich stated he read that the inside wall of the main to the house.

Chairperson Riley still had questions about how the main is built and is it a junction with a “T” connection, Robbie from SEH provided some clarification. Chairperson Riley stated he thinks the “T” would be part of the main and not part of the lateral. Director Nash stated that is the “Y” that she was talking about, it is something you are physically installing as a section in the pipe, which you can’t say the sewer main stops at that point and then continues after it, so can create language that states that but we could incorporate that into the ordinance.

Commissioner Petronovich stated the other problem we have is that this is a mixed sewer, there is gravity and grinder pumps. In his house it is all grinder pump and he has to pay all the way to the stop and after that it is the City of Oconomowoc. Director Nash responded that she doesn’t believe that is true and would have to check the Silver Lake Utility District Ordinance but she believes the way it reads is that we mirror the City’s ordinance and their ordinance specifically states that it is all the way to the main. That was part of the problem with this issue because the assumption was that because we installed it when the system was built out, we would be maintaining it. That’s not necessarily the way the ordinances are written, including ours. Commissioner Petronovich added that the reason the City stubbed it out was because when the grinder pumps were being installed, the City didn’t want to keep shutting down the system so they could shut down each stub, make the connection and turn it back on.

Chairperson Riley stated as long as we can make it make sense and people can understand it and be consistent across the districts. Administrator-Clerk/Treasurer mentioned that we have not involved our attorney yet.

MOTION: (Arenz, Phillips) *to come back with a definition we can agree on based on tonight’s feedback.*

Director Nash stated for clarification, her understanding is that the interpretation of the intent of the ordinance is that everything to the sewer main would be considered the private property owners, unless the insurance company attorney or the Village attorney would identify some exception.

Commissioner Petronovich stated so these people got a free ride because the district paid for the repair. Chairperson Riley agreed, the district shouldn’t have paid for the repair. Commissioner Petronovich stated that’s why he wants to ask Robbie from SEH, how they determined the Village should pay. Director Nash stated she had already explained that, they didn’t know otherwise, the ordinance isn’t very clear, we haven’t dealt with this very often and communities across the state, the majority of them, consider it private but there are still communities that do take care of everything that’s in the

right-of-way. It never really was made clear. Commissioner Petronovich asked if this was in the right-of-way and Director Nash responded yes.

Carried.

Discussion on May 2025 engineering report

Robert Malzahn, SEH, reviewed the report.

Discussion and action on Resolution #2025-01 approving the Compliance Maintenance Annual Report (CMAR) for 2024

MOTION: (Arenz, Phillips) *to adopt Resolution No. 2025-1 accepting the 2024 Compliance Maintenance Annual Report for Summit Utility District No. 2.*

ROLL CALL: Petronovich – aye, Phillips – aye, Arenz – aye, Riley – aye. Carried.

ADJOURN UTILITY COMMISSION MEETING

MOTION: (Arenz, Phillips) *to adjourn at 6:41 p.m.* Carried.

Respectfully Submitted,

Debra J Michael, WCMC
Village Administrator-Clerk/Treasurer

Next Regular Meeting: July 10, 2025