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Public Works/Engineering
Taped and Televised

SEWER UTILITY DISTRICT COMMISSION

Thursday, October 27, 2022

7:00 PM

Christine Nuernberg Hall

Minutes

1) Call to Order, Roll Call

Present:

Commissioner Andrew Nerbun
Commissioner Mark Gierl
Commissioner Jeffrey Hansher
Commissioner Dale Mayr
Commissioner Brian Parrish
Commissioner Kathleen Schneider
Commissioner Glenn Bushee -- **Excused**
Commissioner Robert Strzelczyk -- **Excused**
Vacant Seat -- **Excused**

Also present were City Clerk Fochs, City Administrator Jones, City Attorney Sajdak, Director of Public Works/City Engineer Lundeen, Deputy Director of Utilities Driscoll, Finance Director Engroff, press and interested public.

2) Approval of Meeting Minutes

- a. Sewer Utility District Commission - Regular Meeting - Sep 13, 2022, 7:15 PM

Moved by Commissioner Schneider, seconded by Commissioner Parrish to approve the minutes from September 13, 2022, 7:15 PM. Motion approved by voice acclamation.

3) Consent Agenda

- a. **RESOLUTION 3987** A Resolution Authorizing Execution of a Sanitary Service Deferral Agreement for the Property Located at 8813 West Mequon Road

The commission took Resolution 3987 and 3986 up together.

- b. **RESOLUTION 3986** A Resolution Authorizing Execution of a Sanitary Service Deferral Agreement for the Property Located at 13120 North West Shoreland Drive

The commission took Resolution 3987 and 3986 up together.

RESULT: Approved by Voice Acclamation [Unanimous]
MOVED BY: Commissioner Schneider
SECONDED BY: Commissioner Gierl

AYES:	Nerbun, Gierl, Hansher, Mayr, Parrish, Schneider
ABSENT:	Bushee, Strzelczyk

4) Discussion Items

- a. Lift Station E - Replacement Site Selection and Preliminary Cost Estimate

Discussion ensued about the challenges of finding a site that was appropriate in terms of engineering and accessibility of the land. The intent would be to keep the connection to the pedestrian pathway on one side of the structure and access for Sewer Utility Vehicles on the other side. The discussion concluded in consensus that staff proceed with the design to replace Lift Station E in the City right-of-way extended north of the dead end to Laguna Drive outside of the floodplain.

- b. A Resolution Rejecting the Bids for a Back-up Pumping System at Lift Station E (Ranch Road)

Staff is looking for direction from the Commission to either award the contract for the back-up pumping system or to pursue other options. Back up pumping is needed in the event of a power fail at LS E, where anticipated replacement of a new lift station will take 24-30 months. Historically, power fails have occurred on transmission from each substation power feed, however not simultaneously. Commissioners expressed consensus to reject the bid to construct the Lift Station E back-up pumping system and directed staff to pursue other options.

- c. Discussion Regarding the Sanitary Sewer Utility Mill Rate

A motion was made to suspend the rules to take up item “4.c” before items “4.a”. and “4.b” Moved by Commissioner Parrish, seconded by Commissioner Schneider. Motion was unanimously approved by voice acclamation.

City Administrator Jones identified options for adjusting sewer tax rate to address future capital needs, that included self-funding, debt financing and a hybrid option. He identified that historically staff has approached sewer levy as not subject to tax levy limits because it is not considered a ‘covered service’ by levy limits, and that the Sewer Utility enabling Ordinance was adopted in 1996 and specified SUDC funding via Levy & User Charges. The current sewer levy includes MMSD capital charges in addition to debt Service & capital funding. City

Administrator Jones indicated that Finance Director Engroff will identify options and advised that additional discussion be brought back on this item to the Commission in the first quarter of 2023.

Finance Director Engroff presented options that included a reduction of the sanitary tax rate by \$0.03 per \$1,000 assessed based on the tax levy limit, where that would result in \$129,000 (7.2%) decrease in Capital funding. In addition, due to the capital funding decrease, an increase in user charges and fees could offset that. To offset that an increase to the quarterly rate by \$3.00 from \$75.00 to \$78.00 (4%) and an increase to the volumetric rate by \$0.29 (4%) would restore capital funding by \$139,000.

Commissioner Mayr made a motion to set the sanitary tax rate at \$1.59 per \$1,000 assessed, the quarterly flat rate at \$78.00, and the volumetric rate at \$7.55 per 1,000 gallons. City Attorney Sajdak confirmed this motion can be addressed during the discussion item, and that it can be recommended for inclusion in the budget resolution.

RESULT: **Approved by Roll Call Vote [Unanimous]**
MOVED BY: Commissioner Mayr
SECONDED BY: Commissioner Hansher

AYES:	Nerbun, Gierl, Hansher, Mayr, Parrish, Schneider
ABSENT:	Bushee, Strzelczyk

5) Resolutions

Action requested: review and recommend approval

- a. **RESOLUTION 3991** A Resolution Adopting the Fiscal Year 2023 Sanitary Sewer Utility Budget and Establishing the 2023 Sanitary Sewer User Fee Schedule

RESULT: **Approved by Roll Call Vote [Unanimous]**
MOVED BY: Commissioner Mayr
SECONDED BY: Commissioner Gierl

AYES:	Nerbun, Gierl, Hansher, Mayr, Parrish, Schneider
ABSENT:	Bushee, Strzelczyk

6) Adjourn

- a. Motion to Adjourn at 7:54

RESULT: **Approved by Voice Acclamation [Unanimous]**
MOVED BY: Commissioner Gierl
SECONDED BY: Commissioner Parrish

AYES:	Nerbun, Gierl, Hansher, Mayr, Parrish, Schneider
ABSENT:	Strzelczyk, Bushee

Respectfully Submitted,

Karen Schlereth
Administrative Secretary