

# MINUTES

## HEART OF THE VALLEY METROPOLITAN SEWERAGE DISTRICT REGULAR MEETING HELD ON MAY 11, 2021 AT THE CITY OF KAUKAUNA COUNCIL CHAMBERS

**Members Present:** David Casper - President  
Bruce Siebers - Vice President  
Patrick Hennessey - Secretary  
Kevin Coffey - Commissioner  
John Sundelius - Commissioner

**Absent:** None

**Also Present:** Brian Helminger - District Director HOVMSD  
Kevin Skogman - Director of Operations & Maintenance HOVMSD  
Chad Giackino - Regulatory Compliance Manager HOVMSD  
Dawn Bartel - Office Manager HOVMSD  
Greg Heino – Erickson & Associates  
Jon Cameron – Ehlers Public Finance Advisors

### **1. 5:00 p.m. Call to Order – Roll Call**

President Casper called the meeting to order at 5:00 PM.

### **2. Public Appearances**

No appearances were made.

### **3. Approval of the Minutes of the April 13, 2021 Regular Meeting and the April 27, 2021 Special Meeting**

The minutes of the April 13, 2021 Regular Meeting and the April 27, 2021 Special Meeting were presented to the Commission. A motion was made by Commissioner Siebers and seconded by Commissioner Coffey to approve the minutes as written. Motion carried unanimously. The minutes were reviewed and pre-approved by Secretary Hennessey.

### **4. Correspondence to/from/for Commission**

Copied for the commission was a letter from Central States Water Environment Association, Inc. dated 4/7/2021 stating that District Director Helminger has been selected as the recipient of the 2021 Operations Award for the State of Wisconsin.

### **5. Discussion Items**

#### **A. 2020 Audit Presentation by Greg Heino of Erickson & Associates**

Greg Heino of Erickson & Associates reviewed the audited financial statements dated 12/31/2020. A motion was made by Commissioner Hennessey and seconded by Commissioner Siebers to accept the 2020 audited financial statements, management letter, and communication letter, as prepared and presented by Erickson & Associates. A roll call vote was taken: Commissioner Sundelius, yes; Commissioner Coffey, yes; Commissioner Casper, yes; Commissioner Hennessey, yes; and Commissioner Siebers, yes. Motion carried.

#### **B. Ehlers Public Finance Advisors-Presentation by Jon Cameron**

The District is in the early design phases for two upcoming projects: an interceptor rehab project with an estimated cost of \$22 million and a cloth media disk filter project with an estimated cost of \$12 million. The District currently has three outstanding Clean Water Fund loans which mature in 2024, 2025, and 2027. HOV is anticipating a 3-year period when the existing debt and new debt will overlap and potentially cause a spike to sewer use rates. The District engaged assistance from Ehlers to provide options to avoid a possible spike and keep user rates as stable as possible.

Jon Cameron of Ehlers reviewed his memorandum dated 5/10/2021 and provided an analysis of existing debt, available cash on hand, and future debt. Jon noted several options for the District to consider including pre-payment of a current CWF loan if approved by the State, the use of existing cash on hand to help pay the debt service on the existing or new loans for the 3-year period, interim financing, and open market financing. Open market financing comes with a slightly higher interest rate and a maximum of a 20-year term, but provides a pre-payment feature and flexibility that would allow the District to structure the new debt around the District's current debt.

The Commission directed Ehlers to prepare a scope of services for assistance with debt modeling, cash flow analysis, and evaluating future financing options.

#### **C. Leonard & Finco Public Relations, Inc. Consultant Agreement**

A motion was made by Commissioner Sundelius and seconded by Commissioner Hennessey to enter into a consultant agreement with Leonard & Finco, dated 4/28/2021, not to exceed \$35,000 on an annual basis. The contract will be signed by District Director Helminger. A roll call vote was taken: Commissioner Sundelius, yes; Commissioner Coffey, yes; Commissioner Casper, yes; Commissioner Hennessey, yes; and Commissioner Siebers, yes. Motion carried.

#### **D. FOG Program Update**

John Stoeger of Stoeger & Associates provided a written fats, oil, and grease update by community, including a grease trap inspection report and site visit correspondence. The Commission also received an itemized copy of the April 2021 invoice.

## E. Interceptor Action Plan - Monthly Activity Report from Strategic Municipal Services

Scott Schramm of SMS reviewed a memo dated 5/4/2021 which briefed the commission on the current activity and interactions with various stakeholders and ongoing field observations. Scott will be making a presentation at the community meeting in June.

### **PLANT REPORTS:**

#### **1. 2021 Flows & Revenues Report / Plant Operation Summary**

The Commission received a copy of the hydraulic & organic loadings data, along with flow & strength projections, which shows the year-to-date surplus/deficit in revenue for the month of April 2021. Revenue received from the WPS-Fox Energy Center for effluent purchased in April = \$12,863.47; Revenue received to date for 2021 = \$52,911.04. WPS-Fox Energy purchased 39% of the effluent produced in April.

The average effluent concentrations for **April 2021** were as follows:

	<u>Monthly Average</u>	<u>Permit Limit</u>
<b>BOD</b>	<b>5.8 mg/L</b>	<b>30 mg/L</b>
<b>Suspended Solids</b>	<b>6.5 mg/L</b>	<b>30 mg/L</b>
<b>Suspended Solids</b>	<b>222 lbs.</b>	<b>801 lbs.</b>
<b>Phosphorus</b>	<b>.19 mg/L</b>	<b>1.0 mg/L</b>
<b>Ammonia-N</b>	<b>.31 mg/L</b>	<b>11 mg/L</b>
<b>Chlorides</b>	<b>600 mg/L</b>	

***All permit values were met for April 2021***

Kevin Skogman, Director of Operations & Maintenance, provided a written O & M Report and updated the Commission on plant operations for April. Kevin's memo included updates on phosphorus analyzer, roof replacement of the digester control room, and the purchase of a new lawn mower. The remaining four laser flow meter modems have been installed and are now sending data to the flowlink software. Currently in the process of going global so that flow data/information can be accessed by the communities.

## **6. Funds**

### **A. May 2021 Accounts Payable; Action for Approval**

After a review and discussion of the bills payable, a motion was made by Commissioner Casper and seconded by Commissioner Siebers to approve payment of the bills in the amount of \$267,652.68. A roll call vote was taken: Commissioner Casper, yes; Commissioner Coffey, yes; Commissioner Siebers, yes; Commissioner Sundelius, yes; and Commissioner Hennessey, yes. Motion carried unanimously. The Commission signed the check voucher register which includes general, pre-paid, and petty cash checks.

## B. Budget Comparison Report

The Commission received a Budget Comparison Report, along with a verbal explanation of exceedances.

## 7. General Old or New Business

*Community Meeting:* District Director Helminger noted that the next quarterly community meeting will be held in late June and topics will include an update on the interceptor project and cloth media disk filter project, FOG Program, and the 2020 flow and loadings presentation by Donohue.

*Cleanwater Reduction Program:* Work has begun on the antecedent moisture model (AMM) revisions to new software along with incorporation of laser metering flow totals. The upgrades to the Antecedent Moisture Model are being developed and implemented to provide the most up to date and accurate data for use in the evaluation and reduction of clear water inflow and infiltration in the District's service area. This effort is in lock step with the District's mission to provide high quality services through continuous improvement of facilities and the infrastructure that supports the District and its member communities.

Donohue anticipates appearances at commission meetings to report progress on the AMM. They will also be on the agenda for the June community meeting. A working meeting is scheduled for 5/17/2021.

*Leonard & Finco:* There will be a virtual kick-off meeting on 5/18/2021. The Commission requested that a press release be drafted in recognition of the Central States WEA Operations Award.

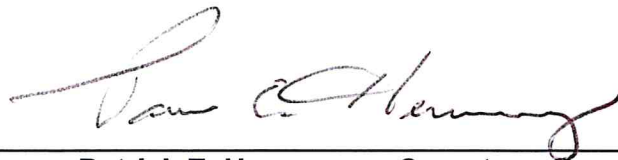
*Cloth Media Disk Filter Project:* There will be a working meeting with Donohue on 5/18/2021 to discuss HVAC for the filter project.

*Outagamie County Landfill:* Foth is investigating potential treatment and discharge scenarios to find the most economical and optimal treatment option. HOV staff reminded Foth that a reduction of 70% ammonia and 50% BOD was previously agreed upon and the District's primary focus is that the landfill meets those reductions, more so than the technology or method chosen to achieve the reduction.

## 8. Adjournment

With no further business before the Commission, a motion was made by Commissioner Sundelius and seconded by Commissioner Coffey to adjourn the meeting. Motion carried unanimously. (Time: 6:28 PM)

SIGNED & APPROVED BY:



Patrick E. Hennessey, Secretary