

MINUTES

HEART OF THE VALLEY METROPOLITAN SEWERAGE DISTRICT REGULAR MEETING HELD ON JULY 13, 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
Chad Giackino - Regulatory Compliance Manager HOVMSD
Dawn Bartel - Office Manager HOVMSD
Jon Cameron – Ehlers Public Finance Advisors
Lisa Trebatoski – Ehlers Public Finance Advisors
John Stoeger – Stoeger & Associates

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 June 8, 2021 Regular Meeting and the June 30, 2021 Special Community Meeting

The minutes of the June 8, 2021 Regular Meeting and the June 30, 2021 Special Community 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 an update from Crane Engineering regarding the successful completion of the Oystera testing in Dakar, Senegal.

5. Discussion Items

A. Jon Cameron of Ehlers – Long Range Cash Flow & Debt Modeling Analysis

Jon Cameron reviewed a projected cash flow analysis, capital improvement plan, equipment replacement fund analysis, and rate increase scenarios. Jon discussed the various loan options and advised keeping cash on hand equivalent to six months of next years operating expenses, including depreciation, plus 100% of debt. He also suggested wrapping the new debt around existing debt, whether choosing open market or clean water funding. He expressed concern with using projected connection fees as part of the revenue line of the annual budget.

Commissioner Casper reiterated the commission's wish that rates remain as consistent as possible and noted that it appears the open market option provides greater flexibility for keeping the rates stable.

Ehlers will be back on the agenda for the August 10, 2021 commission meeting to present a forecasting model along with an analysis of open market versus clean water funding.

B. FOG Program Update – John Stoeger

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 June 2021 invoice. John stressed the importance of receiving information from the communities regarding new businesses or change in ownership of current businesses.

C. Interceptor Action Plan – Monthly Activity Report from Strategic Municipal Services

Scott Schramm of SMS provided a memo dated 7/2/2021 which briefed the commission on the current activity and interactions with various stakeholders and the review of bypass routes, annual flow data, and the capital improvement plan.

D. Leonard & Finco Update – Monthly Activity Report

Leonard & Finco provided a written monthly update of projects completed as well as a list of upcoming tasks. They will be providing an activity report on a monthly basis for review and discussion at the commission meetings.

E. Year to Date Loadings – 2022 Initial Budget Discussions

District Director Helminger informed the commission of a number of items that will create budget challenges for 2022. Helminger also talked about the equipment replacement fund which the DNR requires to be maintained at a specified balance and is shown on the annual CMAR report. Since there isn't a revenue source for these expenses, it creates a structural deficit in the annual budget.

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 June 2021. Revenue received from the WPS-Fox Energy Center for effluent purchased in June = \$15,915.15; Revenue received to date for 2021 = \$78,562.16. WPS-Fox Energy purchased 51% of the effluent produced in June.

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

	<u>Monthly Average</u>	<u>Permit Limit</u>
BOD	9.9 mg/L	30 mg/L
Suspended Solids	9.8 mg/L	30 mg/L
Suspended Solids	290 lbs.	801 lbs.
Phosphorus	.37 mg/L	1.0 mg/L
Ammonia-N	.37 mg/L	11 mg/L
Chlorides	673 mg/L	

All permit values were met for June 2021

Kevin Skogman, Director of Operations & Maintenance, provided a written O & M Report and updated the Commission on plant operations for June. Kevin's memo included updates on the cost of a new water champ guide rail system, laser flow meter modems, Allen Bradley VFD drive failures, the shortage of sulfuric acid, and the Biostyr effluent phosphorus analyzer.

6. Funds

A. July 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 Hennessey to approve payment of the bills in the amount of \$446,766.97. 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

- ✓ *Thilmany Road Assessment:* The Commission received a copy of the estimated assessment for street reconstruction on Thilmany Road in the amount of \$9,971.66.

- ✓ *Rate Development:* Commissioner Siebers directed staff to develop a power point presentation showing how rates are developed for presentation at individual community and quarterly HOV/Community meetings.
- ✓ *PFAS Testing:* District Director Helminger informed the commission that three labs are now certified in the State of Wisconsin to test for PFAS. Several other WWTP's have been contacted and none are testing for PFAS at this time.
- ✓ *Sedimentation Basin – Phosphorus Removal Pilot:* Project grants have been awarded on dissolved phosphorus removal options. A controlled portion of the pond overflow will be redirected to test traps that will employ different types of media to capture the dissolved phosphorus. The tentative timeline to begin treatment is the end of August.
- ✓ *Kaukauna Utilities Emergency Power Study:* As a major customer of Kaukauna Utilities, HOV may qualify for a grant to study back-up power for the treatment plant. If selected and approved the study would provide the final report would provide a template should the District consider adding on-site power generation in the future.

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: 7:02 PM)

SIGNED & APPROVED BY: _____


Patrick E. Hennessey, Secretary