

**STEUBEN LAKES REGIONAL WASTE DISTRICT
BOARD OF TRUSTEES MEETING
OCTOBER 23, 2024
24-10R
6:00 P.M.**

MEMBERS PRESENT:

Craig Rice (Remote)
Jon Flaugh
Rob Moreland (Remote)
Abby VanVlerah
Kelly Johnson
Mike Miller
Renee Clauss

MEMBERS ABSENT:

Also Present:

Andy Boxberger – Carson LLP
Allie Nahrwold – Jones Petrie Rafinski

Abby VanVlerah called the meeting to order at 6:00 p.m.

Abby VanVlerah read the following statement: At the end of the meeting, the public will be given an opportunity to speak. In the interest of time, each person shall be limited to three minutes. Your comments will be part of the public record of the meeting, so we ask that you present them in a professional manner and speak only to the matters at hand.

APPROVAL OF THE SEPTEMBER 2024 MEETING MINUTES CHANGES OR ADDITIONS.

The Board presented minutes of the SEPTEMBER 25, 2024, board meeting minutes for review and approval. Upon motion duly made by Kelly Johnson and seconded by Jon Flaugh, the Board unanimously approved the board meeting minutes SEPTEMBER 25, 2024.

FINANCIAL REPORTS

The financial reports, check register, project check register, bank account report, and claims for SEPTEMBER 2024 were presented for review.

The Revenue Report, Appropriation Report, Capital Expenditures, Accounts Payable Register, Fund Report with Investments, and Monthly Budget Report with Capital for SEPTEMBER 2024 were presented for review. Kelly Johnson moved, and Renee Clauss seconded the motion, to accept and approve the SEPTEMBER 2024 financial reports as submitted, which motion was unanimously approved. Each board member must vote in roll call due to Rob Moreland and Craig Rice participating remotely. Each board member voted in approval of the SEPTEMBER 2024 board meeting minutes.

NEW BUSINESS

N/A

ATTORNEY REPORT

N/A

ENGINEERS REPORTS

A. NED Phase 2 – Construction Update - Allie Nahrwold updates:

Contract A which is being done by Selge Construction for Lift Stations 1, 2, and 9. We are still waiting for materials estimated to arrive late this month or early into November. At the next meeting there may be another time extension, but we are hoping it will all be in before then. They are about 50% complete.

Contract B which is being done by Niblock Excavating for the West service area collection system phase 1. There is one change order this meeting. We are almost 60% through. Niblock installed almost 1000' of pipe and then had to move off-site due to an alignment change on St Rd 120 which is included in the change order today. They are installing force mains/pressure sewer mains through mid to late December and then installing grinder tanks.

Contract C which is being done by Selge Construction for the East service area. There is one change order this meeting. We are almost 24% through. Selge should be mobilizing in December and working through the winter. We should have more updates in the coming months.

B. NED Phase 2 – Contract A Pay Application #6 \$745,799.40: Selge is requesting payment in the amount of \$745,799.40 for work on all three pump stations. The automatic transfer switch is on order, so they have been bouncing between the stations working. JPR has reviewed and found their request to be appropriate. Kelly Johnson moved, and Renee Clauss seconded the motion, to accept and approve the Contract A Pay Application #6 to Selge Construction in the amount of \$745,799.40 as submitted, which motion was unanimously approved. Each board member must vote in roll call due to Rob Moreland and Craig Rice participating remotely. Each board member voted in approval of Contract A Pay Application #6 to Selge Construction in the amount of \$745,799.40

C. NED Phase 2 – Contract B Change Order #7 deduction of \$23,371.00: There are three existing V2 units that will be reconnected in the project, so we were able to change out the gravity reconnection and installation costs. JPR has reviewed and recommends the board move forward with this change order. Kelly Johnson moved, and Renee Clauss seconded the motion, to accept and approve the Contract B Change Order #7 in the amount of \$23,371.00 as submitted, which motion was unanimously approved. Each board member must vote in roll call due to Rob Moreland and Craig Rice participating

remotely. Each board member voted in approval of Contract B Change Order #7 in the amount of \$23,371.00.

- D. NED Phase 2 – Contract C Change Order #2 deduction of \$59,487.50: There are two units that were not removed due to abandonment of the system as the structures had no sewage producing facilities. There were multiple grinder station changes that have occurred in the last 7 months. The total deduction in this change order is in the amount of \$57,487.50. JPR has reviewed and recommends the board move forward with this change order. Kelly Johnson moved, and Jon Flaugh seconded the motion, to accept and approve the Contract C Change Order #2 in the amount of \$59,487.50 as submitted, which motion was unanimously approved. Each board member must vote in roll call due to Rob Moreland and Craig Rice participating remotely. Each board member voted in approval of Contract C Change Order #2 in the amount of \$59,487.50.
- E. PS Replacement Project – The PS Replacement Project was brought to the board last month. The base bid covers stations #12, 4, 23, & 6 and we have seven alternate bids covering stations #14, 19, 15, 8, 11, 16, and 18. The base bid project is around \$5,000,000 project. If things turn out favorably, we may be able to do more. JPR has put together a schedule with Steve Brock that will be starting design activities next month, preliminary design submittal in February 2025, and final design review with the District would be in April 2025, Pre-selection close in May 2025, Receive bids in June 2025, SRF closing BNY commitment in July 2025, and signing contracts in the fall of 2025 with substantial completion being fall 2026. The goal is to do as many pump station repairs/replacements as possible without a rate increase. We would also cut the operating funds transferred into capital funds (asset replacement funds) or do a rate increase or both. Bryan Klein clarified that the \$600,000 additional in transfer from Operating to Capital was not solely meant for lift station repairs but for improvements to the treatment plant which is almost as desperate in need as the lift stations. We have to pick our battles, and the lift stations are priority at this time. This reduction in funds from Capital will push out even further the repairs and upgrades that are necessary in the treatment plant. He has been trying to utilize the funds from rate payers as proactively as possible and reduce the addition of more debt with funding agencies. We know these repairs and replacements are going to happen as nothing lasts forever. We are prioritizing and planning to the best of our ability with hard decisions to come. An alternative is to do a rate increase every year for the next three years to get the same amount of money and keep these funds for their intended purpose. A smaller increase over time is far more palatable than a single and larger increase like we previously had to do. Even if we never had to do any future repairs/replacements or projects, just to pay the bills and continue operating there would need to be a rate increase in future years. We do not see a way around it. Andy Boxberger confirms he sees changes with grant funding that reflect the \$100+ monthly rate is unfortunately the norm. When considered for grant money with the SRF it used to be if the monthly rate was under \$80 per month, they would not be considered for grant funds due to not charging enough monthly. Now it is under \$100 per month, they will not consider you for grant funds. Our last rate increase was done in March of 2023. Steve Brock will need to do a rate analysis, and we will have to revisit the rate next month. Mike Miller asks if we have loans to pay for “this stuff”. Abby

VanVlerah clarifies we do not have any current funding towards the pump station replacements that are needed now and in the future other than setting aside of capital funds. We know we will run out of funds for this work down the line and gradual rate increases to prepare is feasible. Mike Miller asks to appease our customers; can we send out a notice as to the reasons for the rate increase. Andy clarifies that we have to take money meant for other things to fix these pump stations and we will need to increase rates to pay back those funds. This has been discussed in previous meetings and listed in the minutes. If looking for a pie chart breakdown of where the rate revenue is expended, it is listed on the website. We can easily put in a paragraph on the website and any rate increase notice as to why the rate is increasing. The pump station upgrades were included in the PER by JPR. Kelly Johnson moved, and Renee Clauss seconded the motion, to accept and approve moving forward with these bids for JPR's Pump Station Replacement Project planning as submitted, which motion was unanimously approved. Each board member must vote in roll call due to Rob Moreland and Craig Rice participating remotely. Each board member voted in approval of moving forward with these bids for JPR's Pump Station Replacement Project planning.

- F. JPR General Services Agreement Update: This is an update to the JPR general services agreement that has not been updated since 2019, and reflects rate increases that went into effect in 2024. The last agreement was signed in 2017 and reupped in 2019. It expired in September of 2019, and we have run off the same rates that were originally signed in 2017. This updated agreement would be in place until December 31, 2026. The increases are between 20%- 25%. Kelly Johnson moved, and Jon Flaugh seconded the motion, to accept and approve the updated JPR general services agreement as submitted, which motion was unanimously approved. Each board member must vote in roll call due to Rob Moreland and Craig Rice participating remotely. Each board member voted in approval of moving forward with the updated JPR general services agreement.

OLD BUSINESS

- A. Maternity Leave Policy: 2 weeks paid parental (not just maternity) leave per 12-month period. This includes adoptions, live births, etc. We will need to draw up a final policy to present for approval at the next meeting for a motion.

DISTRICT BUSINESS & OTHER GENERAL MATTERS

- A. The November meeting is currently scheduled for November 27th, the day before Thanksgiving. Kelly Johnson moved, and Jon Flaugh seconded the motion, to accept and approve the change of November's board meeting from the 28th to the 20th as submitted, which motion was unanimously approved. Each board member must vote in roll call due to Rob Moreland and Craig Rice participating remotely. Each board member voted in approval of moving forward with the change of November's board meeting from the 28th to the 20th.

PUBLIC COMMENT

Jim Devos 4273 W Orland Rd: Jim Devos, returns to the board in regard to lift station #2 again. He can see the white tank from his front yard year-round and would like it to be hidden. He is requesting a 9' fence along the back two sides or wants it painted brown with primer first as a 'good neighbor policy'. He called Sherwin Williams paint and was told if the tank does not sweat, it can be primed and painted. No motion made.

MOTION TO ADJOURN

There being no further business to come before the meeting, Abby VanVlerah asked for a motion to adjourn. Such motion was made, seconded, and unanimously carried; the meeting was adjourned.