

MINUTES of the TOWN OF VERONA Utility Commission Board*
BUDGET PUBLIC HEARINGS – Operating/Capital for Utility District #1 and Marty Parcels
Town of Verona Town Hall
7669 County Highway PD, Verona
November 20, 2018 following immediately after the adjournment of the Special Town Meeting and Public Hearing for the 2019 General Budget

Board Members Present: Dreger, Enburg, Geller, Duerst, Maxwell
Staff Present: John Wright
Residents Present: Tom Mathies and Robert Kohlenberg

1. **Call to Order/Approval of Agenda**

Mark Geller called the meeting to order at 8:26 PM. The agenda was approved as presented; without objection.

2. **Approval of meeting minutes from the November 21, 2017 Annual Utility District Meeting and Public Hearing and Minutes from the November 13, 2018 Utility Commission Meeting**

Duerst moved to approve the minutes of the November 21, 2017 Annual Utility District meeting and Public Hearing; 2nd by Enburg. Motion carried. Enburg moved to approve the minutes from the November 13, 2018 meeting; 2nd by Duerst. Motion carried.

3. **Presentation on Repairs and Cleaning in 2018 and 2018 Budget-to-Actual**

Clerk/Treasurer Wright reminded the group that the notification letter was mailed on November 13, 2018 to the billing addresses for those properties that receive services from the Utility District including the Marty family. There was a brief review of the post-construction televising early in 2018 after Manhole 10 was replaced at the end of 2017; the televising showed that the structure and pipes were watertight. R.G. Huston was paid the additional amount thereafter to cover the additional costs for dewatering out of the amended 2017 budget. Televising from Manhole 13.2 to Manhole 13, Manhole 46 to Manhole 44, and other short segments beneath Nesbitt Road revealed no substantial defects or need for repair in 2019. Subsequently, Wright contacted McCann's Underground in May of this year to request that the bench for Manhole 9 be grouted to eliminate groundwater infiltration at that location and conduct root cutting near Manhole 16. As of this evening, this work has not been completed. Wright will follow up with McCann's in an attempt to pay for this repair out of the 2018 budget.

Wright reviewed a Budget-to-Actual report for 2018. Although \$2,811 in special charges has yet to be collected for the year, the Dane County Treasurer was able to collect \$3,696 from prior years that had previously been unpaid. Interest income was significantly higher this year since money was moved from State Bank of Cross Plains managed account to a money market account; the net gain in income that exceeded the budget is \$1,749. Wright noted that the \$12,743 surplus for the Repairs and Maintenance expense budget line is due to the grouting and root cutting not having been completed this year. However, the estimated cost provided by Madison Metropolitan Sewerage District for their costs was \$1,627 below the amount actually paid this year. Wright noted that these surplus amounts will be applied to the transfer out to rebuild the Reserve Account so that a minimum of \$80,000 is available in this account over the course of at least the next five years; this account exists in the event a catastrophic failure occurs that cannot be covered by the operating budget within a given year.

4. **Public Hearing regarding proposed 2019 Utility District Budget**

Chair Geller opened the Public Hearing at 8:37 PM. Wright reported that a \$100 increase to the base rate was approved for 2018 in November of 2017 based upon a five-year analysis conducted by Wright that estimated income and expenses for each year during that period. Consequently, no increase to the \$473 base rate or other associated rates is being sought for 2019. The 2019 budget numbers were presented that were amended to reflect the estimate for MMSD expenses for 2019 which were well below the six-year average that was assumed last year and assumed interest income based upon the money market income rather than the managed account that had a lower yield. Consequently, the transfer out to the Reserve Account reflects a larger amount due to the increased interest income and smaller amount for MMSD costs. Wright did not that the roundabout installation at the intersection of Nesbitt Road and Fitchrona Road will eliminate the manhole in the City of Fitchburg that MMSD uses as a location to monitor the influent from Hillside Heights. MMSD has recommended the installation of a 6' diameter manhole at the intersection of Allegheny Drive and Nesbitt Road to replace the lost monitoring location. The Town's cost to be shared with the City of Fitchburg should not exceed \$5,000 which is well within the \$9,800 budgeted in 2019 for repairs and maintenance.

Robert Kohlenberg of 2653 Fitchrona Road asked whether the existing Utility District has the capacity to connect any surrounding potential development. Wright responded that the Town is using a very small percentage of the capacity, especially for the system servicing the Louis Hoffman Estates properties that flow from the Goose Lake neighborhood west of Goose Lake and then north to meet the MMSD main that runs parallel to the Military Ridge State Trail to the northeast and then south at Fitchrona Road to lift station #12. Engineer Todd Gebert from MMSD had stated to Wright in the recent past that additional development by the City of Fitchburg that uses the shared main on Fitchrona Road has still left for future capacity. Currently, the Town does not own/operate lift stations, so any expansion would need to rely upon gravity and/or lift station #12 owned and operated by MMSD. Chair Geller noted that Urban Services Area for the City of Verona may be extended to the east between Grandview Road and Whalen Road towards Fitchrona Road for potential future development. Chair Geller asked if there were any additional comments.

5. **Close Public Hearing**

Geller asked once again whether there were any public comments; hearing none, he closed the Public Hearing at 8:47 PM.

6. **Discussion and Action re: Proposed 2019 Utility District Budget**

Dreger moved to approve 2019 budget as presented; second by Maxwell.

7. **Recommendation to the Town Board to Amend Ordinance 91-1 to Reflect the 2018 Rate Increases if Any Are Approved**

No rate increase beyond the existing 2018 rates was approved; therefore, action to recommend a rate increase by amendment to Ordinance 91-1 by the Town of Verona Board is not required.

8. **Adjourn the Commission Meeting**

Duerst moved to adjourn at 8:47 PM; 2nd by Enburg. Motion carried.

*The Town Board of Supervisors serves at the Utility Commission Board

Approved: November 19, 2019

John Wright
Clerk/Treasurer, Town of Verona