

## Water Sewer Committee Meeting

The Vergas Water/Sewer Committee met at the Vergas Event Center on Thursday, September 7, 2023 at 9:00 am with the following present: Natalie Fischer, Dean Haarstick, Utilities Superintendent Mike DuFrane, Clerk- Treasurer Julie Lammers and Engineer Blaine Green.

### Additions and Deletions

HRA recommendations and dialer.

### Keilley Shores Third Addition

Blaine Green, Wideseth Engineer stated he has been working with Keith Bunkowske on the extension of Scharf including installation of water and sewer. Bunkowske has requested moving the last manhole and Green sees no issues with this. Engineers have agreed to push back the manhole roughly 100 feet from the location expressed on the approved plans. Bunkowske has also recommended shortening the manholes by 6 feet casing the manhole usefulness be 1,500 feet. DuFrane stated the main concern he has is the amount of flow with each addition of Scharf. He was told they were not planning more expansion and the manholes have not been low enough for additional properties. The flow of water is greater than solids and this causes issues. Fisher noted the comprehensive plan:

**Goal:** Capitalize on in-fill opportunities and direct growth to new areas where infrastructure is planned to be cost-effective and sustainable

**Strategies:**

- When considering expansion options, prioritize expansion that follows a set of guidance developed through a growth and management plan.
- Investigate annexing shorelines across bodies of water when landowners are favorable to the request

Action Item	Progress
Develop tiered system for expansion based on Vergas water & sewer capacity, EMS services and other public services & facilities.	<b>Water/Sewer Committee is developing a tiered system for expansion based on capacity.</b>

Haarstick questioned how Town Line Road would be effected and if they could expand towards Town Line Road.

The Committee recommends to Council to leave the depth of the manhole as presented on the approved plans.

### HRA recommendations

Last month the council approved dropping the 2019 water and sewer project fees for 3 parcels in the Sunny Oaks Development for the Otter Tail County HRA due to a senior housing project for \$64,953.96. The Vergas HRA is asking for a reduction on their lots to \$10,000 on the 8 parcels they own. The amount owed is either \$21,651.32 each lot or per parcel footage as follows:

Property ID#	Owner	Physical Address	Total Assessment
82000990245000	Vergas HRA	419 DIANNE AVE	\$17,674.54
82000990251000	Vergas HRA	220 EVA ST	\$18,116.41
82000990249000	Vergas HRA	420 DIANNE AVE	\$17,895.48
82000990250000	Vergas HRA	230 EVA ST	\$34,686.29
82000990242000	Vergas HRA	409 DIANNE AVE	\$23,418.77
82000990244000	Vergas HRA	415 DIANNE AVE	\$17,674.54
82000990252000	Vergas HRA	210 EVA ST	\$18,116.41
82000990243000	Vergas HRA	411 DIANNE AVE	\$23,418.77

\$171,001.21

The committee discussed the pros: payments made on project and more utility customers to divide large cost to have water and sewer. The committee discussed cons: low or negative balances of the water and sewer funds, lack of ability to pay bond payments and one property owner is paying on assessments and has received no forgiveness. The committee recommends to council the following regarding the Sunny Oaks Development 8 lots owned by the Vergas HRA: If a home is built on the parcel the following removal of water and sewer fees:

2024 removal of \$5,000.00    2025 removal of \$4,000.00    2026 removal of \$3,000.00    2027 removal of \$2,000.00  
2028 removal of \$1,000.00    No breaks on homes built after 2029.

### Dialer

Discussed purchasing a SCADA system for both the water plant and lift stations. Having a SCADA system is beneficial as employees would no longer need to work every weekend (estimated cost of \$9,360 a year). 24 hours a day our utilities employees would get an alert if the system needed attention. This system would help with reports needed for the State of MN. The city could add scales to also allow for chemicals needing attention at a later date. The Cities of Browns Valley and Starbuck have this system. The committee recommends to the council to purchase the water system for \$11, 600 and the lift station system for \$4,525.00 with a \$45.00 per month cellular service fee.

### **Budget-goal setting**

#### 2024 Sewer Budget

Discussed proposed budget for 2024. DuFrane explained a lift station broke this past weekend due to grease. The committee recommends for council to have all restaurants provide grease hauling records to the city office. Currently Billy's already provides these records to the city clerk.

The committee recommends the council approve the 2024 proposed sewer budget totaling \$125,925.00 with no increase in rates.

#### 2024 Water Budget

Discussed proposed budget for 2024. The water fund had a \$15,420.00 loss in 2022 and currently is looking at a \$5,804.00 loss in 2023. The main cause of the loss is the payback of the 2019 water and sewer bond payment which was not reimbursed by property owners. Discussed raising the rates for 2024. The current rate is \$3.75 with an increase of 50 cents rate would be \$4.25 and 75 cents would be \$4.50 per 1,000 gallons.

The committee recommends the council approve the 2024 proposed water budget totaling \$137,200.00 with a 50 cents per 1,000-gallon increase in rates.

### **Adjournment**

The meeting was adjourned at 11:00 am.

Julie Lammers, CMC  
City Clerk-Treasurer  
City of Vergas

### **Follow up actions:**

Write policy for backflow meters.

DuFrane to provide backflow prevention ordinance.

DuFrane will get quotes for videoing the city and additional jetting.

### **Recommendations to Council:**

Deny request to change depth of manholes in Keilly Shores

Allow refund of 2019 water and sewer payments if homes are built on properties.

Purchase SCADA Wed insight from Sweeney for both Water System (\$11,600.00) and Lift Stations (\$4,525.00)

Grease removal records provided to the city from all restaurants (Skal, Billy's and Loon Nest).

Approve 2024 Sewer budget.

Approve 2024 Water budget.