

Two Rivers Municipal Utilities

June 18, 2019





Agenda

- Introduction / Overview -- Greg Buckley, City Manager
- Storm Water – Greg Buckley
- Solid Waste—Greg Buckley
- Sewer – Jim McDonald, Public Works Director/City Engineer
- Water – Ross Blaha, Water Utility Director
- Electric – Ken Kozak, Electric Utility Director

Two Rivers Municipal Utilities Overview (as listed on monthly bill)

- ▶ Electric
- ▶ Water
- ▶ Sewer
- ▶ Environmental
- ▶ Storm Water



TWO RIVERS MUNICIPAL UTILITIES
1717 East Park Street
Post Office Box 87
Two Rivers WI 54241-0087
Customer Service: 920/793-5523
FAX: 920-793-5512

OVERVIEW

Two Rivers City Government is a \$35 Million Annual Operation

Property-Tax Supported Funds \$14MM
(General Fund, Library, Debt Service)

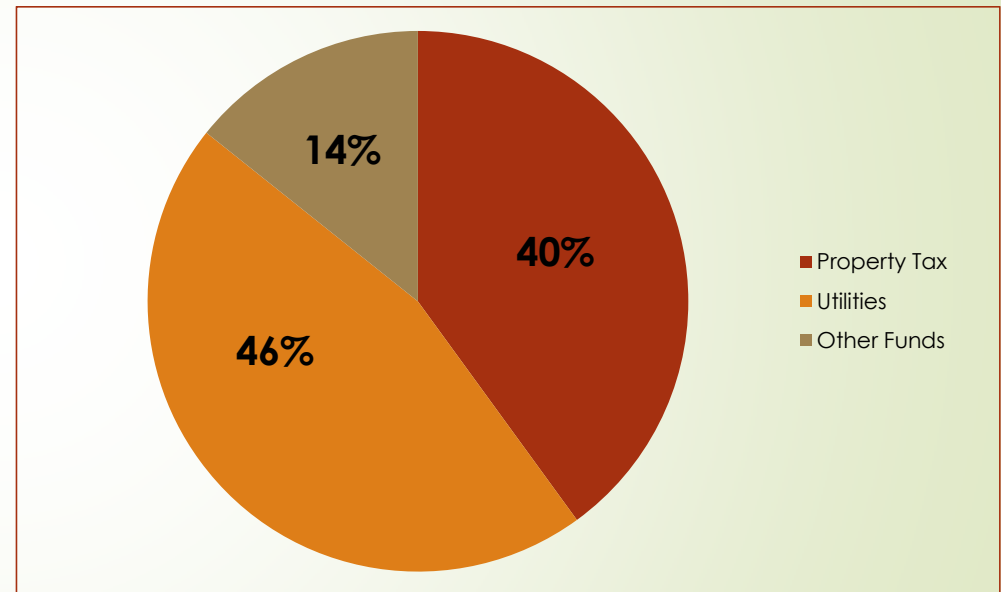
Utilities

Solid Waste	720,915
Water	2,385,990
Electric	9,054,360
Telecommunications	35,650
Sanitary Sewer	2,376,605
Storm Water	1,109,350

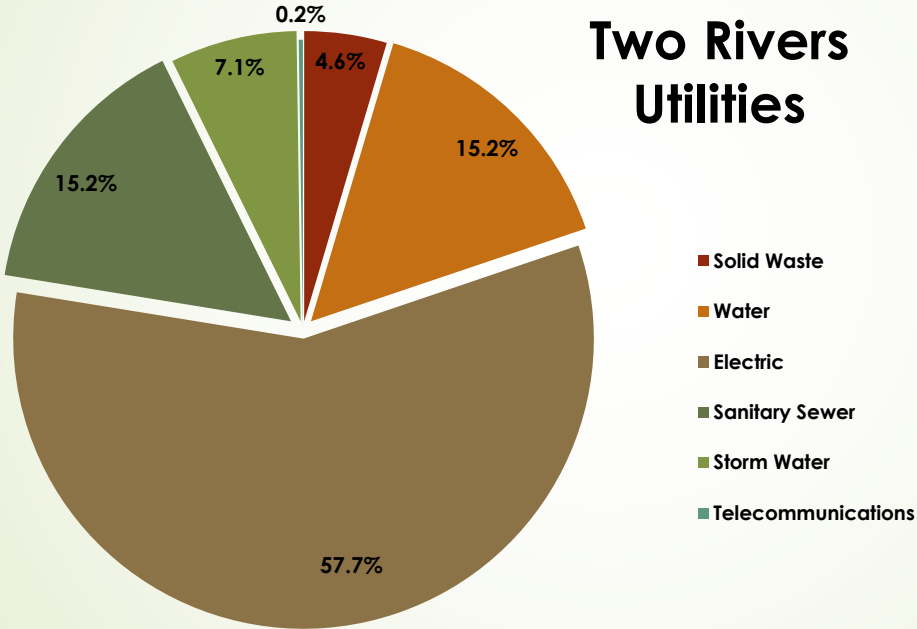
Sub-Total Utilities \$15,682,870

Capital Projects Funds \$ 2,822,150

Special Revenue Funds \$ 2,424,231



Non-Profit Enterprise Overview \$16MM



City Utilities, or Enterprise Funds, are intended to be self-sustaining with revenue primarily from user charges.

Operations follow a business model, but utilities are not-for-profit.

Storm Water Utility

- ▶ Established 2014 to provide a dedicated funding source for storm water infrastructure
- ▶ One of 160 total in Wisconsin
- ▶ 39 miles of underground pipe
- ▶ Flat Rate Per Residential Unit= \$5.75 per month (same rate since inception)
- ▶ Variable “Per Square Foot” Rate per Business = \$0.0019/SF of impervious surface
- ▶ Services Include
 - Pond Construction and Maintenance
 - Storm Sewer Main Repair, Maintenance and Replacement
 - Inlets/Collection systems/Outfalls Repair, Maintenance and Replacement
 - Shoreline Protection
- ▶ Upcoming projects/issues
 - Eggers and Riverview ponds
 - Infrastructure replacement
- ▶ Questions?



DNR modeling shows that, without proper treatment, Two Rivers discharges 600,000 lbs. of suspended solids to area waterways in storm water runoff

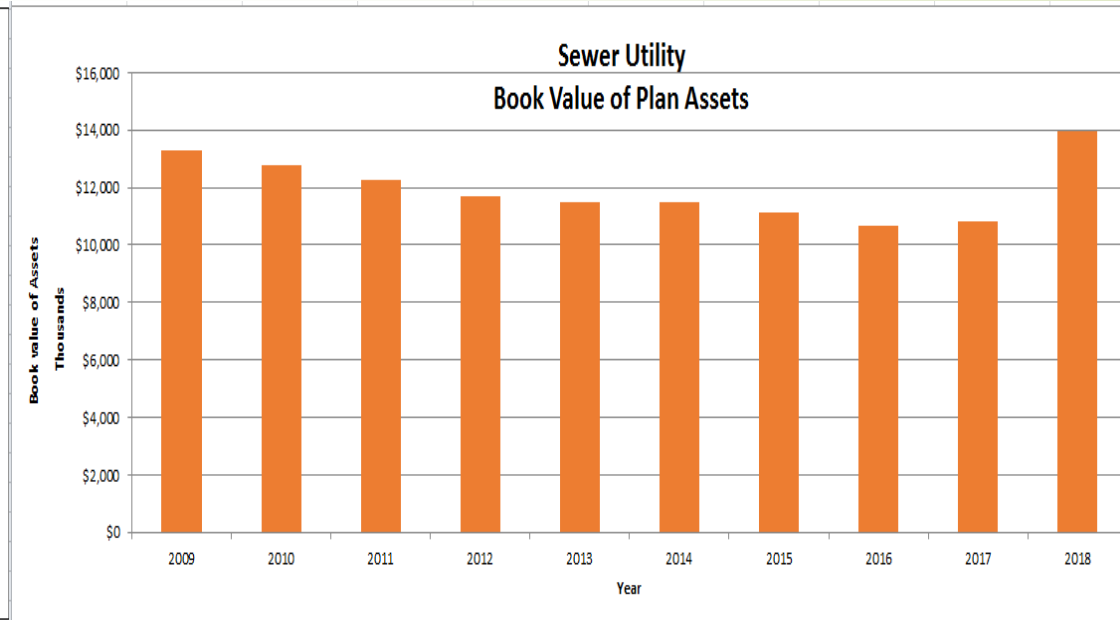
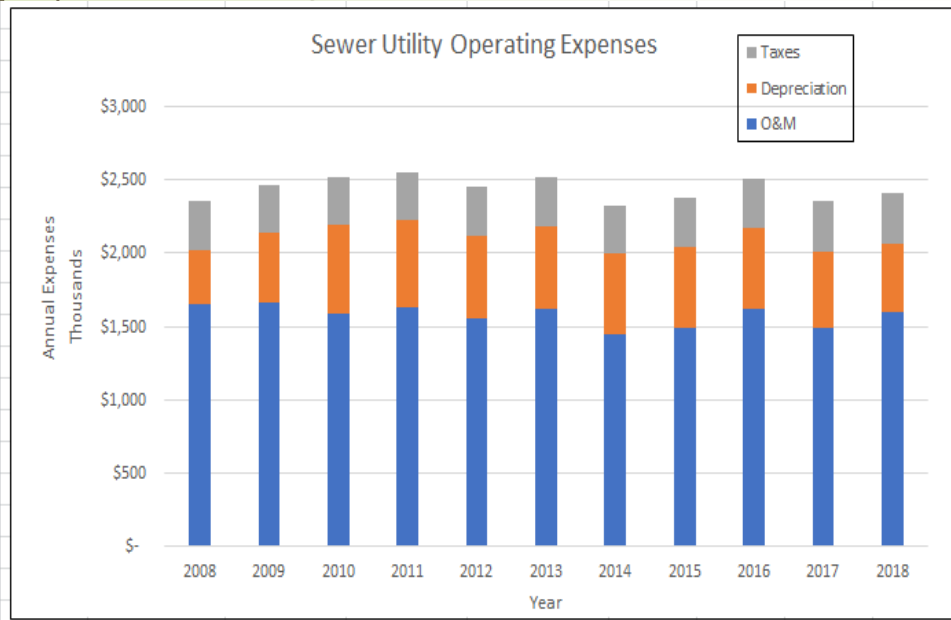
Solid Waste Utility

- ▶ Solid Waste Collection and Disposal
- ▶ Recycling Collection and Processing
- ▶ Street cleaning
- ▶ Landfill management
- ▶ Leaf collection
- ▶ Tree Planting
- ▶ 2019 Annual Budget: \$720,915
- ▶ Major Funding Sources:
 - Environmental Fee on Utility Bills: \$233,000 (\$3.90 out of \$5.50 fee; \$1.50 goes to Landfill Fund; \$.10 to Tree Planting)
 - Garbage Stickers @ \$2.50 Each: \$370,000
 - State Recycling Aid: \$80,000
- ▶ Questions?



Waste Water Utility

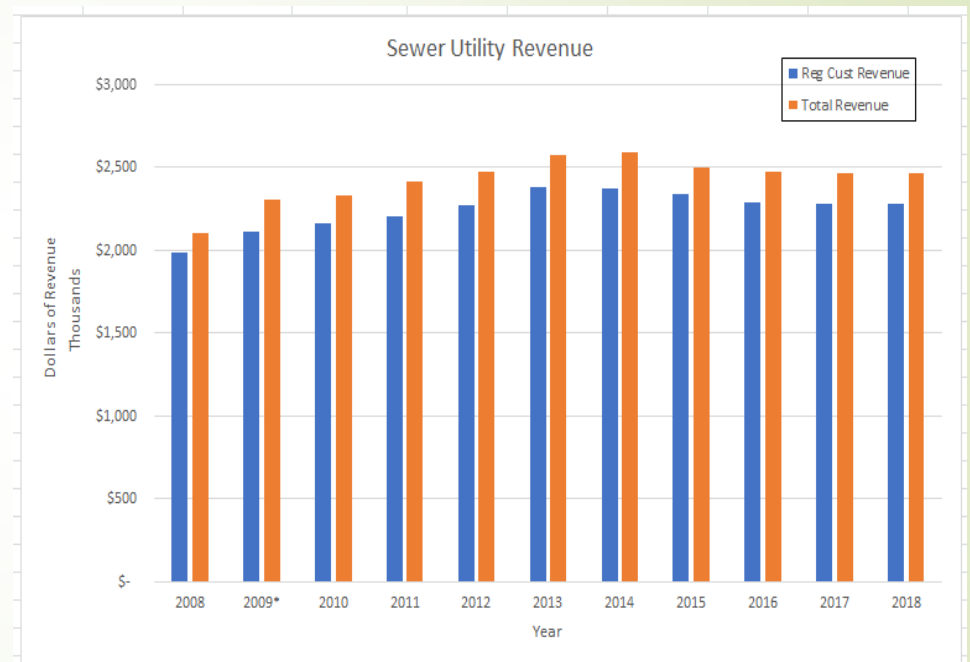
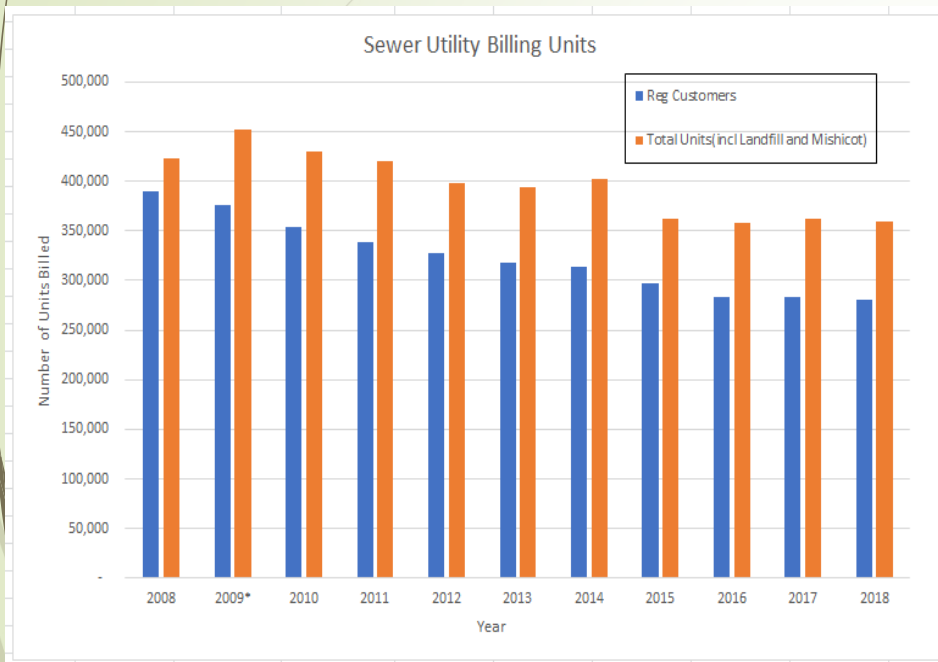
- 5059 = Number of Services
- 63 miles of pipe, 70 years average age
- 17 lift stations
- Expenses and Assets (10 Year Trend)



10 Year O&M: \$1.65mm - \$1.59mm ↓ 3.64% Decrease
 10 Year Total: \$2.35mm - \$2.41mm ↑ 2.55% Increase

Waste Water Utility Sales

- Sales in Billable Units and Utility Revenues: 10-Year Trend



10 Year Billing Units: 4.24 – 3.59 ↓ 15.33% Decrease

10 Year Revenue: \$2.10 - \$2.47 ↑ 17.62 Increase

Note: 1 Billing Unit = 100 Cubic Feet



Waste Water Utility Facts

- Not Regulated by Public Service Commission
- Substantial regulation by Department of Natural Resources & Environmental Protection Agency
- Design Capacity of wastewater treatment plant is 3.07/6.0 Million Gallons per Day (Average Daily/Maximum Daily)
- Current operation near design capacity, due to clear water entering collection system
- Recent Projects
 - Treatment Plant upgrades, Phase 1 and Phase 2: \$ 6 million investment
- Upcoming projects
 - Collection System replacement and lining
 - Clear water: collection system leakage and sump pumps
 - 14th Street—2019 project

Waste Water Utility Rates

- Fixed monthly charge plus variable charge based on water use
- Residential fixed = \$14.09, variable = \$5.46/100 cubic feet
- Average Cost Per Day ~ \$1.25
- Quality of Service
 - Reliability; system maintained to prevent blockages
 - Compliance with DNR-issued discharge permit
- Last Increase: March 2019
- Bill Comparison—Next Page



Sewer Bill Comparison, 18 NE Wisconsin Communities

			2,000 Gallons (2.6667 CCF)	5,000 Gallons (6.6667 CCF)
	Monthly Fixed Charge	Monthly Variable Charge	Monthly Total Charge	Monthly Total Charge
Two Rivers	\$ 14.09	\$ 5.46	\$ 28.65	\$ 50.49
Algoma	\$ 24.97	\$ 7.72	\$ 45.55	\$ 76.42
Appleton	\$ 4.53	\$ 2.05	\$ 9.99	\$ 18.18
Bellevue	\$ 8.00	\$ 4.49	\$ 19.96	\$ 37.90
Brillion	\$ 17.49	\$ 2.92	\$ 25.27	\$ 36.94
Clintonville	\$ 17.00	\$ 5.44	\$ 31.50	\$ 53.25
Fond du Lac	\$ 12.50	\$ 3.91	\$ 22.93	\$ 38.57
Green Bay	\$ 10.43	\$ 5.48	\$ 25.03	\$ 46.93
Howard	\$ 6.60	\$ 4.43	\$ 18.40	\$ 36.10
Kewaunee	\$ 6.38	\$ 9.69	\$ 32.22	\$ 70.98
Manitowoc	\$ 10.77	\$ 2.68	\$ 17.92	\$ 28.64
Marinette	\$ 15.00	\$ 2.85	\$ 22.60	\$ 34.00
Menasha	\$ 11.04	\$ 3.56	\$ 20.54	\$ 34.79
Neenah	\$ 7.28	\$ 2.39	\$ 13.66	\$ 23.23
Oshkosh	\$ 9.66	\$ 5.22	\$ 23.58	\$ 44.46
Plymouth	\$ 9.50	\$ 3.40	\$ 18.57	\$ 32.17
Sheboygan	\$ 15.99	\$ 1.87	\$ 20.98	\$ 28.46
Sturgeon Bay	\$ 9.75	\$ 3.20	\$ 18.27	\$ 31.05
Mean			\$ 23.09	\$ 40.14
Median			\$ 21.79	\$ 36.52
Bills Higher Than Two Rivers				
Bills w/in 10% of Two Rivers				

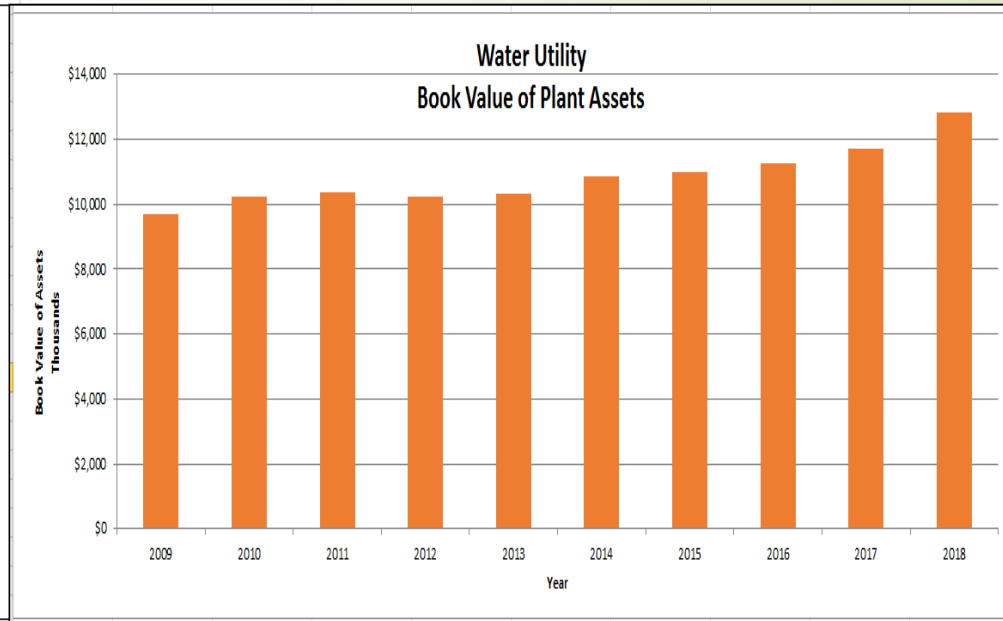
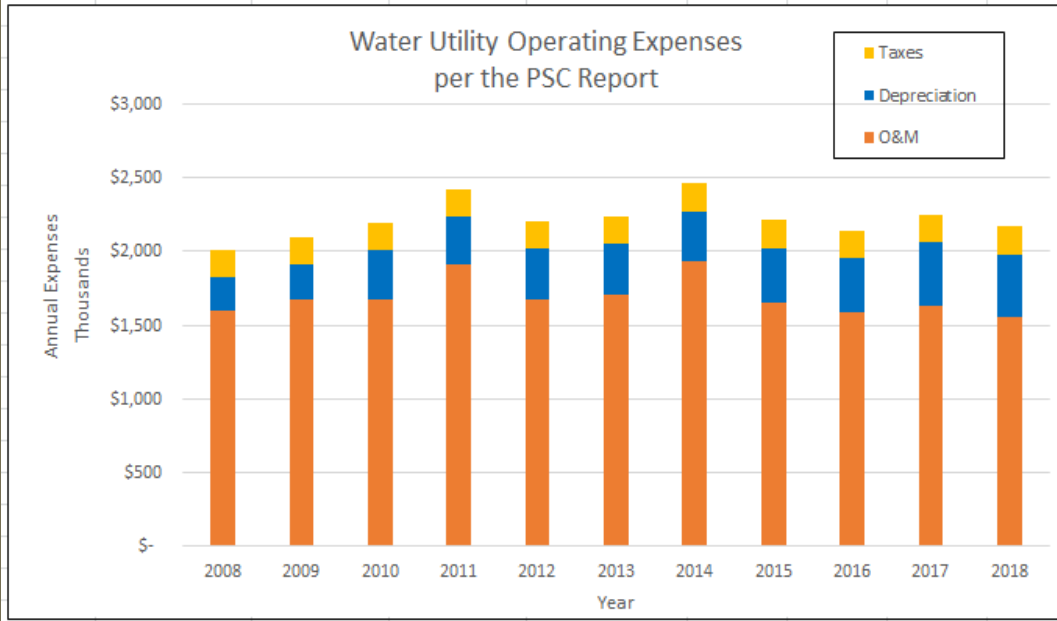
Waste Water Utility



Questions?

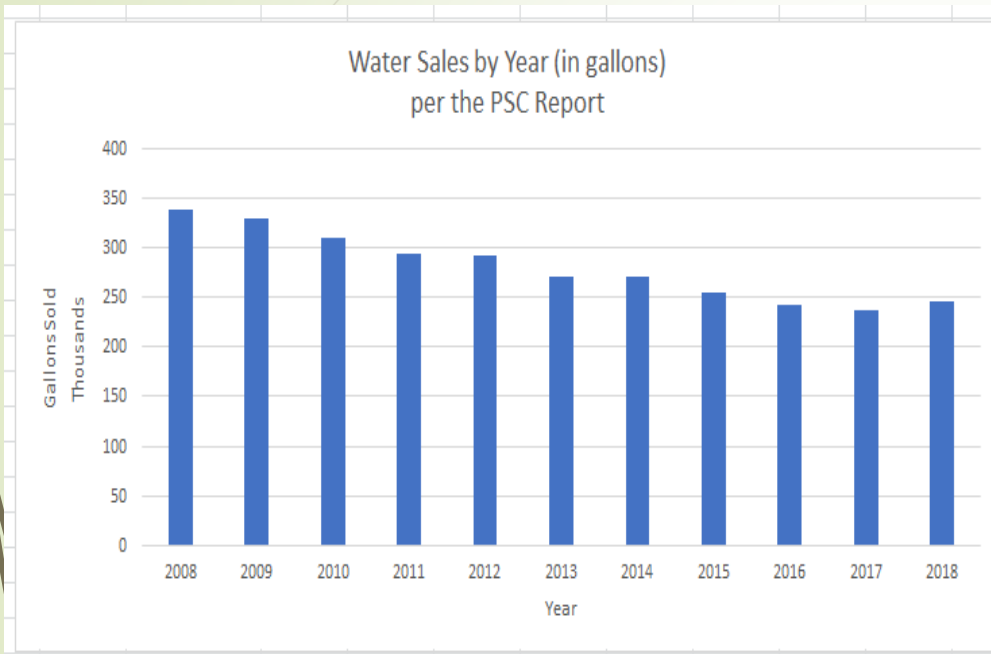
Water Utility

- 5057 customers
- Lake Michigan Ultrafiltration Plant
- 64 miles of mains
- Underground reservoir (2 mm gal.), 2 elevated tanks (0.5 mm gal. each)
- Expenses and Assets (10 Year Trend)

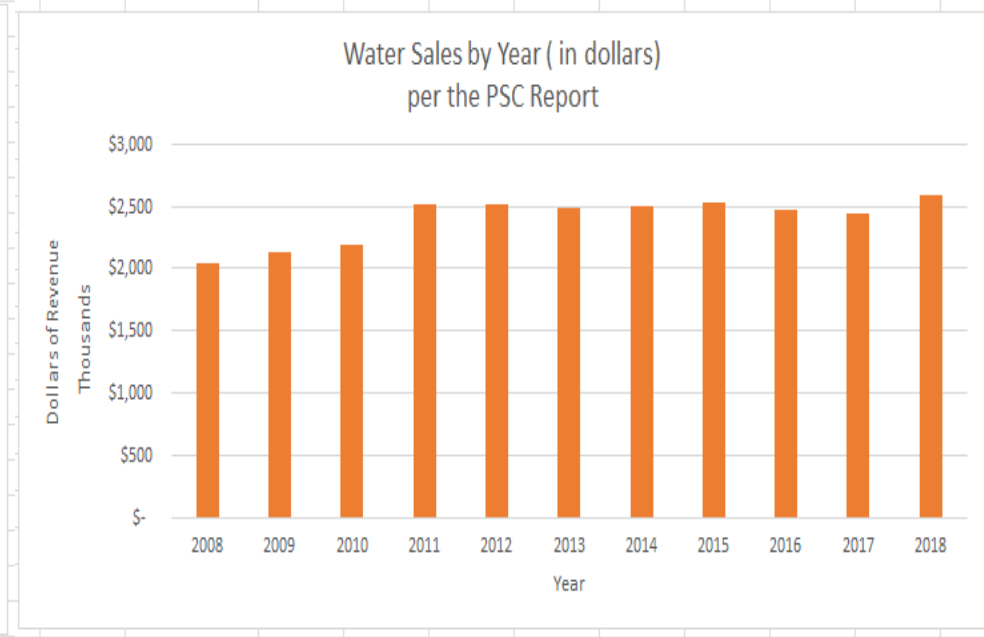


10 Year O&M: \$1.59mm - \$1.57mm ↓ 1.30% Decrease
 10 Year Total: \$2.01 - \$2.17 ↑ 7.96% Increase

Water Utility Sales



10 Year Sales: 3.38 – 2.45 ↓27.51% Decrease



10 Year Revenue: \$2.04 - \$2.59 ↑26.96 Increase

Water Utility Details



- ▶ Fixed monthly charge plus variable charge based on water use
- ▶ Residential fixed: \$12.50, variable \$4.05 per 100 cubic feet
- ▶ Public Fire Protection charge reflects cost of system attributable to fire flow capacity: fixed charge based on meter size; \$9.50 per month for residential
- ▶ Average Cost Per Day ~ \$1.25
- ▶ Quality of Service
 - Water quality exceeds Department of Natural Resources requirements
 - Domestic use
 - Fire protection
 - Staff assists customers one on one for specific needs
 1. Lead service replacement (approx. 2,200 lead laterals in system; over 40 percent)
 2. Frozen pipes
 3. Leaks
 4. Cross connection inspections

Water Utility



- Regulated by Public Service Commission
- Also regulated by Department of Natural Resources and Environmental Protection Agency
- 3.3 Million Gallons per Day plant rating
- Operating range is 0.8 to 1.6 Million Gallons per Day
- Recent Projects
 - Computer Controls upgrade - (\$170,000)
 - Intake cleaning - (\$400,000)
 - Membrane replacement - (\$100,000 annually)
- Upcoming projects/issues
 - Lead lateral replacements
 - Membrane Replacement--ongoing
- Last Increase 14% in September 2018 (25¢ per CCF or 748 Gallons)
- Bill Comparison—Next Page

Water Bill Comparison, 30 NE Wisconsin Communities (includes public fire protection charge, if applicable.)

	Monthly Usage 2,000 Gallons 2.6667 CCF	Monthly Usage 5,000 Gallons 6.6667 CCF	
Two Rivers	\$ 32.85	\$ 49.05	
Algoma	\$ 25.88	\$ 39.38	no pfp
Allouez	\$ 21.80	\$ 42.80	
Appleton	\$ 24.32	\$ 42.56	
Ashwaubenon (Customer of Green Bay)	\$ 17.99	\$ 28.13	
Bellevue	\$ 30.25	\$ 48.04	
Brillion	\$ 27.96	\$ 39.06	
Chilton	\$ 13.06	\$ 22.50	partial pfp
Clintonville	\$ 30.95	\$ 44.15	
DePere	\$ 29.13	\$ 46.92	
Fond du Lac	\$ 33.74	\$ 52.75	
Grand Chute (Customer of Appleton)	\$ 21.34	\$ 41.87	no pfp
Green Bay	\$ 15.48	\$ 32.74	
Hobart	\$ 25.01	\$ 31.75	no pfp
Howard	\$ 36.01	\$ 56.05	partial
Kaukauna	\$ 32.40	\$ 47.72	
Kewaunee	\$ 16.65	\$ 27.72	no pfp
Kiel	\$ 18.71	\$ 26.22	
Kimberly	\$ 11.20	\$ 21.10	partial
Little Chute	\$ 14.65	\$ 27.07	partial
Manitowoc	\$ 10.51	\$ 17.05	
Marinette	\$ 36.24	\$ 55.09	
Menasha	\$ 36.18	\$ 55.38	
Neenah	\$ 26.15	\$ 43.58	
New London	\$ 30.83	\$ 40.07	
Oshkosh	\$ 25.59	\$ 46.07	partial
Plymouth	\$ 27.06	\$ 39.45	
Port Washington	\$ 26.64	\$ 40.67	
Sheboygan	\$ 10.28	\$ 15.90	
Sturgeon Bay	\$ 14.60	\$ 24.50	
Mean, 30 Communities	\$ 23.02	\$ 36.54	
Median, 30 Communities	\$ 25.74	\$ 40.37	
Mean, 21 communities with full PFP on bill	\$ 25.43	\$ 39.61	
Median, 21 communities with full PFP on bill	\$ 27.06	\$ 42.56	
Two Rivers Bill Ranking	5th	5th	
Bills Higher Than Two Rivers			
Bills w/in 10% of Two Rivers			

Water Utility

Bill Comparison:
Of 30, NE Wisconsin communities, Two Rivers has the 5th highest water bill for a customer using 6.67 CCF (5,000 gallons) per month, at \$49.05

That's 21.5 percent higher than the median bill for this group

Water Utility

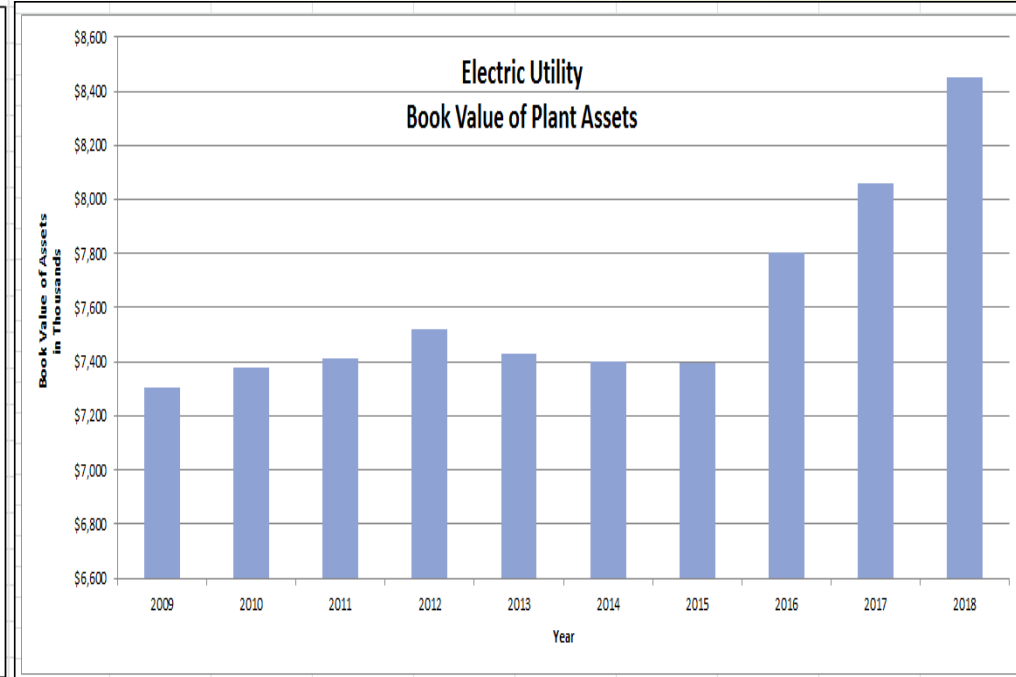
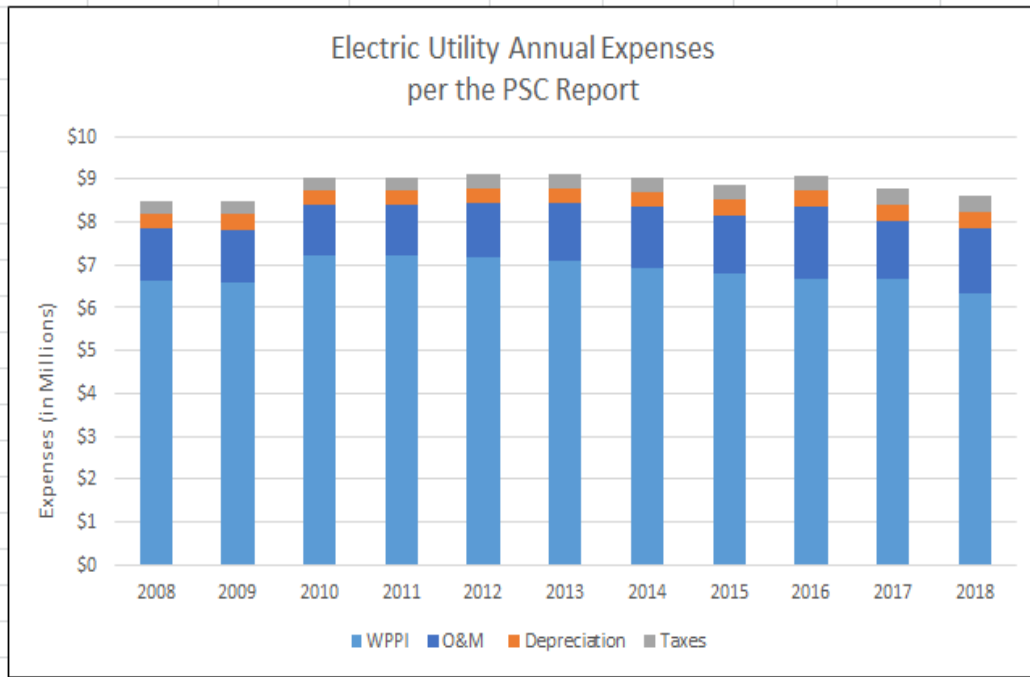


► Questions?



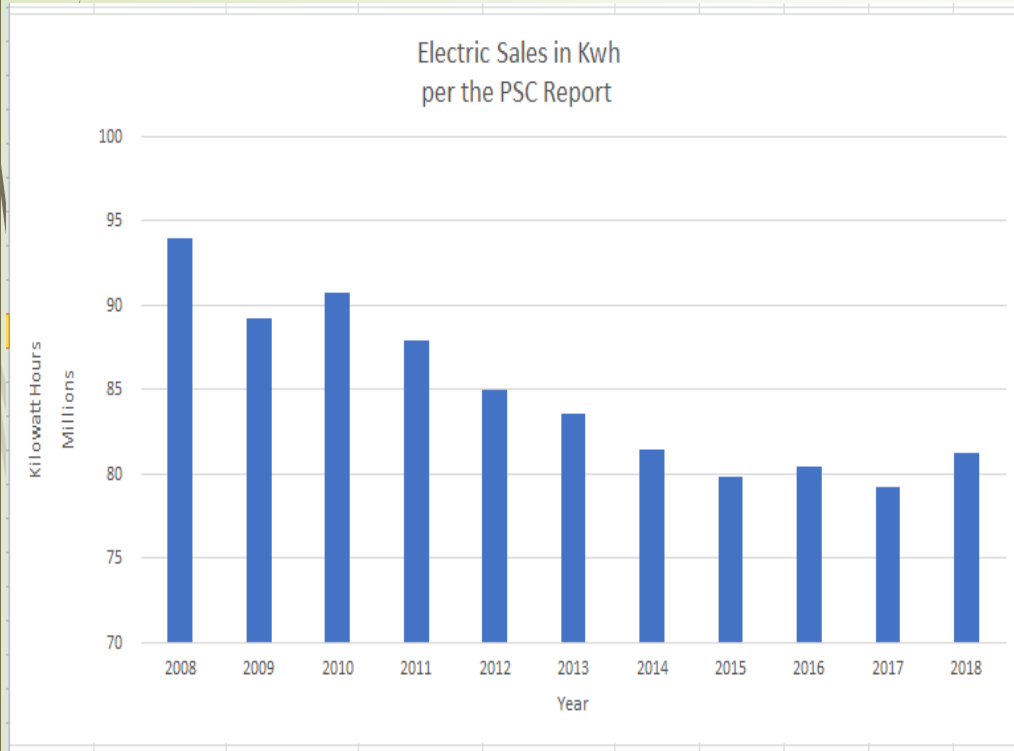
Electric Utility Facts

- 6124 meters
- Expenses and Assets (10 Year Trend)

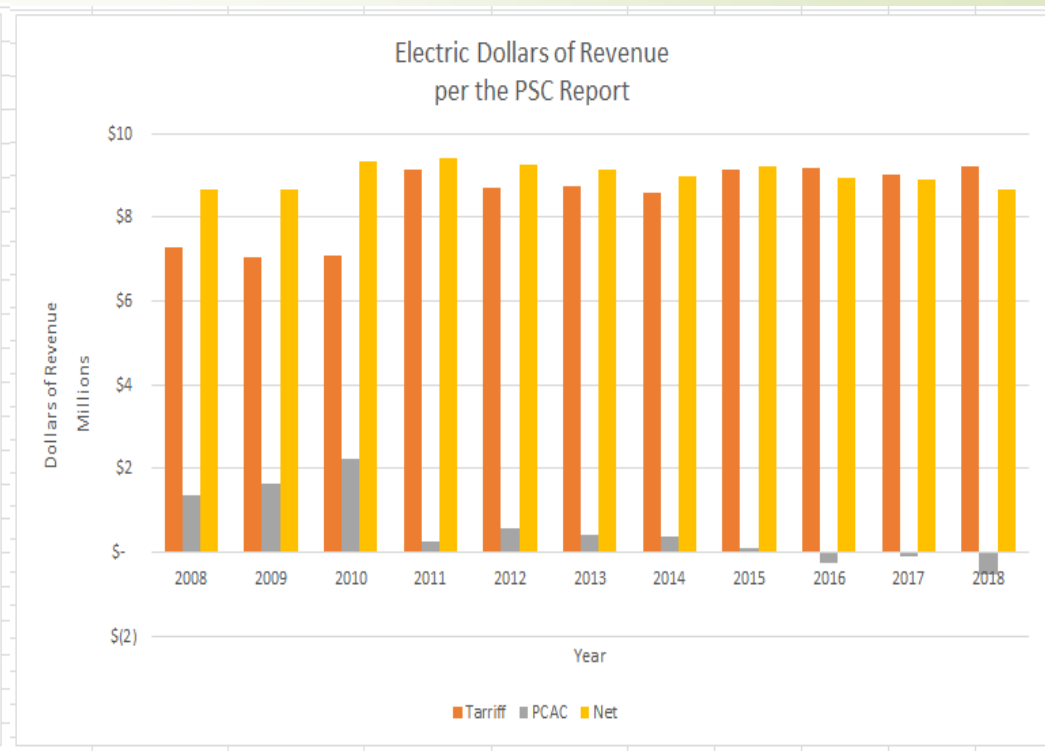


10 Year O&M: \$1.22 - \$1.49 ↑ 22.13% Increase
 10 Year Total: \$8.48 - \$8.63 ↑ 1.77% Increase

Electric Utility Sales



10 Year Sales: 9.40 – 8.12 ↓ 13.62% Decrease



10 Year Revenue: \$8.68 - \$8.67 ↓ 0.12% Decrease



Electric Utility Details

- Fixed monthly charge; variable charge based on use
- Demand and energy structure for commercial and large power
- Time of day and renewable options
- Cost Per Day is \$2.30 based on a 513 kwh average residential customer
- Quality of Service
- Price Comparison

Utility Name	Bill Date	Monthly Customer Charge	Energy Charge (per kW)	PCAC/FAC Charge (per kW)	Total Bill
Average for Wisconsin Public Service Corporation		\$21.00	0.098353	-0.000106	\$79.95
Average for New Holstein Public Utility		\$14.00	0.1129	-0.010538	\$75.42
Average for Algoma Utility Commission		\$10.00	0.1131	-0.009615	\$72.09
Average for Plymouth Utilities		\$14.50	0.1055	-0.010876	\$71.27
Average for New London Electric and Water Utility		\$14.00	0.1034	-0.0106	\$69.68
Average for Two Rivers Water and Light Utility		\$9.00	0.108	-0.007723	\$69.17
Average for Shawano Municipal Utilities (1)		\$9.75	0.0975	-0.002207	\$66.93
Average for Clintonville Water and Electric Utility		\$6.50	0.1034	-0.002969	\$66.76
Average for Sturgeon Bay Utilities		\$7.00	0.106	-0.007415	\$66.15
Average for Manitowoc Public Utilities		\$10.00	0.0926	-0.000915	\$65.01
Average for City of Kiel Utilities		\$5.00	0.0991	-0.003415	\$62.41

Electric Utility Basics



- Regulated by Public Service Commission
- Substation Capacity is 60MVA and dual fed
- Load is 18MW or about 30%
- Minimal outages and fast response time
- Long term power supply contract with WPPI Energy
- Current mix is 49% Coal, 13.5% Renewable, 19% Nuclear, 18.5% Natural Gas
- Recent Projects (Substation, Voltage upgrade, LED, Metering)
- Current Projects/issues
 - Substation upgrades
 - Regulators
 - Poles/Wires
 - LED lighting
 - Metering
- Last Increase 2015
- 2019 rate increase request for 5.4% or \$3.30 per month

Electric Utility



► Questions?



Duplicate Account Number: [REDACTED]

DUPLICATE RECEIPT

Date Recd: 11/15/2013
Amount Due: 191.63

Date Paid: [REDACTED]
Amount Deposited: 191.66

**** PVE-AUTHORIZED PAYMENT - DO NOT PAY ****

Two Rivers Municipal Offices **PHONE NUMBER TO ORDER ALL SERVICES CONTACT**

City: 9201 782-5222 Address: [REDACTED] Name: [REDACTED] Service Address: [REDACTED]

METER NUMBER	Paid Charge		MAY 2013	MAY 2013	Meter Reading			RW	LVA	Per 100	Chg. Exp.
	Previous	Present			Start	End	Present				
782-2222-001	1000	1000	27	27	1000	1000	5				
782-2222-002	1000	1000	27	27	1000	1000	5				

DUPLICATE SUMMARY

Phone Number 9201-782-5222	\$191.63
Address 1234 Main St	(\$191.63)
Balance Forward as of 10/31/13	\$0.00
Current Charges as of 11/15/13	\$191.63
Total Amount Due	\$191.63

	RATE	QUANTITY	CHARGES
REGULAR SALARY			200.00
REGULAR SALARY	20.00/27.00		20.00
BALANCE FORWARD			1.63
ELECTRIC SERVICE:			
Electric Monthly Charge (R)			9.00
Energy Charge (R)	00.2000	1207	100.70
Charge Code Adjustment Charge	-00.3240	1007	-3.44
Notes See 2.0.08			0.50
Commitment to Community			1.36
Total Electric Charges			118.16
WATER SERVICES:			
Fixed Monthly Charge d.75			12.50
Usage			22.36
Public Flow Production Charge	24.00200	3	72.00
Public Water Charges			30.40
SEWER SERVICE CHARGES:			
Fixed Monthly Charge Sewer			10.00
Usage Charge			18.50
Total Sewer Charges	15.0020	3	45.00
ENVIRONMENTAL FEES			5.50
STANDARD CHARGE			0.75
CURRENT CHARGES			<u>\$191.63</u>
TOTAL AMOUNT DUE			<u>\$191.63</u>

ELECTRIC & WATER USAGE HISTORY

Month	Electric Use (kWh)	Water Use (Gallons)	Water Cost (per Day)
10/15/2013	1000	84.50	3.00
09/15/2013	1000	84.50	3.00
08/15/2013	1000	84.50	3.00
07/15/2013	1000	84.50	3.00
06/15/2013	1000	84.50	3.00
05/15/2013	1000	84.50	3.00
04/15/2013	1000	84.50	3.00
03/15/2013	1000	84.50	3.00
02/15/2013	1000	84.50	3.00
01/15/2013	1000	84.50	3.00
12/15/2012	1000	84.50	3.00

MESSAGES: THIS IS YOUR FINAL BILL. FUNDS BELIEVED NOT PAID FROM YOUR BANK ACCOUNT. IF YOU HAVE A BANKING ERROR, PLEASE CONTACT YOUR BANK IMMEDIATELY. IF YOU HAVE A METER READING ERROR, PLEASE CONTACT THE CITY OFFICE. IF YOU HAVE A SERVICE CHARGE ERROR, PLEASE CONTACT THE CITY OFFICE. THANK YOU!