



**CITY OF TWO RIVERS CITY COUNCIL
JOINT MEETING OF PERSONNEL AND FINANCE COMMITTEE
AND PUBLIC UTILITIES COMMITTEE
Tuesday, November 3, 2020
5:00 PM
3rd Floor Council Chambers - City Hall**

MINUTES

Call to Order

The meeting of both committees was called to order at 5:43 PM

Roll Call – Personnel and Finance (P&F) Committee members present: Mark Bittner, Curt Andrews; Utilities Committee members present: Bill LeClair, Adam Wachowski, Bonnie Shimulunas (6pm)

Also present: Greg Buckley (City Manager), Dave Buss (Finance), Jim McDonald (Public Works Director), Scott Ahl (Civil Engineer II), Dave Casebeer (WWTP), Ross Blaha (Water Utility), Ken Kozak (Electric Utility), Brian Dellman (Electric Utility)

Public Utilities Matter: Review of Proposed Utility Fund Budgets for 2021

- A. Solid Waste Utility**– covers Solid waste collection, Recycling, Street cleaning, Leaf collection; Major utility funding – Environmental fee on the utility bill (\$7.00/mo), \$3.90 is placed in this Utility (not raised since 2012). Other part of the Environmental fee is placed in the Landfill fund (\$2.75), and Tree planting (\$0.35); Other funding for the Solid Waste Utility is the State Recycling Grant (\$81,400), and Garbage stickers (\$2.50; not raised since 2009) +/- \$420,000
- Environmental fee was raised in 2019 \$1.50/month; no increase went to solid waste
 - Budget produces \$32,505 deficit; fund balance will be reduced from \$122,270 to \$90,215, which is still positive and Ok for this year but will need to address the budget deficit in future years with possible fee increases
 - Committee would like to look at the potential of changing the garbage sticker system, possibly include 1 bag of pick-up each week. Environmental Advisory Board to review issue of potential reconfiguration of environment fee, reduction/elimination of Garbage stickers or other funding issues.

A Motion was made by Utilities member Wachowski, seconded by LeClair, to recommend the Solid Waste Utility budget, as presented, to City Council for adoption. Motion passed upon unanimous voice vote.

A Motion was made by P&F member Andrews, seconded by Bittner, to recommend the Solid Waste Utility budget, as presented, to City Council for adoption. Motion passed upon unanimous voice vote.

- B. Wastewater Utility** – 5,059 services, 63 miles of pipe, 70 years average age, 17 lift stations
- not regulated by Public Service Commission
 - current flows are near plant capacity
 - current projects involve replacement of 24th St, 25th St, and Madison St; maintenance of sewers includes replacement and lining of mains
 - Revenues: last rate increase was January 1, 2019; no increase planned this year
 - Expenses - reduced costs in operation plant, no telephone (lift station communication)

via wireless)

- maintenance plant wages account for overlap in retirement of plant mechanic
- overall reduction of operating expenses by 5.38% for net income of \$569,632,
- cash flow indicates a reduction in available cash of \$100,720 due to projected projects: 24th St (Forest Ave to Jefferson St), 25th St (West River to Forest Ave), Madison St (19th St to 22nd St), Pine Tree Lift Station

A Motion was made by Utilities member Shimulunas, seconded by Utilities member Wachowski, to recommend the Wastewater budget, as presented, to City Council for adoption. Motion passed upon unanimous voice vote.

A Motion was made by P&F member Andrews, seconded by P&F member Bittner, to recommend the Wastewater budget, as presented, to City Council for adoption. Motion passed upon unanimous voice vote.

- C. Stormwater Utility** – utility since 2014 (one of 160 in Wis.); 39 miles of pipe; rate \$5.75/month for residence; commercial/others pay \$0.0019/sf impervious area
- Utility covers stormwater ponds, mains & inlets, and shoreline protection construction & maintenance
 - upcoming projects include Eggers pond, extension of mini storm sewers to collect sump pumps, and storm related costs on the street construction project
 - no rate increase is proposed in this budget
 - maintenance of ponds: budgeted \$29,000
 - TMDL and phosphorous regulations: account for sampling and sediment analysis
 - need to review wages for maintenance of collection system, storm water ponds, and regulatory compliance. It was noted that historical trends do not expend the budgeted wages.

Motion was made to table based on the review of the wage distribution in this Utility.

- D. Electric** – substation capacity 60 MVA, load is 18 MW; current mix is 49% coal, 13.5% renewable, 19% nuclear, 18.5% gas; WPPI contractor 100 MW solar
- projects: substation upgrades, poles/wire-LED lighting, upgrade to AMR metering
 - most recent rate increase was 5.4% in May 2020
 - budget includes additional wages for transition of secretary
 - no rate increases
 - as poles/wires are replaced and installed underground utilities where cost effective; underground is typically more expensive and customers have to convert to underground service
 - cutback in 2020 due to COVID, testing at Columbus, vehicle, and project delays
 - staffing to return to pre-transition status (when additional person was hired to allow for transition when K. Kozak retires in 2021)
 - substation equipment budget increased due to testing not performed in 2020; will be done in 2021
 - overall budget reduction of \$426,830 (4.82%)
 - cash flow: accounts receivable - \$350,000 due to PSC moratorium on disconnections; overall decrease in cash \$272,686
 - capital improvement plan: breaker rebuild at Columbus \$12,000 (could be delayed if necessary); regulator rebuild \$34,000

A Motion was made by Utilities member Shimulunas, seconded by Utilities member Wachowski, to recommend the Electric Utility budget, as presented, to City Council for adoption. Motion passed upon unanimous voice vote

A Motion was made by P&F member Andrews, seconded by P&F member Bittner, to recommend the Electric Utility budget, as presented, to City Council for adoption. Motion passed upon unanimous voice vote.

- E. Telecommunications Utility** – consists of fiber, used and not used (Dark Fiber) which is rented by Nsight; south water tower to Electric Dept and Electric Dept to 22nd St @ Forest Ave; Nsight provides connection to internet at Harbor Cam, downtown hot spot, and beach Wi-Fi; system is not “robust” but helps serve transient Wi-Fi users
- Capital improvement plan: new digital sign \$16,000 (\$10,000 WPPI; \$6,000 City)
 - did not extend fiber to Columbus St.; on hold; moved to 2023 +/-

A Motion was made by Utilities member Shimulunas, seconded by Utilities member Wachowski, to recommend the Telecommunications Utility budget, as presented with exception to move fiber extension to 2023, to City Council for adoption. Motion passed upon unanimous voice vote.

A Motion was made by P&F member Andrews, seconded by P&F member Bittner, to recommend the Telecommunications Utility budget, as presented with exception to move fiber extension to 2023 to City Council for adoption. Motion passed upon unanimous voice vote.

- F. Water Utility** – Residential fixed at \$12.50/month (\$4.05 per 100 cf)
- Public fire protection: hydrants-\$9.50/month; includes maintenance of hydrants and oversizing of water main for fire protection
 - last rate increase 14% in 2018
 - no rate increase or staffing changes
 - mandated corrosion control budgeted at \$25,000; includes hiring temp summer help (960 hours @ \$12.00/hr)
 - other items: reservoir cleaning and inspection \$4,500; intake cleaning and inspection \$30,000; general maintenance contract \$9,000 (every 3-5 years)
 - operating expenses up 2%
 - net operating income \$318,342
 - capital improvement plans: antennae on east water tower to eliminate Frontier phone service; 300 water meters and 400 ERTS \$92,000; New pole barn for vehicle storage \$50,000.
 - street projects would be funded through TID 8
 - reduce \$91,450 for private and public services (scattered)
 - Defer pole barn construction to undetermined future date
 - New capital amount \$104,777;
 - The proposed budget results in a net cash increase of \$65,742

A Motion was made by Utilities member Wachowski, seconded by Utilities member Shimulunas, to recommend the Water Utility operating budget, as presented, and capital plans as revised, to City Council for adoption. Motion passed upon unanimous voice vote.

A Motion was made by P&F member Bittner, seconded by P&F member Andrews, to recommend the Water Utility operating budget, as presented, and capital plans as revised, to City Council for adoption. Motion passed upon unanimous voice vote.

Set Date, Time, Location and Agenda Items for next Committee Meeting.

Next meeting for the Utilities Committee will be held Tuesday, December 1, 2020, at 6:00 pm

Adjournment – Motion by Utilities member, Wachowski, seconded by Utilities member Shimulunas, to adjourn at 10:00 pm

