

CITY OF SHEBOYGAN
BOARD OF WATERWORKS COMMISSIONERS MINUTES
Monday, September 18, 2023

OPENING OF MEETING

President Van de Kreeke opened the meeting at 3:30 PM. Member Dale was present along with Superintendent Trueblood. Secretary Howe was excused.

1. Pledge of Allegiance

All present honored the flag of the United States of America.

MINUTES

2. Approve minutes of the August 21, 2023 Board meeting

Commissioner Van De Kreeke made a motion, seconded by Commissioner Dale, to approve the minutes of the August 21, 2023 meeting. Motion passed unanimously.

REPORTS

3. Financial reports and approval of vouchers

Superintendent reviewed the monthly financial reports including vouchers. Commissioner Van de Kreeke made a motion, seconded by Commissioner Dale, to approve the reports as presented including general vouchers of \$5,325,233.28 and gross payroll of \$196,311.03. Motion passed unanimously.

4. Superintendent's report including operations, construction-maintenance, customer relations/fiscal, and RWI

Superintendent summarized the monthly supervisory reports. The RWI project is going well with work proceeding to complete the exterior block and brick work along with internal mechanicals. Underground boring was is nearly completed. The pipeline installation is at nearly 3,600' offshore but is lagging due to weather delays. The contractor has stated their ability to work in cold water conditions and their intention to close out the project this season. Superintendent noted formal notification was received of the \$2.0M direct spending grant for the project. Commissioner Dale made a motion, seconded by Commissioner Van de Kreeke, to approve the report as presented. Motion passed unanimously.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION

5. Review 2024 proposed Utility budget and request approval of R.O. transmitting budget to Council

Superintendent thanked Senior Accountant Gottsacker for her work on the proposed budget which is an ongoing effort. Superintendent noted ongoing challenges due to the monumental RWI project which will increase annual debt service to \$2.9M in 2024. Tax payment (PILOT) to the City will also increase to \$1.35M in 2024 and more in 2025. Ongoing inflation has also contributed to expense increases throughout the Utility. Superintendent noted that WDNR changes affecting 2023 resulted in less WDNR lead service line (LSL) money coming to the Utility. Hopefully this will change in 2025, but the LSL program is an ongoing newer annual cost. Superintendent noted that the proposed budget includes a

flat water rate increase of 15% in 2024, which is equal to \$9.00 per quarter for a typical residential customer. A similar adjustment is expected in 2025. Capital projects include water main replacement on Taylor Drive and Lincoln Avenue along with a new river crossing near the former Garton toy factory. Other large capital items include \$300,000 for filter rehabilitation on #3 and #4 filters, replacement of #1 quad axle dump truck at \$300,000; and \$100,000 for Viewworks asset management system, along with ongoing investment in replacement water meters and Orion radio systems. Capital spending of \$12.4M is estimated to complete the RWI project. Overall Superintendent noted the Utility's cash balance would remain flat under the proposed budget but will be under ongoing pressure as full RWI costs impact in 2025. Superintendent noted that ongoing water rate increases will be necessary to offset these costs and allow for normal capital investment in the water treatment plant and distribution system. The Commissioners had discussion on various details in the budget and noted a correction in one capital line item. Commissioner Van de Kreeke made a motion, seconded by Commissioner Dale, to approve the 2024 Water Utility budget as final and to submit an R.O. transmitting the final budget to Council. Motion passed unanimously.

6. Request approval for replacement of UV UPS unit

Superintendent advised that Supervisor Swearingen had discovered a failure in the UV UPS power module apparently due to corrosion. Replacement cost is \$20,975.00 from Eaton for a UPM assembly, fuses, and labor. Commissioner Dale inquired about the corrosion issue and Superintendent noted that Mr. Mike Stohl of Donohue & Associates had been investigating the matter to prevent a future occurrence. Commissioner Van de Kreeke made a motion, seconded by Commissioner Dale, to approve the purchase. Motion passed unanimously.

7. Request approval for purchase of replacement caps for filters #3 and #4

Superintendent summarized the plan to rehabilitate filters #3 and #4 early in 2024, returning them to near new performance in a short timeframe. Ongoing replacement of other filters would then take place later in 2025. Drydon Equipment provided a proposal of \$95,450.00 for IMS 200 caps to be used by Utility staff in replacing the clogged existing caps. Drydon/Leopold would also provide some onsite review. Commissioner Dale made a motion, seconded by Commissioner Van de Kreeke, to approve the purchase. Motion passed unanimously.

8. Request approval for intake diving inspection/cleaning

Superintendent reviewed a bid tab for annual intake cleaning and inspection services. Proposals included Underwater Construction Corp at \$10,270; Northern Divers USA at \$29,575; and JF Brenna Company at \$28,920. Commissioner Dale made a motion, seconded by Commissioner Van de Kreeke, to approve the proposal from Underwater Construction Corp. Motion passed unanimously.

PERSONNEL

9. Review status of LSL/Billing incumbent and future plans

Superintendent updated the Board on Ms. Doherty's retirement plan and the need to continue the role of the LSL/Billing Specialist. Ms. Doherty was commended for her long term service and commitment to the newer position. The Commissioners were in agreement with following recommendations of supervisory staff for filling the position and seeking replacement staff.

NEXT MEETING

10. The next Board meeting is scheduled for October 16, 2023 at 3:30 PM.

ADJOURN

11. Motion to Adjourn

At 5:14 PM, Commissioner Dale made a motion, seconded by Commissioner Van de Kreeke, to adjourn. Motion passed unanimously.