



BOARD OF WATERWORKS COMMISSIONERS AGENDA

November 25, 2024 at 3:30 PM

Water Utility Admin Office, 72 Park Avenue, Sheboygan WI

Persons with disabilities who need accommodations to attend this meeting should contact the Sheboygan Water Utility, (920) 459-3805. Persons other than commission, committee, and board members who wish to participate remotely shall provide notice to the Utility at 920-459-3805 at least 24 hours before the meeting so that the person may be provided a remote link for that purpose.

OPENING OF MEETING

1. Pledge of Allegiance

MINUTES

2. Approve minutes from the October 21, 2024 Board meeting

REPORTS

- [3.](#) Financial reports and approval of vouchers
4. Superintendent's report including operations, construction-maintenance, and customer relations/fiscal

ITEMS FOR DISCUSSION AND POSSIBLE ACTION

- [5.](#) Request approval of 2025 water treatment chemical bids
- [6.](#) Request approval for media removal from filters #1 and #2
7. Request approval for year-end write-offs on uncollectible delinquent accounts
8. Request approval for health insurance plan renewal
9. Request approval for workers' compensation insurance proposal
10. Request approval of change order on engineering contract for Sheboygan River crossing

PERSONNEL

11. Update on hiring of distribution technician and utility engineer

NEXT MEETING

12. Next meeting will take place on: December 16, 2024

ADJOURN

13. Motion to Adjourn

In compliance with Wisconsin's Open Meetings Law, this agenda was posted in the following locations more than 24 hours prior to the time of the meeting:

*City Hall • Mead Public Library
Sheboygan County Administration Building • City's website*



REPORT OF BILLING

OCTOBER 2024

	<u>2024</u>	<u>2023</u>	<u>Increase or (Decrease)</u>
Quarterly Metered*			
<i>(Dist II - between Union and Superior Ave.)</i>			
Residential	222,066.33	203,010.32	19,056.01
Multi-Family	35,124.50	27,386.95	7,737.55
Commercial	87,472.47	73,536.61	13,935.86
Industrial	7,125.64	5,564.27	1,561.37
Public	<u>20,699.70</u>	<u>20,904.53</u>	<u>(204.83)</u>
Subtotal	372,488.64	330,402.68	42,085.96
Public Fire Protection	69,154.12	70,432.20	(1,278.08)
Monthly Metered	<u>488,960.74</u>	<u>411,991.76</u>	<u>76,968.98</u>
Sheboygan Net	930,603.50	812,826.64	117,776.86
Sheboygan Falls	76,784.55	49,658.17	27,126.38
Kohler	<u>40,130.48</u>	<u>30,864.56</u>	<u>9,265.92</u>
Total	1,047,518.53	893,349.37	154,169.16

* Billing for scheduled district only for the three preceding months usage.

Total accumulative billing for 2024 is \$9,462,278.27. An increase of \$906,395.78 from 2023 accounted for as follows:

	<u>2024 - Total Year to Date</u>
Sheboygan	677,188.76
Sheboygan Falls	163,419.26
Kohler	<u>65,787.76</u>
	906,395.78

Total bills mailed October, 2024: 6,404

Residential	5,324	Wholesale	5
Multi-Family	110	Multi-Family	12
Commercial	774	Commercial	20
Industrial	34	Industrial	67
Public	55	Public	3
Quarterly	6,297	Monthly	107



RETURN ON RATE BASE
October 31, 2024

	OCTOBER 2024	OCTOBER 2023
<u>Add 2 YR Average</u>		
Utility Plant Balance	\$ 111,202,951	\$ 88,622,183
Materials and Supplies Inventory	\$ 279,392	\$ 277,648
<u>Less 2 YR Average</u>		
Reserve for Depreciation	\$ 27,965,655	\$ 26,456,017
Customer Adv for Const	\$ 3,489,861	\$ 4,818,282
Average Rate Base	<u>\$ 80,026,828</u>	<u>\$ 57,625,532</u>
Net Operating Income YTD	\$ 2,306,194	\$ 1,553,999
Net Operating Income As a Percent of Average Net Rate Base	<u><u>2.88%</u></u>	<u><u>2.70%</u></u>

Rate base is calculated using the two year average balance in the following accounts:
 Utility Plant Balance - includes all capital assets less any contributed capital assets.
 Materials and Supplies Inventory - includes all materials and supplies on hand and in inventory.
 Reserve for Depreciation - includes depreciation on capital assets less any contributed capital assets.



CASH RESERVE
October 31, 2024

Ending balance on report for September 30, 2024	8,506,022.01
Plus: Receipts	582,155.33
Misc Receipts	7,132.78
Direct Pay Receipts	620,632.42
LSL Repayment	37,042.31
Money Market/CDARs Accrued Interest	12,450.81
Minus:	
Disbursements - vendors and payroll	(2,868,988.92)
Bank Service Fees & Credits	(71.04)
Health & Dental Claims/Adm Costs	(70,788.60)
NSF Checks & Customer Refunds	(2,231.91)
Missed Delinq Collection Receipt	2,416.22
Invoice Cloud/Paymentech Deposit Fees	(11,691.18)
Reallocate Sewer/Garbage - payments	1,162.98
Reallocate Sewer/Garbage - monthly	(462.11)
DNR SDWLP Reimbursement RWI	1,922,256.41
WRS Preliminary Reconciliation	(0.02)
Automated Credit Card Payments	(3,174.78)
Utility Water Payments	(3,061.37)
Postage	(3,000.00)
Ending Balance October 31, 2024	\$ 8,727,801.34

Note: The above amount includes:

Bond Reserve Fund	574,393.75
LSL Revolving Loan Fund	611,936.46
Money Market Investment	1,028,509.60
ARPA Money Market Restricted - RWI*	-
6 Month CD	530,467.18
3 Month CD	1,602,087.68
6 Month CD	1,065,670.23
Total	\$ 5,413,064.90

General Unrestricted Operating Cash	3,314,736.44
-------------------------------------	--------------

*Remaining ARPA funds used to pay in part final invoice from CD Smith Construction for RWI project



STATEMENT OF NET POSITION
OCTOBER 31, 2024 AND 2023

<u>Assets and Other Debits Utility Plant</u>	<u>Year to Date 2024</u>	<u>Year to Date 2023</u>	<u>Liabilities and Other Credits</u>	<u>Year to Date 2024</u>	<u>Year to Date 2023</u>
			<u>Proprietary Capital</u>		
Utility Plant	128,327,487	109,952,531	Capital Paid by Municipal	1,640,701	1,640,701
Depreciation- Utility Plant	31,001,352	29,340,431	Unappropriated Earned Surplus	63,744,473	61,964,707
Net Utility Plant	<u>\$ 97,326,134</u>	<u>\$ 80,612,100</u>	Total Proprietary Capital	<u>\$ 65,385,174</u>	<u>\$ 63,605,408</u>
			Bonds, Loans & Advances	41,318,929	25,979,553
<u>Other Property and Investments</u>			Total Long Term Debt	<u>\$ 41,318,929</u>	<u>\$ 25,979,553</u>
Appropriated Funds	611,936	668,200			
Bond Redemption Fund	574,394	612,360	<u>Current & Accrued Liabilities</u>		
Net Pension Asset ¹	-	992,887	Accounts Payable	(9,224)	862
Deferred Outflow - Pension & OPEB ¹	2,648,031	2,025,204	Accrued Liabilities	1,314,753	1,351,820
Total Other Prop & Investment	<u>\$ 3,834,361</u>	<u>\$ 4,298,651</u>	Unearned Revenue ³	-	342,707
			Total Current & Accrued Liab.	<u>\$ 1,305,529</u>	<u>\$ 1,695,389</u>
<u>Current and Accrued Assets</u>					
Cash & Investments	7,542,221	7,596,226	<u>Deferred Credits</u>		
Accounts Receivable	1,575,410	1,531,584	Bond Premium	105,977	138,849
LSL Loan Receivable ²	595,314	344,898	Pre 2003 Depr on Contributed Assets	-	4,143
Grant Receivable - Restricted	0	0	Other Deferred Credits	0	0
Materials & Supplies Inventory	267,657	291,128		<u>\$ 105,977</u>	<u>\$ 142,992</u>
Prepaid Expenses	52,991	15,953	<u>Operating Reserves</u>		
Total Current & Accrued Assets	<u>\$ 10,033,593</u>	<u>\$ 9,779,789</u>	Net Pension & OPEB Liability ¹	835,240	190,275
			Deferred Inflow - Pension & OPEB ¹	1,533,534	2,402,200
Total Assets and Debits	<u>\$ 111,194,088</u>	<u>\$ 94,690,540</u>	Accrued Vac & Sick Leave	709,706	674,723
			Total Operating Reserve	<u>\$ 3,078,480</u>	<u>\$ 3,267,198</u>
			Total Liab & Other Credits	<u>\$ 111,194,088</u>	<u>\$ 94,690,540</u>

¹ See full audited Financial Statements for disclosures and details regarding pensions and OPEB.

² Receivable related to the SWU Lead Service Lateral loan program.

³ Unearned Revenue is the remaining balance of unspent American Rescue Plan Act funding designated to the Raw Water Improvement project.



STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
OCTOBER 31, 2024 AND 2023

	2024		2023		Incr (Decr) YTD	% Incr/Decr YTD
	MONTH	YTD	MONTH	YTD		
Sales Revenue ¹	\$ 1,065,388	\$ 9,241,506	\$ 904,363	\$ 8,315,051	\$ 926,455	11.14%
Other Water Revenue ²	\$ 5,666	\$ 39,062	\$ 4,660	\$ 50,078	\$ (11,016)	-22.00%
Total Operating Revenues	\$ 1,071,054	\$ 9,280,568	\$ 909,022	\$ 8,365,129	\$ 915,439	10.94%
Operating Expenses	477,687	3,889,499	388,568	3,788,706	100,793	2.66%
Maintenance Expenses ³	109,098	883,162	46,465	745,167	137,994	18.52%
Depreciation Expenses ⁴	125,067	1,268,882	131,910	1,336,856	(67,975)	-5.08%
Taxes	109,044	932,832	104,705	940,401	(7,570)	-0.80%
Total Operating Expenses	\$ 820,895	\$ 6,974,375	\$ 671,648	\$ 6,811,131	\$ 163,244	2.40%
Utility Operating Income	\$ 250,158	\$ 2,306,194	\$ 237,374	\$ 1,553,998	\$ 752,196	48.40%
Other Income & Expense						
Non-operating Grant Revenue	-	-	-	151,358	(151,358)	
Non-Operating Grant Expenses	-	-	-	(151,358)	151,358	
Bond Premium	2,739	27,394	2,739	27,394	-	
Interest Earned on Investments	12,843	140,142	11,098	98,645	41,497	
Contributions	225,381	293,487	2,071,721	6,686,234	(6,392,747)	
Other Expense	-	-	-	-	-	
Misc Amortization	-	-	2,094	20,945	(20,945)	
Bond Interest Expense	(199,238)	(712,345)	(43,748)	(438,076)	(274,269)	
Change in Net Position	\$ 291,882	\$ 2,054,872	\$ 2,281,279	\$ 7,949,139	\$ (5,894,267)	

¹ The increase in Sales Revenue in 2024 is due to a rate increase that went into effect on 4/1/2024.

² The decrease in Other Water Revenues is due to a decrease in billed miscellaneous services.

³ The increase in Maintenance Expense in 2024 is due to washing and maintenance of the Erie Avenue tank, timing of hydrant maintenance and inventory, treatment equipment maintenance for UV battery backup and backwash actuator; pumping equipment maintenance, and maintenance of landscape and grounds surrounding office building.

⁴ The decrease in Depreciation Expense is due to a decrease in capital projects; the Raw Water Improvement Project will be added to capital at year end 2024, increasing depreciation expense significantly.



APPROVAL OF VOUCHERS
October 31, 2024

<u>Total Of The General Vouchers*</u>	<u>\$ 2,633,482.01</u>
<u>Gross Payroll</u>	<u>\$ 217,997.04</u>
<u>Net Payroll</u>	<u>\$ 132,617.01</u>

* Last RWI - CD Smith Construction Invoice

BOARD OF WATER COMMISSIONERS

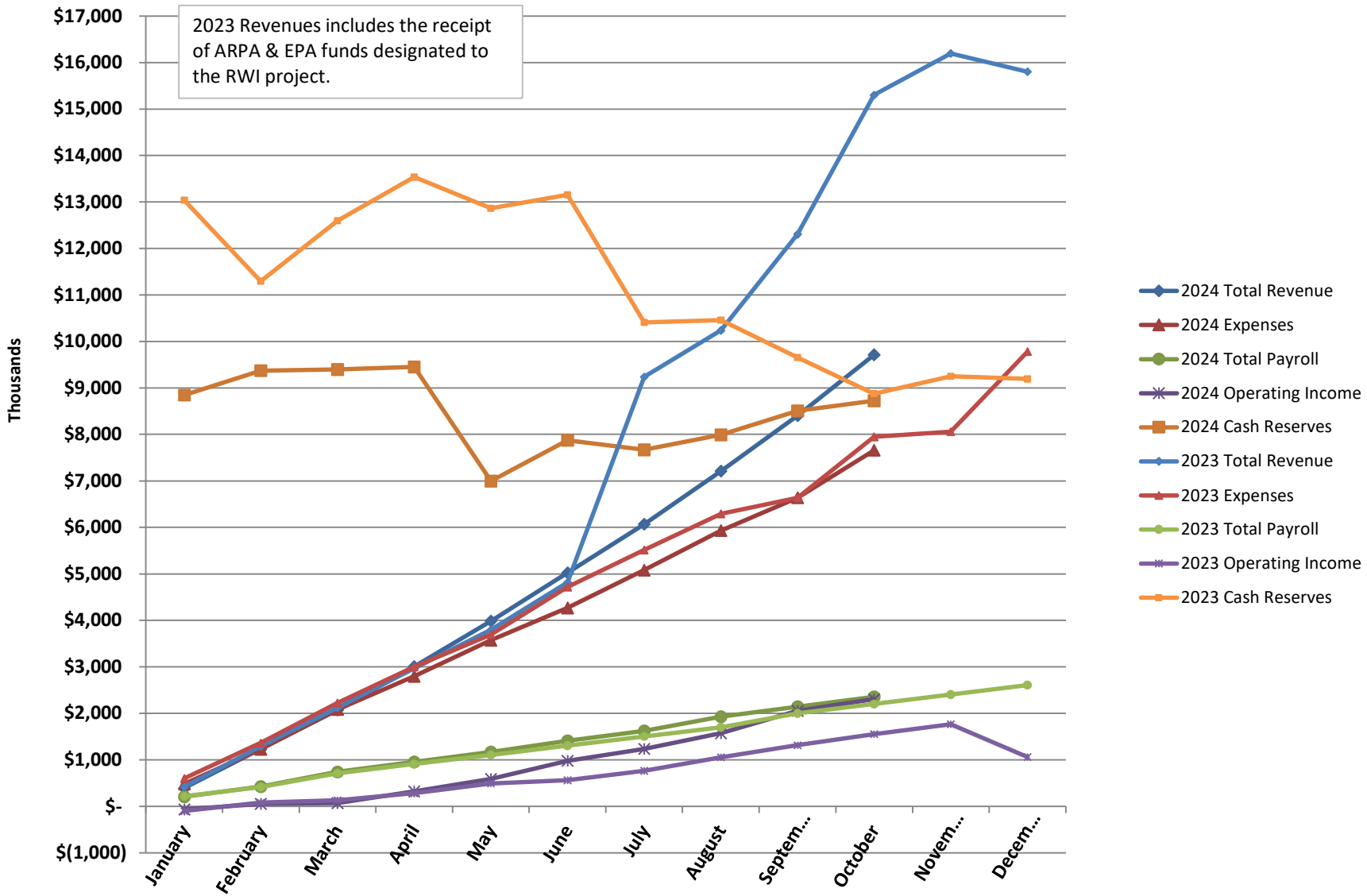
PRESIDENT

SECRETARY

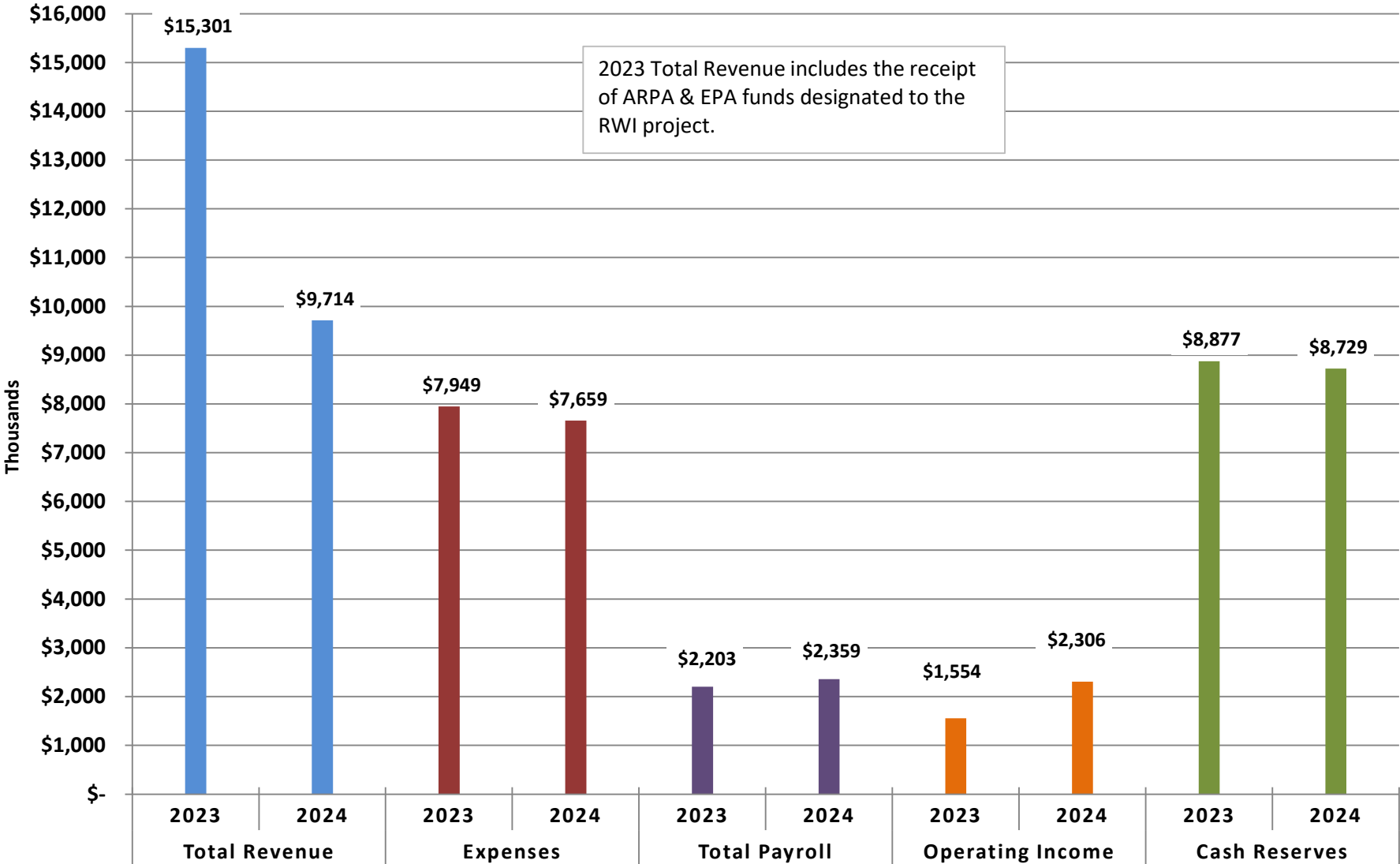
MEMBER

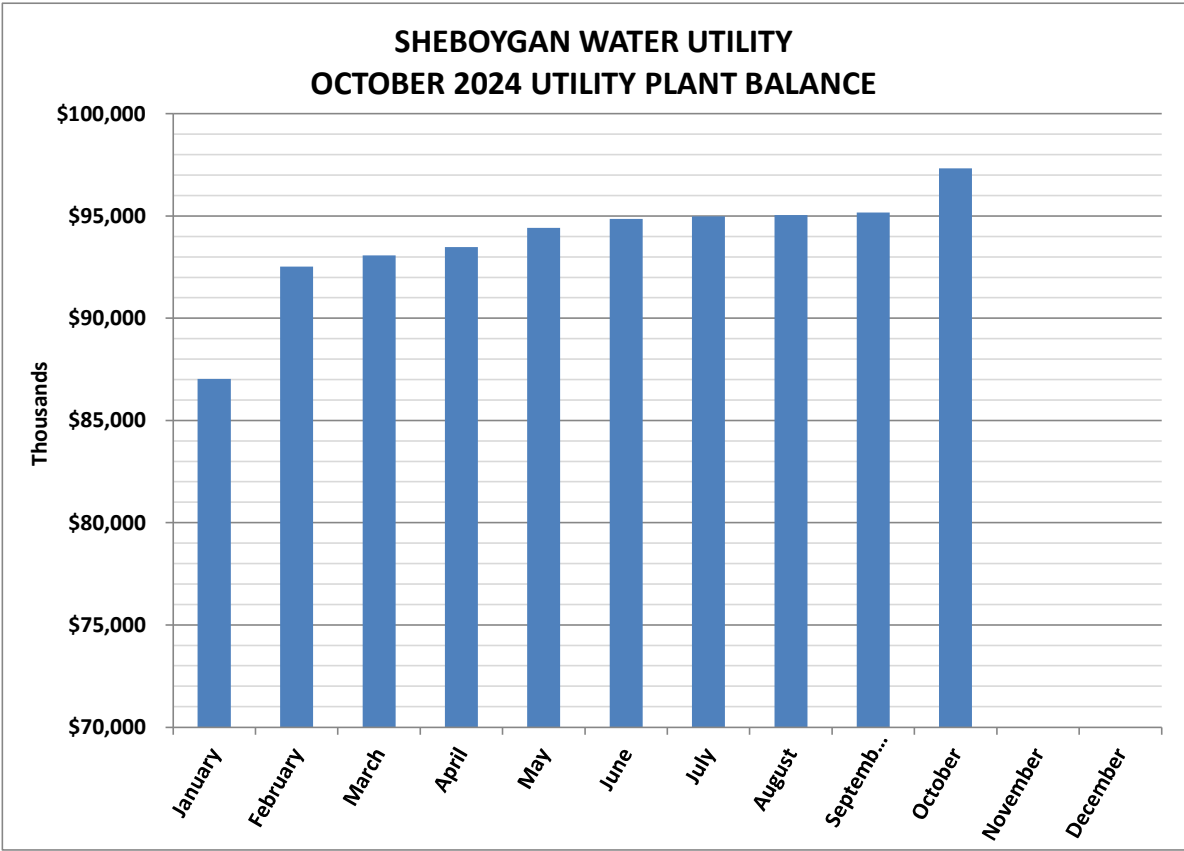
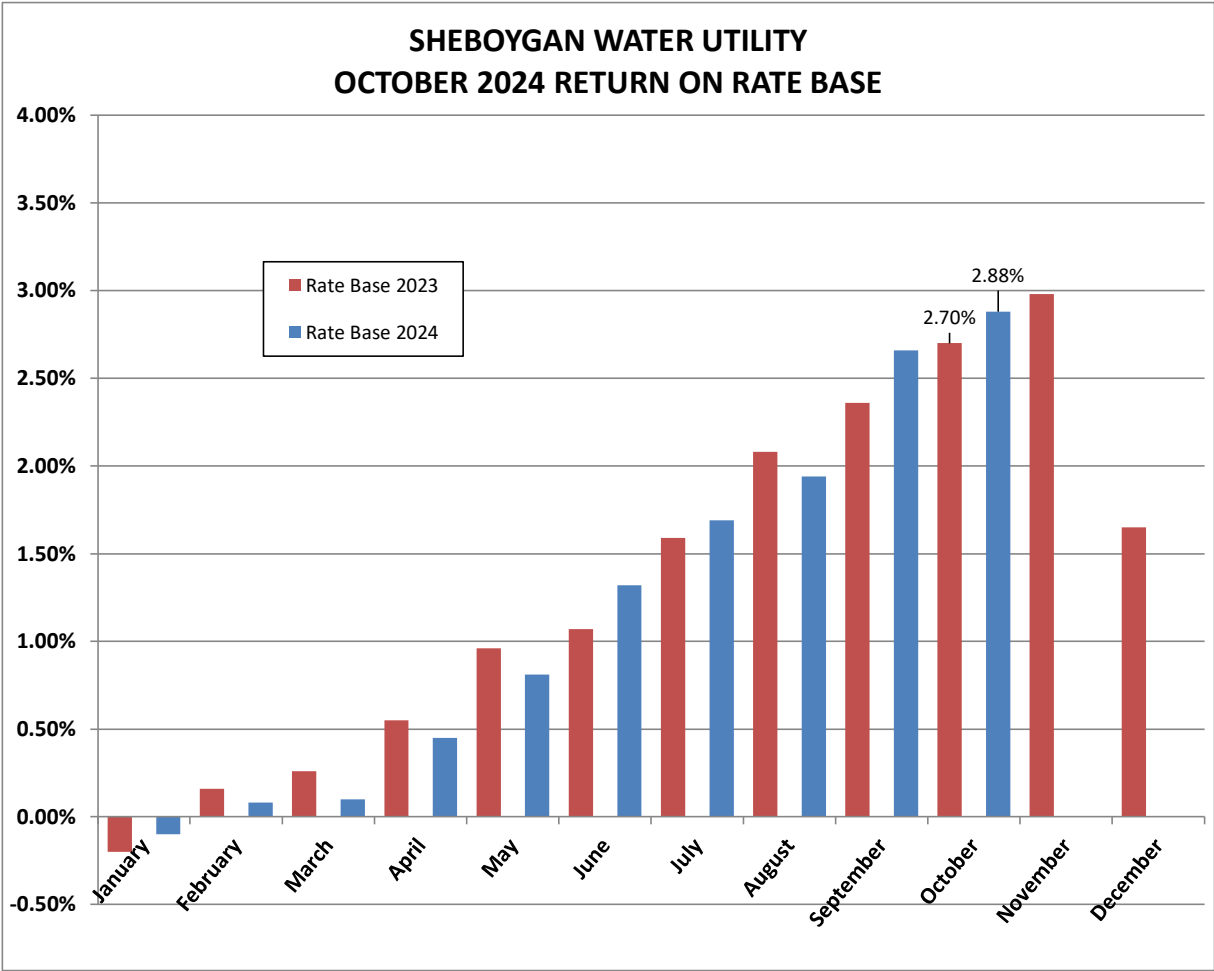
SUPERINTENDENT

SHEBOYGAN WATER UTILITY OCTOBER 2024 MONTHLY FINANCIAL TREND



SHEBOYGAN WATER UTILITY OCTOBER 2024 YTD FINANCIAL POSITION





CHEMICAL BIDS SUBMITTED FOR 2025 - SUBMITTAL DEADLINE 11/11/2024

* Fluoride Submittal date 11/18/2024

CHEMICAL BIDDER	ALUMINUM SULFATE (Iron-Free Grade)	ALUMINUM SULFATE (FCC, Food Grade)	FLUORIDE*	SODIUM HYPOCHLORITE	Liquid Phosphate
ChemTrade	\$431.00 per dry ton	\$441.00 per dry ton			
US Alco	\$700.4426 per dry ton	No Bid			
Hawkins Inc			\$5,238.65 per dry ton	\$2.24 per gallon	\$11.04 per gallon
Rowell Chemical				\$1.81 per gallon	
Affinity Chemical	No Bid	No Bid			
Carus Corporation					\$10.396 per gallon
Mosaic Co			No Bid		
Solvay			No Bid		
Brenntag Great Lakes, LLC			No Bid		
Hydrite Chemicals Co.				\$1.83 per gallon	
2024 Chemical Suppliers & Pricing		ChemTrade (FCC, Food Grade) \$423.00 per dry ton	Hawkins \$5078.26 per dry ton	Hydrite \$1.88 per gallon	Hawkins \$10.89 per gallon

Recommendation:

Chemical	Low Bidder	Price	Quantity	Total	% change
Alum (FCC Food Grade)	ChemTrade	\$441.00 per dry ton	300 Dry Tons	\$123,300.00	4.25%
Fluoride	Hawkins Inc	\$5,238.65 per dry ton	10 Tons	\$52,386.50	3.15%
Hypo	Rowell	\$1.81 per gallon	80,000 Gallons	\$144,800.00	-3.72%
Phosphate	Carus Corp	\$10.396 per gallon	18,000 Gallons	\$187,128.00	-4.53%

VALLEY HYDRO-EXCAVATION, LLC WISCONSIN ESTIMATE

N2496 US Highway 45
Campbellsport, WI 53010
Mobile: (920) 238-1650
Office : (920) 533-8713
Email: bradr@valleyhydroexcavation.com

DATE: 11/4/2024

TO Sheboygan Water Utility
72 Park Ave
Sheboygan WI 53081

Contact Name: Bill Swearingen
Email:
billswearingen@sheboyganwater.org

JOB LOCATION	72 Park Ave, Sheboygan WI 53081
---------------------	---------------------------------

UNITS	JOB DESCRIPTION	DAY RATE	ESTIMATED DOLLAR AMOUNT
2	Vac Truck #1 to remove filter media from water treatment plant Tank #1	\$4,750	\$9,500
2	Vac Truck #2 to remove filter media from water treatment plant Tank #1	\$4,750	\$9,500
2	Vac Truck #1 to remove filter media from water treatment plant Tank #2	\$4,750	\$9,500
2	Vac Truck #2 to remove filter media from water treatment plant Tank #2	\$4,750	\$9,500
0	Dumps (On Site)	\$0	\$0
	TOTAL ESTIMATE		\$38,000

WISCONSIN ADDITIONAL COSTS:

Dumps: Quantity and amount varies

Estimate prepared by: ***Brad Rindt*** (Operations Manager)

Please note: Rate includes vac truck(s), employees needed, water, and remote hose

This estimate is valid for 90 days.

THANK YOU FOR THE OPPORTUNITY!