



**TWO
RIVERS**
WISCONSIN

PUBLIC UTILITIES COMMITTEE MEETING

Tuesday, May 10, 2022, at 3:00 PM
Council Chambers - City Hall, 3rd Floor
1717 E. Park Street, Two Rivers, WI 54241

MINUTES

1. CALL TO ORDER

2. **ROLL CALL** - Committee Members: Darla LeClair, Jason Ring, Tim Petri
Staff & Others: Greg Buckley (City Manager), Jim Mc Donald (Public Works Director), Scott Ahl (Civil Engineer II), Ross Blaha (Water Utility), Brian Dellemann (Electric Utility), Greg Droessler (Town & Country Engineers)

3. **REVIEW AND APPROVAL OF MINUTES:** Public Utilities Minutes 2022.04.05 - Motion was made by Jason Ring, seconded by, Darla LeClair, to approve the minutes. Motion carried with unanimous voice vote

4. PUBLIC INPUT

5. WASTEWATER UTILITY

Summary of Wastewater Utility: – serves approximately 5,100 accounts, with budgeted annual revenues of \$2,800,000. Current rates consist of a fixed charge of \$15.00, with a variable charge of \$5.68/CCF (100 Cubic Feet). Noted an evaluation of the plant facilities in 2017 indicated \$15Million of high priority improvements, which included work at the headworks, screening, digester cover, Activated Sludge improvements, and sludge dewatering. Most of the above projects have been completed since 2018 (except the sludge dewatering), utilizing DNR financing, which consists of low interest loans, and 30% principal forgiveness/grant.

Current project for sludge dewatering will include replacement of a 1992 belt press with a screw press. The proposed press is expected to be more efficient (reduce sludge to 22% solids, vs existing 17% solids. This is expected to reduce operational and trucking costs. Noted that upon preparation of the improvement plan, utility rates were proposed to be increased 4% per year to pay for the increased expenditures. 4% rate increases were implemented in 2018, 2019, and last in 2020. Current budgets, and debt service, will require additional increases, or other alternatives to secure funding for the proposed projects. Staff provided alternatives of \$2.00 to the current Fixed Fee as the preferred alternative. Other alternatives include changing allocation of the sewer cleaner, changing summer sewer averaging, and reducing the Payment in Lieu of Taxes payment by this utility, (which would impact the general fund), or restructure two debts (which would reduce expenditures in next two years, but increase expenditures in pursuing years).

Staff noted the current projects for this year include replacement of sewer laterals, and a portion of the sewer main, on 17th Street; replacement of 50 sewer laterals at various locations, in association with lead water service replacements, and replacement of the sludge press, as indicated above. The Screw Press project was bid February 23, 2022, and will need to be awarded at the next council meeting to maintain the bid price. Three bids were received, including Sabel Mechanical at \$1,090,800; Staab Construction Corporation at \$1,313,000, and August Winter & Sons Inc at \$1,478,500. Current recommendation is to award bid to the low bidder of Sabel Mechanical for a price of \$1,090,800.

Motion was made by Tim Petri, seconded by, Jason Ring, to recommend to council to award Sabel Mechanical the WWTP screw press contract at the base bid amount of \$1,090,800.

Also, including a \$2.00 increase in the Sewer Utility fixed fee to secure funding for the current projects. Motion passed on unanimous voice vote.

7. ELECTRIC UTILITIES:

- Dellemann presented two quotes received for replacement of a 1992 digger truck. A quote from Utility Sales and Services, Inc. (USSI) to provide a 2023 model International with a 3-year warranty, and an estimated delivery of November 2023 at an estimated cost of \$318,178. A second quote was received from Altec Industries for a 2024 model International with a one-year warranty, and an estimated delivery of 18-24months (November 2023 to May 2024), at an estimated cost of \$303,450. Dellman noted the original amount in the Capital Plan was \$180,000, however, prices have increased due to the current equipment market.

Both vehicles are similarly equipped, and pricing is approximate due to the long lead time. Suppliers are able to lock in the chassis price, however, the equipment could change, depending on material costs at time of order. Dellman recommends purchase of the USSI unit, as the delivery time is sooner, and the warranty is longer.

Motion was made by Tim Petri, seconded by, Jason Ring, to recommend to council for the Electric Utility to purchase a 2023 model International digger truck from Utility Sales and Service as quoted for an estimated cost of \$318,178. Motion carried with unanimous voice vote

- Utility Disconnects – noted that the last round of utility disconnect notices have been delivered. Most customers work out payment plans. Current policy is to provide a mailing 10 days in advance and post a notice at the location 24hrs in advance of the disconnect.

8. WATER UTILITY:

- Blaha encouraged the new committee members to contact him to arrange a tour of the water treatment plant.

9. STORM WATER UTILITY:

10. ANY OTHER ITEMS:

11. SET DATE, TIME, AND AGENDA ITEMS FOR NEXT COMMITTEE MEETING:

Next Committee Meeting will be held Tuesday, June 7, 2022, at 5:15 pm,

12. ADJOURNMENT - Motion made by Tim Petri, seconded by Jason Ring, to adjourn the meeting at 5:10 pm