



**TWO
RIVERS**
WISCONSIN

PUBLIC UTILITIES COMMITTEE MEETING

Monday, June 5, 2023 at 5:00 PM

Committee Room - City Hall, 3rd Floor 1717
E. Park Street, Two Rivers, WI 54241

MINUTES

1. CALL TO ORDER - 5:00 pm

2. ROLL CALL

Committee Members: Darla LeClair, Tim Petri, Jeff Dahlke – all present

Staff Present: Matthew Heckenlaible, Scott Ahl, Brian Delleman, Andrew Sukawaty, Dave Casebeer

3. REVIEW AND APPROVAL OF MINUTES

Minutes from the May 2, 2023, Public Utilities Committee Meeting

Tim Petri made a motion to approve the May 2, 2023, Public Utilities Committee Meeting minutes, seconded by Jeff Dahlke. Motion passed.

4. PUBLIC INPUT - None

5. 2023 CONSTRUCTION PROJECTS

A. Lincoln Street from 17th Street to 22nd Street

Sanitary sewer and water main work has been completed between 17th Street and 20th Street and all public and private water services are also completed in that same section of the project. The contractor has begun working on the storm sewer main beginning at 17th Street and working north. They have also begun layout of temporary water between 20th Street and 22nd Street.

B. Lateral replacement (various locations - 2022)

The City was able to take advantage of the additional time in using up the funds for this project and completed an additional 29 services. The City is now working on closing out the project to get appropriate paperwork to WDNR for reimbursement.

C. Lateral replacement (2023)

This work is for the Lincoln Street project from 17th Street to 22nd Street and the replacement of private side services (water and sanitary). A pre-construction meeting was held on May 3, 2023. Inspection of services and laterals continues with all private side services between 17th Street and 20th Street being completed.

6. WASTEWATER UTILITY: UPDATES AND ACTION

A. Sludge screw press project

The new screw press has been installed and the building restoration completed. The MCC (electrical component) was supposed to have shipped in May but has now been pushed out until September 2023. Until then, the existing press will be utilized.

B. Plant treatment process status

The plant is functioning more normally since overcoming the second filament issue.

C. Riverside Foods

Sampling took place at the end of March/early April during the 'spring melt' which increased flows within the sanitary collection system and at the wastewater plant. Therefore, the BOD and TSS sample results were down from the early to mid-December sampling period. Now that flows are back down to a more normal rate (like flows observed in December), Wastewater staff collected additional samples in the early part of May with results being slightly elevated. There is a meeting set up with Riverside Foods and City Staff the end of June to discuss the current status, compare notes regarding what is being done by Riverside Foods and what we are seeing at the wastewater plant.

D. Compliance Maintenance Annual Report (CMAR)

Dave Casebeer provided an overview of the Compliance Maintenance Annual Report along with the deficiencies pertaining to influent strengths primarily caused by the discharge of Riverside Foods and the overapplication of nitrogen on a field last fall due to miscommunication between the farmer, application/hauling contractor and City Staff.

The City is still receiving a better than average overall score and as such will not be mandated to do corrective actions. Prior to submitting the report to WDNR a resolution will need to be sent to the City Council for adoption. Director Heckenlaible read the draft resolution and requested a motion to forward it to the City Council June 19 meeting for adoption. Jeff Dahlke made a motion to forward the resolution and report to the City Council, seconded by Tim Petri. Motion passed.

E. Leased Land for application of sludge

The City secured an additional 500 acres plus 200 acres of leased land for sludge application to aide in minimizing the possibility of over applying sludge (nitrogen) on fields in the future. The landowner already has a nutrient management plan which indicates that we will primarily follow the planned corn rotation.

7. ELECTRIC AND TELECOMMUNICATIONS UTILITIES: DIRECTOR UPDATES AND ACTION IF APPLICABLE

A. Columbus Substation Unit #3 annual maintenance update

At the Columbus Street substation there are three (3) transformers. It is the Utility's intention to inspect one (1) transformer annually to ensure they are in good working order. They work with a consultant to look at the coils, oils, high side switches, feeder breakers, circuits, relays, batteries and other items. The inspection was completed June 1 at which time no immediate issues were identified. Staff is awaiting the actual report.

B. Utility Customer budget billing

There are approximately 60 customers who are on a 'budget plan' to provide consistency in monthly billing. These budget billings are supposed to be reviewed appropriately every six (6) months to ensure that what is being billed is appropriate, not too much or not enough. The last review did not occur in a timely manner so there are several customers that are due a refund or credit while others did not pay enough for power used. It is these undercharged customers that Customer Service along with the Electrical and Water Utilities will be working with to come up with a resolution. The City is also working with WPPI for additional assistance in dealing with these past due balances that have become balances due.

C. WIFI for downtown and beach area project completion

The WIFI for the downtown and beach areas has been upgraded and is functioning. There was a small challenge servicing the beach due to trees obstructing the line of sight from the electrical

utility building to the beach. Due to this obstruction, they moved the antenna over to a wastewater treatment plant building near the harbor camera.

D. Out of State Mutual Aid Agreement with policy (Action Item) - It has been strongly recommended that the Electric Utility develop and adopt an annual "Out of State Mutual Aid Billing Policy". This policy addresses what is reimbursable, what time frame and includes normal preventative maintenance items to repair and/or replace damaged equipment. MEUW put together a template for all members to use for consistency. This allows members to just insert the municipality's name and other information. Tim Petri made a motion to approve the policy presented and recommend forwarding it to City Council for adoption. Motion was seconded by Jeff Dahlke. Motion carried.

8. WATER UTILITY: DIRECTOR UPDATE, DISCUSSION AND ACTION AS NEEDED

A. 2022 Water Quality Report

Each year the Two Rivers Water Utility is required to prepare a Water Confidence report that provides users with information about the quality of the water being provided to the end users (customers). In the past, a copy of the plain looking report was sent to each customer. The "2022 Water Quality Report" received a facelift by Gina Sampe, Utility Administrative Assistant, to make the report more readable which includes pictures, interesting facts, educational information as well as the information required by the WDNR. The 2022 report was not mailed to customers this year but was made available on the City's website with web links printed on their bills.

B. Lead Service Line (LSL) replacement - 5 year outlook

City staff has developed a program that could eliminate lead services within the system both on the public and private side. The program is very aggressive and has a significant financial price tag associated with it. The City and Utilities want to take advantage of as much financial assistance as possible while it is available. A lot of the LSL work will try to be coordinated with street replacement/rehabilitation projects. EPA and WDNR could be passing down revised lead replacement rules which could play a significant impact on the time frame that the City has to do this work.

C. WDNR corrosion control discussion

City and Utility Staff had a conference call with WDNR regarding the 2017 order to replace all the LSL or feed orthophosphate into the system for corrosion control. The City had hired a consultant to study this requirement and came up with a different application rate than that required by the WDNR. At the end of the conference call, the WDNR disregarded the City's consultant's proposal and mandated that the original application rate be utilized. This rate would be about 4-5 gallons per day with monitoring potential increases in disinfection by-products. The Water Utility will need to begin treatment with the orthophosphate by September 2023 or be in violation of our permit with the WDNR.

D. Discussion - "Simplified Rate Case" – The Water Utility is looking for guidance in regard to the potential of adjusting the current rates charged for water to each of their customers. The concern of continued rising operational costs is prompting this discussion. Andrew Sukawaty reviewed a brief memo regarding an optional "Simplified Rate Case" process provided by the Public Service Commission (PSC) rather than a full rate study. A Simplified Rate Case can only be done if it is less than five (5) years since a full rate study has been completed. The Simplified Rate Study is a flat adjustment of rates across the board while a Full Rate Study allows for some negotiations of final rates. The PSC ultimately wants the increase rated to provide a 6.0% or greater rate of return. If the Water Utility wanted to proceed with a Simplified Rate Study in the future, it would be proposing an 8.0% rate increase which would provide a 6.5% rate of return. If it was decided to wait and do a Full Rate Study, a consultant would need to be hired for a cost of approximately \$5,000 to \$10,000 and would probably end up with a rate increase between 13%-15% which could be less favorable politically. Manitowoc submitted a Full Rate Study and requested a 12.18%

increase with a 4.9% rate of return. PSC is saying that to get a 6.3% rate of return their rate needs to be increased to 26.89%.

Darla LeClair made a motion to move forward with the “Simplified Rate Study” and complete the process prior to September 1, 2023. The motion was seconded by Tim Petri. Motion carried.

9. STORM WATER UTILITY: UPDATES AND ACTION AS NEEDED

- A. Urban Non-point Planning Grant Application – no update
- B. Northeast Lakeshore TMDL – no update

10. SOLID WASTE: UPDATES AND ACTION AS NEEDED

- A. Discussion on Recycling / Solid Waste Collection Contract
- B. **E-Waste Recycling Event** – June 13, 2023, 7:30-5:00 @ Two Rivers Utilities, 1415 Lake Street – Just providing a friendly reminder of the upcoming recycling event.

11. ANY OTHER ITEMS OR ISSUES TO COME BEFORE THE COMMITTEE, WITH DISCUSSION AND ACTION - None

12. SET DATE, TIME, LOCATION, AND AGENDA ITEMS FOR NEXT COMMITTEE MEETING

Proposed for Wednesday, July 5, 2023 at 5:00 pm prior to Council Meeting

13. ADJOURNMENT - A motion was made by Tim Petri to adjourn the meeting, seconded by Jeff Dahlke. Motion Carried 6:02 pm

Please note, upon reasonable notice, efforts will be made to accommodate the needs to disabled individuals through appropriate aids and services. For additional information or to request this service, please contact the Office of the City Manager by calling 793-5532.

It is possible that members of and possibly a quorum of governmental bodies of the municipality may be in attendance at the above stated meeting to gather information; no other action will be taken by any governmental body at the above-stated meeting other than the governmental body specifically referred to above in this notice.