



# PUBLIC UTILITIES COMMITTEE MEETING

Tuesday, January 02, 2024 at 5:00 PM

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

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## MINUTES

1. **CALL TO ORDER:** Jeff Dahlke, acting chairperson, called the meeting to order at 5:02 pm

2. **ROLL CALL**

**Committee Members:** Tim Petri & Jeff Dahlke – present; Darla LeClair participated via phone

**Staff & Others:** Matthew Heckenlaible, Scott Ahl, Brian Dellemann, Andrew Sukowaty, Dave Casebeer

3. **REVIEW AND APPROVAL OF MINUTES**

Minutes from the December 4, 2023, Public Utilities Meeting

A motion was made by Tim Petri to approve the December 4, 2023, Public Utilities Meeting minutes, seconded by Jeff Dalhke. Motion carried.

4. **PUBLIC INPUT** - N/A

5. **CONSTRUCTION PROJECTS**

A. **Scattered lead water service replacements (2024)** (See #8 below)

B. **Roosevelt Street reconstruction**

Engineering continues to prepare appropriate plans and bid documents for a notice to contractors in mid to late January with a bid-opening most likely occurring in early February 2024. Engineering is planning on holding a Public Informational Meeting for interested parties and property owners adjacent to the project on January 11, 2024, in Council Chambers from 5:00 pm to 6:30 pm with a formal presentation at 5:30 pm.

Town and Country Engineering consultants are working on a comparison of utilizing the WDNR Safe Drinking Water Fund and Clean Water Fund loans with zero principal forgiveness which includes a lot of Federal stipulations that could escalate construction costs or utilize general obligation funding (borrowing) which may have slightly higher interest rates but would not have the other stipulations associated with the WDNR funds. Scott Ahl noted that he did have a conversation earlier in the day with the consultant. Their discussion was that the additional requirements imposed by utilizing the Safe Drinking Water and Clean Water Funds possibly could add an additional 10% onto the overall project cost, but it has a lower borrowing cost than what the City would potentially borrow at for general obligation funds. Therefore, it was the consultants' recommendation to still utilize the Safe Drinking Water and Clean Water Fund loans. The committee supported that position.

## 6. WASTEWATER UTILITY: UPDATES AND ACTION

### A. Sludge screw press project update

Electrical components are continuing to arrive. There was a second project kick-off meeting where the contractor stated that he had hoped that his electrician would be working on wrapping up the project beginning the first week of January 2024. The electrical contractor was actually here prior to Christmas and between the holidays preparing for the electrical installation and transition from the existing system and controls to the new system and controls.

The contractor is anticipating 4 weeks to install and connect all of the electrical components, following a few additional weeks to program the logic controls. They are being optimistic that the new screw press could be fully functional/operational by the end of February or early March 2024.

### B. Riverside Foods update

Riverside Foods consultant had been in contact with Engineering and Inspection about existing utilities and 'plan' submittal requirements in the middle of December. There is a follow up meeting scheduled with Riverside Foods on January 23<sup>rd</sup>.

In recent internal discussions, there were discussions pertaining to the continual cleaning of the primary sanitary sewer route from Wilson and 26<sup>th</sup> Streets to the southside of the river crossing (basically to the plant) and whether or not those costs could be charged. This continual cleaning began shortly after the last large addition of Riverside Foods was completed and put on-line. Once the addition went into production, some sewer back-ups impacting private property occurred due to the discharge and coagulation of fats, oils, and greases within the sanitary sewer main. The former Public Works Director ordered that those sewers get cleaned every two (2) weeks to prevent any further back-ups. It takes several hours to complete this task and can very much be construed as preventative nuisance cleaning. At this point, it is just internal discussions.

### C. Sanitary sewer rates - fixed versus unit cost discussion

Due to the December 18<sup>th</sup>, 2023, City Council meeting when the sanitary sewer rates were increased, a slight discussion occurred pertaining to the Fixed Monthly Charge of \$18.85/user/month and the Unit Charge of \$12.85/additional living unit/month and why the two charges were not the same value.

The short answer is, I don't have a good answer even after doing a lot of research on the history of these charges.

In the early 1970's, the wastewater treatment plant was funded through 'taxes'. It wasn't until the mid-1970's that a sewer usage charge system was developed and implemented (1978 first full year) with a single fixed fee and a multi-tiered volume charge. There were several ordinance revisions between then and the early 1980's, but nothing that included the second charge.

In the November 1981 ordinance revision, it stated that 'A charge shall be made of \$4.00 per connection and a charge of \$0.70 per 100 CF of water used'. Again, nothing about an additional charge, but there was additional ordinance language stating that "For multi-family residences the connection fee shall be applied for each unit", implying that a duplex or apartment building would be charged the connection fee times the number of living units the building encompassed.

Similar language was noted again in the September 1983 ordinance revision. However, in the December 1984 ordinance revision, the language was modified to read, "A charge of \$4.50 shall be made for the first connection with an additional charge of \$4.00 per connection thereafter and a charge of \$0.80 per 100 CF of water used". The ordinance still retained the language of

“For multi-family residences the connection fee shall be applied for each unit”. Thus, there could be an interpretation that if a property had multiple sewer laterals discharging to the sanitary main, that all laterals after the first would be charged at the lesser ‘connection’ charge and that multi-family residences would pay multiple connection fees based upon the number of living units that the building had.

In September 1993, a significant ordinance revision is noted repealing and recreating all of Title 5, Chapter 2 of the Municipal Code (Section 5-2). Notable changes are:

- The ‘Fixed Charge’ was increased to \$6.15/User/Month – ‘user’ replaced ‘connection’
- The 2<sup>nd</sup> connection charge is now referred to as a Unit Charge
  - Unit Charge \$4.00 / Unit / Month
- It creates the Category A and Category B differentiation
- Within the Category A Sewer Service Charge, it further states that the “Unit Charge - \$4.00/additional living unit”
- The previous language of “For multi-family residences the connection fee shall be applied for each unit” had been eliminated and it appears was replaced with the “Unit Charge”.
- It is not clear what the intent then became regarding the ‘2<sup>nd</sup> connection charge’ if there were multiple active sewer laterals servicing a property and how those would be accounted for and billed.
- It further notes in the Category A section that, “Residential customers will be billed the sewer service charge for their actual water usage during the November through March period and the monthly average from the November through March period will be the maximum sewer billing for the period of April through October”.
- Residential customers are not defined.
- It should be further noted that the City presently does not have any Category B customers so that then brings the question as to how commercial, institutional and industrial customers are being billed, also on the winter period or for actual total monthly water usage? A question that needs to be asked but has not been to date.

Today’s Section 5-2-5 ordinance language is very similar to the September 1993 version, still leaving the unanswered question of why the Fixed (User) charge is different than the additional “Unit” charge. There has always been a difference looking back at the historical ordinance changes.

Additional questions arose as to how unoccupied properties during the winter months (snowbirds) are charged during the non-winter months if there is no flow to average based upon the winter months. Are they charged for actual volume used/discharged or is there some other method.

It was recommended from the committee that staff review the sewer use ordinance for other questions, concerns and see if there are easy ways to address these concerns or whether a significant ordinance undertaking is required.

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

**A. Tree trimming**

Electrical crews are working in their 'central zone' which is south of 34<sup>th</sup> Street between the rivers. They are also assisting the Parks and Recreation Department with 'Hazard' trees for removal. If Electrical Department can safely delimb and top the tree they will do so and let the Parks and Recreation Department take down the main trunk of those hazard trees. If the Electrical Department believes that it is too great of a risk, they will have an outside contractor take down the entire tree.

Due to a recent retirement, they are now working a person short and have other projects to work on, so this process has been slowed up a little bit.

**B. Switchgear replacement project**

December 2022 there was a partial failure of the underground switchgear mechanism near 12<sup>th</sup> Street and Memorial Drive which services a large portion of the Public Works, Water Utility, Wastewater campus and portions of Washington Street north towards 23<sup>rd</sup> Street. Crews noted issues and were able to reroute power to the area from other directions. The parts that the crew ordered which had a 48-week lead time, finally arrived in the early part of December 2023 and were replaced prior to Christmas. Electrical Staff is seeing if an outside vendor/consultant can replace components within the switchgear and are awaiting a cost estimate for this work.

**C. Electric meter order update**

The electrical meter order (288 residential and 60 3-phase) that was placed in September 2022 finally arrived. They are still awaiting their 1,000 meter order that was placed in November 2023. Now that they have meters, Electrical crews will be able to make necessary meter changes that will take away from other projects/tasks such as tree trimming.

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

**A. Scattered lead water service replacement (2024) - Proposed program discussion**

After the last Utility Committee meeting it was discussed that instead of a voluntary lead service program we would have a required lead service replacement program. This would be outside of the scope of water main replacement projects. Any road project that has new water main construction has and will continue to have a requirement to remove all lead services.

The new required lead service program would replace what we have called the Scattered Lead Service replacement program. This would allow us to target certain areas of the city dependent on funding. Committee members expressed wanting some type of extended loan (pay back) program for lead service replacements.

Staff came up with providing a 5-year loan (payback period) for water service and sewer lateral replacements. This would be at an interest rate that is 2% over what the city would borrow the money at. There would be a minimum of \$1,000 to be eligible to participate.

Looking at the 2022 contract for scattered lead water services, the average private water side bill was \$4,000. After the \$2,500 grant towards the water service charge was applied, the average homeowner would owe \$1,500 out of pocket. If this trend continued, it could be conceivable that every homeowner in the 2024 project would be eligible for the loan program we are looking at implementing even with the \$1,000 minimum.

Jeff Dahlke agreed with the principal but did not feel that the interest rate should include the additional 2% interest rate as he feels that the City should have some accountability to the residents.

Tim Petri made a motion that City offer a 5-year loan (payback) program to residents that are required to replace their lead water services as part of the get the lead out initiative. The loan would be at an interest rate of 2% over the City's borrowing rate, must have a minimum of a \$1,000 balance for private side water service costs to be eligible, and would include no early payback penalty. Motion seconded by Darla LeClair. Petri & LeClair – Aye, Dahlke – Opposed. Motion carried.

## **9. STORM WATER UTILITY: UPDATES AND ACTION, AS NEEDED**

### **A. Urban Non-Point Planning Grant**

Awaiting a final copy of the approved 2024 City budget so that I can submit that along with the agreement so that we can get our grant dollars secured and the remodeling of the City's stormwater management practices and TMDL requirements. Hoping to have these documents submitted in early January 2024.

### **B. Northeast Lakeshore TMDL**

On Tuesday, December 5, 2023, I was notified by WDNR that the Northeast Lakeshore TMDL had been approved by EPA and is now in full effect. What does that mean to the City of Two Rivers? We need to determine what our present stormwater suspended solid and phosphorous loadings are as compared to the TMDL report and then show what our existing best management practices (ponds, street sweeping and inlet cleaning) are removing to determine how much more reduction we have to achieve and where can we achieve the biggest bang for our dollar. That is all achieved through the modeling that is proposed to be completed utilizing the Urban Non-point Planning Grant funds noted previously.

A question was brought up regarding the City compliance timeframe to comply with the new TMDL requirements. Ideally, WDNR and EPA would like compliance within one permit cycle. In most cases, that is not practical, therefore, the permittee will need to develop a proposed compliance schedule and be able to show annual progress in meeting these requirements.

### **C. Sandy Bay Highlands - Phases 3 & 4**

As you are aware Council approved the preliminary plat at the last City Council meeting in December. The consultant was also working on submitting permits to the WDNR and USACOE for managing the wetlands that are within the remaining portion of the development area. On January 2, 2024, the WDNR responded to the application stating that it was 'incomplete' because they feel that there are alternatives in dealing with the wetlands within the Orchard Court roadway/right-of-way and as such will not proceed with the application/permitting process until they are satisfied.

WDNR stated that even though the development was designed and authorized to fill some of the wetlands in the past, and, since it hasn't been filled, the WDNR believes that the wetlands can be avoided through a redesign and as such will not proceed with any further permit application review. The project is on hold until this matter can be resolved or an alternative is presented and accepted by the WDNR.

## **10. SOLID WASTE UTILITY: UPDATES AND ACTION, AS NEEDED**

### **A. North landfill update**

The consultant provided us with a draft copy of plans, specifications, and work plan modifications that we reviewed and submitted comments back to them prior to Christmas. The consultant will review our comments and make appropriate modifications after which those documents will be submitted to WDNR for review, comment and approval which could take upwards of 90 days.

- 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 Monday, February 5, 2024, at 5:00 pm prior to Council Meeting
- 13. ADJOURNMENT:** 6:20 pm

A motion was made by Tim Petri to adjourn the meeting, seconded by Darla LeClair. Motion carried.