



PUBLIC WORKS COMMISSION MEETING AGENDA

TUESDAY, SEPTEMBER 23, 2025 AT 5:30 PM

MUNICIPAL BUILDING - 106 JONES STREET, WATERTOWN, WI 53094 - SECOND FLOOR
COUNCIL CHAMBERS

Virtual Meeting Info: <https://us06web.zoom.us/join> Meeting ID: 225 151 7335 Passcode: 589577 One tap mobile +16469313860

<https://us06web.zoom.us/j/9178580897?pwd=eUOpCUyvIV65zIPMYImMdPU1LVLx5I.1>

All public participants' phones will be muted during the meeting except during the public comment period.

1. CALL TO ORDER

2. COMMENTS AND SUGGESTIONS FROM CITIZENS PRESENT

Each individual who would like to address the Committee will be permitted up to three minutes for their comments

3. REVIEW AND APPROVE MINUTES

A. Public Works minutes from August 26, 2025

4. BUSINESS

A. Review and take possible action: Sidewalk repair order for 1119 N. Fourth Street

B. Review and take possible action: 2025 Stormwater Utility Rate Study Update

C. Update, no action required: 2025 Stormwater Program

D. Review and discuss: Capital Improvement Program (CIP) Overview

E. Review and take possible action: Street resurfacing and reconstruction approach

5. ADJOURNMENT

Persons requiring other reasonable accommodations for any of the above meetings, may contact the office of the City Clerk at cityclerk@watertownwi.gov phone 920-262-4000

A quorum of any City of Watertown Council, Committee, Board, Commission, or other body, may be present at this meeting for observing and gathering of information only

PUBLIC WORKS COMMISSION

Tuesday, August 26, 2025

5:30 p.m.

The Public Works Commission met at the above date and time. The following members were present: Alderpersons Brad Blanke, Dan Bartz, Myron Moldenhauer, and Tony Arnett (attending remotely); Citizen member Pete Thompson. Also present: City Staff Andrew Beyer, Pete Hartz, Richie Piltz, Maureen McBroom.

1. **Call to order.** Chairperson Arnett called the meeting to order at 5:35 p.m.
2. **Comments and Suggestions from Citizens Present.** MaryAnn Weiland addressed the Commission requesting support for the proposal from the neighbors of Lake Victoria to share the cost of weed and algae treatment for the lake and shoreline.
3. **Review and take possible action. Minutes of PWC meeting of July 22.** Mr. Bartz moved to approve the minutes as presented, seconded by Mr. Thompson. Motion carried by unanimous voice vote.
4. **Review and take possible action: Aquatic Plant Management Policy for City-owned Properties.** Andrew Beyer presented the draft Aquatic Plant Management Policy for City-owned Properties. He also presented a staff memo with an overview the Lake Victoria request, how it falls outside the policy as it is State-owned, topics to consider if the City wanted to address the request, along with a 4-part recommendation on how to move forward. Commission members discussed the 2019 Ruekert-Mielke study of Heiden Pond and Lake Victoria, and while there was interest in looking at the dredging project outlined in the study, the multi-million dollar cost was an obstacle. As both bodies of water are State-owned, there was interest in seeing if the State would partner with the City on the proposed dredging project. Mr. Blanke moved to add the dredging project for Heiden Pond and Lake Victoria to the Stormwater Utility long-term capital plan, and to direct staff to engage with the State to see what involvement the State might take in it. Mr. Moldenhauer seconded the motion. Motion carried by unanimous voice vote. After further discussion, Mr. Blanke moved to recommend the policy to Council and approve the 4 recommendations in the staff memo: to further explore options, legal considerations, funding mechanisms, and permitting requirements. Mr. Moldenhauer seconded the motion. Motion carried by unanimous voice vote.
5. **Review and take possible action: Award Ultra-Violet Disinfection System Replacement base bid to Rhode Brothers for a total of \$228,000.** This is the 2nd part of a budgeted 2025 capital project. 3 bids were received. The amount falls well within the budgeted amount for this project. Mr. Moldenhauer moved to recommend this bid to Council, seconded by Mr. Bartz. Motion carried by unanimous voice vote.
6. **Review and discuss: Sanitary Sewer West Side Interceptor Feasibility Analysis.** Pete Hartz presented the Feasibility Analysis, with overview of the multiple potential paths for the Interceptor. There was discussion of which path would be more expensive, even considering potential temporary loss of wetlands credits. No action was required at this time.
7. **Review and take possible action: Sidewalk repair order for 706 Western Avenue.** Mr. Bartz asked if this location had a tree impacting the sidewalk. Staff confirmed that is the case and the tree would be examined. Mr. Bartz moved to approve the order, seconded by Mr. Thompson. Motion carried by unanimous voice vote.
8. **Review and take possible action: East Haven Estates Stormwater Pond ownership and maintenance request.** Wilbur Miller, the property owner who contacted the City about this, briefly spoke to give an overview and express his concern about bearing the cost of pond ownership and maintenance. Staff

provided additional information about the history of the development and how the pond ended up being in private ownership due to laws in place at the time. There is a small number of other stormwater ponds that have the same ownership issue due to similar circumstances. Commission members inquired about the feasibility of the special assessment process, as well access to the site to perform maintenance, if the City were take possession. Commission members did not feel they had sufficient information about the special assessment process nor about potential site access. Mr. Blanke moved to table this topic until such a time as staff can provide more information about the funding mechanism needed to take control and maintain the pond, along with more information about site access. Mr. Moldenhauer seconded the motion. Motion carried by unanimous voice vote.

9. **Review and take possible action: Change order no. 1 to Bituminous Surfacing Contract #6-25 with Wolf Paving.** Commission members welcomed the opportunity to expand the streets covered for this year. Mr. Thompson moved to recommend the Change Order to Council, seconded by Mr. Bartz. Motion carried by unanimous voice vote.
10. Review and take possible action: Add College Street to 5-year plan for Watertown Street Repair. This item was brought to the Commission by Mr. Bartz, who had asked the previous Public Works Director about it 5 years ago. There was discussion about the streets around this location and the age of the infrastructure in and around this area. It appears some of the pipes are more than 100 years old. Staff recommended adding this location in the current plan for the year 2029. Mr. Bartz moved to add it to the plan for 2029, seconded by Mr. Moldenhauer. Motion carried by unanimous voice vote.
11. **Adjournment.** Mr. Blanke moved to adjourn at 7:07 p.m., seconded by Mr. Bartz. Motion carried by unanimous voice vote.

Respectfully submitted,

Tony Arnett, Chairperson

MEMO

Engineering Division of the Public Works Department

To: Chairperson Arnett and Commission Members

From: Andrew Beyer P.E., Director of Public Works/City Engineer

Date: September 17, 2025

Subject: Public Works Commission Meeting of September 23, 2025

Review and take possible action: Sidewalk repair order for 1119 N. Fourth Street

Background

Agenda Item:

Review and take possible action: Sidewalk repair order for and 1119 N. Fourth Street

BACKGROUND:

The Sidewalk Repair Notice for 1119 N. Fourth Street was prepared following the field inspection of the sidewalk after receiving a citizen complaint.

Site Address	Estimated cost not to exceed
1119 N. Fourth Street	\$1,416.64

A repair inspection report for the property with a detailed estimate of cost to repair sidewalk is attached. Property owners who receive sidewalk repair notices have three options on how to move forward with the repair:

1. City contractor to complete repair. Property owner is invoiced following completion.
2. Property owner can hire their own contractor to replace sidewalk to city specifications.
3. Property owner can replace sidewalk to city specifications.

The Engineering Division is seeking approval to send letters via certified mail per Wisconsin State Statute noticing the property owners to repair sidewalk.

MEMO

Budget Goal

1. Proactively maintains and improves our parks and infrastructure to ensure safety, quality, and equity
4. Maintains a safe and healthy community, with an eye toward future needs and trends

Financial Impact

The total estimated cost of \$1,416.64 will initially be charged to the Sidewalk Reserve Account (05-58-11-73). The Engineering Division will then invoice the property owner for the total repair cost.

Recommendation

The Public Works Department recommends issuing the sidewalk repair order for 1119 N. Fourth Street for the aforementioned estimated cost.

Motion: Motion to issue the sidewalk repair order for 1119 N. Fourth Street for the aforementioned estimated cost.

Attachments:

- Sidewalk Repair Order for 1119 N. Fourth Street



ENGINEERING DIVISION

Andrew Beyer, P.E.
920.262.4050

Maureen McBroom, ENV SP
920.206-4264

Ritchie

Section 4, Item A.

920.262.4034

Christopher Newberry
920-390-3164

Administrative Assistant
Wanda Fredrick 920.262.4060

September 24, 2025

Joshua P. Schuett
1119 N. Fourth Street
Watertown, WI 53098

TAX PARCEL NUMBER: 291-0915-3432-025

Re: Sidewalk at 1119 N. FOURTH STREET, Watertown, WI

Dear PROPERTY OWNER:

Upon inspecting the sidewalk abutting your property at **1119 N. FOURTH STREET** at your request, our department has the marked sections of sidewalk **along N. Fourth Street** that have been found to be a hazard and are in need of replacement.

According to City Code 457-3(A), the maintenance of the sidewalk is the responsibility of the abutting property owner.

By order of the Watertown Public Works Commission and affirmed by the Watertown Common Council, you are hereby notified to replace all marked sections of sidewalk according to City specifications.

You, as property owner, may:

- 1) Replace the sidewalk yourself, according to City specifications.
- 2) Hire your own sidewalk contractor to replace the sidewalk.
- 3) Have the City contractor complete the work for you at the prices listed on the enclosed estimate.

A permit is required for this sidewalk replacement. It can be taken out at the Engineering Department in the Municipal Building. There is no charge for this permit.

Being that current weather conditions are not favorable for concrete sidewalk replacement, you have until **October 24, 2025** to repair this sidewalk. If, after this date the sidewalk is not replaced, a contractor hired by the City, shall repair the sidewalk and you will be invoiced for the cost. Any costs less than \$300.00 shall be paid in full sixty (60) days from billing date. Costs between \$300.00 and \$1,000.00 are due in full one (1) year after billing date. Costs greater than \$1,000.00 are due in two (2) equal annual payments; the first of which is due one (1) year from billing date and the second is due two (2) years from billing date. Unless previously paid, the costs will be collected as a special tax against the property.

Your sidewalk repair may need a Tree Protection Permit during Construction if adjacent to a city tree. Those permits are also issued at the Engineering Department in the Municipal Building. There is no charge for this permit.

Please advise us before **October 17, 2025** of which method you plan to repair this sidewalk.

Thank you for your cooperation in this matter.

Sincerely,

Ritchie Piltz

Ritchie Piltz
Engineering Project Manager

Enclosure

Via Certified Mail

CITY CONTRACT PRICES
(Estimated Costs Only)

Estimate for: 1119 N. FOURTH STREET

Remove existing concrete sidewalk: (4"):	-	Sq. ft. @	\$3.50/ Sq. ft. =	
Remove existing concrete sidewalk (6"):	-	Sq. ft. @	\$3.45/ Sq. ft. =	
Construct miscellaneous concrete sidewalk (4"):	70.4	Sq. ft. @	\$17.85/ Sq. ft. =	\$1,256.64
Construct miscellaneous concrete sidewalk: (6"):	8.0	Sq. ft. @	\$20.00/ Sq. ft. =	\$160.00
REPLACEMENT ESTIMATED TOTAL AMOUNT				\$1,416.64

NOTE: THIS IS ONLY A NOTICE. THIS IS NOT A BILL.

IMPORTANT: THIS NOTICE SHALL ACCOMPANY TRANSFER OF PROPERTY



MEMO

Public Works Department

To: Chairman Arnett and Commission Members

From: Andrew Beyer, P.E.

Date: September 18, 2025

Subject: Public Works Commission Meeting of September 23, 2025

Review and Discuss: Review and take possible action: 2025 Stormwater Utility Rate Study Update

Background

Ruekert & Mielke has completed the 2025 Stormwater Utility Best Practices Review and Rate Update. The City last adjusted stormwater rates in 2020. Since that time, operating expenses have grown about 3.6% annually, and capital needs have increased following the 2024 flood-control study, infrastructure projects, and MS4 Permit compliance projects.

The update modeled three alternatives; each paired with a draft 10-year Capital Improvement Plan:

- Alternative 1 funds the current approach, about \$16.2 million over 10 years. A single-family bill would increase from \$12.52 per month today to \$15.77 per month in 2026, a 26% increase, with another 12% adjustment in 2027 and 3% inflationary increases thereafter. This approach includes implementation of the 2024 Flood Control Plan over the next 30-40 years.
- Alternative 2 provides a balanced approach at about \$14.5 million over 10 years, with some project deferrals and a modest reduction in operating costs. A single-family bill would rise to \$14.48 per month in 2026, a 16% increase, with an additional 9% adjustment in 2028 and 3–4% annual increases thereafter. Some equipment replacement would be deferred, and implementation of the 2024 Flood Control Plan would likely take more than 40 years.
- Alternative 3 reduces capital work to \$12.6 million over 10 years and further delays projects. A single-family bill would increase to \$13.99 per month in 2026, a 12% increase, with another 8% adjustment in 2030 and 3–4% increases thereafter. Additional equipment replacement would be deferred, and implementation of the 2024 Flood Control Plan would be spread further into the future.

All three alternatives maintain required reserves and debt coverage. Ruekert & Mielke's recommendation is Alternative 2, which balances affordability with continued progress on stormwater goals.

MEMO

Budget Goal

1. Proactively maintains and improves our parks and infrastructure in an effort to ensure quality, safety and compliance
2. Promotes and fosters innovative approaches for community development and growth
3. Maintains a safe and healthy community, and expands community education on safety and health

Financial Impact

Financial Impact to Rate Payers

For the average single-family property, the monthly bills between the three proposed alternatives in 2026 ranges from \$13.99 to \$15.77, compared to the current \$12.52. This equates to an annual increase of \$18 to \$39 per household, depending on the selected alternative. Other property owners, including larger commercial and industrial users would see proportional increases based on their ERU assignments. The recommended Alternative 2 keeps increases moderate while ensuring that stormwater infrastructure and flood mitigation projects continue moving forward.

Financial Impact to the Utility

The stormwater utility directly funds three core program areas: flood control, pollutant reduction and Municipal Separate Storm Sewer System (MS4) Permit compliance, and system maintenance. Flood control investments strengthen the City's ability to manage storm events and mitigate property damage. Pollutant reduction programs address water quality through compliance with DNR-issued MS4 permit requirements, including sediment and phosphorus load reductions. Maintenance funding ensures that outfalls, pipes, ditches, stormwater ponds and other BMPs function properly and remain in compliance with inspection and reporting requirements. Sustained investment in these areas keeps the City in good standing with the Wisconsin DNR and prepares the City to withstand large rain events, while reducing long-term liabilities tied to deferred maintenance or noncompliance.

Recommendation

Staff concurs with Ruekert & Mielke's recommendation of Alternative 2. This option keeps rate impacts moderate while still moving forward on flood control, pollutant reduction, and system maintenance. It maintains compliance with DNR permit requirements and keeps the utility financially sound. A single-family bill would move from \$12.52 to \$14.48 per month in 2026, with future adjustments as outlined.

2025 Stormwater Utility Best Practices Review and Rate Update



Stormwater Utility Best Practices Review and Rate Update

September 16, 2025

PREPARED FOR:
City of Watertown
Dodge and Jefferson Counties
Watertown, WI 53094

PREPARED BY:
Ruekert & Mielke, Inc.
W233 N2080 Ridgeview Parkway
Suite 300
Waukesha, WI 53188



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1. BEST PRACTICES REVIEW

This report is designed to help the City of Watertown (City) stormwater utility best achieve its mission, which is three-fold: 1) control flooding 2) improve water quality and comply with federal & state stormwater regulations 3) maintain existing storm water facilities.

Working with Ruekert & Mielke, Inc. (R/M) and a stakeholder advisory committee, the City created its stormwater utility in 2006 to equitably recover stormwater costs throughout the City. Costs stem from maintaining and improving the stormwater collection and conveyance system, building flood control and local drainage improvement projects, building water-quality improvement projects that comply with the City's municipal separate storm sewer system permit from the Wisconsin Department of Natural Resources, and operating and maintaining existing flood control and water-quality projects. The utility shares resources and employees with other departments, and these relationships have changed a few times since the utility's inception.

In considering the utility's costs and relationships with other departments, the City requested that R/M examine the utility to determine whether it could make improvements based on industry best practices. The City also requested that R/M update the utility rates to ensure the utility's financial health.

This section of the report reviews the City's current stormwater utility structure, identifies best practices, and recommends improvements.

A. Stormwater Organization

Develop a Mission Statement and Goals/Objectives

To facilitate proactive integration of stormwater best management practices, especially between different agencies, it may be beneficial to establish a written mission statement and detailed goals/objectives for the stormwater utility. This can facilitate the development of a more integrated view of stormwater planning and implementation throughout the City. Additionally, a mission statement would provide guidance to each department regarding the City's overall goals.

Mission Statement Examples:

Grand Chute, WI – Stormwater Utility:

Mission Statement: *"To provide quality stormwater services to the residents of Grand Chute in a manner which protects human and environmental health and emphasizes sound management of fiscal and natural resources."*¹

Missoula, MT – Stormwater Division:

Mission Statement: *"The Stormwater Utility is committed to protecting public health and safety, natural resources, waterways, and our aquifer, while meeting or exceeding state and federal environmental quality regulations."*²

¹ Retrieved on 7/25/2025 from: <https://www.grandchutewi.gov/departments/public-works/utility-department/stormwater-utility/>

² Retrieved on 7/25/2025 from: <https://swefc.unm.edu/iamf/level-of-service/level-of-service-mission-statement/level-of-service-examples-of-mission-statements/>

Ravenna, OH – Stormwater Utility:

Mission Statement: *“The mission of the Ravenna Stormwater Utility is to protect the lives and property of the citizens of the City by capturing, controlling, and conveying stormwater runoff safely and efficiently through the City while protecting and enhancing the environment and aesthetics within the City watershed area.”*³

Goal Examples:

Town of Buchanan, WI – Stormwater Utility aims to:

- Improve water flow and stream restoration
- Reduce soil erosion
- Promote infiltration of runoff into the ground
- Decrease volume of stormwater entering streams and lakes
- Prevent pollutant transport
- Provide public education and resources⁴

Staunton, VA – Utility Fee Program Goals aim to:

- Establish a sustainable funding mechanism
- Maintain and repair existing stormwater infrastructure
- Replace inadequate infrastructure
- Implement flood reduction projects
- Enhance water quality in local streams and tributaries⁵

EPA Guidance of Core Objectives for Stormwater Utilities:

- Reduce flooding
- Improve surface water quality
- Promote responsible development practices⁶

We recommend that Watertown develop a mission statement and/or goals to guide the utility.

Integrated Planning Practices

As the City advances future planning initiatives such as stormwater goals, utility planning, natural resources management, and parks management, coordination with the Stormwater Utility will be essential. Anticipated shifts in weather patterns, evolving technologies, development trends, energy demands, and regulatory requirements will all have direct implications for stormwater infrastructure, utility operations, and regulatory compliance.

By including stormwater staff in conversations about future development and land use, the City's stormwater goals can be discussed and, where appropriate, integrated with the City's land use goals.

³ Retrieved on 7/25/2025 from: https://codelibrary.amlegal.com/codes/ravenna/latest/ravenna_oh/0-0-0-85104

⁴ Retrieved on 7/25/2025 from: <https://www.townofbuchanan.org/town-services/drainage-stormwater-management/town-of-buchanan-stormwater-utility-district>

⁵ Retrieved on 7/25/2025 from: <https://www.ci.staunton.va.us/departments/community-development/environmental-programs-division/stormwater-utility-fee-program>

⁶ Retrieved on 7/25/2025 from: https://www.epa.gov/sites/default/files/2015-09/documents/guidance-m65annual-version-2x-2_0.pdf

B. Stormwater Rate Structure

In our research on rate structure among peer groups and industry best-practice resources, we found that the City's approach adheres to prevailing trends and stands as a reasonable, defensible methodology. The approach to divide costs into three separate categories – volumetric service, pollutant loading, and administrative – is consistent with industry best practices. This practice even goes beyond what most peers' practice of relying only on volume of impervious area, along with number of accounts.

Although the Public Service Commission (PSC) does not issue advice on stormwater utility rate structure, their support for this method of cost allocation appears in its 2001 ruling on a complaint by Plainwell Tissue against the City of Eau Claire regarding stormwater charges. After Plainwell objected to its charges and the PSC ruled in its favor, Eau Claire proposed a solution that the PSC and Plainwell both accepted. Its new method was based on three components: 1) the base, 2) the operation and maintenance, and 3) the capital and debt service. As long as Watertown continues to charge volume and pollutant loading charges based on impervious surface area and land use whose runoff utilizes the City of Watertown's stormwater programs and/or infrastructure, then Watertown is acting in step with the PSC's ruling.

Watertown's stormwater utility rates are comprised of charges based on 1) runoff volume, 2) pollutant loadings, and 3) administrative charges, with the first two expressed in terms of equivalent runoff unit (ERUs) and the third in terms of number of accounts. An ERU is defined as the amount of impervious surface (e.g. roof, driveways, hardscape) on the average single-family residential parcel (2,900 square feet for the City of Watertown). For nonresidential and multi-family parcels, the total impervious surface on each parcel was previously measured and divided by 2,900 to get an equivalent number of ERUs. It should be noted that this study did not include any recalculation or remeasurement of ERUs.

The ERU method places Watertown in the large majority, as over 80 percent of stormwater utilities nationwide do the same.⁷ The Environmental Protection Agency (EPA) notes that this approach is simple to administer, and it is easier to explain to customers compared to other methods.⁸

The EPA describes two other methods it considers to be potentially more equitable: 1) the intensity of development (ID) method and 2) the equivalent hydraulic area (EHA) method. The ID method considers the size of the impervious area on a parcel relative to the overall parcel size, thus building the intensity of development into the charges. The EHA method also bills customers based on the impact of both impervious and pervious areas within each parcel. While both methods include consideration of pervious area on lots, they suffer from being much more challenging to implement. They require reviewing and analyzing pervious as well as impervious area, so they are more complicated to administer. The public finds them more challenging to understand as well. Therefore, we recommend that Watertown keep its charges based on ERUs. Watertown's current approach uses different pollution intensity by land use to capture some differences between parcels.

The stormwater utility should continue to receive full funding via rates for both practical and equitable reasons. Drawing from property tax revenue lowers the levy limit, which is seldom politically feasible nor advisable. Charging users the full price of the service they receive fairly matches costs with benefits. While other methods exist for funding infrastructure, such as impact fees, these sources can prove much less reliable, especially since they depend on new growth.

⁷ "Legal Considerations for Enacting, Implementing, & Funding Stormwater Programs". National Association of Clean Water Agencies. 2016. <http://www.nacwa.org/docs/default-source/default-document-library/2016-12-08stormwaterwhitepaper.pdf?sfvrsn=0>. Accessed March 26, 2019.

⁸ "Funding Stormwater Programs". Environmental Protection Agency. January 2008. https://www.epa.gov/sites/production/files/2015-10/documents/region3_factsheet_funding.pdf. Accessed August 20, 2025.

This uncertainty is likely the reason that only ten percent of stormwater utilities rely on one-time capital recovery fees.⁹

We recommend Watertown keep its rate structure of dividing costs into administrative, volumetric, and pollutant loading, and of assigning the volumetric and pollutant loading costs based on ERUs. We recommend the stormwater utility continue to receive full funding from rates.

We also recommended Watertown apply a consistent approach to multi-family residential parcels such as apartments, condos, senior living facilities, etc. The most common approach from peer communities is to charge these facilities similar to nonresidential parcels where the total impervious surface in the development is measured and divided by 2,900 to get an equivalent number of ERUs. The resulting charge is then equally divided among the number of dwelling units (inclusive of administrative charges which should mirror how other utility costs are charged in the City).

C. Stormwater Credit Policy

Watertown offers credits for nonresidential stormwater mitigation practices worth up to seventy-five percent of the volumetric and pollutant loading charges. No credits are given for administrative charges since Watertown incurs those costs regardless of mitigation practices. These mitigation practices must exceed the City's discharge standards at the time the parcel was developed for its present use. Users must apply for credits by providing plans and studies that demonstrate how their practices exceed the City's requirements, as well as agreements that commit the users to maintaining these practices. The Director of Public Works has thirty days to review applications and make a recommendation to the Public Works Commission, with the final decision being determined by the Public Works Commission. If the applicant disagrees with the ruling, the applicant can appeal to an administrative review board within thirty days of having received the most recent bill. If the credits are approved, users must provide evidence periodically to show that the practices are still producing the benefits promised in the application.

Most peer communities have credit policies similar to Watertown's. While the size of credit offered varies, the application process remains consistent. The peers are often more specific in either their ordinances or stormwater utility manuals on the criteria by which the size of the credit is determined. For instance, the City of Greenfield's credit policy explains that best management practices are eligible for up to a 33-percent credit for the ERU charge based on how much it reduces the total suspended solids and how much of the area it impacts. They explain the calculation for determining the credit and then provide examples.

Watertown and its peers have seen few stormwater credit applications, partly due to limited public awareness and low return on investment. Credit applications will likely rise as awareness grows and the application process becomes more streamlined.

Similar to many peer communities, Watertown requires that those who have received credits enter into maintenance agreements. As part of the maintenance agreement, the creditors must complete routine inspections and submit the resulting inspection reports to the City.

The City has made significant progress in recent years in highlighting the credit program on their website. The application and numerous sample documents are available online to potential applicants.

⁹ "2021 Stormwater Utility Survey". Black & Veatch Management Consulting, LLC. 2021. <https://webassets.bv.com/2021-03/2021%20Stormwater%20Utility%20Report%20WEB%20FINAL.pdf>. Accessed August 20, 2025.

D. Building Community Support

Besides having a robust credit policy, stormwater utilities can take other measures to reduce regulatory and legal issues. The National Association of Clean Water Agencies (NACWA) recommends educating the public about the benefits of stormwater utilities and the costs of not addressing flood control and water quality.¹⁰ The Chesapeake Bay Foundation encourages utilities to keep detailed records of its work and report often to the public about how much pollution and risk of flooding have been reduced.¹¹ NACWA urges utilities to engage elected officials and provide regular updates on the crucial work being done to safeguard water quality and mitigate flooding. Creating broad support for stormwater utilities dampens chances for litigation and complaints, as well as increases support for fees.

When asked to supply one piece of advice for other stormwater utilities, a peer told R/M that public outreach was crucial to successfully raising rates. Public outreach would have helped this peer prevent dozens of phone calls from angry customers and would boost support for rate increases.

Finding a way to connect stormwater work with the priorities of the community can garner significant support for the utilities. For instance, if fishing and boating are favorite pastimes within the community, the utility can emphasize the impact that its work will have on water conditions for local bodies of water, and how this will benefit the future quality of these activities.

Watertown participates in the Rock River Stormwater Group (RRSG). The RRSG promotes passive outreach materials and directly communicates with property owners and the general public at farmers' markets and other City events throughout the year.

We recommend Watertown continue to leverage existing and new resources to promote the value of their stormwater utility. This includes ongoing education of residents, business owners and elected officials.

E. Cost in Lieu Policy

On occasion, the City receives development proposals that cannot meet the City's flood control and/or water quality ordinances. These exceptions are typically redevelopment sites or additions to current sites where site-specific conditions do not allow for compliance. The Department of Natural Resources and the City do have the ability to approve such sites using a provision referred to as "Maximum Extent Practicable" (MEP).

However, when the City does so, it takes on an incremental burden. For example, making an exception under MEP might require a larger public storm sewer system to accommodate increased runoff from one of these sites, or the City might need to achieve more pollutant removal itself to meet its TMDL limits. In lieu of simply turning down these projects in the future, the City can adopt a policy to accommodate the development while still meeting its needs.

We recommend that Watertown creates a cost-in-lieu policy that requires a landowner to offset the City's additional costs if MEP provisions are required for development approval. The policy should cover the initial capital cost, any subsequent replacement costs, and any incremental operation and maintenance costs the City would incur from the proposed development.

¹⁰ "Legal Considerations for Enacting, Implementing, & Funding Stormwater Programs". National Association of Clean Water Agencies. 2016. <http://www.nacwa.org/docs/default-source/default-document-library/2016-12-08stormwaterwhitepaper.pdf?sfvrsn=0>. Accessed August 20, 2025.

¹¹ "Best Practices Guide: Local Stormwater Utilities, Authorities, and Fees". Chesapeake Bay Foundation. January 2015. https://www.cbf.org/document-library/cbf-guides-fact-sheets/Best-Practices-Guide-Stormwater-Utilities-and-Fees_Final89b4.pdf. Accessed August 20, 2025.

F. Summary

The above recommendations will allow the City of Watertown's stormwater utility to more closely follow industry and peer community best practices. Implementing these recommendations will position the City to allocate utility funds better aligned with the utility's core mission of addressing the City's flooding, water quality, and maintenance needs.

According to Wisconsin Statute section 66.0628(2), the City must also ensure that money collected through stormwater fees are spent on only stormwater related expenses. If they are spent on anything else, the courts may rule that these fees are actually taxes. As such, spending stormwater utility funds on anything beyond stormwater related expenses is excessive or unreasonable and hence illegal.¹²

¹² "Powers of Municipalities FAQ 8". League of Wisconsin Municipalities. January 2014. <https://www.lwm-info.org/1258/Powers-of-Municipalities-FAQ-8>. Accessed August 20, 2025.

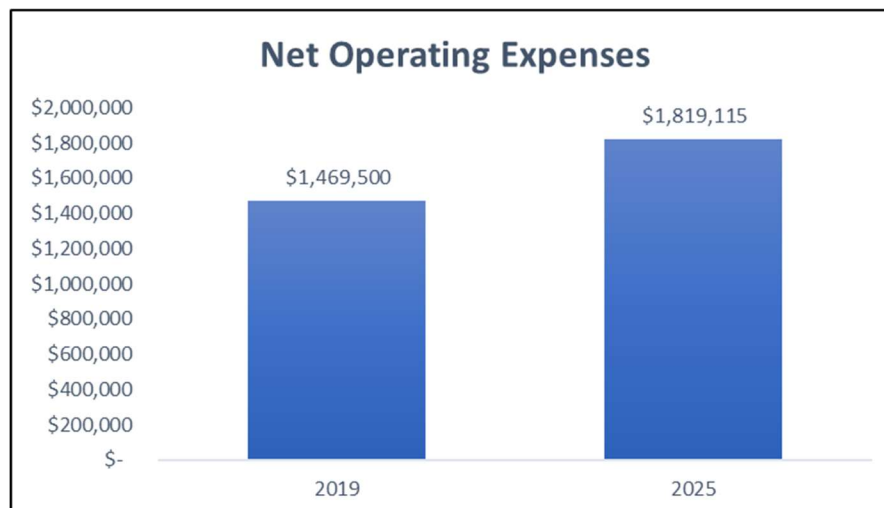
2. STORMWATER RATE ANALYSIS

Watertown's rates are designed to recover the costs it incurs in providing flood mitigation, improving water quality and operation & maintenance. The rates are determined based on runoff volume and pollutant loadings, and they are expressed in terms of equivalent runoff units (ERUs). An ERU is the amount of impervious area (e.g. roofs, driveways) on the average single-family residential parcel, which is 2,900 square feet for Watertown. For non-residential parcels, Watertown measures the total impervious surface on each parcel and divides the result by 2,900 to arrive at the number of ERUs allocated for that parcel. The rates also include administrative charges, which are divided by the number of customer accounts.

Rates were last updated in 2020. They are expressed below in monthly amounts:

Description of Account	Volume Charge per ERU	Pollutant Charge per ERU	Administration Fee per Account
Single Family / Duplex	\$5.61	\$4.78	\$2.13
Multi-Family	\$5.61	\$3.63	\$2.13
Commercial	\$5.61	\$5.14	\$2.13
Industrial	\$5.61	\$4.24	\$2.13
Institutional & Public Authority	\$5.61	\$2.64	\$2.13

Since the last rate increase, net operating expenses have increased an average of 3.6 percent per year over a 6-year period.



Blunting the impact of the increase in operating expenses and capital outlay, debt service has remained relatively flat since 2020. However, the City completed an extensive City-wide flood-control study in 2024, and the capital expenditures recommended within that analysis require increased cash flow.

As part of this study, R/M evaluated three rate deployment alternatives. The first alternative models cash flow based on the current capital project list which is the City's current 5-year Capital Improvement Plan (CIP) plus an additional 5 years of projected capital projects (extending out 10 years in totality). The second alternative reduces both the capital projects and the annual operational expenses. The third alternative drastically reduces capital expenditures, while also reducing annual operational expenses.

All analyzed rate structures allow for adequate cash flow for the utility. They include revenue to provide for a debt coverage ratio of 1.25, the standard for municipal and utility borrowing. All alternative rate structures also provide cash reserve targets aligned with recommendations from the American Water Works Association of one year's worth of operating expenses to act as a buffer against unexpected expenses such as emergency repairs or replacements and potential corresponding shortfalls in revenue.¹³ It is recommended that the City consider updating the cash reserve policy to maintain a reserve equal or greater than 12-months of operation and maintenance expenses.

Watertown has also considered funding operation and maintenance improvements on several private storm water facilities within the City. As an example, if the City were to complete approximately \$60,000 of work per BMP, on five separate facilities, proposed rates would increase by an additional 3% above what is presented in the alternatives herein.

For all alternatives:

- The capital investment forecast beginning in 2026 is based on a high-level estimate provided by the City and updated by R/M. This forecast incorporates costs identified in the 2024 flood control study, which outlines projects that would bring Watertown significantly closer to meeting its flood mitigation goals and TMDL stormwater pollutant discharge requirements.
- Capital projects greater than \$1 million in estimated cost were assumed to be debt funded (20 year note at current market rates). All other capital expenditures were assumed to be cash funded. The increase in the equivalency charges are designed to maintain an annual minimum debt coverage of 125 percent and cash reserves of at least one year's worth of operating expenses as recommended in this study.
- A four-percent annual growth rate was assumed for operation and maintenance expenses. Note that even if expenses do follow this trajectory on average, the increases are still unlikely to match the smooth trajectory shown in the forecast. ERUs within the City were conservatively assumed to stay flat.
- This forecast should be compared annually to actual costs to see what adjustments, if any, need to be made for assumptions and rate increases.

¹³ "Cash Reserve Policy Guidelines". American Water Works Association. 2025
<https://www.awwa.org/policy-statement/cash-reserves/>. Accessed August 20, 2025.

A. Alternative One

This alternative increases rates with the goal of completing all the projects outlined on both the City's 5-year CIP (2026-2030) and the 2031-2035 capital project list. This alternative would most rapidly progress the City towards their flood mitigation, water quality and O&M goals. It would also put the City on a path for full implementation of the flood mitigation recommendations outlined in the master plan over 30-40 years.

Capital expenditures over the initial 10-year period are approximately \$16.2 million, an average of \$1.62 million per year. The cash flow forecast for this alternative is provided in Exhibit A and the resulting rates are summarized below.

An additional rate adjustment will be needed in 2027 (12%) and annual inflationary adjustments (3%) every year thereafter (as shown on the cash flow forecast).

Proposed Rates – Alternative One

Description of Account	Proposed Volume Charge per ERU	Proposed Pollutant Charge per ERU	Proposed Admin Fee per Account	Percent Increase for Average Parcel
Single Family / Duplex	\$7.75	\$5.71	\$2.31	26%
Multi-Family	\$7.75	\$4.33	\$2.31	28%
Commercial	\$7.75	\$6.14	\$2.31	29%
Industrial	\$7.75	\$5.06	\$2.31	30%
Institutional & Public Authority	\$7.75	\$3.15	\$2.31	32%

B. Alternative Two

This alternative delays completion of several key capital projects and replacement of the City's street sweepers and storm water vehicle. Equipment replacement would be strategically planned and adjusted annually, with limited replacements in years that street sweepers are purchased (prioritizing street sweeper replacement over other equipment replacement in those years).

Capital expenditures over the initial 10-year period are approximately \$14.5 million, an average of \$1.45 million per year. This alternative also includes a \$100,000 reduction in annual operating expenses. The cash flow forecast for this alternative is provided in Exhibit B and the resulting rates are summarized on the following table.

An additional rate adjustment will be needed in 2028 (9%) and annual inflationary adjustments (3-4%) in all remaining years (as shown on the cash flow forecast).

Proposed Rates – Alternative Two

Description of Account	Proposed Volume Charge per ERU	Proposed Pollutant Charge per ERU	Proposed Admin Fee per Account	Percent Increase for Average Parcel
Single Family / Duplex	\$7.09	\$5.24	\$2.15	16%
Multi-Family	\$7.09	\$3.97	\$2.15	18%
Commercial	\$7.09	\$5.64	\$2.15	18%
Industrial	\$7.09	\$4.64	\$2.15	19%
Institutional & Public Authority	\$7.09	\$2.89	\$2.15	20%

C. Alternative Three

This alternative further delays completion of numerous key capital projects and replacement of the City's street sweepers and storm water vehicle. Similar to Alternative 2, equipment replacement will be strategically planned and adjusted annually, with limited replacements in years that street sweepers are purchased (prioritizing street sweeper replacement over other equipment replacement in those years).

Capital expenditures over the initial 10-year period are approximately \$12.6 million, an average of \$1.26 million per year. This alternative also includes a \$100,000 reduction in annual operating expenses. The cash flow forecast for this alternative is provided in Exhibit C and the resulting rates are summarized below.

An additional rate adjustment will be needed in 2030 (8%) and annual inflationary adjustments (3-4%) in all remaining years (as shown on the cash flow forecast).

Proposed Rates – Alternative Three

Description of Account	Proposed Volume Charge per ERU	Proposed Pollutant Charge per ERU	Proposed Admin Fee per Account	Percent Increase for Average Parcel
Single Family / Duplex	\$6.77	\$5.07	\$2.15	12%
Multi-Family	\$6.77	\$3.84	\$2.15	13%
Commercial	\$6.77	\$5.45	\$2.15	13%
Industrial	\$6.77	\$4.49	\$2.15	14%
Institutional & Public Authority	\$6.77	\$2.80	\$2.15	16%

D. Rate Comparisons

In 2024, close to 2,135 stormwater utilities across the country responded to a survey about rates.¹⁴ The monthly single-family residential fees per month averaged \$6.19, although the fees spanned from zero to \$46.71 per month. This huge range reflects the widely varying degrees of flood risk and water-quality issues, as well as varying degrees of regulatory requirements and public and political support.

Wisconsin also sees a large span in stormwater fees, with fees ranging from \$0.86 to \$18.58 per monthly single-family residential ERU. Some municipalities on the lower end of the range may subsidize stormwater costs with revenue from property taxes. Urban communities with MS4, TMDL, and flood concerns are generally on the higher end of the range.

E. Summary of Recommendations

The following monthly rate structure is suggested for implementation in 2026 to balance implementation of Watertown's flood mitigation, water quality and operation & maintenance goals with the magnitude of the proposed rate increase. The recommended structure matches Alternative Two from the above analysis.

Description of Account	Proposed Volume Charge per ERU	Proposed Pollutant Charge per ERU	Proposed Admin Fee per Account	Percent Increase for Average Parcel
Single Family / Duplex	\$7.09	\$5.24	\$2.15	16%
Multi-Family	\$7.09	\$3.97	\$2.15	18%
Commercial	\$7.09	\$5.64	\$2.15	18%
Industrial	\$7.09	\$4.64	\$2.15	19%
Institutional & Public Authority	\$7.09	\$2.89	\$2.15	20%

If the City desires to more aggressively pursue implementation of their goals, the proposed rates from Alternative One are recommended.

The additional recommendations from this analysis are summarized below:

- **Continue updating the rate structure** to generate the required funding. Evaluate the fee criteria to consider increases on a frequent, recurring basis (inflationary increases every year to lessen the burden of the larger increases).
- **Continue updating the Capital Improvement Plan (CIP) regularly**, prioritizing projects with cost estimates and funding sources to match the utility's rate structure. Debt funding will likely be required for large flood mitigation and water quality construction projects.
- **Explore options to fund maintenance of private stormwater BMPs** which are not currently being adequately maintained (primarily located in residential areas).
- **Continue to proactively research and apply for local, county, state and federal grant funding** to cost-effectively finance stormwater projects.

¹⁴ "Western Kentucky University Stormwater Utility Survey 2024". C. Warren Campbell. 2024. [Western Kentucky University Stormwater Utility Survey 2024](#) Accessed August 20, 2025.

- **Develop a Mission Statement and/or Goals** to guide the utility's stormwater management practices.
- **Integrate stormwater staff in cross-functional planning and land development meetings** such as utility services, natural resource management, and park management to integrate the City's stormwater goals with other initiatives (where applicable).
- **Apply a consistent approach to ERU calculations for multi-family residential parcels** such as apartments, condos, senior living facilities, etc.
- **Implement Design Standards to integrate implications of changing rainfall patterns** by facilitating additional discussion and design around more severe precipitation events.
- **Consider offering credits to incentivize new developments** to pursue increased stormwater pollutant reduction (beyond the required 80% TSS / 40% TP compliance), with incentives indexed to the City's MS4 compliance status by watershed to facilitate MS4 permit compliance.
- **Continue to utilize and expand existing stormwater resources, including the Rock River Stormwater Group.** Maintain dialogue with elected officials regarding the importance of its current work. To the extent practicable, the utility could consider partnering with local schools to educate children about stormwater, potentially engaging the City's schools to help in the maintenance of existing stormwater practices.
- **Establish a cost-in-lieu policy** requiring landowners to offset the City's additional costs if MEP provisions are required for development approval. The policy should cover the initial capital cost, any subsequent replacement costs, and any incremental operation and maintenance costs the City would incur in the proposed development.
- **Create a formal cash reserve policy** equal to one year of operating expenses for the stormwater utility.
- **Evaluate potential software platforms** that utilize emerging technology to ease the Utility's administrative and billing efforts.
- **Continue to make progress implementing the City's Flood Control Master Plan.** The following projects were recommended in the master plan, but were not included in the 10-year capital project list discussed herein:
 - Red Fox Court (MRR 5.1)
 - South Street (MRR 5.2)
 - Hoffman & Fairview Drive / Bernard Street (MRR 5.3 & 5.5)
 - Dayton Street (MRR 5.6)
 - Dayton Creek (MRR 5.8)
 - Main Street / Carriage Hill Drive / Viaduct Additional Phases (MRR 5.10)
 - 9th Street / Dodge Street (MRR 6.1)
 - Hart Street / 12th Street (MRR 6.2)
 - River Drive / 3rd Street (MRR 6.3)
 - Utah Street (MRR 6.4)
 - Lakeside Terrace / Clark Street (MRR 6.6)
 - Loeb Lane / Lauren Lane (MRR 6.8)
 - Center & Spaulding Streets (SLL 1.3)
 - Hospital Frontage Road / Memorial Drive (SLL 1.5)

Exhibit A - Alternative 1 Cash Flow Forecast

Utility	Storm Water	
Annual Inflation	4.00%	Per City
Capital Expenditures -- % Debt Funded	100%	Projects > \$1M
Interest Rate	4.82%	
Loan Length (years)	20	

Notes
Capital expenditures estimated by City and R/M; all projects cash funded other than flood mitigation projects greater than \$1 million in cost which are debt funded
Minimum cash reserves = one year of operating expenses
Minimum debt service coverage = 125%

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Operating Revenue	\$ 2,998,760	\$ 3,358,612	\$ 3,459,370	\$ 3,563,151	\$ 3,670,045	\$ 3,780,147	\$ 3,893,551	\$ 4,010,358	\$ 4,130,669	\$ 4,254,589
Net Operations & Maintenance Expenses	1,871,080	1,945,923	2,023,760	2,104,710	2,188,898	2,276,454	2,367,513	2,462,213	2,560,702	2,663,130
Net Operations	1,127,681	1,412,689	1,435,610	1,458,441	1,481,147	1,503,692	1,526,039	1,548,145	1,569,967	1,591,459
Depreciation										
Capital Expenditures -- Cash-funded	1,481,150	1,140,000	1,045,000	1,760,000	860,000	1,062,000	1,335,000	845,000	1,210,000	810,000
Debt Service	-	174,640	174,640	174,640	269,467	269,467	269,467	269,467	364,294	364,294
Net Cash Flow	\$ (353,469)	\$ 98,049	\$ 215,970	\$ (476,199)	\$ 351,680	\$ 172,226	\$ (78,428)	\$ 433,678	\$ (4,327)	\$ 417,165
Debt Service Coverage	N/A	809%	822%	835%	550%	558%	566%	575%	431%	437%
Cash Balance at EOY	\$ 1,954,169	\$ 2,052,218	\$ 2,268,188	\$ 1,791,989	\$ 2,143,670	\$ 2,315,896	\$ 2,237,468	\$ 2,671,146	\$ 2,666,819	\$ 3,083,984
% of O&M	104%	105%	112%	85%	98%	102%	95%	108%	104%	116%
Revenue Forecast										
ERUs	17,825	17,825	17,825	17,825	17,825	17,825	17,825	17,825	17,825	17,825
Volume Charge / Month	\$ 7.75	\$ 8.68	\$ 8.94	\$ 9.21	\$ 9.48	\$ 9.77	\$ 10.06	\$ 10.36	\$ 10.68	\$ 11.00
Year over Year % Change in Volume										
Equivalency Charge	38%	12%	3%	3%	3%	3%	3%	3%	3%	3%
Pollutant Rate / Month	\$ 5.10	\$ 5.71	\$ 5.88	\$ 6.06	\$ 6.24	\$ 6.43	\$ 6.62	\$ 6.82	\$ 7.03	\$ 7.24
Year over Year % Change in Pollutant										
Equivalency Charge	20%	12%	3%	3%	3%	3%	3%	3%	3%	3%
Customer Accounts	9,024	9,024	9,024	9,024	9,024	9,024	9,024	9,024	9,024	9,024
Rate / Account / Month	\$ 2.31	\$ 2.59	\$ 2.66	\$ 2.74	\$ 2.83	\$ 2.91	\$ 3.00	\$ 3.09	\$ 3.18	\$ 3.28
Charge	8%	12%	3%	3%	3%	3%	3%	3%	3%	3%
Existing Interest	-	-	-	-	-					
Existing Principal	-	-	-	-	-					
Total Existing Debt Service	-	-	-	-	-	-	-	-	-	-
Capital Expenditures - Cash Funded	1,481,150	1,140,000	1,045,000	1,760,000	860,000	1,062,000	1,335,000	845,000	1,210,000	810,000
Capital Expenditures - Debt Funded	-	2,210,000	-	-	1,200,000	-	-	-	1,200,000	-
Total Capital Expenditures	1,481,150	3,350,000	1,045,000	1,760,000	2,060,000	1,062,000	1,335,000	845,000	2,410,000	810,000
Total New Debt Service	-	174,640	174,640	174,640	269,467	269,467	269,467	269,467	364,294	364,294

Exhibit B - Alternative 2 Cash Flow Forecast

Utility	Storm Water	
Annual Inflation	4.00%	Per City
Capital Expenditures -- % Debt Funded	100%	Projects > \$1M
Interest Rate	4.82%	
Loan Length (years)	20	

Notes
Capital expenditures estimated by City and R/M; all projects cash funded other than flood mitigation projects greater than \$1 million in cost which are debt funded
Minimum cash reserves = one year of operating expenses
Minimum debt service coverage = 125%

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Operating Revenue	\$ 2,750,422	\$ 2,860,439	\$ 3,117,879	\$ 3,242,594	\$ 3,372,298	\$ 3,507,189	\$ 3,612,405	\$ 3,720,777	\$ 3,832,401	\$ 3,947,373
Net Operations & Maintenance Expenses	1,767,080	1,837,763	1,911,273	1,987,724	2,067,233	2,149,923	2,235,919	2,325,356	2,418,370	2,515,105
Net Operations	983,343	1,022,676	1,206,605	1,254,870	1,305,064	1,357,267	1,376,486	1,395,421	1,414,030	1,432,267
Depreciation										
Capital Expenditures -- Cash-funded	1,446,150	710,000	1,090,000	1,070,000	980,000	1,062,000	935,000	845,000	930,000	845,000
Debt Service	-	174,640	174,640	174,640	269,467	269,467	269,467	269,467	364,294	364,294
Net Cash Flow	\$ (462,807)	\$ 138,037	\$ (58,034)	\$ 10,230	\$ 55,598	\$ 25,800	\$ 172,019	\$ 280,954	\$ 119,736	\$ 222,974
Debt Service Coverage	N/A	586%	691%	719%	484%	504%	511%	518%	388%	393%
Cash Balance at EOY	\$ 1,844,831	\$ 1,982,867	\$ 1,924,833	\$ 1,935,063	\$ 1,990,660	\$ 2,016,461	\$ 2,188,480	\$ 2,469,434	\$ 2,589,170	\$ 2,812,144
% of O&M	104%	108%	101%	97%	96%	94%	98%	106%	107%	112%
Revenue Forecast										
ERUs	17,825	17,825	17,825	17,825	17,825	17,825	17,825	17,825	17,825	17,825
Volume Charge / Month	\$ 7.09	\$ 7.37	\$ 8.04	\$ 8.36	\$ 8.69	\$ 9.04	\$ 9.31	\$ 9.59	\$ 9.88	\$ 10.18
Year over Year % Change in Volume										
Equivalency Charge	26%	4%	9%	4%	4%	4%	3%	3%	3%	3%
Pollutant Rate / Month	\$ 4.68	\$ 4.87	\$ 5.31	\$ 5.52	\$ 5.74	\$ 5.97	\$ 6.15	\$ 6.33	\$ 6.52	\$ 6.72
Year over Year % Change in Pollutant										
Equivalency Charge	10%	4%	9%	4%	4%	4%	3%	3%	3%	3%
Customer Accounts	9,024	9,024	9,024	9,024	9,024	9,024	9,024	9,024	9,024	9,024
Rate / Account / Month	\$ 2.15	\$ 2.24	\$ 2.44	\$ 2.53	\$ 2.64	\$ 2.74	\$ 2.82	\$ 2.91	\$ 3.00	\$ 3.09
Charge	1%	4%	9%	4%	4%	4%	3%	3%	3%	3%
Existing Interest	-	-	-	-	-					
Existing Principal	-	-	-	-	-					
Total Existing Debt Service	-	-	-	-	-	-	-	-	-	-
Capital Expenditures - Cash Funded	1,446,150	710,000	1,090,000	1,070,000	980,000	1,062,000	935,000	845,000	930,000	845,000
Capital Expenditures - Debt Funded	-	2,210,000	-	-	1,200,000	-	-	-	1,200,000	-
Total Capital Expenditures	1,446,150	2,920,000	1,090,000	1,070,000	2,180,000	1,062,000	935,000	845,000	2,130,000	845,000
Total New Debt Service	-	174,640	174,640	174,640	269,467	269,467	269,467	269,467	364,294	364,294

Exhibit C - Alternative 3 Cash Flow Forecast

Utility	Storm Water	
Annual Inflation	4.00%	Per City
Capital Expenditures -- % Debt Funded	100%	Projects > \$1M
Interest Rate	4.82%	
Loan Length (years)	20	

Notes
Capital expenditures estimated by City and R/M; all projects cash funded other than flood mitigation projects greater than \$1 million in cost which are debt funded
Minimum cash reserves = one year of operating expenses
Minimum debt service coverage = 125%

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Operating Revenue	\$ 2,649,889	\$ 2,755,885	\$ 2,866,120	\$ 2,980,765	\$ 3,219,226	\$ 3,315,803	\$ 3,415,277	\$ 3,517,735	\$ 3,623,267	\$ 3,731,965
Net Operations & Maintenance Expenses	1,767,080	1,837,763	1,911,273	1,987,724	2,067,233	2,149,923	2,235,919	2,325,356	2,418,370	2,515,105
Net Operations	882,810	918,122	954,847	993,041	1,151,993	1,165,880	1,179,358	1,192,379	1,204,897	1,216,860
Depreciation										
Capital Expenditures -- Cash-funded	1,446,150	740,000	885,000	870,000	980,000	1,062,000	935,000	810,000	930,000	845,000
Debt Service	-	-	-	-	150,933	150,933	150,933	150,933	245,760	245,760
Net Cash Flow	\$ (563,340)	\$ 178,122	\$ 69,847	\$ 123,041	\$ 21,060	\$ (47,053)	\$ 93,425	\$ 231,446	\$ 29,137	\$ 126,100
Debt Service Coverage	N/A	N/A	N/A	N/A	763%	772%	781%	790%	490%	495%
Cash Balance at EOY	\$ 1,744,298	\$ 1,922,420	\$ 1,992,266	\$ 2,115,307	\$ 2,136,367	\$ 2,089,315	\$ 2,182,739	\$ 2,414,186	\$ 2,443,323	\$ 2,569,423
% of O&M	99%	105%	104%	106%	103%	97%	98%	104%	101%	102%
Revenue Forecast										
ERUs	17,825	17,825	17,825	17,825	17,825	17,825	17,825	17,825	17,825	17,825
Volume Charge / Month	\$ 6.77	\$ 7.04	\$ 7.32	\$ 7.62	\$ 8.22	\$ 8.47	\$ 8.73	\$ 8.99	\$ 9.26	\$ 9.53
Year over Year % Change in Volume										
Equivalency Charge	21%	4%	4%	4%	8%	3%	3%	3%	3%	3%
Pollutant Rate / Month	\$ 4.53	\$ 4.71	\$ 4.90	\$ 5.10	\$ 5.50	\$ 5.67	\$ 5.84	\$ 6.01	\$ 6.19	\$ 6.38
Year over Year % Change in Pollutant										
Equivalency Charge	6%	4%	4%	4%	8%	3%	3%	3%	3%	3%
Customer Accounts	9,024	9,024	9,024	9,024	9,024	9,024	9,024	9,024	9,024	9,024
Rate / Account / Month	\$ 2.15	\$ 2.24	\$ 2.33	\$ 2.42	\$ 2.61	\$ 2.69	\$ 2.77	\$ 2.85	\$ 2.94	\$ 3.03
Charge	1%	4%	4%	4%	8%	3%	3%	3%	3%	3%
Existing Interest	-	-	-	-	-					
Existing Principal	-	-	-	-	-					
Total Existing Debt Service	-	-	-	-	-	-	-	-	-	-
Capital Expenditures - Cash Funded	1,446,150	740,000	885,000	870,000	980,000	1,062,000	935,000	810,000	930,000	845,000
Capital Expenditures - Debt Funded	-	-	-	-	1,910,000	-	-	-	1,200,000	-
Total Capital Expenditures	1,446,150	740,000	885,000	870,000	2,890,000	1,062,000	935,000	810,000	2,130,000	845,000
Total New Debt Service	-	-	-	-	150,933	150,933	150,933	150,933	245,760	245,760

2025 WATERTOWN STORMWATER UTILITY BEST PRACTICES REVIEW AND RATE UPDATE



Bridgot Gysbers
Economic Consultant



Steve Wurster
Stormwater Engineer
President



Watertown's Stormwater Program Priorities

3-Pronged Approach

- Flood mitigation
- Water quality / DNR permit compliance
- Maintenance of existing Best Management Practices (BMPs) and storm sewer system



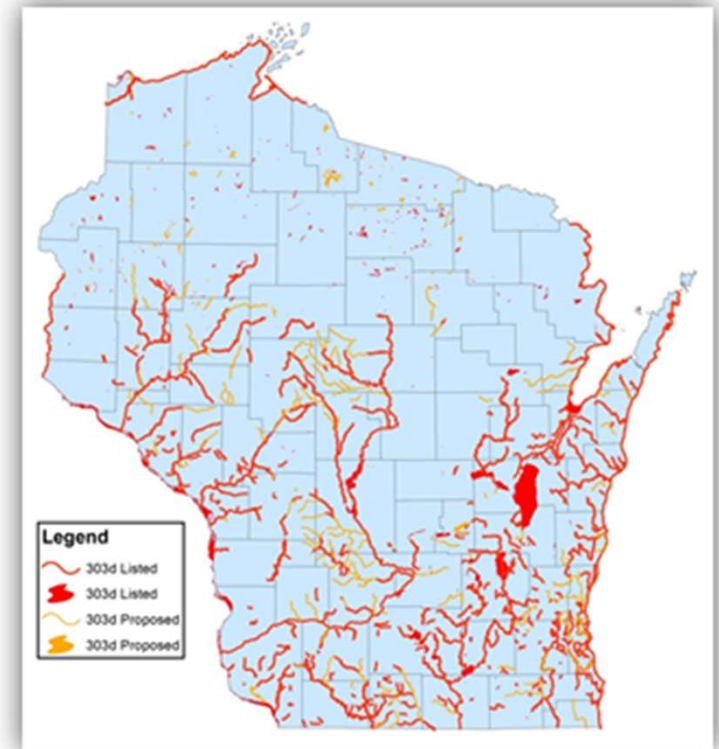
DNR Stormwater MS4 Permit

- 6 Minimum Control Measures
 - Information & outreach
 - Public involvement
 - Illicit discharge detection & elimination
 - Construction site pollutant control
 - Post-construction pollutant control
 - Pollution prevention



DNR Stormwater MS4 Permit

- TMDL Planning
 - Required on impaired waters
 - Establishes a pollution budget to meet EPA & DNR water quality goals
 - Rock River = sediment and phosphorus limits



Rock River TMDL – 2023 Status

Waterway (Reachshed)	TSS Loading – No Controls (lbs)	Existing TSS Reduction (%)	Existing TSS Reduction (lbs)	Required TSS Reduction (%)	Required TSS Reduction (lbs)
Sinissippi Lake (#28)	431,635	16.04%	69,229	40%	172,654
Middle Rock River (#29)	946,044	21.19%	200,652	44%	416,259
Johnson Creek (#30)	43,954	21.97%	9,657	40%	17,582

2023 Total Suspended Solids (TSS)
Modeling Results

Waterway (Reachshed)	TP Loading – No Controls (lbs)	Existing TP Reduction (%)	Existing TP Reduction (lbs)	Required TP Reduction (%)	Required TP Reduction (lbs)
Sinissippi Lake (#28)	1,452	11.59%	168	28%	407
Middle Rock River (#29)	2,669	16.35%	437	64%	1,708
Johnson Creek (#30)	115	13.80%	16	27%	31

2023 Total Phosphorus (TP)
Modeling Results

TMDL Compliance Protocol

- Written plan to meet TMDL goals
 - Meet 20% of TSS gap & 10% of TP gap over the 2024-2029 permit term
- Implement compliance activities
 - Watertown Waterways Improvement Program (WWIP)
 - Stormwater tree program
 - Brine retrofits on deicing equipment
 - Ongoing BMP maintenance
 - Stormwater ordinance updates
 - Optimize leaf management & street sweeping programs
 - Installation of new water quality BMPs

Flood Mitigation Master Plan

- Master Plan completed in 2024
- Recommended \$30M+ in improvements
 - 2023 dollars
 - Projects spread across City

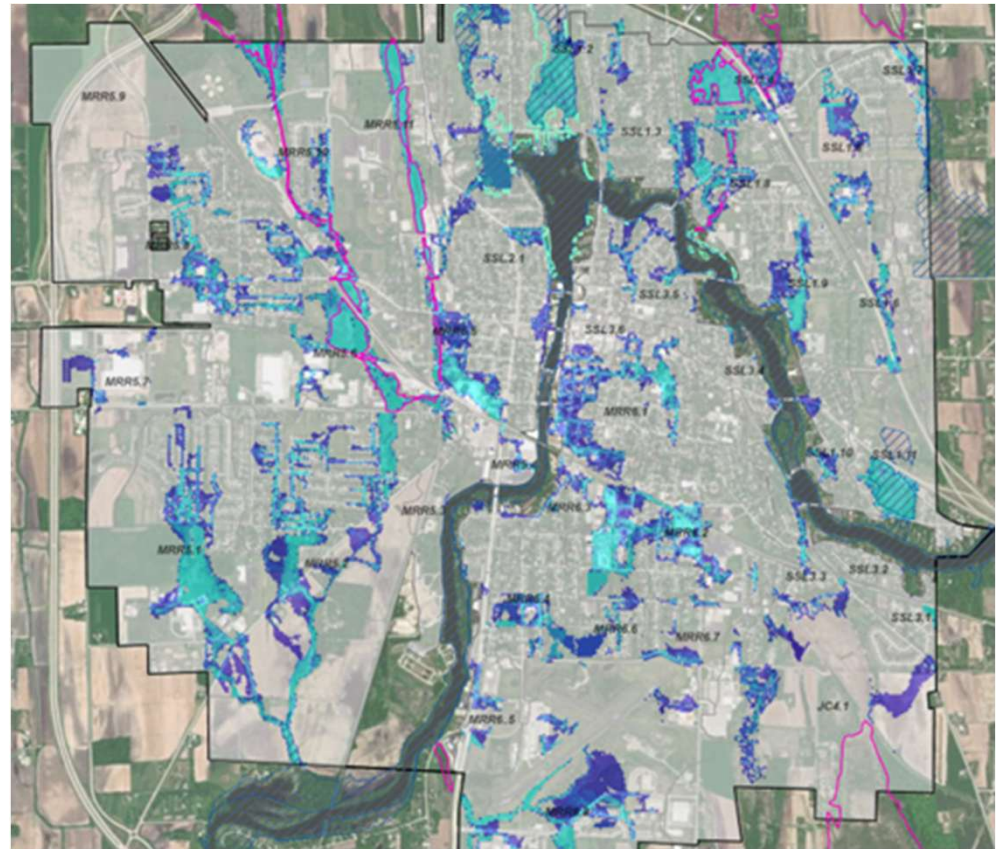


Flood Control Master Plan Report
February 13, 2024

PREPARED FOR:
City of Watertown
106 West Street
Watertown, NY 13094

PREPARED BY:
Ruekert & Mielke, Inc.
11231 N2180 Ridgeway Parkway
Suite 100
Minnetonka, MN 55345

Ruekert • Mielke
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BMP Maintenance

- Out-of-sight, out-of-mind
- Historically underfunded
- Growing maintenance burden
- City-owned vs private-owned BMPs
- Impacts to TMDL compliance



Key Takeaways



Rate updates are needed



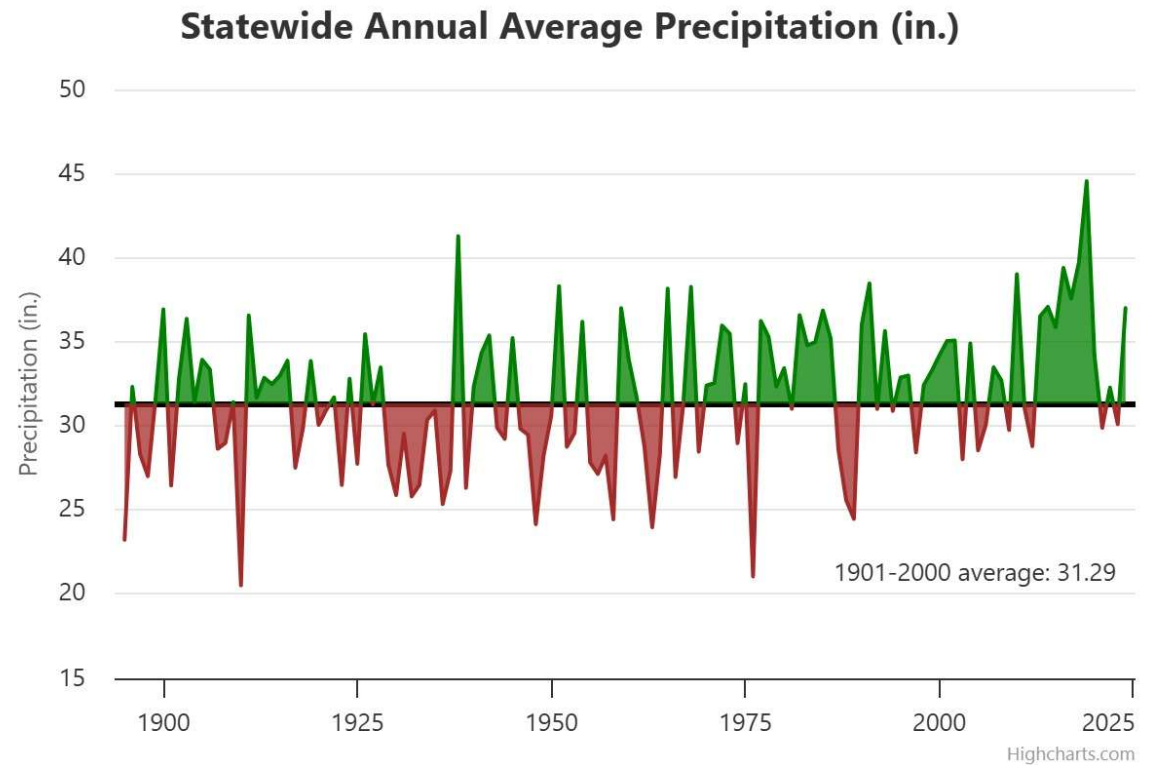
Best practices review offers opportunities to improve



Options are available for rate updates

Background

- Utility mission
 - Mitigate flooding
 - Improve water quality
 - BMP O&M
- Utility formed in 2006
 - Rate updates:
 - 2007, 2009, 2012, 2016, 2020
- Drive for ongoing improvement = best practices review



Best Practices Review

- Stormwater Utility organization
 - Mission statement and/or goals
 - Integrated planning practices
 - Assess existing Design Standards & requirements
- Rate structure
 - Multi-family parcel consistency
- Credit policy
- Community support
- Cost in lieu policy
- Cash reserve target
 - 1 year of operating expenses



Best Practices Review: Mission Statement (Examples)

- Grand Chute, WI

Mission Statement: *“To provide quality stormwater services to residents of Grand Chute in a manner which protects human and environmental health and emphasizes sound management of fiscal and natural resources.”*

- Missoula, MT

Mission Statement: *“The Stormwater Utility is committed to protecting public health and safety, natural resources, waterways, and our aquifer, while meeting or exceeding state and federal environmental quality regulations.”*

- Ravenna, OH

Mission Statement: “The mission of Ravenna Stormwater Utility is to protect the lives and property of citizens of the City by capturing, controlling and conveying stormwater runoff safely and efficiently through the City while protecting and enhancing the environment and aesthetics within the City watershed area.

Best Practices Review: Goals (Examples)

Town of Buchanan, WI – Stormwater Utility aims to:

- Improve water flow and stream restoration
- Reduce soil erosion
- Promote infiltration of runoff into the ground
- Decrease volume of stormwater entering streams and lakes
- Prevent pollutant transport
- Provide public education and resources⁴

Staunton, VA – Utility Fee Program Goals aim to:

- Establish a sustainable funding mechanism
- Maintain and repair existing stormwater infrastructure
- Replace inadequate infrastructure
- Implement flood reduction projects
- Enhance water quality in local streams and tributaries⁵

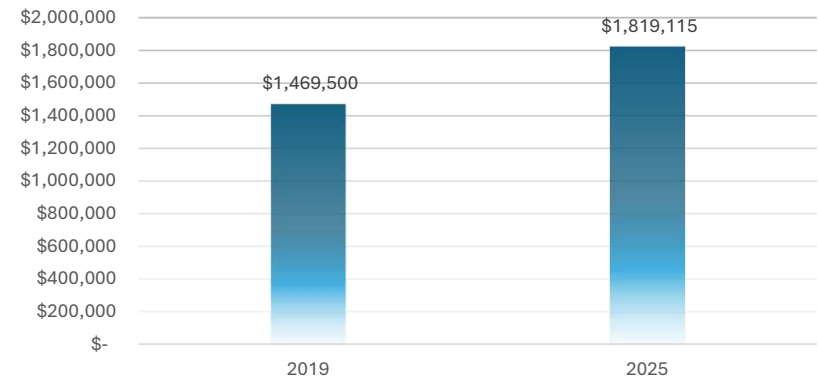
EPA Guidance of Core Objectives for Stormwater Utilities:

- Reduce flooding
- Improve surface water quality
- Promote responsible development practices⁶

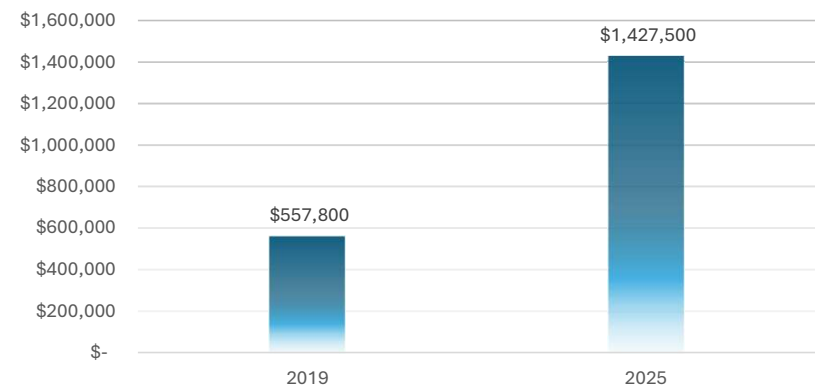
Rate Analysis

- Net operating expenses up by 24% over 6-year period
 - 3.6% per year
- Capital outlay up by 156% over 6-year period
 - 17% per year
- Debt service decreased from \$250k / year to \$0 over same period
- Forecast expenses
 - 2024 flood-control study
 - DNR compliance
 - BMP O&M
 - Capital projects recommended require additional cash flow

NET OPERATING EXPENSES



CAPITAL OUTLAY



All Rate Alternatives

- Capital projects greater than \$1M debt-funded
 - 20-year note @ market rate
 - Minimum debt coverage ratio of 1.25
- All other capital projects cash-funded
- Operating & maintenance expenses = annual 4% increase
- No planned increase in ERUs (conservative)

Existing Rates

Description of Account	Volume Charge per ERU	Pollutant Charge per ERU	Administration Fee per Account
Single Family / Duplex	\$5.61	\$4.78	\$2.13
Multi-Family	\$5.61	\$3.63	\$2.13
Commercial	\$5.61	\$5.14	\$2.13
Industrial	\$5.61	\$4.24	\$2.13
Institutional & Public Authority	\$5.61	\$2.64	\$2.13

Alternative One

- Implementation of flood mitigation recommendations over 30-40 years
- Capital expenditures average \$1.62M annually
- Additional rate adjustments:
 - 2027 (12%)
 - Inflationary increases every year thereafter (3%)

Description of Account	Proposed Volume Charge per ERU	Proposed Pollutant Charge per ERU	Proposed Admin Fee per Account	Percent Increase for Average Parcel
Single Family / Duplex	\$7.75	\$5.71	\$2.31	26%
Multi-Family	\$7.75	\$4.33	\$2.31	28%
Commercial	\$7.75	\$6.14	\$2.31	29%
Industrial	\$7.75	\$5.06	\$2.31	30%
Institutional & Public Authority	\$7.75	\$3.15	\$2.31	32%

Alternative Two

- Capital expenditures average \$1.45M annually
- \$100k reduction in annual operating expenses
- Delays implementation of City's flood mitigation, water quality and O&M goals
- Additional rate adjustments:
 - 2028 (9%)
 - Inflationary increases in all remaining years (3-4%)

Description of Account	Proposed Volume Charge per ERU	Proposed Pollutant Charge per ERU	Proposed Admin Fee per Account	Percent Increase for Average Parcel
Single Family / Duplex	\$7.09	\$5.24	\$2.15	16%
Multi-Family	\$7.09	\$3.97	\$2.15	18%
Commercial	\$7.09	\$5.64	\$2.15	18%
Industrial	\$7.09	\$4.64	\$2.15	19%
Institutional & Public Authority	\$7.09	\$2.89	\$2.15	20%

Alternative Three

- Capital expenditures average \$1.26M annually
- \$100k reduction in annual operating expenses
- Significantly delays implementation of City's flood mitigation, water quality and O&M goals
- Additional rate adjustments:
 - 2030 (8%)
 - Inflationary increases in all remaining years (3-4%)

Description of Account	Proposed Volume Charge per ERU	Proposed Pollutant Charge per ERU	Proposed Admin Fee per Account	Percent Increase for Average Parcel
Single Family / Duplex	\$6.77	\$5.07	\$2.15	12%
Multi-Family	\$6.77	\$3.84	\$2.15	13%
Commercial	\$6.77	\$5.45	\$2.15	13%
Industrial	\$6.77	\$4.49	\$2.15	14%
Institutional & Public Authority	\$6.77	\$2.80	\$2.15	16%

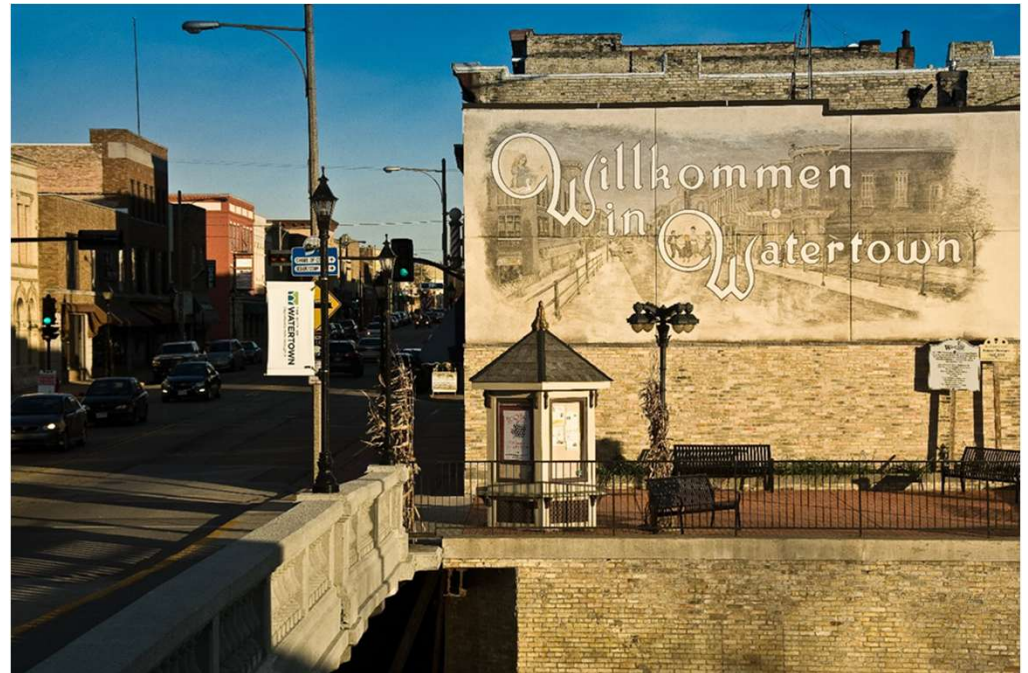
Proposed Rates

- Adequate cash flow
- Provides debt coverage ratio of 1.25
- Cash reserve target aligned with AWWA cash reserve policy of one year's worth of O&M expenses

Description of Account	Proposed Volume Charge per ERU	Proposed Pollutant Charge per ERU	Proposed Admin Fee per Account	Percent Increase for Average Parcel
Single Family / Duplex	\$7.09	\$5.24	\$2.15	16%
Multi-Family	\$7.09	\$3.97	\$2.15	18%
Commercial	\$7.09	\$5.64	\$2.15	18%
Industrial	\$7.09	\$4.64	\$2.15	19%
Institutional & Public Authority	\$7.09	\$2.89	\$2.15	20%

Next Steps

- Select & adopt rate increase
- Incorporate into 2026 budget
- Continue implementation of best-practices recommendations





Questions



Steve Wurster, PE
President / Stormwater Engineer
Ruekert & Mielke

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262-953-3042



Bridgot Gysbers
Economic Consultant
Ruekert & Mielke

bgysbers@ruekert-mielke.com
262-953-4156

MEMO

Engineering Division of the Public Works Department

To: Chairperson Arnett and Commission Members

From: Andrew Beyer P.E., Director of Public Works/City Engineer

Date: September 18, 2025

Subject: Public Works Commission Meeting of September 23, 2025

Update; no action required: 2025 Stormwater Program Update

Background

Agenda Item:

Update; no action required: 2025 Stormwater Program Update

BACKGROUND:

The Engineering Division/Stormwater Utility is presenting this informational update to Public Works Commission members in part to meet Section 2.6.9, Internal Education, of the MS4 Permit.

The stormwater program utilizes a three-pronged approach:

- 1) Water Quality (pollution prevention) and Wisconsin Department of Natural Resources' (WDNR) Municipal Separate Storm Sewer System (MS4) Permit compliance
- 2) Flood Control
- 3) Maintenance

The next WDNR MS4 Permit is anticipated to be released later this year. This may impact the water quality program implementation and/or priorities assigned to those tasks.

The City completed a multi-year Flood Control Plan in 2024, as a follow-up to the severe flooding of August 2018. 15 priority flooding areas were identified, with recommended construction projects that are currently being integrated into the capital improvement program.

Maintenance of the City's storm sewer system is crucial; without routine and larger, occasional maintenance, the system does not perform well during large rain events.

MEMO

Budget Goal

1. Proactively maintains and improves our parks and infrastructure to ensure safety, quality, and equity
4. Maintains a safe and healthy community, with an eye toward future needs and trends

Financial Impact

This overview of the stormwater program was compiled by staff; no additional funds were allocated or incurred for this presentation.

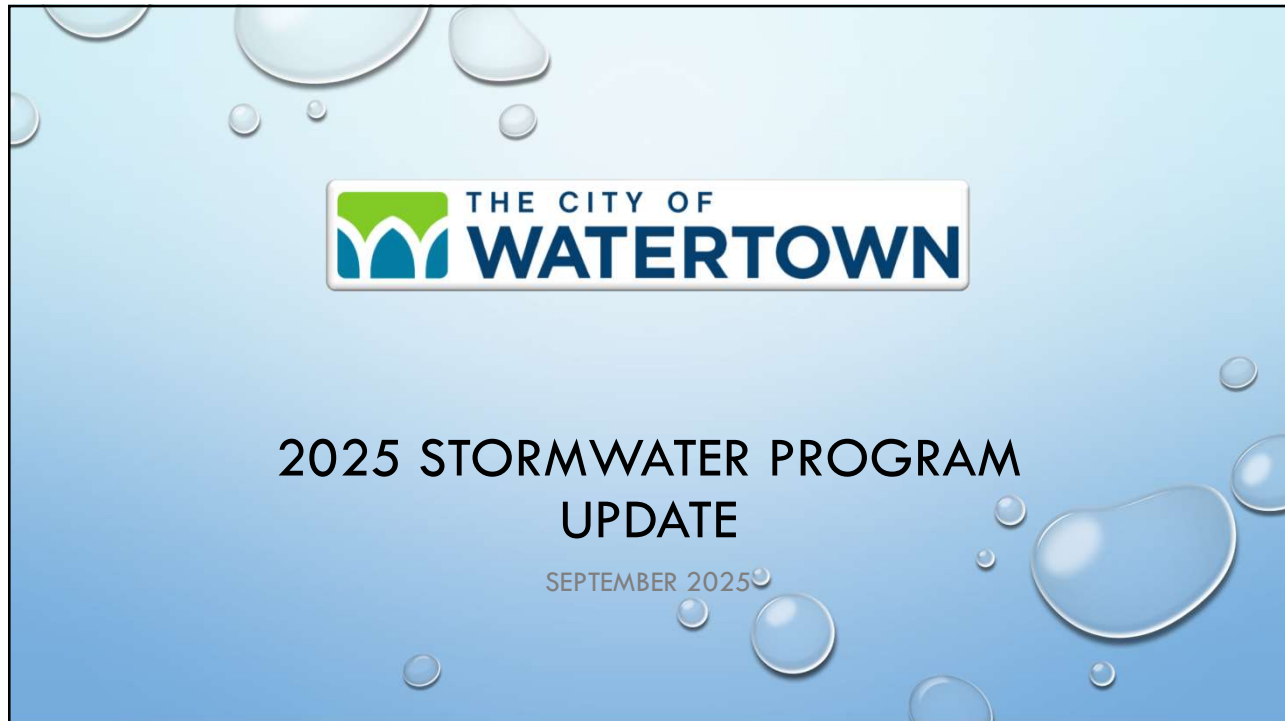
Recommendation

This is an update, with no formal action required.

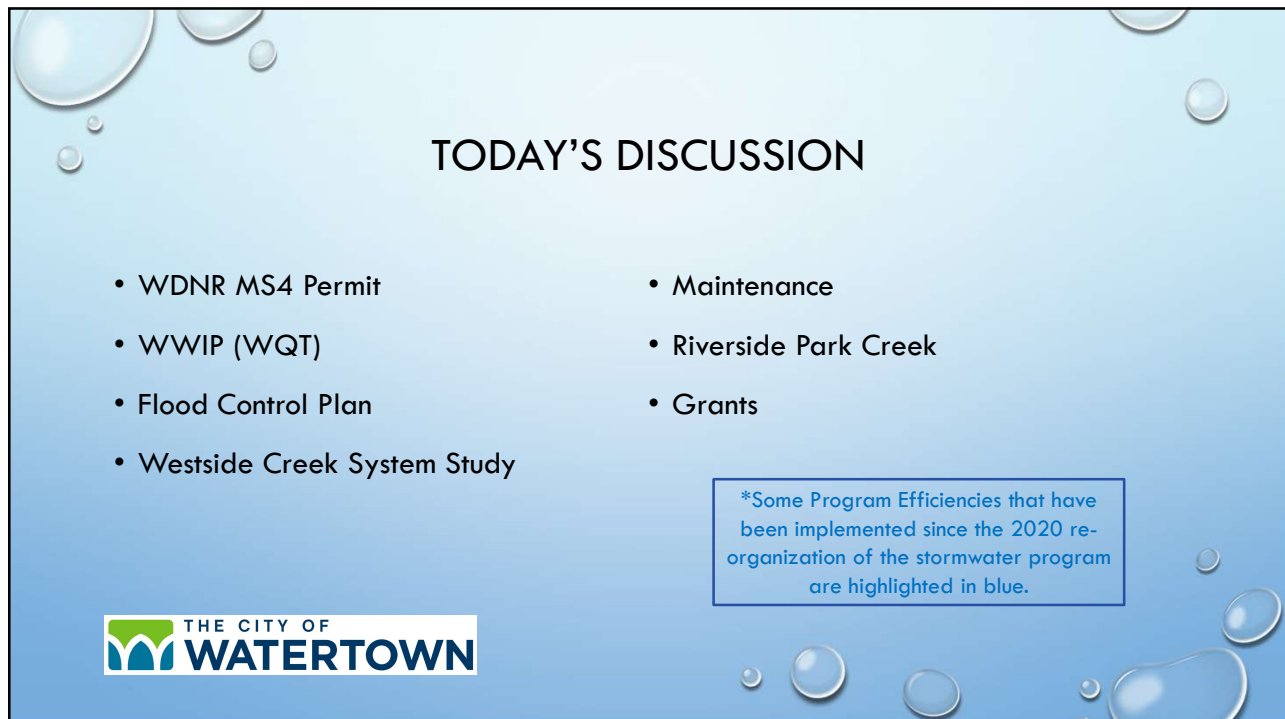
The Public Works Department recommends continuing to use the three pronged approach of Water Quality (pollution prevention) and WDNR MS4 Permit compliance, Flood Control, and Maintenance to implement the City's Stormwater Program.

Attachments:

- 2025 Stormwater Program Update slide deck



1



2

STORMWATER PROGRAM

- Pollutant Control – to protect quality of life for residents, property owners and meet *Wisconsin Department of Natural Resources Stormwater (MS4) Permit*
- Flood Control – to minimize flooding impacts to public infrastructure and public/private properties
- Maintenance – needed to ensure function and performance of system



3

WDNR MS4 PERMIT

- WPDES Municipal Separate Stem Sewer System (MS4) General Permit
 - 6 Minimum Measures
 - 20% TSS Reduction Requirement
 - Rock River Basin TMDL Pollutant Reductions (TSS & TP)
 - Water Quality Trading
 - Nationwide permit program; >150 permitted in WI



4

It's Wisconsin
Stormwater Week!
Sept. 20 – Sept. 28

MS4: OUTREACH & EDUCATION (1)

- City Connection Newsletter
- Social Media
- Website
- Brochures @ City Hall
- Signage/Posters
- Tables at Lights & Sirens, Boo Bash, Farmer's Markets



5

MS4: PUBLIC INVOLVEMENT (2)

- Annual Rain Barrel Workshop – Rock River Coalition
 - ~30 Attendees
- Citizen Stream Monitoring Training – Rock River Coalition
- Streambank Clean-up @ Riverside Park
 - Rock River Stormwater Group
 - Saturday, September 20th @ 9:00

* Partnering with other organizations expands offerings to meet resident needs at low cost.



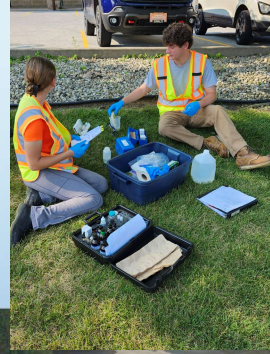
6

MS4: ILLICIT DISCHARGE DETECTION AND ELIMINATION (IDDE) (3)

- 553 Storm Sewer Outfalls to Rock River, creeks, wetlands
- 49 IDDE Inspections Completed Annually
 - ~2 dozen in-field tests completed annually
- 0 “hits” detected in last 3 years
- Mini-Storm Program to capture water from foundation drains



*In-house field-testing reduced \$3,000 annual lab fee down to cost of supplies.



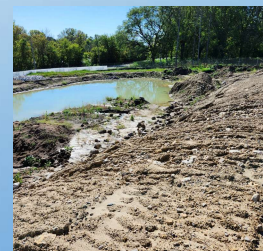
7

MS4: CONSTRUCTION SITE POLLUTANT CONTROL (4)

- 76 Erosion Control Inspections completed in 2024
 - Monthly EC Inspections
 - Weekly if there are problems on site
 - Bi-monthly for Inactive Sites
- Try to meet with site project manager at beginning of project, and again if there are concerns or noncompliance issues.



*In-house erosion control inspections reduces cost developer pays for 3rd party inspector.



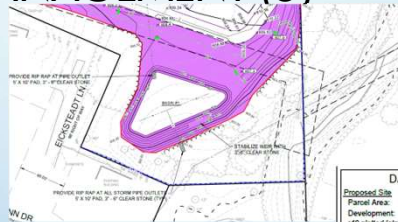
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MS4: POST-CONSTRUCTION STORMWATER MANAGEMENT (5)

- New Stormwater BMPs in 2024:
 - YMCA – 1 Biofilter
 - Rock River Ridge – 2 Wet Ponds
 - New Fire Station – 3 Biofilters
 - Yard Waste Site Sandy Biofilter (DNR Grant)
 - Boomer Street – 2 Biofilters
- Permits/Plan Reviews: Issued 19 EC & SW Permits; 13 Plan Reviews & Revisions
- 34 BMPs Inspected in 2024; 7 Maintenance Letters sent + Work Orders for City Crews



*In-house plan reviews reduces cost to developer for 3rd party reviewer; also ensures comprehensive, integrated multi-departmental review at City.



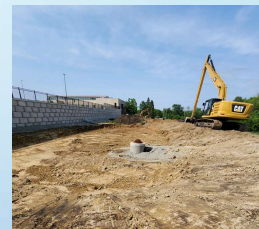
DATA SUMMARY	
Proposed Site	
Parcel Area:	13.135 acres
Development:	44 lots
(40 planned lots & 4 CDM lots)	
Density:	3.35 lots/acre
Average Lot Size:	7,267 s.f. (0.163 Ac)
Proposed Building Footprints:	
Street (Front):	24'
Street (Corner):	20'
Rear:	25'
Side:	6'
Min. Lot Width:	45'



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RECENT STORMWATER BMPS/DEVELOPMENTS

- YMCA – 1 Biofilter
- Rock River Ridge – 2 Wet Ponds
- New Fire Station – 3 Biofilters
- Yard Waste Site Sandy Biofilter (DNR Grant)
- Current requirements – state, city, WQ, quantity;
 - Managing Expectations: 10-year event piping, 6 inches stormwater in road, prioritize EMT/truck routes, & other flood plan goals



10

MS4: POLLUTION PREVENTION (6)

- Municipal Operations Stormwater Data:

- 232 Lane Miles Swept (2024)
- 450 yards of sediment and debris collected from street sweeper and catch basins (2024)
- 166 bags + 3,320 yards of leaves collected curbside (2024)
- 1,635 tons of salt, 3,719 gallons of brine* applied to streets (2024)

*Brine = 77% water, 23% salt mixture



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MS4: MS4 MAP (GIS UPDATES)

- Recent Updates to Stormwater Layers

- Added Culverts, Swales, Updated Wetlands, & 6 Sub-Basins
- Added/Improved Labeling, Query and Export Features
- Added Project Area Selection Feature
- Provided Guidance for Staff GIS Updates, As-BUILTs, etc.
- Coordinated Updates in FieldMaps & Stormwater Editor (desktop)
- Joint meeting with Fire Dept., County (GIS) & Engineering (SW)



12

MS4: TMDL / WATER QUALITY TRADING

- Watertown Waterways Improvement Program (WWIP)
 - 1st Practice Completed & Installed
- New Stormwater BMPs – City & Private
- Leaf Collection + Increased Street Sweeping during Fall
- Streambank Stabilization –*currently evaluating*



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WATER QUALITY TRADING

- 1st Practice Completed in 2024
 - 10-year Agreement signed with Owner
 - Buffers have been Installed
 - DNR reviewed and conditionally approved practice
- 2nd Practice: Develop in 2025, Install in 2026
- Based on 1st practice, about 24 more practices needed

Table 1

Pollutant	Interim Credit	Long-Term Credit
Total Phosphorus	14.8 lbs/year	58.45 lbs/year
Total Suspended Solids	2.18 tons/year	6.53 tons/year

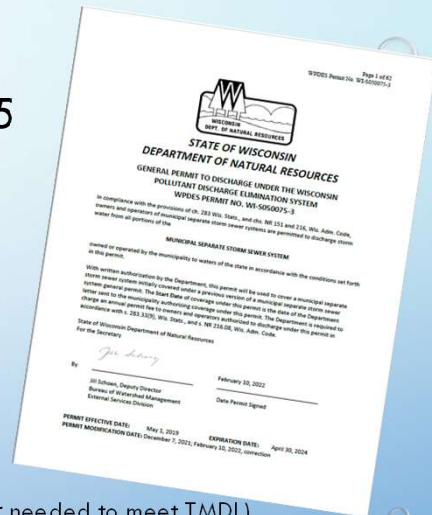
*Innovative water quality trading program, developed with partners and with cooperation from WDNR, reduces cost of TMDL compliance from \$13 Million + to \$1.5 Million (current projected estimate).



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COMING IN 2025

- Next 5-year MS4 Permit Anticipated in 2025
 - Develop Plans for Impaired Waterways
 - Updates to Written MS4 Permit Programs
 - IDDE Analysis, Implementation & Protocols
 - Greater Focus on Maintenance: Private & Public BMPs
 - Enhanced SWPPPs
 - Salt Use Reporting, Calibration of Equipment
 - TMDL Reductions: 20% TSS, 10% Phosphorus (of remainder needed to meet TMDL)
 - ???????

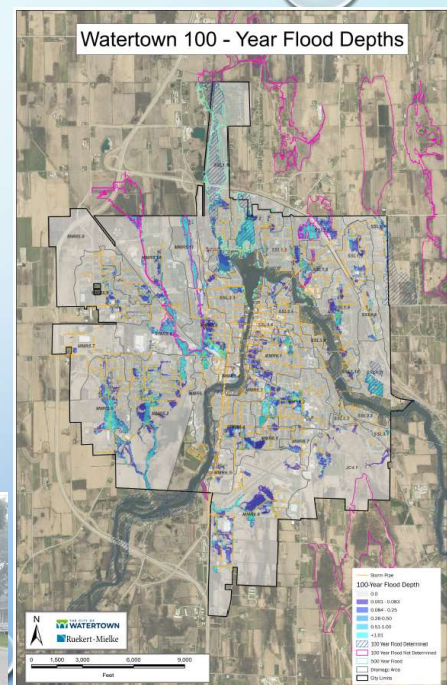


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FLOOD CONTROL PLAN

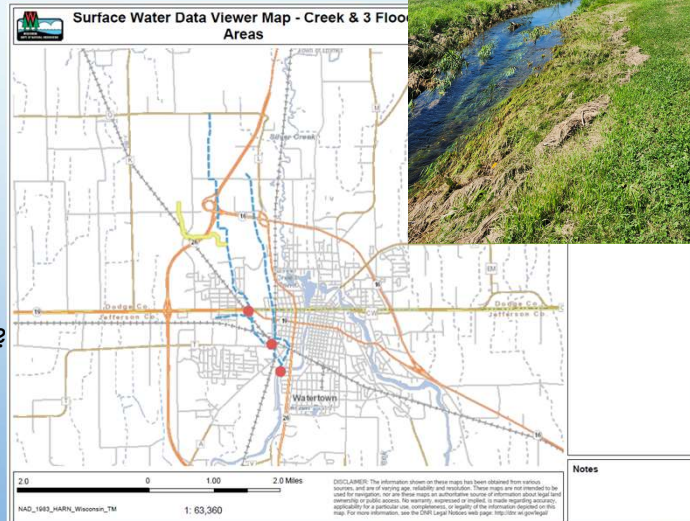
- 2024 City-wide Flood Control Master Plan
 - 15 Priority Flooding Areas
 - Detailed, Site-specific Drainage Study and Design needed for each area & solution
 - Hart Street – Next Steps
 - Westside Creek System Study
 - WEM Grant Application

Goal is to *minimize* flooding, and to recover quickly afterwards.



WESTSIDE CREEK SYSTEM STUDY

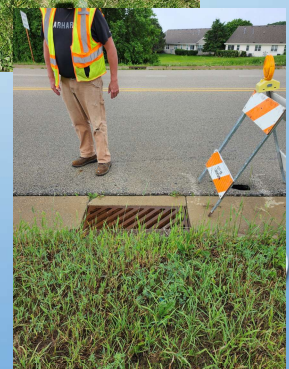
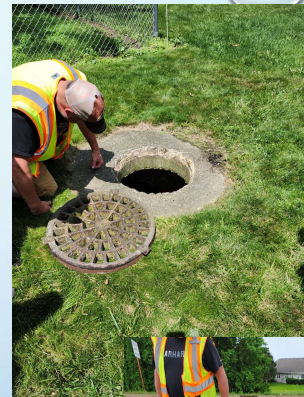
- 5 Major Flooding Areas Drain To Westside Creek System
- Drainage Area is Outside/Upstream of City & along west of Church Street
- Can receiving creek handle more water from new flood control projects?
- WEM Grant? 75% Cost, City= 25%



17

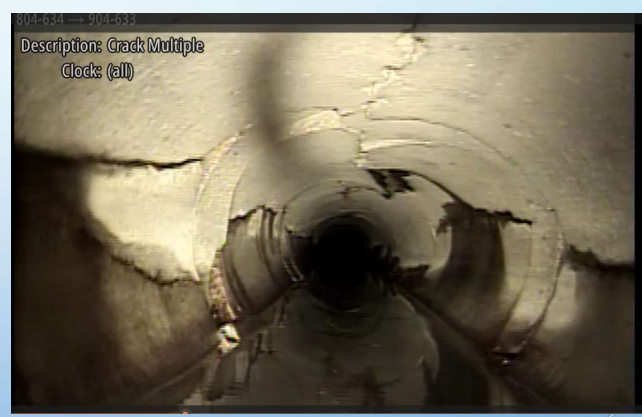
MAINTENANCE

- Annual Storm Sewer Cleaning and Televising
 - Heavy Cleaning Needed in Specific Areas
- Storm Sewer Repairs
 - City Crews Completing Discovered Maintenance
- BMP Maintenance: Routine and Occasional Tasks
 - Routine Examples: Vegetation Clearing, Minor Inlet/Outlet Repairs,
 - Occasional Examples: Dredging, Re-shaping BMPs, Re-stabilization



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2024 CLEANING & TELEVISING



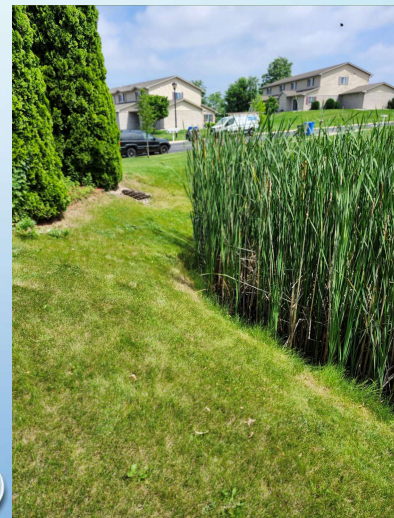
19

BMP MAINTENANCE

- 105 Stormwater Best Management Practices (BMPs) (Public and Private)
 - ~30 are City-owned BMPs, Inspected Annually
 - ~25 Private BMPs are Inspected Once every 3 years
 - Underground systems are inspected by 3rd parties; reports submitted to City



*Train and work with interns annually to inspect public and private BMPs to complete work and minimize costs for property owners.



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RIVERSIDE PARK CREEK

- 2022-2023: Dodge County Land & Water Conservation Department: Plan Development and Cost-Share Program
- 2024: City Crews Dredged Invasive Plants/Installed Riprap in Critical Areas
- 2025: Rock River Coalition Organizing Native Planting Installation
 - Saturday, 9/13/25 9:00-2:00 Volunteer Workday



*Utilized relationships with partners to execute project at minimal cost.

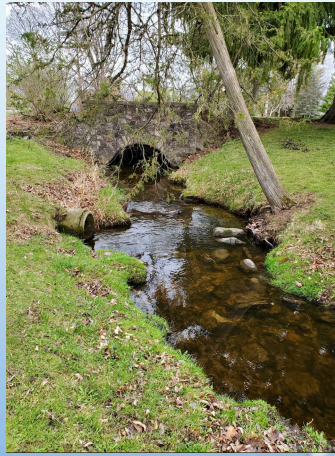


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GRANTS					
*Blue = Stormwater Grants					
UNPS & Storm Water Planning	Storm Water Planning Updates	2022-2023	WDNR	\$70,000.00	Complete
LRIP	Market Way		WisDOT		Complete
UNPS & Storm Water Construction	2023 Streets Catch Basins	2023-2024	WDNR	\$49,785.00	Complete
UNPS & Storm Water Construction	Yard Waste Site Biofilter	2023-2024	WDNR	\$150,000.00	Complete
TAP Grant	Tivoli Island Historic Bridge Study	2023-2027	WisDOT	\$25,600.00	Active
TAP Grant	City-wide Bike & Ped Network Plan	2023-2027	WisDOT	\$80,000.00	Active
HSIP	Welsh Road	2023	WisDOT	\$171,643.50	Complete
BIL-STP Urban	Dewey Ave.		WisDOT	\$1,425,760.00	Active
BIL-STP Local	S. First St. & Western Ave.		WisDOT	\$500,000.00	Active
BIL	N. Fourth Street Resurfacing	2023	WisDOT	\$426,882.40	Complete
Local Bridge	Cady Street Bridge Rehab	2023	WisDOT	\$363,400.00	Complete
Dodge County LWCD	Riverside Park Creek Improvements	2024	WisDOT	\$13,900.00	Complete
STP Urban	Labaree Street	2025-2029	WisDOT	\$923,776.00	Active
TAP Grant	S. Church Street Shared-use Path	2024-2028	WisDOT	\$1,213,256.66	Active
Targeted Runoff Management Grant	Fannie Lewis Park Shoreline Stabilization	2025-2026	WDNR	\$113,943.00	Active
Total Grant Awards:				\$5,444,046.56	

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QUESTIONS & DISCUSSION



MEMO

Public Works Department

To: Chairman Arnett and Commission Members

From: Andrew Beyer, P.E.

Date: September 17, 2025

Subject: Public Works Commission Meeting of September 23, 2025

Review and discuss: Capital Improvement Program (CIP) Overview

Background

Throughout the year, the Public Works Department refines the 5-Year Capital Improvement Program (CIP). The CIP includes a broad range of infrastructure projects that address current and future needs, as detailed below:

1. Utility and Roadway Reconstruction – Replacing aging utility infrastructure and rehabilitating roadways.
2. Utility Maintenance – improving aging sewer and water utility infrastructure through spot repairs or cured in place pipelining (CIPP) to extend useful service life.
3. Resurfacing Projects – Improving roadway conditions through asphalt overlays, milling, and repaving to extend pavement life and enhance ride quality.
4. Roadway Maintenance Projects – Routine maintenance activities such as patching, crack sealing, seal coating, and pavement marking to preserve roadway integrity.
5. Bike and Pedestrian Projects – Enhancements to non-motorized transportation infrastructure, including bike lanes, multi-use paths, and sidewalk extensions to promote connectivity and safety.
6. Sidewalk Repair – Targeted repairs to address pedestrian safety, accessibility, and compliance with Americans with Disability Act (ADA) standards.
7. Bridge and Dam Maintenance and Repair – Ensuring the structural integrity, safety, and functionality of critical infrastructure.
8. Drainage Projects – Addressing localized flooding, improving public drainage systems, and mitigating stormwater runoff with a focus on water quantity, pollutant control, and system maintenance.
9. Seawall and Shoreline Management Projects – Stabilizing and protecting public shorelines and seawalls to reduce erosion, prevent property damage, and enhance ecological habitats.

MEMO

10. WisDOT Project Coordination – Collaborating with the Wisconsin Department of Transportation (WisDOT) on major roadway and infrastructure projects, including state trunk highway and bridge capital projects.
11. Grant-Funded Projects – Leveraging state or federal grants to fund priority infrastructure initiatives.
12. Engineering Design – Comprehensive planning and design for quality, efficient, and cost-effective implementation, including in-house and consultant-led efforts.

The following Divisions contribute to CIP planning and implementation:

1. Street/Solid Waste Division – focuses on patching, pavement removal and grading on resurfacing projects as needed. Assists with bridge maintenance and stormwater drainage improvements as needed.
2. Water Division – coordinates water main replacements, upgrades and extensions to improve the reliability and quality of water service. Facilitates lead service lateral replacement program.
3. Wastewater Division – Plans and implements projects related to sanitary sewer maintenance, upgrades, and replacement to ensure quality service, environmental compliance, and system efficiency.
4. Stormwater Utility – Addresses stormwater management improvements, including flood mitigation, drainage enhancements, pollution prevention, and compliance with regulatory agencies.
5. Engineering Division – Coordinates project design, technical support, and CIP oversight to ensure interdivisional and Department goals are met.

A slide deck is attached with an overview of the CIP. Staff will be available for questions as needed.

Budget Goal

1. Proactively maintains and improves our parks and infrastructure in an effort to ensure quality, safety and compliance
2. Promotes and fosters innovative approaches for community development and growth
3. Maintains a safe and healthy community, and expands community education on safety and health

Financial Impact

The 5-year CIP has a large impact on several budgets annually including:

1. Fund 01 Operational
2. Fund 05 Capital
3. Water Utility
4. Wastewater Utility
5. Stormwater Utility

MEMO

Recommendation

No recommendation; this item is presented for discussion purposes only.

5-Year Capital Improvement Program (CIP) Overview

1

Introduction

- ▶ Public Works Department refines the 5-Year CIP annually to address infrastructure needs
- ▶ Focus areas include utility upgrades, roadway improvements, drainage improvements, and safety enhancements.

2

Key Project Categories in the CIP

- ▶ Utility & Roadway Reconstruction
 - ▶ Replacing aging infrastructure to ensure long-term reliability.



3

Key Project Categories in the CIP

- ▶ Utility Maintenance
 - ▶ Extending utility service life through spot repairs and cured-in-place pipelining treatment.



4

Key Project Categories in the CIP

► Resurfacing Projects

- Enhancing pavement conditions with milling & overlaying, or pavement removal and replacement



5

Key Project Categories in the CIP

► Roadway Maintenance

- Routine activities like patching, crack sealing, seal coating, and pavement marking to preserve pavement.



6

Key Project Categories in the CIP

► Bike & Pedestrian Improvements

- Adding bike lanes, paths, and sidewalks for safety & connectivity.



7

Key Project Categories in the CIP

► Sidewalk Repair

- Ensuring safety, ADA compliance, and pedestrian accessibility.



8

Key Project Categories in the CIP

- ▶ Bridge & Dam Maintenance
 - ▶ Safeguarding structural integrity and functionality
- ▶ Routine maintenance
- ▶ Inspection-driven
 - ▶ High hazard dam vs. low hazard dam
 - ▶ Biennial bridge inspections



9

Key Project Categories in the CIP

- ▶ Drainage Projects
 - ▶ Addressing flooding, stormwater runoff, and drainage improvements



10

Key Project Categories in the CIP

► Seawall & Shoreline Management

- Preventing shoreline erosion and protecting ecological habitats.



11

Key Project Categories in the CIP

► WisDOT Project Coordination

- Collaborating with the State on major roadway and infrastructure projects.



12

Key Project Categories in the CIP

► Grant-Funded Initiatives

- Leveraging grants for priority projects.

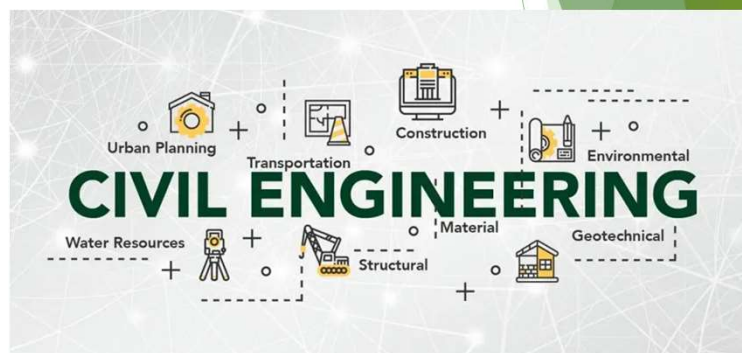


13

Key Project Categories in the CIP

► Engineering Design

- Comprehensive project planning and design for efficient project implementation
 - Includes in-house planning and design through Engineering Division, and engineering consultant planning & design oversight.



14

Divisional Contributions to CIP

- ▶ Street & Solid Waste Divisions
 - ▶ Supports resurfacing, roadway maintenance, bridge maintenance and stormwater improvements.
- ▶ Water Division
 - ▶ Water main replacements and lead service lateral program coordination.
- ▶ Wastewater Division
 - ▶ Sanitary sewer upgrades and maintenance.
- ▶ Stormwater Utility
 - ▶ Manages flood mitigation, pollution prevention, and maintenance.
- ▶ Engineering Division
 - ▶ Oversees design, coordination, and CIP implementation.

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Financial Impact of the CIP

- ▶ Affects annual budgets for:
 - ▶ Operational Fund (Fund 01)
 - ▶ Capital Fund (Fund 05)
 - ▶ Water Utility (Fund 02)
 - ▶ Wastewater Utility (Fund 03)
 - ▶ Stormwater Utility (Fund 16)

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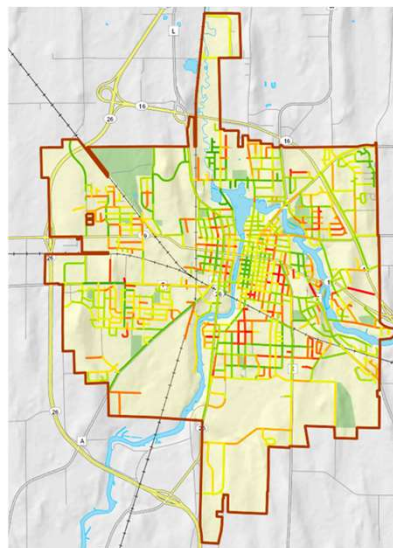
Steps in Developing the 5-Year CIP: A Collaborative and Data-Driven Process

- ▶ Evaluate Current Infrastructure Conditions
 - ▶ Assess roads, utilities, and public drainage systems.
- ▶ Prioritize Projects Based on Need & Funding
 - ▶ Safety, pollution prevention, community impact & available funding.
- ▶ Incorporate Divisional Goals & Stakeholder Input
 - ▶ Review projects with Public Works Team and incorporate feedback from community stakeholders.
- ▶ Plan for Funding & Resource Allocation
 - ▶ Identify grant opportunities and coordinate budgets.

17

Evaluating Infrastructure Conditions

- ▶ Pavement and Surface Evaluations Rating (PASER)
 - ▶ PASER system rates pavement conditions from 1 to 10.
 - ▶ Used to identify resurfacing and reconstruction priorities.
 - ▶ Required to be performed every 2 years per State Statute.
 - ▶ Geographic Information System (GIS) data collection.

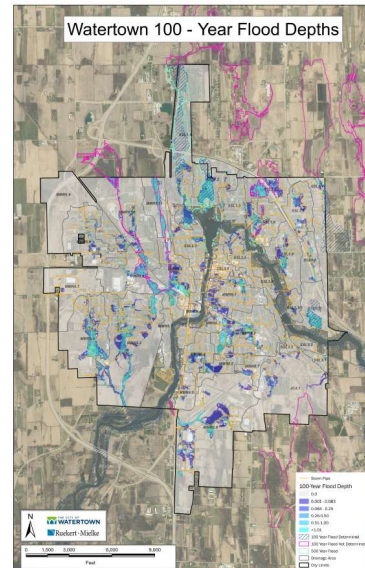


18

Evaluating Infrastructure Conditions

► City-Wide Flood Study Review

- Identify flood-prone areas and develop drainage improvement plans.
- Review existing storm sewer system.
 - Televising reports, in-field inspections, and desktop review.



19

Evaluating Infrastructure Conditions

► Water Distribution System

- Review lead service lateral locations.
- Water Main Break Analysis.
- Analyze frequency and location of breaks to prioritize upgrades.
- Review age of pipe.
 - Not all pipe materials are created equally.



20

Evaluating Infrastructure Conditions

► Sanitary Sewer Collection System

- Review collection system condition
 - Maintenance vs. Replacement



21

Prioritizing and Refining the CIP

- Criteria for Projects
 - Infrastructure condition, safety, and impact on the community.
- Coordination Across Divisions
 - Aligning goals between Streets/Solid Waste, Water, Wastewater, Stormwater, and Engineering.
- Funding
 - Budget development
 - Stretching project dollars further with grant opportunities
- Preliminary Project List
 - Project list refinement
 - Refine

22

Long Term Vision for the CIP

- ▶ Align projects with strategic community development goals
- ▶ Ensure infrastructure resiliency through proactive planning.
- ▶ Maximize funding opportunities with local, state, and federal grants.
- ▶ Maintain flexibility to adjust for emerging priorities.

