

April 20, 2016

The regular meeting of the New Richmond Utility Commission was held on April 20, 2016 at 7:30 a.m. at the Civic Center.

Pat Becker called the meeting to order at 7:30 a.m.

Members Present: Jerry Frey, Bob Mullen, Gerry Warner, Dan Casey, and Pat Becker.

A motion was made by Bob Mullen to approve the agenda, seconded by Gerry Warner, and carried.

A motion was made by Jerry Frey to approve the minutes of the March 2, 2016 meeting, approve bills and disbursements, seconded by Gerry Warner, and carried.

Public Comment – None

Consideration of options for future borrowing for Water & Sewer – combine or separate:

Historically the Utility Commission has chosen to combine water and sewer debt together when bonding. There are several factors to consider in determining the best path forward. Sean Lentz, representing Ehlers and Associates, discussed the pros and cons of continuing this practice vs. the decision to separate them going forward. Con: The City would have to complete two revenue bond issuances. Doing so entails additional costs and administrative burdens. Pro: It reduces obstacles to issuing future revenue bonds, and reduces the chance of one utility subsidizing the other. After presenting the pros and cons, and reviewing the numbers with the Utility Commission, Sean's recommendation was to leave things the way they currently are – to not separate the water and sewer revenue bonds. A motion was made by Dan Casey to leave the water and sewer revenue bonds combined, seconded by Jerry Frey, and carried.

Consideration of refunding 2007 Water/Sewer Revenue Bond:

Sean Lenz, Ehlers and Associates, presented exhibits related to the existing Water and Sewer debt with projections for refunding the 2007 Water and Sewer debt with the new debt. The 2007 Water and Sewer Revenue Bond will be callable on May 1, 2016. After reviewing the exhibits with the Utility Commission, Sean recommended the 2007 Water and Sewer Revenue Bond be refunded, and refinanced with the new debt at a lower interest rate. A motion was made by Bob Mullen to refund the 2007 Water and Sewer Revenue Bond and refinance with the new debt at a lower interest rate, seconded by Jerry Frey, and carried.

Brady's Brewhouse – Request for Sewer Credit:

Brady's Brewhouse submitted documentation relating to a high sewer bill. The sewer charges resulted from a broken water pipe, resulting in thousands of gallons of water going down the sewer drain. The documentation submitted by Brady's Brewhouse was reviewed. It was determined the additional water did go down the sewer drain. According to the Water Leak Sewer Adjustment Policy, Brady's Brewhouse would not be eligible for a sewer credit. A motion was made by Dan Casey to enforce the current policy, resulting in Brady's Brewhouse not being eligible for a sewer credit, seconded by Jerry Frey, and carried.

2016 Street/Utility Projects:

Bids were opened this week for the 2016 Street/Utility projects. Two bids were submitted, A-1 Excavating, and Haas and Sons. A-1 was the low bid at just under \$4.2 million for all projects. A final review of the bid submitted by A-1 Excavating is still in process. A motion was made by Bob Mullen to approve awarding the bid to A-1 Excavating, contingent on the final review, seconded by Jerry Frey, and carried.

WWTP Clarifier Coating:

As part of the 2016-2020 Five Year Capital Budget Plan, \$200,000.00 was set aside in 2016 for Thickener/Clarifier Equipment. Staff has evaluated alternatives for addressing the thickener/clarifier equipment needs, and concluded it will be most cost-effective to recoat, rather than replace, the clarifier equipment while the thickener equipment is not worth recoating at this point due to significant deterioration. With regard to the clarifier equipment (Primary Clarifier #3 and Final Clarifier #3), staff has received

quotations from TMI Coating and Crane Engineering for recoating this equipment. These quotations were presented to the Utility Commission for review. The replacement of the thickener equipment will be bid out as part of a project later in 2016. Based on quotations provided, Staff is recommending contracting with Crane Engineering for recoating and rehabilitating the clarifier equipment at a cost of \$57,513.00. A motion was made by Bob Mullen to contract with Crane Engineering for an amount of \$57,513.00, seconded by Dan Casey, and carried.

Department Reports:

Mike Darrow, Utility Manager:

Interviewing for the new police chief is currently taking place. The City is taking over the New Richmond Cemetery. This is an unexpected project that is fairly complex, due to real estate transactions relating to the cemetery plots, mapping, etc. Mike extended a thank you to Marty Powers for his dedicated work. Identifying the needs resulting from Marty's resignation, along with the posting of the position will be a priority. Jeremiah Wendt and Noah Wiedenfeld are working on grants relating to the various water and wastewater projects.

Bob Meyer, Water Superintendent:

The water department has been busy doing locates. They are also involved with the school presentations, with two schools remaining. The meter conversions and cross connection inspections continue. Well #5 is back online. Bob Meyer and Pat Howell attended a tech conference in Green Bay the end of March. Water service on N 2nd Street and Pierson Avenue will be replaced due to galvanized pipes. Hydrant flushing will begin on May 3, 2016.

Steve Skinner, Lead Wastewater Treatment Plant Operator:

Staff is in the process of doing the spring cleaning of the tanks. The flow meters were calibrated on Monday. During that process a gate valve broke. Hope to have it repaired within two weeks. The Water and Wastewater school presentations have begun, and will be completed the first week in May. A new computer for the SCADA system will be installed within a week. The fire suppression is being upgraded on the generator at the Wastewater Treatment Plant. It was no longer meeting fire code standards. A new zero turn lawnmower was purchased for the WWTP, and has been delivered. The old Simplicity mower was sold.

Tom Rickard, Electric Superintendent:

The ITRON meter conversion was originally a four year project, scheduled to be completed in 2017. Currently the electric department is planning to complete the conversion in 2016. The additional meters necessary to complete the conversion were ordered approximately two months ago. Once those meters are delivered, the conversion will be completed. A number of new services have been put in, with more to be completed. Line locates have also kept staff extremely busy. New lighting was installed on 115th Street. The winter moratorium has ended, resulting in the electric department taking over disconnections.

Jeremiah Wendt, Director of Public Works:

Jeremiah reported he received a notice of resignation from Marty Powers, effective May 1, 2016. Marty has accepted a position in Wyoming, MN as the Public Works Superintendent. Marty had a significant role in the upcoming 2016 projects. Staff will be looking at short term options to fill that role, while also evaluating the vacant position Marty's resignation creates.

Weston Arndt, WPPI Energy Services Rep:

School Visits

Our outreach with the elementary schools in New Richmond for our water, wastewater, and electric departments is underway. Below is a summary of the presentations:

2nd grade: Electrical Safety (PowerTown demonstration) – Completed at Hillside and Paperjack. Scheduled for Starr on May 4 and St Mary's on April 26.

4th grade: Pedal Power (Bicycle with generator powering lights and other electric devices) – Completed at Paperjack and Starr. Scheduled for St Mary's on April 26.

4th or 5th grade: Water and Wastewater presentation (water and wastewater system overview with Vac-truck demonstration) – Completed at Hillside and Paperjack. Scheduled for Starr on May 6, and St Mary's on April 26.

Simple Energy Efficiency

Focus on Energy is rolling out a new program called Simple Energy Efficiency. Residential customers that haven't utilized the Express Energy Efficiency program in the last three years are eligible. Multifamily buildings of 4 units and up are not eligible. The program offers LED lights, showerhead, and faucet aerators in a mailed energy efficiency kit. We will promote the program in the Home Energy Reports.

Phillips-Medisize

Phillips-Medisize is wrapping up their central resin drying and processing system. This system will save significant energy, and will receive a Focus on Energy incentive of roughly \$70,000 along with additional funding from WPPI Energy for \$17,000.

WPPI Energy Regional Dinner

Reminder that WPPI Energy will host seven dinner meetings this spring to discuss timely organizational and electric industry issues with member utility staff, elected officials and utility governing bodies. The event for our area will be held on April 27 at Johnny's Steakhouse in Eau Claire.

Power Monitoring

An example of temporary power monitoring was shared showing the impact of a hot water leak on the water heater energy consumption.

There being no further business, a motion was made by Jerry Frey to adjourn, seconded by Bob Mullen, and carried. The meeting adjourned at 8:34 a.m.

Pat Becker, President

Gerry Warner, Secretary