

(Unapproved)

**WATER AND SEWER UTILITY COMMISSION
Minutes**

November 14, 2016

Brillion Community Center

7:00 pm

CALL TO ORDER:

Chairperson Jeff Wittmann called the meeting to order at 7:03 pm.

ROLL CALL:

Present were Mayor Gary Deiter, Jeff Wittmann, Mary Jo Krueger, Wally Sonnabend, Dave Schwahn, Leonard Kopidlansky, and Dan Mertens. Also present were Paul Much from MCO, Amy Vaclavik from McMahan, Pete Litersky from MCO, City Administrator Clerk/Treasurer Lori Gosz, and Deputy Clerk/Treasurer Joy Buboltz. Absent was Joe Levash.

GUESTS:

Jon Ehlers from Ehlers & Associates and Cheryl Plitt.

APPROVAL OF AGENDA:

Motion – Sonnabend moved to approve the agenda as printed. Seconded by Schwahn. Call vote taken. Motion carried unanimously.

APPROVAL OF THE MINUTES OF THE OCTOBER 17, 2016 WATER AND SEWER UTILITY MEETING:

Motion – Mertens moved to approve the minutes of the October 17, 2016 Water and Sewer Utility meeting. Seconded by Krueger. Call vote taken. Motion carried unanimously.

APPROVAL OF VOUCHERS:

Gosz explained the change to the Midwest Contract Operations voucher. The change is due to the cost of health insurance.

Motion – Sonnabend moved to approve the Water and Sewer Utility operating vouchers in the amount of \$58,223.38. Seconded by Mertens. Call vote taken. Motion carried unanimously.

CITIZEN INPUT:

Cheryl Plitt presented an article stating that President Elect Trump is considering cancelling billions of dollars for climate change and using those funds for fixing infrastructure. With that possibility, there may be federal funds available in the future for infrastructure for the City to receive.

WATER AND SANITARY SEWER UTILITY CASH FLOW:

Jon Cameron from Ehlers stated he looked at the impact to the Utility from the loss of the Brillion Iron Works water usage and their billable revenue to the Utility. He also reviewed the outstanding balance on the Utility's 2004 Revenue Bond, the 2010 Revenue Bond, and the 2015 Safe Drinking Water Fund loan. Cameron reviewed the current proposed 2017 Water and Sewer Utility Budget with the Commission. With that proposed budget the Commission would be below the 125% coverage required for the outstanding Revenue Bonds.

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Cameron suggested restructuring the 2004 Revenue Bond and the 2010 Revenue Bond and include the costs with the 2017 Water Utility Project. This way the payments on the Revenue Bonds would be lowered. Both the 2004 Revenue Bond and 2010 Revenue Bond are callable and can be stretched out a few more years. Cameron presented the projected 2017 Water Revenue Bonds payments.

Cameron presented and explained the Water Utility Cash Flow Analysis with the restructuring of the Revenue Bonds and including the costs of the 2017 Water Utility Project.

Cameron suggested restructuring the Revenue Bonds and applying for a 25% water rate increase from the Public Service Commission. By doing these steps the Utility would then be above the 125% coverage on the Revenue Bonds. The water rate increase could be proposed to take into effect July 1, 2017.

Krueger asked why the estimated 2016 operating and maintenance costs are approximately \$125,000 less than 2015 actual. She noted the operating and maintenance costs rise again in 2017. She also asked what impact the loss of the Brillion Iron Works has on the Utility's maintenance costs. Much stated there isn't a substantial savings to the Utility. There are some savings on chemicals, salt, and electricity. However there are still infrastructure costs that continue. There also is no real cost savings impact to the Wastewater Treatment Plant since the Brillion Iron Works had their own discharge permit.

2017 WATER AND SEWER UTILITY BUDGET:

Gosz distributed a copy of the proposed 2017 Water and Sewer Utility Budget to the Commission. Cameron explained that the Brillion Iron Works used a quarter of the water pumped by the Utility. This will have an effect on the City's water side of the budget but not the same impact on the sewer side of the proposed budget, since the Brillion Iron Works had several water only accounts.

The Commission reviewed the proposed budget. Gosz explained at this time she did not include revenue amounts in the industrial portion and the private fire protection portion of each budget.

Gosz stated she feels the Utility needs to restructure the debt as proposed by Ehlers and apply for a 25% water rate increase from the Public Service Commission.

Vaclavik suggested not placing funds in the water budget at this time for the painting of the water towers. Once the water towers need to be painted, the Utility could borrow for those funds, if need be.

The proposed Capital Projects were discussed. Gosz stated the proposed Capital Projects does not match what is being proposed in the 2017 Budget. Discussion followed on what projects can be budgeted for at a later date or borrowed for. Much explained that the proposed underground piping can be pushed back to a later date. A dig was recently done by the digester and it was found that the piping was in good condition, but the bolts on the flanger were in poor condition. He suggested doing another exploratory dig next year.

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Litersky stated he received a quote of \$10,761 for the maintenance of the generators. He suggested staggering the maintenance of generators and will receive a quote on that.

Much stated the evasive weeds around the reed beds will need to be sprayed in the future. He will receive a quote on that spraying.

The Commission agreed to have Gosz and Cameron work on the restricting of the debt as proposed by Ehlers and to work on a water rate increase for the Utility. More information on this will be available at the December Utility meeting.

INFLOW & INFILTRATION REDUCTION PROJECT:

A. 2017 Inflow & Infiltration Reduction Project & Mini-Storm Project – Update:

Vaclavik stated the survey work should be done this week with the design work to be started afterwards.

Vaclavik stated for the 2016 I/I Project, McMahon will be looking for the final payment for the contractors for next month's meeting.

MCO REPORT:

A. Phosphorus Limit Compliance – Update:

No report.

B. Main Street Well Heater and WWTP Boiler Repairs – Update;

Litersky reported the furnace has been installed and they are waiting for the boiler.

C. Monthly Superintendent Report/Update:

Litersky reviewed his report with the Commission and reported on the following:

- The valve on the sand filter is “shot”. The gears are stripped. He is waiting for the costs on replacing the filter. They will try to run on three (3) filters.
- Booster 2 is still out yet.
- Heavy paper toweling and rags were found in the Ryan Street Lift Station. Other debris was found in the other lift stations. Screens will again be installed by the Ryan Street Lift Station.
- 114 meters were change in 2016.
- They are winterizing hydrants.

ENGINEER'S REPORT:

A. Ferric Chloride Bulk Storage Tank Replacement - Update:

Vaclavik reported the ferric tank is being built and should be installed the week after Thanksgiving.

CHAIRMAN:

No report.

ADMINISTRATOR:

(Unapproved)

A. Disallowance of Claim – 326 S. Francis Street:

Gosz reported that the City's Insurance Company found that the City was not negligent for the sewer backup in the home of Chuck Skenandore during the jetting maintenance of the sewer main done by PLC Water Jetting Service.

Krueger asked if this property was on the list of residents to contact when sewer jetting is done. Litersky stated no.

Motion – Mertens moved to recommend to City Council to disallow the claim by Chuck Skenandore for the sewer backup into his home during the sewer jetting done by PLC Water Jetting Service. Seconded by Krueger. Call vote taken. Motion carried unanimously.

CITY CLERK/TREASURER:

Buboltz reported that \$27,834.12 will be placed on the tax roll for delinquent water and sewer bills.

OLD BUSINESS:

Mertens asked the status of the Dave Sonnabend water drainage issues. Mayor Deiter will contact the property owner located on the corner of Lee Avenue and Springdale Drive and the two (2) residents on Wisconsin Avenue regarding their water discharge in the winter time. The Utility Commission will allow those three (3) property owners, and only those three (3) property owners, to connect their sump pump into the sanitary sewer during to the winter season due to ice buildup concerns.

Krueger asked the status of the City's leaf pickup. Gosz stated the last leaf pickup ended on Friday, November 11th. Krueger noted the large amount of leaves still out by the curb and suggested either the DPW pick up those leaves or have the property owner remove those leaves so those leaves do not flow to the City's storm sewer and block the storm sewer.

NEW BUSINESS:

None.

ADJOURNMENT:

Motion – Sonnabend moved to adjourn the meeting. Seconded by Schwahn. Motion carried unanimously. The meeting was adjourned at 8:18 pm.

Joy L. Buboltz
Deputy Clerk-Treasurer