



April 6, 2015

TO ALL UTILITY COMMISSION MEMBERS:

GERRY WARNER  
BOB MULLEN  
JERRY FREY  
DAN CASEY  
PAT BECKER

This is to inform you that there will be a Utility Commission Meeting on **April 6, 2015 at 3:30 p.m.** in the Administrator's office at the Civic Center.

**AGENDA:**

1. Call to order
2. Adoption of agenda
3. Approval of previous commission meeting minutes
4. Approval of bills and disbursements – March 2015
5. Public Comment
6. Madison Ave Street Lighting Proposal
7. Act 274 Tariff Changes to Deferred Payment Agreements
8. Wastewater Facility Planning
9. 2015-2016 Street and Utility Improvements
10. South Water Tower Reconditioning Project
11. Scott Newby Land Update
12. Need Analysis for Impact Fee Adjustment
13. Staff Reports
14. Closed session per State Statute 19.85(1)(e)
  - a. Staff updates & Recommendations
15. Open Session – Action on Closed Session agenda
16. Communications and miscellaneous correspondence
17. Adjourn

A handwritten signature in black ink, appearing to read "Mike Darrow".

Mike Darrow  
Utility Manager

A majority of the members of the New Richmond City Council may be present at the above meeting.

Pursuant to State ex rel. Badke v. Greendale Village Board, 173 Wis. 2d 553, 494 N.W. 2<sup>nd</sup> 408 (1993) such attendance may be considered a meeting of the City Council and must be noticed as such, although the Council will not take action at this meeting.

## New Richmond Utilities

### March 2015 Check Register

Check #	Date	Amount	Vendor Name	Description
000608	3/2/2015	688,432.34	WISCONSIN PUBLIC POWER INC	JAN15 PURCHASED POWER
000609	3/6/2015	57,351.11	CITY OF NEW RICHMOND	PAYROLL 3-6-15
000610	3/10/2015	5,112.99	CITY OF NEW RICHMOND	MARCH INSURANCE
000611	3/10/2015	2,500.00	CITY OF NEW RICHMOND	MARCH RENT
000612	3/10/2015	7,317.57	CITY OF NEW RICHMOND	RECYCLING
000613	3/10/2015	21,759.95	CITY OF NEW RICHMOND	STORM WATER
000614	3/10/2015	4,182.93	CITY OF NEW RICHMOND	FEB MONTHLY BILL
000615	3/10/2015	427.20	DAKOTA SUPPLY GROUP INC	KEARNEY SPEED FUSE
000616	3/10/2015	39.60	DEBBIE POWERS	REIMBURSE UTILITY COMM REFRESH
000617	3/10/2015	171.66	DIANE THIELKE	MEUW CONFERENCE-DIANE & JILL
000618	3/10/2015	244.99	GREG HERMANSEN	SAFETY BOOTS
000619	3/10/2015	7,471.00	MUNICIPAL ELECTRIC UTIL OF WI	COLLECTIONS SEMINAR-DIANE,JILL
000620	3/10/2015	338.36	NORTH CENTRAL LABORATORIES INC	HACH NUTRIENT, MEMB CAPS
000621	3/10/2015	9.99	NEW RICHMOND ELECTRONICS	JUMP DRIVE - SCHOOLING
000622	3/10/2015	5,096.29	NEW RICHMOND UTILITIES	FEB CTOC COLLECTIONS
000623	3/30/2015	622,790.84	WISCONSIN PUBLIC POWER INC	JAN15 NS/DYN/EMAIL HOST
000624	3/19/2015	14,057.47	WI DEPT OF REVENUE	FEB15 SALES TAXES
000625	3/18/2015	57,470.35	CITY OF NEW RICHMOND	PAYROLL 3/20/15
000626	3/23/2015	83,550.00	LOCAL GOVERNMENT INVESTMENT POOL	MAR15 INVESTMENT
000627	3/23/2015	29,000.00	LOCAL GOVERNMENT INVESTMENT POOL	MAR15 INVESTMENTS
000628	3/31/2015	40,070.00	BOND TRUST SERVICES CORP	2006B Elec Rev Bond Int Only
000629	3/25/2015	87.87	CITY OF NEW RICHMOND	BEN EXTRA-HRA MONTHLY ADMIN
000630	3/25/2015	26.00	CITY OF NEW RICHMOND	BEN EXTRAS-MONTHLY FSA
000631	3/25/2015	479.19	CITY OF NEW RICHMOND	DISABILITY INSURANCE
000632	3/25/2015	24,428.30	CITY OF NEW RICHMOND	HEALTH INSURANCE
000633	3/25/2015	41.62	CITY OF NEW RICHMOND	LIFE INSURANCE
000634	3/25/2015	2,304.73	CITY OF NEW RICHMOND	REIMBURSE B THOMPSON
000635	3/25/2015	9,121.57	CITY OF NEW RICHMOND	REIMBURSE - J WENDT
000636	3/25/2015	42,534.42	CITY OF NEW RICHMOND	TAX EQUIVALENT

000637	3/25/2015	756.50	COMMERCIAL TESTING LABORATORY	COLIFORM BACT
000638	3/25/2015	106.80	DAKOTA SUPPLY GROUP INC	KEARNEY 6A K SPEED FUSE
000639	3/25/2015	6,717.67	HAWKINS, INC	ALUMINUM SULFATE
000640	3/25/2015	17.88	HUEBSCH	SLATE MAT
000641	3/25/2015	760.00	HYDRODESIGNS	CROSS CONNECT INSPECT SVC
000642	3/25/2015	2,021.33	INFOSEND, INC	FEB BILLING & POSTAGE
000643	3/25/2015	101.79	ST CROIX AUTOMOTIVE	OIL & FILTER
000644	3/25/2015	38.51	VARIETY OFFICE PRODUCTS	WRIST KEY RING, PENS
000645	3/25/2015	20.00	WISCONSIN STATE LAB OF HYGIENE	FLUORIDE
033576	3/3/2015	-632.40	BERNARD'S NORTHTOWN INC	TUBULAR STEP KIT - VOID CHECK
033605	3/10/2015	0.00	VOID CHECK	VOID CHECK
033606	3/10/2015	45.34	AUTO VALUE NEW RICHMOND	BLADE FUSE
033607	3/10/2015	800.00	BAKER TILLY VIRCHOW KRAUSE LLP	FINANCIAL STATEMENT AUDIT
033608	3/10/2015	190.00	CLEAR CHOICE PRINTING INC	WINDOW ENVELOPES
033609	3/10/2015	173.26	DOYLE'S FARM & HOME INC	FILE MILL CARDS
033610	3/10/2015	34.76	FAMILY FRESH MARKET	DISTILLED WATER
033611	3/10/2015	45.78	FASTENAL COMPANY	GLOVES, EAR PLUGS
033612	3/10/2015	385.39	FLEET ONE LLC	FEB FUEL
033613	3/10/2015	543.41	FREEDOM VALU CENTERS	FEB FUEL
033614	3/10/2015	496.44	FRONTIER COMMUNICATIONS	FEBRUARY PHONE BILL
033615	3/10/2015	19,497.92	HD SUPPLY WATERWORKS, LTD	3/4 IPERL METERS
033616	3/10/2015	395.00	JOBSHQ	ADVERTISING WWTP POSITIONS
033617	3/10/2015	398.56	KWIK TRIP	FEB FUEL
033618	3/10/2015	171.42	LEAGUE OF MINNESOTA CITIES	WEB ADVERTISING -WWTP OPERATOR
033619	3/10/2015	41.47	QUILL	INK CARTRIDGE, RUBBER BANDS
033620	3/10/2015	209.50	SKOGLUND OIL CO. INC.	SYNTHETIC GEAR LUBE
033621	3/10/2015	502.49	ST CROIX AUTOMOTIVE	LUBE, OIL & FILTER
033622	3/10/2015	82.07	USABLUEBOOK	HACH TEST STRIPS, HACH DPD 1
033623	3/10/2015	279.27	VERIZON WIRELESS	FEB CELL PHONE
033624	3/10/2015	170.00	WISCONSIN RURAL WATER ASSN	WRWA TECH CONFERENCE- B MEYER
033625	3/10/2015	146.54	NEW RICHMOND PROPERTIES	CR REF ACCT# 1616800-28
033626	3/25/2015	18.50	BLUE RIBBON FEED INC	TORDON
033627	3/25/2015	350.00	BOND TRUST SERVICES CORP	ELECTRIC BOND PAYING AGENT FEE

033628	3/25/2015	325.00	CHIPPEWA VALLEY TECHNICAL COL	APPARATUS WORKSHOP-M PETERSON
033629	3/25/2015	600.00	DANNIE TURNER	CR REF ACCT# 1417100-38
033630	3/25/2015	128.87	EDDIE & PEGGY JOHNSON	CR REF ACCT# 1123900-20
033631	3/25/2015	1,276.81	FRESCO INC	SHORTING CAPS
033632	3/25/2015	231.86	GOLDCOM VOICE & DATA SUPPLY	RED MARKING PAINT
033633	3/25/2015	157.43	JOHN DEERE FINANCIAL	OIL
033634	3/25/2015	78.00	MY RECEPTIONIST, INC	ANS SVC 2/11/15-3/10/15
033635	3/25/2015	224.20	PATRICK & DENISE KOCHENDORFER	CR REF ACCT# 590700-23
033636	3/25/2015	256.95	PRAXAIR DISTRIBUTION INC	ACETYLENE, OXYGEN 5 YR LEASE
033637	3/25/2015	8,867.77	SHORT ELLIOTT HENDRICKSON INC	VERIZON, SPRINT, T-MOBILE
033638	3/25/2015	48.95	TOM RICKARD	SAFETY MEETING REFRESHMENTS
033639	3/25/2015	9.00	TWO-WAY COMMUNICATIONS	ANTENNA
000640	3/25/2015	0.00	UNITED ELECTRIC	STUB CHECK
033641	3/25/2015	16,067.41	UNITED ELECTRIC	RD BOX COVER
033642	3/25/2015	75.00	UP-RITE DOOR CO	SVC CALL-SHOP BUILDING DOOR
033643	3/25/2015	3,113.00	WESCO RECEIVABLES CORP	488W2 WITH LOCKING SNAPHOOKS
033644	3/25/2015	3,140.81	XCEL ENERGY	FEBRUARY GAS BILL
033645	3/25/2015	246.55	ZEP SALES & SERVICE	PULL TOWEL, ZEP 40

**Total**                    \$ 1,796,151.15  
Total Checks & Wires



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New Richmond, WI 54017  
Ph 715-246-4268 Fax 715-246-7129  
www.newrichmondwi.gov

**TO:** Mayor Horne, City Council Members and Utility Commissioners

**FROM:** Beth Thompson, Community Development Director  
Tom Rickard, Electric Superintendent

**DATE:** March 26, 2015

**RE:** Madison Avenue Lighting Project

**Background**

Madison Avenue was constructed in 2006 and at the time the City did not feel the need to put in street lighting. There were a couple of reasons for this; the first being cost and the second reason was need. At that time, there were no businesses or homes on Madison Avenue and no real need for street lighting.

Over the past seven years the businesses and traffic on this street has increased. With the new arrivals of Barley John's Brewery and Backyard Paradise, along with the expansion of 45<sup>th</sup> Parallel and Distillery, Accelerated Plastics, Well house Building and the Police Storage Building the need for lighting on Madison Avenue has increased. Below please see our proposal for lighting on Madison Avenue.

Type of Lighting

The lighting for this project will be 135 watt LED lights on a 30 ft. aluminum pole with a 30 inch aluminum arm. These lights will be consistent with existing street lights throughout the industrial park. Please see attachment 1 for existing lights and attachment 2 for the lights.

Sources of Funds

The estimated project costs will be as follows:

Material	\$31,267.00
Labor & Equipment	\$ 8,333.00
Contingency	\$ 4,000.00
Total project costs	<b>\$43,600.00</b>

The source of funds will come from TIF #6.

### Concept Design

This lighting project is approximately 2,800 feet long, which will add 14 poles; this includes the entire length of Madison Avenue up to West Richmond Way and is underground line to the light poles. Please see attachment 3 for the concept of the Madison Lighting Project.

### Proposed Project Schedule

Present to Finance Committee – April 6

Present to Utility Commission – April 6

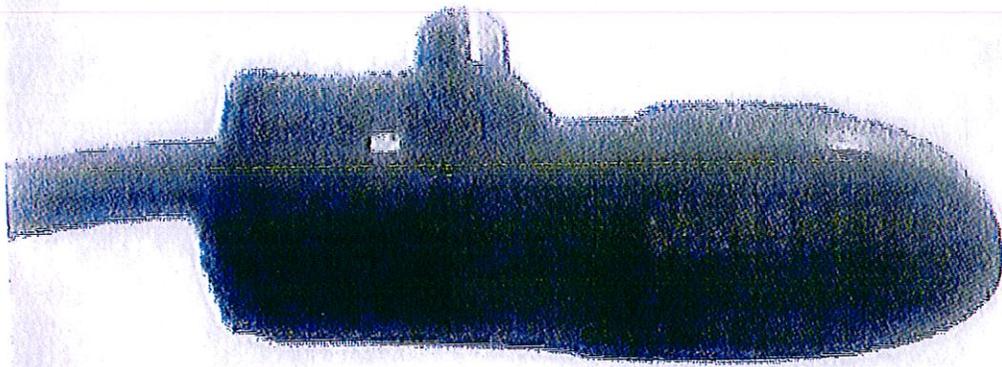
Present to City Council – April 13

If approved by Finance, Utility and Council the Electric Department will start this project in late June, depending on receiving all necessary materials, and be completed in late July.

### **Recommendation**

Due to safety concerns, staff is recommending approval of the Madison Avenue Lighting Project per the above referenced plan.





Proposed Lights and Poles  
Madison Ave, New Richmond

CREEKWOOD DR

WISCONSIN DR

MADISON AVE

WEST RICHMOND WAY





TO: Utility Commission  
FROM: Nancy Petersen, Utility Finance Director  
DATE: March 31, 2015  
RE: **Act 274 – Tariff Changes to Deferred Payment Agreements**

**BACKGROUND:**

Current Electric and Water tariffs require all utilities to offer a deferred payment agreement to residential customers, whether the customer is a tenant or owner of the property being provided with service. (See Wis. Admin. Code PSC 113.0404, PSC 134.063, and PSC 185.38.)

On April 16, 2014, Wisconsin Act 274 was enacted into law. One of the provisions of this new law state that a municipal utility is not required to offer deferred payment agreements to residential customers who are tenants of rental dwelling units. However, because this new law contradicted PSC administrative rules MEUW (Municipal Electric Utilities of Wisconsin), on behalf of its members, filed a docket with the PSC to change PSC 113, 134 and 185 to conform to Act 274. The PSC ultimately approved the criteria relating to declining deferred payment agreements applicable to residential tenants if any one of the following criteria applies:

1. The residential tenant has greater than \$100 of account arrearages that are more than 90 days past due for utilities that bill monthly; or for utilities that do not bill monthly, has greater than \$100 of account arrearages that are past due for more than two billing cycles.
2. The tenant has defaulted on a deferred payment agreement in the past 12 months. This criterion only applies to deferred payment agreements and not to other types of payment extensions or agreements.
3. The residential tenant is responsible for account arrearages that were placed on any property owner's tax bill in the utility's service territory in the past 24 months.
4. The residential tenant has a balance that accrued during the winter moratorium that is more than 80 days past due.

The PSC's final ruling on this docket was dated September 3, 2014 which states that a Utility must submit a written petition to open a docket and update its electric and water rules (Schedule No. X-1 for electric and water) related to deferred payment agreement offerings to utility customers who are residential tenants. MEUW then worked with the PSC to develop a streamlined application process for utilities to follow. The process is:

1. The utility files a written petition with the PSC to open a docket and update its operating rules tariffs.

2. The PSC will open the docket and issue a Notice of Proceeding. The PSC has 60 days to open the docket, but we have been told this usually takes less than 60 days.
3. The PSC's Administrative Law Judge (ALJ) will schedule a hearing with the utility and issue a Notice of Hearing. A public comment period will also be opened on the PSC's website. For utilities that provide electric and water service, two hearings are required because electric and water operating rules are being amended, but the PSC will try to schedule the hearings back-to-back on the same day.
4. The utility must notify its customers about the hearing(s) (same notification as a rate case). The notice must be distributed to utility customers.
5. The ALJ will conduct the hearing.
6. If it is determined that the amended changes comply with the PSC's preapproved criteria (which the suggested tariff does), a delegated order will be issued by the PSC's administrator of the Division of Water, Compliance and Consumer Affairs. Then the additional information will be added to the tariff, and the amended tariff will be uploaded to ERF and the Commission's website.

It is important to note that these changes to our service rules tariff are optional and if it is decided to not do anything at this time, we would continue our current deferred payment agreement offerings to residential tenant customers.

**RECOMMENDATION:**

Act 274 allows a Utility to continue the practice of offering deferred payment agreements to residential tenants that do not abuse the opportunity for deferred payment agreements. For those residential tenants that take advantage of the system, a utility has the option of discontinuing the practice of offering deferred payment agreements but needs to amend its existing tariff in order to do so.

Staff recommends filing a tariff with the PSC to amend our service rules related to offerings of deferred payment agreements to residential tenants as outlined in the documents following.



April 7, 2015

Jeff Stone  
Administrator - Division of Water, Compliance and Consumer Affairs  
Public Service Commission of Wisconsin  
P.O. Box 7854  
Madison, WI 53707-7854

Dear Mr. Stone:

**TARIFF CHANGES TO DEFERRED PAYMENT AGREEMENTS (PSC UTILITY NO. 4139 & 4140)**

Pursuant to the Commission's final order in docket 5-EI-152 dated Sept. 3, 2014, New Richmond Utilities submits a written petition to open a docket and update its electric and water rules (Schedule No. X-1 for electric and water) related to deferred payment agreement offerings to utility customers who are residential tenants. The proposed new section is enclosed for your reference.

We understand the Commission has delegated authority to your division for approval of the proposed changes as long as they comply with the final order's modified conditions and a hearing is held.

Please do not hesitate to contact me with any questions regarding our filing.

Sincerely,

Mike Darrow  
City Administrator/Utility Manager

Nancy Petersen  
Utility Finance Director

c: Zachary Bloom, Executive Director, MEUW

## Suggested Tariff - Electric and Water Operating Rules Schedule X-1

New Richmond Utilities

<b>Deferred Payment Agreements</b>
------------------------------------

New Richmond Utilities shall offer deferred payment agreements to residential accounts and may offer such agreements to other customers. However, New Richmond Utilities will not offer a deferred payment agreement to a residential customer who is a tenant if any of the following criteria applies:

5. The residential tenant has greater than \$100 of account arrearages that are more than 90 days past due for utilities that bill monthly; or for utilities that do not bill monthly, has greater than \$100 of account arrearages that are past due for more than two billing cycles.
6. The tenant has defaulted on a deferred payment agreement in the past 12 months. This criterion only applies to deferred payment agreements and not to other types of payment extensions or agreements.
7. The residential tenant is responsible for account arrearages that were placed on any property owner's tax bill in the utility's service territory in the past 24 months.
8. The residential tenant has a balance that accrued during the winter moratorium that is more than 80 days past due.



## CUSTOMERS OF NEW RICHMOND UTILITIES

New Richmond Utilities has filed applications with the Public Service Commission of Wisconsin (Commission) to amend our electric and water operating rules as they apply to deferred payment agreement offerings to residential customers who are tenants. This application applies to residential tenant customers only.

Pursuant to Wis. Stat. § 66.0809(9) and the Commission's final order in docket 5-EI-152, New Richmond Utilities will not offer a deferred payment agreement to a residential customer who is a tenant if any of the following criteria applies:

1. The residential tenant has greater than \$100 of account arrearages that are more than 90 days past due for utilities that bill monthly, or for utilities that do not bill monthly, has greater than \$100 of account arrearages that are past due for more than two billing cycles.
2. The tenant has defaulted on a deferred payment agreement in the past 12 months. This criterion only applies to deferred payment agreements and not to other types of payment extensions or agreements.
3. The residential tenant is responsible for account arrearages that were placed on any property owner's tax bill in the utility's service territory in the past 24 months.
4. The residential tenant has a balance that accrued during the winter moratorium that is more than 80 days past due.

The Commission will conduct a public hearing at locations in New Richmond and Madison on [date] at [time]. A notice of the hearing will be published after a date has been set. For more information, please contact the Commission at 608-266-5481 and refer to New Richmond Utilities and dockets 4139-TE-100 and 4140-TW-100.

Mike Darrow  
City Administrator/Utility Manager  
New Richmond Utilities  
715-246-4167  
April 2, 2015



TO: Utility Commission

FROM: Jeremiah Wendt, Director of Public Works

DATE: March 30, 2015

Re: Wastewater Facility Planning

As part of the STH 64 Corridor Communities Stormwater/Wastewater coalition, the City of New Richmond has funds available to update the City's wastewater Facility Plan. The coalition has identified this as a priority item for the current phase that the coalition is in. The Coalition has recommended that the City and Village members work with their own consultants to update their individual Facility Plans, and share the information with the Coalition at large.

The next step for the City would be to get a price from our consultant(s) for this work, and assemble a funding proposal for the coalition to consider. It is likely that the Coalition would approve funding the majority of the cost of this update, so the impact to the City/Utility budget would be minimal.

Staff is requesting approval from the Utility Commission to secure proposals from SEH and MSA to update the City's wastewater facility plan. These price proposals would then be brought back to the Utility Commission for review and selection of a consultant before a funding proposal is presented to the Coalition.



TO: Utility Commission

FROM: Jeremiah Wendt, Director of Public Works

DATE: March 30, 2015

Re: 2015-2016 Street and Utility Improvements

At the March 23, 2015 City Council work session, the Council viewed proposals and presentations from SEH and Cedar Corporation for the design of the City's 2015-2016 Street and Utility Improvements. This package of improvements includes the projects recommended by the Utility Commission at the January 21, 2015 meeting (North Starr, North 4<sup>th</sup>, Paperjack), along with other projects that are primarily street-related (115<sup>th</sup>, 175<sup>th</sup>, Pierson, 125<sup>th</sup>), and one additional joint project that the Commission did not discuss (River/Fairfield/Summit).

The Council directed Staff to work with SEH to assemble a contract for the design of these improvements, which will be brought back for approval at the April 13 City Council meeting. Staff will provide the commission with an update on the utility-related projects including proposed engineering cost and schedule.



TO: Utility Commission

FROM: Jeremiah Wendt, Director of Public Works

DATE: March 30, 2015

Re: South Water Tower Reconditioning Project

Bids will be received for the South Water Tower Reconditioning project on Thursday, April 2, 2015. Staff will provide a summary of the bids received, as well as a recommendation of award, to the Utility Commission at the April 6 meeting. Action items for the Commission will include recommending award of the contract, as well as a recommendation with regard to the selection of a logo based on pricing and updated information to be provided by staff. These items will then be submitted to the City Council for approval at their April 13 meeting.

4/16/15  
Impact

2015

City of New Richmond

# Impact Fee Needs Assessment

CITY OF NEW RICHMOND

PREPARED BY: CITY OF NEW RICHMOND AND CBS SQUARED, INC.

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# Impact Fee Needs Assessment

## 1.0 Introduction

The City of New Richmond has a history of being proactive when increasing and maintaining infrastructure for the provision of services for new development, residents and businesses. To do this, the City has utilized a full range of planning and financing options, including grants, taxes, developer negotiations, Impact Fees, and utilities. In 2002, the City hired Short Elliott Hendrickson, Inc. (SEH) to complete an Impact Fee Needs Assessment for future development. In 2010, SEH reviewed and updated the Needs Assessment document. From 2010 through 2014 the City has heard considerable feedback on how the current Impact Fees are cumbersome, too expensive, and too confusing. In 2014, City staff started the process of reviewing our past and present Impact Fees/Special Charges and Sewer Availability Charges (SAC). During this process City staff compiled an extensive history of fees, completed a survey of surrounding communities, consulted attorneys, reviewed State Statutes and City Ordinances, and put together a community committee to review findings and make recommendations for moving forward with a new Impact Fee proposal. Based on State Statute, the City is required to complete a Needs Assessment along with new ordinances regarding Impact Fees. In 2015, the City staff started developing a new Needs Assessment and hired CBS Squared, Inc. to assist in validating the process for infrastructure needs and to develop a new Needs Assessment.

A law enacted in 1995 allows the City to charge Impact Fees for public improvements. In 2003, the City began to utilize Impact Fees to address the need for significant improvements to accommodate the growth occurring within the City. Impact Fees are cash contributions, land contributions, interests in land, or any other items of value that are imposed on a developer by a political subdivision. Impact Fees can be used to recover costs to construct, expand, or improve public facilities. Public facilities are:

- Highways and other transportation facilities
- Traffic control devices
- Facilities for collection and treating of sewage
- Facilities for collection and treating storm and surface water
- Facilities for pumping, storing, and distributing water
- Parks, playgrounds, and land for athletic fields
- Solid waste and recycling facilities
- Fire protection facilities
- Law enforcement facilities
- Emergency medical facilities
- Libraries
- Municipal buildings

Based on this Needs Assessment, Impact Fees will be proposed for these facilities.

### 1.1 Population Projections

The City of New Richmond has experienced significant population growth over the past 10 years. Even in the past 5 years, during the crash of the economy, the City's population increased by 455 residents.

The population is projected to increase an additional 940 residents over the next 5 years. This increase puts additional demands on the City's infrastructure and municipal facilities. This increase in population can be attributed to both the residents willing to commute longer distances for affordable housing and the new St. Croix River Bridge that is currently being constructed.

From the 2002 study, the population projection for 2010 was 8,325 and the actual census was 8,375. This data shows the growth rate exceeded the population 2002 projection. This occurred during the economy crash in 2009 and is most likely due to people continuing to look for affordable housing during hard economic times. Below are the population projections provided by the Department of Administration. The data indicates projections that follow the historic trend with a population growth of averaging approximately 3%. We believe this estimate will be exceeded ONCE the St. Croix River Bridge is complete in 2016.

**State Department of Administration Population Projections—City of New Richmond:**

Census CoCode	Census Code	MCD Type and Name	County Name	2010 Census	2013 Estimate	2014 Estimate	2015 Projection	2020 Projection	2025 Projection
109	57100	City New Richmond	Saint Croix	8,375	8,533	8,616	8,830	9,770	10,560

Source: Demographic Services Center, Division of Intergovernmental Relations, Department of Administration, State of Wisconsin, 12/10/2013

**1.2 Current and Future Development**

After review of the population projections, existing platting property, and the potential development areas as shown on Exhibit A – Future Land Use, the 2020 projected Residential growth is 940 additional residents. Based on an average of 2.5 people/unit and only 42.5% of the additional population are new residents, we anticipate 32 new homes built each year over the next 5 years for a total of 160 units. This calculation was based on historic building permit data and future construction estimates. In addition, we have assumed the Commercial and Industrial development will occur at the same rate as the Residential development. Therefore, it is projected that 6 new Commercial or Industrial developments will occur, each year, over the next 5 years. Residential, Commercial and Industrial development will be converted to Residential Equivalent Units (REUs) based on the meter size installed. The conversion table for REUs from one Residential unit to Commercial and Industrial units are shown below.

Residential, Commercial and Industrial Meter size	REU Calculations
3/4" or 5/8" (Residential)	1
1"	2.5
1.25"	4
1.5"	5
2"	8
3"	15
4"	25
6"	50
8" or larger	80

Staff have projected that 6 Commercial developments that occur each year will be a mixture of low to moderate water users. The table below shows the meter size and development assumptions utilized to determine the Commercial and Industrial REUs for the Impact Fee calculations.

Residential Commercial and Industrial Meter Size	REU Conversion Table	Commercial/Industrial Development	REU Cals
3/4" or 5/8"	1		0
1"	2.5	1	2.5
1.25"	4		0
1.5"	5		0
2"	8	1	8
3"	15	2	30
4"	25	1	25
6"	50	1	50
8" or larger	80		0
		<b>Total REUs in one year</b>	<b>116</b>
		<b>Total over 5 years</b>	<b>580</b>
		<b>Average Number of Commercial bldgs.</b>	<b>6</b>

Note: REUs have been rounded to the nearest REU.

Each Impact Fee will be multiplied by the number of REUs associated with the meter size to determine the total fee for each service.

### 1.3 History

The City of New Richmond started collecting Impact Fees in 2002. Since then, the City have made many changes to its Impact Fee rates, its Impact Fee ordinances, and its Sewer Availability Charge (SAC) Fees. It is important to understand the timeline of the changes as outlined.

#### Timeline of Special Charges

<u>Effective Date</u>	<u>Event</u>	<u>Amount</u>	<u>Authority</u>	<u>Notes</u>
6/21/2001	Park Fee	\$600	Ordinance #268	
6/19/2002	Sewer Availability Charge (SAC)	\$2000	City Council Meeting June 10, 2002	
12/23/2002	Adopted Sewer Availability Charge Manual as Policy	\$2000	Utility Commission Meeting	
3/27/2003	Park Fee	\$950	Ordinance #291	

4/1/2003	SAC	\$3250	Rate increased per Utility Commission March 18, 2003	
8/1/2003	Impact Fees – Res./Commercial	\$680 Total	Ordinance #296	Mirror SAC Units per John Frisco
2/13/2006	Impact Fees – Hangar	\$680	Finance Committee	
6/14/2006	Park Impact Fee	Varies per Developers Agreement		Any NEWLY recorded subdivision that doesn't have a previously signed or agreed upon developer's agreement or conditions placed on plat.
6/22/2006	Water Impact Fee – Residential	\$2310	Ordinance #356	Collect fees on existing subdivisions and any newly recorded subdivisions PRIOR to 1/1/2006 unless paid prior to final plat.
6/22/2006	Water Impact Fee – Commercial	\$2310 Per REU	Ordinance #356	Collect fees on existing subdivisions and any newly recorded subdivisions PRIOR to 1/1/2006 unless paid prior to final plat.
6/22/2006	Water Impact Fee – Residential	\$3107	Ordinance #356	Collect fees on any newly recorded subdivisions AFTER 1/1/2006 unless fees are paid prior to final plat.
6/22/2006	Water Impact Fee – Commercial	\$3107 per REU	Ordinance #356	Collect fees on any newly recorded subdivisions AFTER 1/1/2006 unless fees are paid prior to final plat.
6/22/2006	Sewer Interceptor Fee – Residential	\$1818	Ordinance #357	Collect fees on any newly recorded subdivisions AFTER 1/1/2006 unless fees are paid prior to final plat.
6/22/2006	Sewer Interceptor Fee – Commercial	\$1818 per REU	Ordinance #357	Effective 1/1/2006 – Collect fees on any newly recorded subdivisions AFTER 1/1/2006 unless fees are paid prior to final plat. 7/2013, per Beth, fee only collected if no lateral placed in ROW.
1/4/2007	Park Fee (Residential)	\$954	Ordinance #362	
1/4/2007	Park fee (Commercial)	\$.15/sq. foot	Ordinance #362	
6/1/2007 to 5/31/2008	50% Water Impact Fee reduction – RESIDENTIAL ONLY	.5 of \$2310 or .5 of \$3107	City Council May 14, 2007	City owes water utility \$81,092.65

6/1/2007 to 5/31/2008	33% SAC Fee and 33% Water Impact Fee reduction for private COMMERCIAL ONLY.		City Council May 14, 2007	City owes Sewer utility \$26,9610.78
2/19/2009	Don't collect SAC or Water Impact Fees on ALTERATIONS (Commercial jobs) if no change in use.		Per Finance Committee meeting of 2/19/2009 (no council action required per D. Horner)	Policy Amendment
7/29/2010	Increase Transportation Charges	\$855 total (\$425 Streets, \$287 Library, \$143 Police)	City Council June 14, 2010	Impact Fees went from \$680 to \$855
7/29/2010	NR Southeast Neighborhood Impact Fees	Transportation \$1892 per REU, Sanitary Sewer \$423 per REU, Water \$691 per REU	Ordinance #420	Target Area Impact Fee: geographical zone defined in 2010 Impact Fees Needs Assessment, SEH recommended collection at time of annexation
9/12/2011	"Land Rush" Suspension of All Special Charges		Special Council Meeting 8/29/2011	Permit must be applied for between 9/12/2011 and 12/31/2012, with final occupancy by 8/31/2014

As shown in the table above, many changes have occurred in the Impact Fee calculations and the collection of the fees has become extremely difficult to administer. In addition, because the original analysis was based on a 10-year construction period, re-evaluation and re-calculation of the proposed Impact Fees is recommended.

## 2.0 Needs Assessment for Municipal Facilities

### 2.1 General

The Fire Department serves the City of New Richmond, Village of Star Prairie, all portions of the Town of Richmond, Town of Stanton, Town of Star Prairie and portions of the Town of Erin Prairie and Town of Alden. The Fire Hall was updated in 2013 and will not require any major improvements for the next five years.

In 2010, the Library completed a Space Needs Assessment that was updated in October of 2012. This Needs Assessment showed that the current Library is out of space. Additionally, an analysis is currently being completed for the Library and Civic Center future needs.

## 2.2 Municipal Building Expansion Costs

The needed improvements to the Municipal Facilities due to the population growth with the City would include a possible update to the Civic Center and may include a new Library.

Facility Name - Municipal Facilities	When Needed	Estimated Cost
Municipal Buildings and/or Library	2020	\$2,220,000
<b>Total Municipal Facilities Cost</b>		<b>\$2,220,000</b>

## 2.3 Municipal Facilities Impact Fees

The municipal facilities Impact Fees are based on the cost to provide services to a REU. The impact of future development is assumed to be 20% of the demand on these building improvements. The total number of REUs expected to use the municipal facilities in the future as shown in the population portion of the report has been used to calculate the impact on the municipal facilities.

<b>Total Municipal Facilities</b>	<b>\$2,220,000</b>
20% of cost applied to Impact Fees	\$444,000
Residential units over 5 years	160
Industrial/Commercial units over 5 years	580
<b>Total cost per REU</b>	<b>\$600</b>

The recommended Impact Fee for municipal facilities is \$600. The remaining funds for these facilities will be paid for by the existing users, loans, grants, or fund raisers.

## 3.0 Needs Assessment for Transportation Facilities

### 3.1 General

The City of New Richmond historically financed municipal improvements through many funding sources including developer negotiations, annexation agreements, Impact Fees, property tax, as well as requiring infrastructure to be paid for as part of the subdivision developers' agreement.

Wisconsin Law requires municipalities to adopt a service standard for each public improvement that is being paid for by Impact Fees. The City of New Richmond has established service standards for a variety of public infrastructure, as part of previous Impact Fee Needs Assessments, as well as other professional studies and plans. This report summarizes those standards, as identified in this report, and incorporates them by reference. All service standards are in accordance with Section 66.0617(1)(h) Wis. Stats., as adopted by the City of New Richmond.

### 3.2 Transportation Facility Expansion Costs

The City of New Richmond continues to have additional demands on their transportation system. The demand is caused by the expansion of the Industrial park on the south side of the City and the demand to get residents from their homes to the business district. The Impact Fee Road Improvement Map as shown on Exhibit B, also shows that the City's foresees expansion of its Industrial, high density Residential and Commercial areas on the south side of the City as well as the northwest. Therefore, the majority of the road improvements proposed over the next 5 years fall within the areas described.

The main collector within the City's transportation system is 4<sup>th</sup> Street. This roadway is located in the north portion of the City and connects the Residential area to the Business District and will serve as a connection with future Residential, Commercial and Industrial development to the northwest. This roadway does not meet the City's adopted service standard and with additional traffic from the future development areas, expansion to accommodate additional traffic demands will be required.

Another collector and main route for trucks traveling to and from the City Wastewater Treatment Plant is 115<sup>th</sup> Street. With additional demands on the wastewater treatment system and the additional traffic that will be placed on the 115<sup>th</sup> Street with future development, road improvements will be required to accommodate additional traffic demands.

Paperjack Drive is a local collector that carries traffic from the Business Park and Multi-Use District to the main roadways that access the highway system that surrounds the City. This road sees a large amount of traffic from the Industrial park area and has a high demand for pedestrian and bicycle services to connect the City's trail system.

The main access to connect streets on either side of Paperjack Creek is 125<sup>th</sup> Avenue. This roadway does not meet current service standards and is the main connection between one Residential area and the Industrial Park. As future growth occurs, improvements to this roadway will need to occur to handle the additional traffic demands between the two areas. All of the proposed transportation projects are shown on Exhibit B.

The cost for the transportation facilities to accommodate future growth within the City over the next 5 years is shown below. These facilities are located within the City where they will be heavily utilized by future development areas. We have assumed that 72% of these improvements will be paid for by other funding sources and 28% will be paid for by Impact Fees.

The cost for the Transportation Facilities improvements to accommodate future growth within the City are found in the table below.

Facility Name - Transportation	When needed	Estimated cost
4th Street - Knowles Ave to Sharron Street	2015	\$1,250,000
115th Street	2015	\$120,000
Paperjack Drive-Knowles Ave	2016	\$640,000
125th Ave - Repave and Repave	2016	\$120,000
TIF 6 Connecting Street	2017	\$200,000
<b>Total Transportation Facilities Cost</b>		<b>\$2,330,000.00</b>

Generally the City does not build infrastructure in advance of development occurring in an area. The City, through the subdivision process, requires roads be designed and constructed to standards appropriate to the development - Residential, Commercial, or Industrial.

The City may also use the special assessment process in order to pay for improvements – in this case the City constructs the improvements, then levies a special assessment against the properties benefited to pay for the cost of said improvements. However, the City has historically only done this for properties located

within the City, as levying special assessments outside the City limits requires approval by the town board, which historically has been difficult to obtain.

In certain circumstances, the City requires improvements to be constructed to a level that is higher than that which is required by the traffic demands for the development itself. This is done for the purpose of accommodating future demand that will be generated within the City that will directly impact the location the work is being completed, and are designed in accordance with sound engineering practices. In order to pay for these “upgraded” streets, the City instituted a City-wide Impact Fee in 2003. Thus, through the Impact Fee, all future development pays for its share of the oversized improvement being built in any specific location.

### 3.3 Transportation Facility Impact Fees

The Transportation Facility Impact Fees are based on the cost to provide adequate street systems per REU. The REU correlation between the use of the transportation facilities and the amount of water and sewer use of a facility is the same proportion for most facilities. The REU conversion shown in the current and future development section of this report will also apply when calculating Transportation Impact Fees.

The total numbers of REUs expected to impact the transportation expansion facility in the future as shown in the population portion of the report have been used to calculate the Impact Fees for the Transportation facilities.

<b>Total Transportation Facilities</b>	<b>\$2,330,000</b>
28% of the cost applied to Impact Fees	\$652,400
Residential units over 5 years	160
Industrial/Commercial units over 5 years	580
<b>Total cost per REU</b>	<b>\$882</b>

The recommended Impact Fee for the Transportation Facilities is \$900. The additional revenue needed for the improvements would be received by City general funds, potential grant borrowing, or TIF funding sources.

## 4.0 Sewer Access Charge (SAC) Fees Needs Assessment – Sanitary Sewer and Wastewater Treatment Facilities

### 4.1 General

The costs to expand the existing capacity of the Wastewater Treatment Facility were developed with the knowledge of the possible future effluent limits that may be imposed by the DNR due to greater discharge flows. The City evaluated the existing treatment facility and outlined the future needs to accommodate growth as part of the 2005 Facility Plan. The City determined the probable construction costs for the future needs from previous experience with Wastewater Treatment Plant design and construction.

The City has 15 lift stations within the City’s sewer system facility. The main lift station is in need of pump replacement due to future growth and development within the City. In addition, the Airport Sewer

extension and North 4<sup>th</sup> Street sewer replacement projects will help expand the system to accommodate future development in these targeted areas within the City.

#### 4.2 Sanitary Sewer and Wastewater Facility Expansion Costs

The cost for the Sanitary Sewer and WWTP Facilities to accommodate future growth within the City over the next 5 years is shown below. We have assumed that 72% of these improvements will be paid for by other funding sources and 28% will be paid for by SAC fees.

Sanitary Sewer and WWTP Facilities	When Needed	Estimated Cost
Airport Sewer Main Extension	2015	\$1,010,000
N. 4th St-Knowles Ave to Sharron Sewer Main	2015	\$270,000
Replace MLS Pumps & Add Grit Removal	2019	\$800,000
<b>Total Sanitary Sewer &amp; WWTP Facilities Cost</b>		<b>\$2,080,000</b>

#### 4.3 Sanitary Sewer and Wastewater Treatment SAC Fees

The Wastewater Treatment Facility and Main Lift Station SAC Fees are based on the cost to provide services to a REU. It is recommended the City impose SAC Fees on the Commercial and Industrial development based upon water meter size and equating the size of the meter to REUs as stated in the Current and Future Development section of this report.

The total number of REUs expected to impact the Wastewater Treatment Facility in the future as shown in the population portion of the report have been used to calculate the SAC Fees as shown below.

<b>Total Sanitary Sewer &amp; WWTP Facilities (SAC Fees)</b>	<b>\$2,080,000</b>
28% of the cost to be applied to SAC fees	\$582,400
Residential units over 5 years	160
Industrial/Commercial units over 5 years	580
<b>Total cost per REU</b>	<b>\$787</b>

The recommended SAC Fee for the Sanitary Sewer and WWTP Facilities is \$800. The additional revenue needed for the improvements would be received by sanitary sewer utility, potential grant borrowing, or TIF funding sources.

### 5.0 Needs Assessment for Water Facilities

#### 5.1 General

The City imposes Water Impact Fees for land development which includes modifications or additions to existing development that creates a need for new, expanded or improved water facilities. The City has evaluated the existing water system and has determined the need to increase capacity by installing watermain facilities in Airport Road and replacing watermain in North 4th Street. In addition, the Water Shop will need to be expanded due to the increase need for services within the Water Department

In 2008, a space needs assessment was completed on the existing Water Shop Facility. The study results show that the existing facility is marginally meeting current demands but will not accommodate additional staff and equipment.

## 5.2 Water Expansion Costs

The cost for the Water Facilities to accommodate future growth within the City over the next 5 years is shown below. We have assumed that 70% of these improvements will be paid for by other funding sources and 30% will be paid for by Impact Fees.

Water Facilities	When Needed	Estimated Cost
Airport Water Extension	2015	\$1,100,000
Replace N 4th St-Knowles-Sharron WM	2015	\$465,000
Water Shop Expansion	2017	\$287,500
<b>Water Facility Costs</b>		<b>1,852,500</b>

## 5.3 Water Impact Fees

The Water Impact Fees are based on the cost to provide services to a REU. It is recommended that the City impose Impact Fees on the Commercial and Industrial development based upon water meter size and equating the size of the water meter to one REU as stated in the Current and Future Development section of this report.

The total numbers of REUs expected to impact the Water facilities in the future as shown in the population portion of the report have been used to calculate the Water Impact Fees as shown below:

<b>Total Water Facilities</b>	<b>\$1,852,500</b>
30% of cost applied to Impact Fees	\$555,750
Residential units over 5 years	160
Industrial/Commercial units over 5 years	580
<b>Total cost per REU</b>	<b>\$751</b>

The recommended Water Impact Fee for the Water Facilities is \$800. The additional revenue needed for the improvements would be received by the water utility, potential grants, borrowing or TIF funding sources.

## 6.0 Needs Assessment for Parks and Recreational Facilities

### 6.1 General

The parks and recreation Impact Fees are based on the cost to provide Parks and Recreation facilities to a REU. The total number of REUs expected to contribute to the Parks and Recreation Facility in the future as shown in the population portion of the report, have been used to calculate the Impact Fees for the Parks and Recreation Facilities.

## 6.2 Park Improvement and Expansion Costs

The Park Impact Fees are based on the cost to provide services to a REU. It is recommended that the City impose Impact Fees on the Commercial and Industrial development based upon water meter size and equating the size of the water meter to one REU as stated in the Current and Future Development section of this report. Listed below are the Park Facilities projects that are scheduled to be completed in the next 5 years to accommodate additional City development.

Park Facilities	When Needed	Estimated Cost
Minnesota Ave Bike/Pedestrian Path	2016	\$700,000.00
CTH A Bike/Pedestrian Path	2017	\$765,000.00
Fox Run Bike/Pedestrian Path	2018	\$500,000.00
	2018	\$80,000.00
Hatfield Park Improvements	2018	\$300,000.00
Freedom Park Improvements	2019	\$2,205,000.00
North Side Bike/Pedestrian Path	2019	\$384,000.00
<b>Total Park Facilities Cost</b>		<b>\$4,934,000.00</b>
<b>It is assumed only 25% of the park improvements should be paid for by Residents, Commercial and Industrial businesses</b>		<b>\$1,233,500.00</b>

Note: Total cost for Freedom Park Improvements is \$6,300,000. We have assumed 65% of the cost will be funded by outside sources such as grants, donations and separate revenues. . In addition, only 25% of the park improvement cost for all facilities is assumed to be paid for by Residents, Commercial and Industrial businesses.

## 6.3 Park Impact Fees

The Park Impact Fees are based on the cost to provide services to a REU. It is recommended that the City impose Impact Fees on the Commercial and Industrial development based upon water meter size and equating the size of the water meter to one REU as stated in the Current and Future Development section of this report. It is recommended that 30% of the cost for Park and Recreational Facilities comes from Impact fees.

The total numbers of REU expected to impact the Park Facilities in the future as shown in the population portion of the report, have been used to calculate the Park Impact Fees as shown below:

<b>Total Park Facilities</b>	<b>\$4,934,000.00</b>
25% of the cost applied to overall Residents, Commercial & Industrial Users	\$1,233,500.00
30% of cost applied to Impact Fees	\$370,050.00
Residential units over 5 years	160
Industrial/Commercial units over 5 years	580
Total cost per REU	\$500

The recommended Park Impact Fee for the Park and Recreation Facilities is \$500. The additional revenue needed for the improvements would be received by potential grants, borrowing or fund raisers.

## 7.0 Increase Fees from Inflation and Construction Cost

### 7.1 Increase Summary

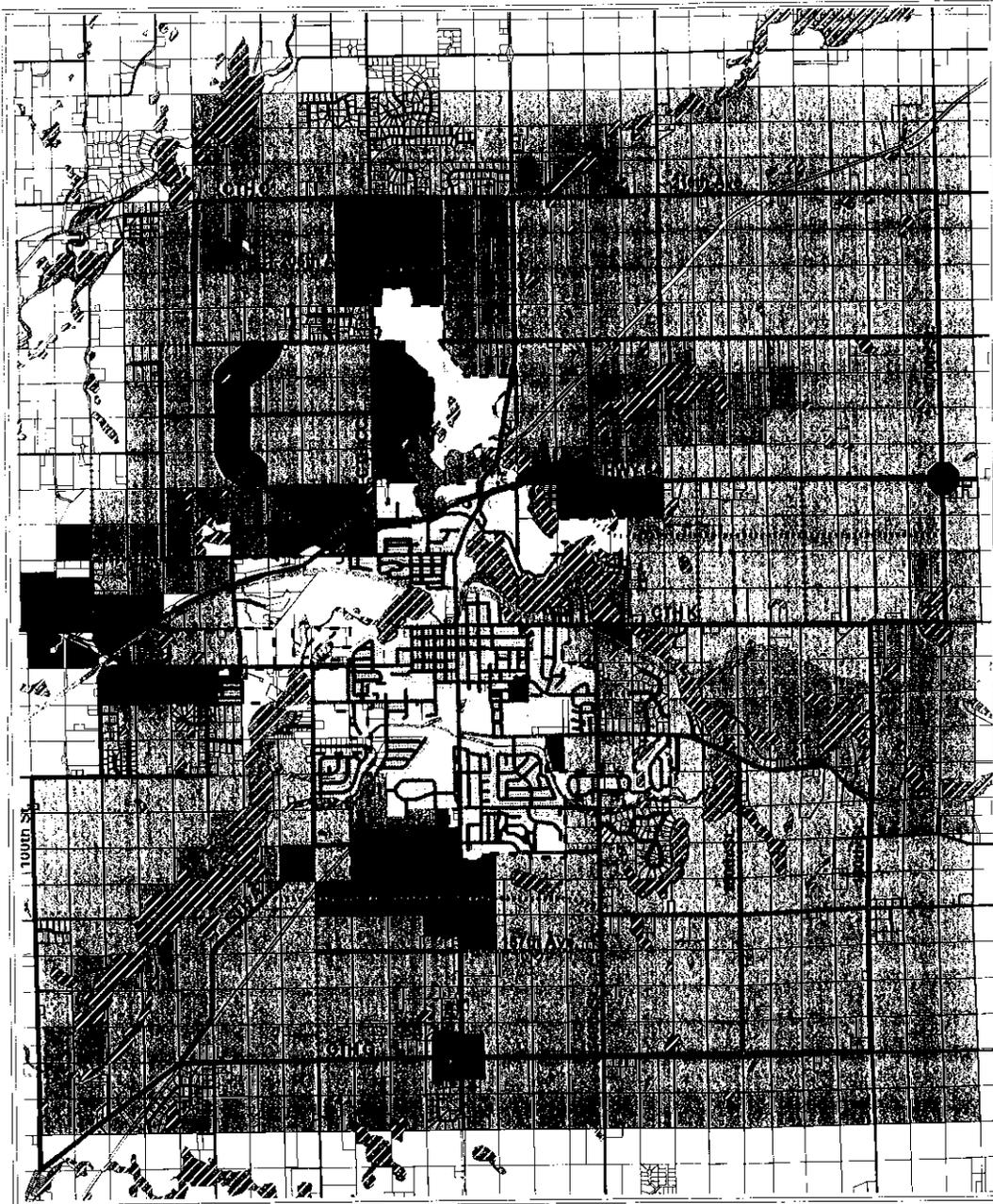
All calculations and fees described in this report are based on 2015 construction costs. We are recommending an increase in each of the Impact Fees to accommodate both increase in construction costs and the cost of inflation. A summary of the recommended Impact Fees for each service along with the increase in fees over time is shown below.

Impact Fee	2015	2016	2017
Municipal	\$600	\$667	\$733
Transportation	\$900	\$1000	\$1100
Sanitary	\$800	\$889	\$978
Water	\$800	\$889	\$978
Parks	\$500	\$555	\$611
<b>Total</b>	<b>\$3600</b>	<b>\$4000</b>	<b>\$4400</b>

Fee increases beyond the three year period will be evaluated to determine the appropriate increase based on the actual inflation and cost of living increases that have occurred between 2015 and 2017.



# Exhibit A - Future Land Use Map



## Future Land Use & Thoroughfares

City of New Richmond, Wisconsin

August 17, 2005

0 2,950 5,900 Feet



**Road Classifications**

- Principal Arterial - Expressway (PA-EX)
- Principal Arterial - Parkway (PA-PKWY)
- Minor Arterial (MA)
- Collector
- Local Streets
- Rail Road

**Interchanges**

- ★ Jug-handle Grade Separation
- Interchange Footprint To Be Preserved

- ▨ Wetlands
- Surface Water

**Future Land Use**

- Commercial
- Industrial
- Potential High Density Residential (3-4 Units Per Acre)
- Residential (1-3 Units Per Acre)
- Agriculture / Open Space
- Parks / Conservation
- Institutional

**NOTE**  
Proposed road shown with dashed line.  
Existing roads shown with solid line.



Exhibit B - Impact Fee Road Improvement Map

