



August 29, 2018

TO ALL UTILITY COMMISSION MEMBERS:

GERRY WARNER
BOB MULLEN
DAN CASEY
PAT BECKER
MIKE KASTENS

This is to inform you that there will be a Utility Commission Meeting on **Wednesday, September 5, 2018 at 8:00 a.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 (August 1, 2018)
4. Approval of bills and disbursements – July 25-31, 2018 & August 2018
5. Public Comment
6. Baker Tilly – Report to the Utility Commission
7. Capital Improvement Plan
8. 2019 Budget
9. Emergency Mass Notification System
10. 2018 Sewer Televising/Repairs
11. WWTP Facility Plan/EVAAL Presentation
12. Community Outreach Meal Donation Request – September 18
13. Staff Reports
14. Communications and miscellaneous correspondence
15. Adjourn

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. 2nd 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 UTILITY COMMISSION MINUTES
AUGUST 1, 2018

The regular meeting of the New Richmond Utility Commission was held on August 1, 2018 at 8:00 a.m. at the Civic Center.

Pat Becker called the meeting to order at 8:00 a.m.

Members Present: Bob Mullen, Dan Casey, Gerry Warner, Mike Kastens, and Pat Becker.

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

A motion was made by Gerry Warner to approve the minutes of the July 11, 2018 meeting, seconded by Dan Casey, and carried.

A motion was made by Mike Kastens to approve July 1-24, 2018 bills and disbursements, seconded by Gerry Warner, and carried.

Public Comment:

None

2018 Financial Report:

Joel Enders presented the 2nd quarter financial results.

- **Electric-** Expenses were \$371K under budget due to wholesale electric prices, but revenues were \$429K under budget due to seasonal trends and lower than expected commercial and industrial sales.
- **Water-** YTD expenses \$59K under budget, but were more than offset by revenues that were \$132K under budget. Revenues are expected to increase relative to budget in Q3 as irrigation sales increase.
- **Sewer-** YTD revenues and expenses tracked close to budget, but second quarter only expenses were \$29K over budget due to lift station roof replacements and sewer backup reimbursements.

Capital Improvement Plan:

Joel Enders presented Capital Improvements that are ranked important. Important projects are defined as “A capital project that would be nice, but does not directly impact the safety or health of the community.”

- Meter Reading Equipment, project year 2018, estimated cost Water-\$5,700, Sewer-\$5,700 and Electric-\$7,600. This would be funded through Water/Sewer/Electric Utility.
- Replacement of Remaining Lead Fittings, project year 2019 – 2022, estimated cost \$100,000 per year. This would be funded through the Water Utility.
- Lab Sanitizing Washer, project year 2018, estimated cost \$10,000. This would be funded through the Sewer Utility.
- Purchase of Solar Shares, project year 2018, estimated cost \$350,000, unfunded.
- Knowles & Highview Substation Aesthetic Improvements, project year 2020, estimated cost \$60,000. This would be funded through the Electric Utility

Water & Sewer RFP:

Rae Ann Ailts gave an overview of the RFP. Bids were received from three firms. Ehlers - \$27,000, Trilogy Consulting, LLC - \$31,735, and Baker Tilly - \$39,000. Proposals were evaluated on multiple criteria including firm qualifications, experience, cost and timeline. Interviews were held with Trilogy and Ehlers. Both firms have extensive experience in water and sewer rate cases within Wisconsin and experience in leading rate cases with the PSC. The interview committee was

impressed with both firms experience. However, Trilogy's communication approach and visual presentation of information was well received by the interview committee. The interview committee recommends awarding the water and sewer rate case to Trilogy Consulting, LLC. Motion was made by Bob Mullen to move forward with Trilogy Consulting, LLC, with a bid of \$31,375, seconded by Mike Kastens, motion carried.

Pole Attachment Agreement with Baldwin Telecom Inc.:

In mid-June, the City received an application from Baldwin Telecom to attach fiber optic cables to NRU overhead lines along a portion of South Minnesota Avenue and the alleyway in between Minnesota and Knowles from West 1st to West 3rd. Private telecom and electric utility attachments are commonplace throughout the US, but have been declining in favor of underground installations. New Richmond currently has four companies that attach lines and/or equipment to municipal utility poles, including Xcel Energy, Frontier Communications, Cellnet Technology, and Northwest Communications. In exchange for the use of municipal poles, cities usually charge a rental fee that is based on a standard space allocation percentage, and the revenue that must be generated annually to cover the cost of owning and maintaining the poles upon which attachments are made. Gerry Warner moved to approve the agreement as presented, seconded by Bob Mullen, motion carried.

Wood Pole Testing update:

Three firms that perform wood pole testing were contacted to receive quotes and discuss scope of work and schedule availability. The three firms were Osmose, Mi-Tech, and Karscz Utility Services. All have performed comparable work with investor-owned utilities, municipalities, and electric cooperatives. All of the firms also shared availability would be late summer or into the fall based on existing workload. Based on discussions with the firms, Karscz Utility Services, based in Pulaski, WI was chosen to perform this work. Partial excavation with sound and bore is the method that will be most utilized to identify rejects, and Karscz offered the best pricing for this service. From a timing standpoint, we expect to complete roughly one-third of our system when their technicians are performing similar work for St Croix Electric. This is scheduled for late August. Additional testing may be accomplished later this fall, or will continue in the spring of 2019.

Private Water and Sewer Request – 1745 115th Street:

Rae Ann Ailts reviewed the request Greg Anderson submitted to Community Development for put in a private well and septic system at 1745 115th Street. This property was recently annexed into the City. The request is being made due to the excessive cost for hook up to city water and sewer. Jeremiah Wendt stated they are looking at \$90,000 for excavation costs alone. Dan Casey moved to instruct staff to proceed with the proper agreements for well and septic as done in the past, seconded by Mike Kastens, motion carried.

Department Reports

Jeremiah Wendt reported for Bob Meyer, Water Superintendent:

- Staff are busy with locates, and meter installations.
- Water Service replacement is taking place in the alley between W 1st Street & W 2nd Street.

Steve Skinner, Lead Wastewater Treatment Plant Operator:

- MSA came to the WWTP to review equipment to obtain information to help put together the facility design.
- Greg Hermansen tested for wastewater certification.
- Staff is looking into the cost to replace a bad Aqua guard fine screen brush assembly.

Rae Ann Ailts reported for Weston Arndt, Electric Superintendent:

- Busy with new residential extensions
- Busy with commercial extensions, Bakken Young & Federal Foam
- 94 new dwelling permits have been issues vs 100 for the year of 2017

- 140th Street lighting to be completed this year, 36 new light poles to be installed along County Rd K to Richmond Way

Rae Ann Ailts, Finance Director:

- The 2019 budget is in full swing. Some of the key notes are:
 - Safety and family first
 - How do we become a destination employer
 - Keeping health care costs affordable for employer and employee, as salaries and benefits account for 70% of the budget
 - Focus on staffing levels and technology needs
- Two different software systems are currently being used by the Utility office. Staff are researching opportunities to become more efficient.
- Budget meeting with department heads will take place today to review where needs are
- Staff is looking into additional ways to increase E-billing participation
- WPPI is offering to have a professional photographer come in and photograph the community with no cost to the municipality. These photos can be used on the website.
- Itron software upgrade and training take place tomorrow

Jeremiah Wendt, Director of Public Works:

- 125th Street project is scheduled to start this week
- Staff are working on water and sewer replacements
- East 4th street project is expected to begin in late August

Mike Darrow, Utility Manager:

Not present

There being no further business, a motion was made by Gerry Warner to adjourn, seconded by Dan Casey, and carried. The meeting adjourned at 9:00 a.m.

Pat Becker, President

Gerry Warner, Secretary

New Richmond Utilities

JULY 25-31, 2018

Check Register

Check #	Date	Amount	Vendor Name	Description
002087	7/30/2018	705,126.64	WISCONSIN PUBLIC POWER INC	JUN PURCHASED POWER
002088	7/30/2018	46,440.00	CITY OF NEW RICHMOND	TAX EQUIVALENT
002089	7/30/2018	209.00	COMMERCIAL TESTING LABORATORY	COLIFORM BACT
002090	7/30/2018	2,135.00	K O CONSTRUCTION	REPAIR WATER MAIN
035746	7/30/2018	10.72	AARON B KORTHALS	CR REF ACCT# 1806400-21
035747	7/30/2018	120.45	AMBER BRANNON	CR REF ACCT# 339500-21
035748	7/30/2018	114.10	ASHLY C SCHLEUSNER	CR REF ACCT# 1505400-32
035749	7/30/2018	140.70	BARBARA FLETCH	CR REF ACCT# 313100-20
035750	7/30/2018	63.99	BETTY VANCE & THOMAS VANCE	CR REF ACCT# 1467400-21
035751	7/30/2018	662.99	BRADY'S BREWHOUSE	CR REF ACCT# 121602-20
035752	7/30/2018	187.98	C & J BUILDERS	CR REF ACCT# 1847600-20
035753	7/30/2018	641.19	COLONIAL APARTMENT PARTNERSHIP	CR REF ACCT# 730800-28
035754	7/30/2018	3,797.53	CORE & MAIN LP	CLAMP, METER COUPLINGS
035755	7/30/2018	10,746.00	FRESCO INC	BRONZE POLE WITH ARM
035756	7/30/2018	8.47	GRAINGER	KEY BLANK, PINS
035757	7/30/2018	17.77	HELEN WOODS	CR REF ACCT# 309100-20
035758	7/30/2018	43.68	HOMES BY KYMBRANDT	CR REF ACCT# 304200-23
035759	7/30/2018	236.67	JEFFREY KUHLMAN	CR REF ACCT# 407300-22
035760	7/30/2018	713.76	J.H. LARSON COMPANY	PVC, WIRE CONNECTOR
035761	7/30/2018	139.14	KYLE HINRICHS	CR REF ACCT# 207200-22
035762	7/30/2018	52.52	LEONARD & DOLORES HARSTAD	CR REF ACCT# 1085700-22
035763	7/30/2018	36.16	LINDA K TIMLIN	CR REF ACCT# 714900-23
035764	7/30/2018	14.22	LITTLE CHUBS LLC	CR REF ACCT# 702000-25
035765	7/30/2018	52.96	MACKLYN HOMES LLC	CR REF ACCT# 1090800-20
035766	7/30/2018	59.10	MARK GIBSON	CR REF ACCT# 1287800-20
035767	7/30/2018	18.95	NEIL CUNNINGHAM	CR REF ACCT# 1907600-27
035768	7/30/2018	70.42	NICOLE & CHRISTOPHER OSWALD	CR REF ACCT# 1096400-22
035769	7/30/2018	206.78	PAT CULLEN	CR REF ACCT# 1911000-20
035770	7/30/2018	191.13	PATRICK & SOPHIA HENNEMAN	CR REF ACCT# 418900-23
035771	7/30/2018	270.00	RICK COOPER	CR REF ACCT# 130000-21
035772	7/30/2018	120.45	RONALD RAEDEKE	CR REF ACCT# 611000-28
035773	7/30/2018	77.19	RYAN & HEATHER LINDUS	CR REF ACCT# 1492200-21
035774	7/30/2018	191.50	SIMON ELECTRIC CONST CO INC	TEST PUMP MAIN LIFT STATION
035775	7/30/2018	19,761.50	TD&I CABLE MAINTENANCE, INC	DIRECTIONAL BORES
035776	7/30/2018	167.77	THOMAS L'ALLIER	CR REF ACCT# 924500-26
035777	7/30/2018	475.00	TIMOTHY D HARRIS	CR REF ACCT# 916400-22
035778	7/30/2018	26,230.36	WEST CENTRAL WIS BIOSOLIDS FAC	JULY BIOSOLIDS
035779	7/30/2018	35.18	WILLIAM & DENISE SCHEID	CR REF ACCT# 905900-20

Total \$ **819,586.97**

Total Checks & Wires

New Richmond Utilities

AUGUST 2018

Check Register

Check #	Date	Amount	Vendor Name	Description
002091	8/3/2018	59,821.69	CITY OF NEW RICHMOND	PAYROLL 8-3-18
002092	8/6/2018	10,635.14	US BANK CORPORATE PAYMENT SYSTEM	WATER DEPT JULY PCARD INV
002093	8/9/2018	1,323.80	SUPER AMERICA	JULY FUEL BILL
002094	8/17/2018	61,168.63	CITY OF NEW RICHMOND	PAYROLL 08-17-18
002095	8/16/2018	8,106.57	CITY OF NEW RICHMOND	MONTHLY BILL
002096	8/16/2018	6,353.05	CITY OF NEW RICHMOND	INSURANCE
002097	8/16/2018	5,000.00	CITY OF NEW RICHMOND	RENT
002098	8/16/2018	7,908.22	CITY OF NEW RICHMOND	RECYCLING
002099	8/16/2018	24,884.15	CITY OF NEW RICHMOND	STORM WATER
002100	8/16/2018	244.00	HYDRODESIGNS	CROSS CONNECT INSPECT & REPORT
002101	8/16/2018	2,134.98	INFOSEND, INC	JULY BILLING & POSTAGE
002102	8/16/2018	317.49	MAILFINANCE	STUFFER LEASE
002103	8/16/2018	6,044.92	NEW RICHMOND UTILITIES	JULY CTOC COLLECTIONS
002104	8/16/2018	10,151.50	TJADER & HIGHSTROM	PRAIRIE CONDOS/PLOW DUAL, SET
002105	8/17/2018	323.00	COMMERCIAL TESTING LABORATORY	COLIFORM BACT
002106	8/17/2018	5,929.00	TELEMETRY AND PROCESS CONTROLS	REPLACEMENT VFD
002107	8/17/2018	25.00	WISCONSIN STATE LAB OF HYGIENE	FLUORIDE
002108	8/20/2018	34,605.07	WI DEPT OF REVENUE	JUL18 SALES TAX
002109	8/21/2018	88,420.00	LOCAL GOVERNMENT INVESTMENT POOL	LGIP#7, 9, 11 AUG18 INVESTMENT
002110	8/21/2018	51,125.00	LOCAL GOVERNMENT INVESTMENT POOL	LGIP#5, 8 & 10 AUG18 INVESTMEN
002111	8/22/2018	17,604.00	LOCAL GOVERNMENT INVESTMENT POOL	IMPACT FEES & SAC COLLECTIONS
002112	8/28/2018	876,767.98	WISCONSIN PUBLIC POWER INC	JUL PURCHASED POWER
002113	8/29/2018	106.25	CITY OF NEW RICHMOND	BENEFIT EXTRAS MO FSA, HRA ADM
002114	8/29/2018	916.63	CITY OF NEW RICHMOND	EMPLOYER HSA CONTRIBUTION
002115	8/29/2018	431.83	CITY OF NEW RICHMOND	LONG TERM DISABILITY INS
002116	8/29/2018	392.70	CITY OF NEW RICHMOND	SHORT TERM DISABILITY INS
002117	8/29/2018	22,905.20	CITY OF NEW RICHMOND	HEALTH INSURANCE
002118	8/29/2018	42.87	CITY OF NEW RICHMOND	LIFE INSURANCE
002119	8/29/2018	46,440.00	CITY OF NEW RICHMOND	TAX EQUIVALENT
002120	8/29/2018	635.05	CITY OF NEW RICHMOND	RPR INSPECTIONS/PUFALL
002121	8/31/2018	62,810.24	CITY OF NEW RICHMOND	PAYROLL 8/31/18
035780	8/8/2018	309.15	FRONTIER COMMUNICATIONS	JULY PHONE BILL
035781	8/8/2018	214.27	BALDWIN TELCOMM	JULY PHONE BILL
035782	8/8/2018	246.07	VERIZON WIRELESS	JULY CELL PHONE BILL
035783	8/16/2018	1,061.12	AMERIPRIDE LINEN & UNIFORM SERVICES	ELECTRIC JULY UNIFORM SVC
035784	8/16/2018	3,328.00	BAKER TILLY VIRCHOW KRAUSE LLP	FINANCIAL STATEMENT AUDIT
035785	8/16/2018	120.00	BOARDMAN & CLARK LLP	TERRITORY ISSUE CONF ARNDT
035786	8/16/2018	5,280.00	BORDER STATES ELECTRIC SUPPLY	CENTRON C1SR
035787	8/16/2018	275.00	CLEAR CHOICE BUSINESS SOLUTIONS LLC	WINDOW ENVELOPES
035788	8/16/2018	391.30	FRESCO INC	FAST PATCHES
035789	8/16/2018	1,740.48	HI-LINE UTILITY SUPPLY CO	HYDRAULIC TAMPER
035790	8/16/2018	526.90	INDUSTRIAL SAFETY, INC.	ANN FIRE EXTINGUISHER SVC
035791	8/16/2018	16,012.97	STUART C IRBY CO	GLOVES, TESTING
035792	8/16/2018	95.69	J.H. LARSON COMPANY	REDUCING WASHER, TAPE, COUPLIN
035793	8/16/2018	943.19	KRAUSE POWER ENGINEERING, LLC	TRAINING, MEALS, SUPPORT
035794	8/16/2018	549.12	KWIK TRIP	JULY FUEL
035795	8/16/2018	1,500.00	METERING & TECHNOLOGY SOLUTIONS	MVRS TO FCS UPGRADE, INSTALL
035796	8/16/2018	1,195.19	MID-STATE INTERNATIONAL TRUCKS OF W	REPAIR/WARNING LIGHT, ACCELERA
035797	8/16/2018	161.03	MY RECEPTIONIST, INC	ANSWERING SVC 7/25 - 8/21
035798	8/16/2018	307.11	PORCUPINE ENTERPRIZES, LLC	HOSE, KAMLOCK

035799	8/16/2018	1,000.00	PURDUE UNIVERSITY	ZACH CHRISTENSEN SCHOLARSHIP
035800	8/16/2018	4,679.27	SHORT ELLIOTT HENDRICKSON INC	WATER MODEL UPDATE
035801	8/16/2018	109.66	STEPHENS SANITATION LTD	JUNE & JULY GARBAGE SVC
035802	8/16/2018	4,545.67	TRUCK UTILITIES & MFG INC	REPAIR UPPER CONTROLS, VALVE
035803	8/16/2018	1,886.61	WESCO RECEIVABLES CORP	ABB-PIN, POLE TEST SWITCH
035804	8/17/2018	939.95	CORE & MAIN LP	PVC, BALL CORP STOP, BALL CURB
035805	8/17/2018	214.70	MILESTONE MATERIALS	3/4" DENSE GRADED BASE
035806	8/17/2018	1,683.70	SHORT ELLIOTT HENDRICKSON INC	WATER MODEL UPDATE
035807	8/22/2018	250.00	KIWANIS CLUB OF NEW RICHMOND	BNAAKWII GIIZIS SPONSORSHIP
035808	8/29/2018	205.50	AMANDA BOHATTA	CR REF ACCT# 719800-23
035809	8/29/2018	95.74	ARLENE L HOWARD	CR REF ACCT# 1462000-21
035810	8/29/2018	105.00	ATCO INTERNATIONAL	FOAMACIDE
035811	8/29/2018	26.05	CLARK NYBERG	CR REF ACCT# 1282000-38
035812	8/29/2018	403.43	CORE & MAIN LP	OMNI REGISTER
035813	8/29/2018	71.13	DAVID LEPPANEN	CR REF ACCT# 202300-25
035814	8/29/2018	320.00	DAVE & VICKIE HEISS	CR REF ACCT# 717800-31
035815	8/29/2018	210.00	EUGENE HEXUM	CR REF ACCT# 627900-20
035816	8/29/2018	119.43	GLENN L THOMPSON	CR REF ACCT# 500000-30
035817	8/29/2018	279.49	STUART C IRBY CO	LINEMAN MITTEN
035818	8/29/2018	244.05	JEFF & STEPHANIE ROTHMEIER	CR REF ACCT# 212000-23
035819	8/29/2018	170.00	JEFFREY & KAYLEE HILDRETH	CR REF ACCT# 919100-25
035820	8/29/2018	82.05	JOSIE DRISCOLL	CR REF ACCT# 333000-20
035821	8/29/2018	255.45	KELLY & BRAD JOHNSON	CR REF ACCT# 1389500-23
035822	8/29/2018	244.40	KRISTINA K SALAHIDDINE	CR REF ACCT# 706900-22
035823	8/29/2018	218.80	MONICA L HINCKLEY	CR REF ACCT# 1607600-22
035824	8/29/2018	89.00	MY RECEPTIONIST, INC	ANSWER SERVICE 8-22 - 9-18
035825	8/29/2018	16.78	RICK COOPER	CR REF ACCT# 130100-20
035826	8/29/2018	3,724.58	SHORT ELLIOTT HENDRICKSON INC	STREET/UTILITY PROJECTS
035827	8/29/2018	61.58	SPENCER L COREY	CR REF ACCT# 623700-37
035828	8/29/2018	570.09	THOMAS & SANDRA JONES	CR REF ACCT# 1269600-35
035829	8/29/2018	27,388.63	WEST CENTRAL WIS BIOSOLIDS FAC	BIOSOLIDS
035830	8/29/2018	30.35	WESTVIEW CONSTRUCTION INC	CR REF ACCT# 1848300-20

Total **\$ 1,498,071.64**

Total Checks & Wires



TO: Utility Commission

FROM: Rae Ann Ailts, Finance Director

DATE: September 5, 2018

RE: Auditor Presentation on 2017 Financial Statements

Kim Shult of Baker Tilly, the City and Utilities auditing firm will present an overview to the Utility Commission on the 2017 Utility Financial Statements. A copy of the presentation is attached to this memo.

City of New Richmond Utilities

Report to the Commission

September 5, 2018

Presented By:

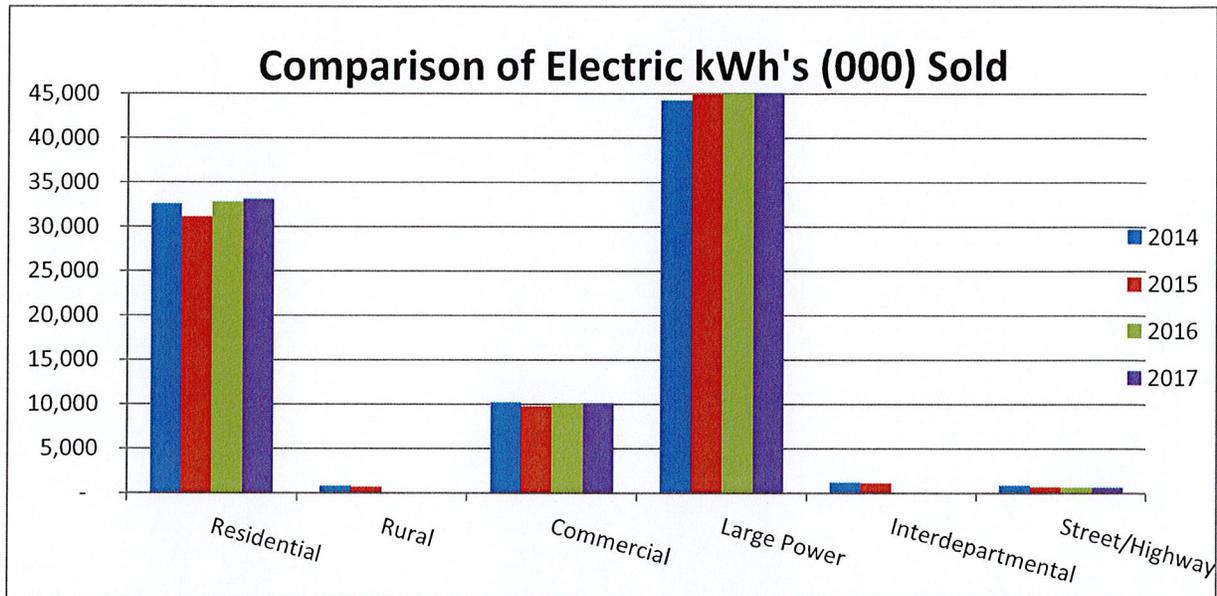
Baker Tilly Virchow Krause, LLP

Kimberly M. Shult, CPA, Partner

Kimberly.Shult@bakertilly.com

Note: Actual data was derived from current and prior years audited financial statements and unaudited PSC annual reports.

City of New Richmond Utilities

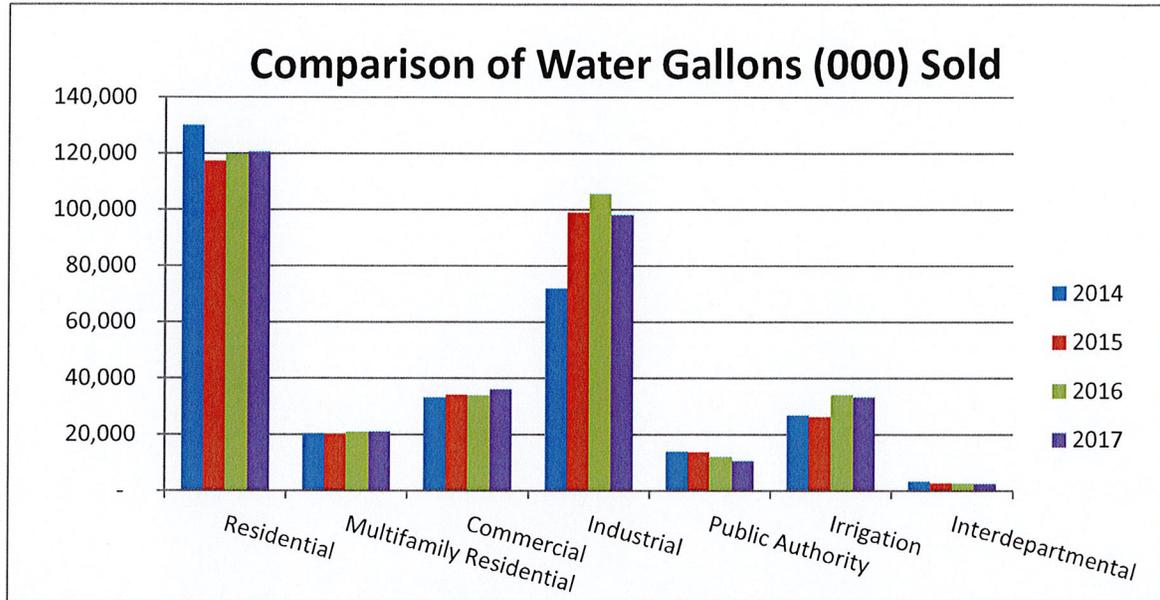


	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Residential	32,602	31,160	32,790	33,113
Rural	840	769	-	-
Commercial	10,202	9,811	10,025	10,062
Large Power	44,260	45,999	49,049	50,070
Interdepartmental	1,213	1,186	-	-
Street/Highway	<u>899</u>	<u>766</u>	<u>648</u>	<u>644</u>
Total	<u><u>90,016</u></u>	<u><u>89,691</u></u>	<u><u>92,512</u></u>	<u><u>93,889</u></u>

What it means....

Electric sales have been consistent, increasing a total of 4% from 2014 to 2017.

City of New Richmond Utilities

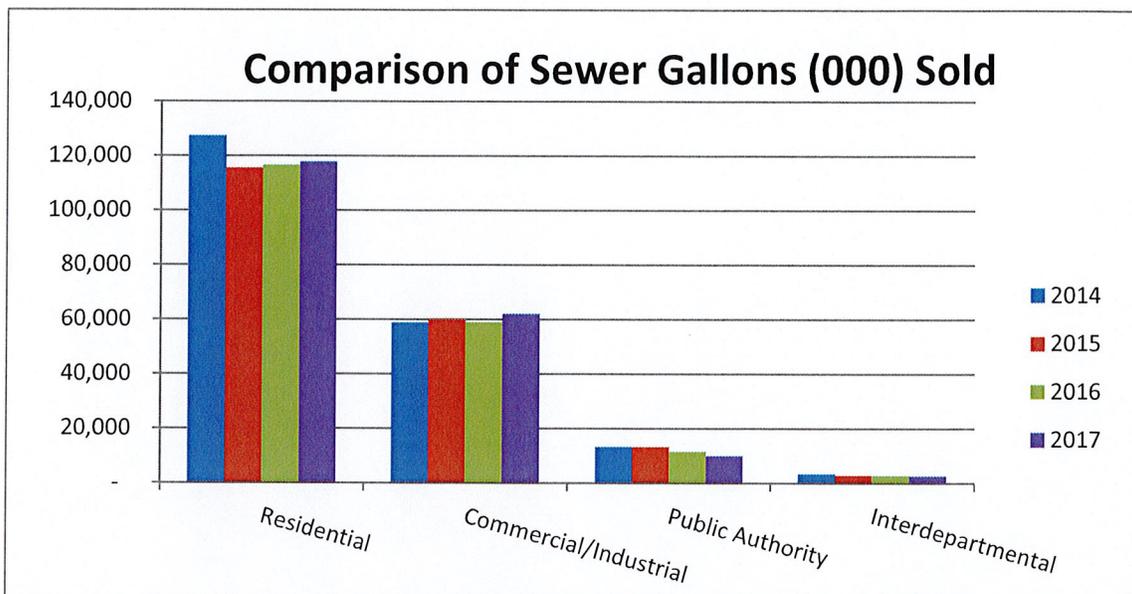


	2014	2015	2016	2017
Residential	129,912	117,474	119,679	120,477
Multifamily Residential	20,122	20,138	20,818	20,894
Commercial	33,133	34,275	33,937	36,086
Industrial	71,950	99,057	105,631	98,081
Public Authority	13,884	13,817	12,018	10,599
Irrigation	26,745	26,422	34,045	33,262
Interdepartmental	3,285	2,825	2,670	2,505
Total	299,031	314,008	328,798	321,904

What it means....

Water volume decreased 2.1% from last year but has increased 7.6% since 2014. The increase is primarily due to industrial usage, though decreasing 7.1% from last year, it has increased 36.3% since 2014.

City of New Richmond Utilities

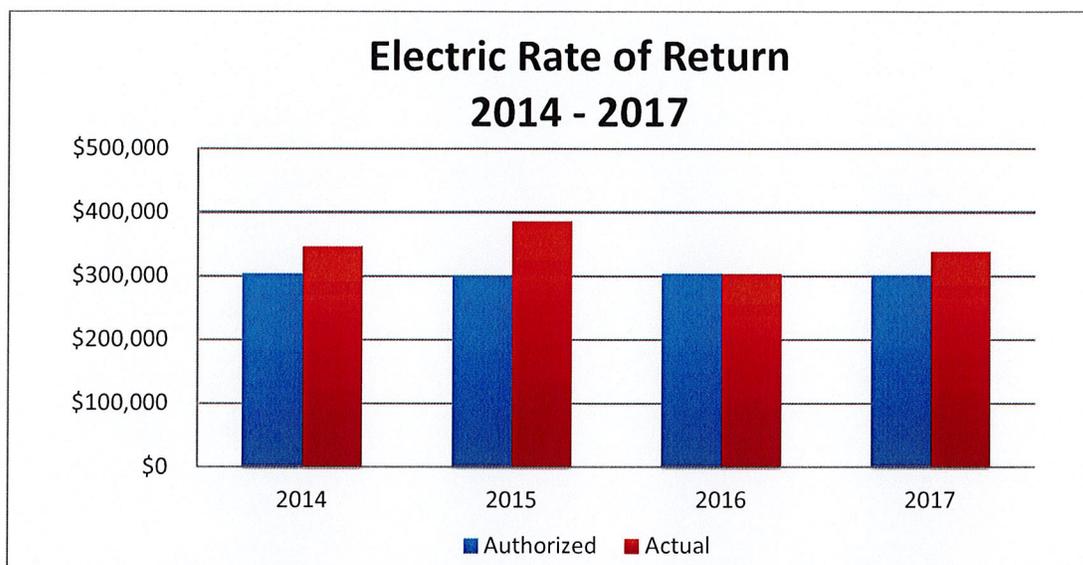


	2014	2015	2016	2017
Residential	127,339	115,689	116,488	117,769
Commercial/Industrial	58,782	60,124	58,888	61,971
Public Authority	13,262	13,381	11,448	9,995
Interdepartmental	3,316	2,835	2,697	2,515
Total	202,699	192,029	189,521	192,250

What it means....

Sewer volumes have remained fairly consistent overall, decreasing 5.2% from 2014 to 2017. Residential customer volumes decreased by 7.5% during this time while interdepartmental and public authority volumes decreased 24.2% and 24.6%, respectively.

City of New Richmond Utilities



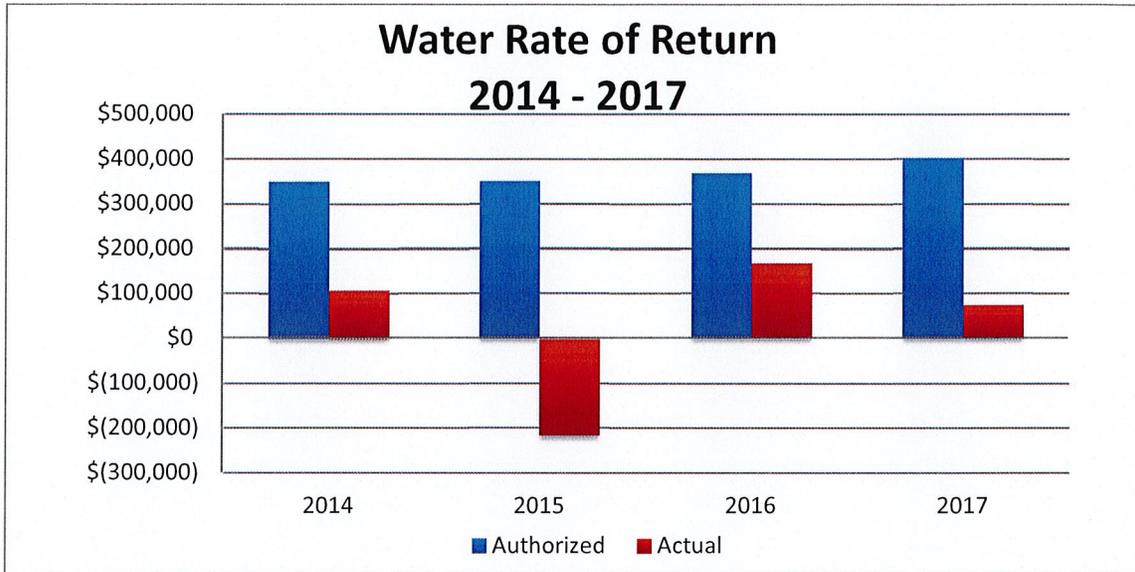
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Net Investment Rate Base	\$ 4,851,272	\$ 4,801,826	\$ 4,847,985	\$ 4,816,747
Authorized Return	<u>6.25%</u>	<u>6.25%</u>	<u>6.25%</u>	<u>6.25%</u>
Authorized Operating Return	<u>\$ 303,205</u>	<u>\$ 300,114</u>	<u>\$ 302,999</u>	<u>\$ 301,047</u>
Actual Operating Income	<u>\$ 346,112</u>	<u>\$ 385,575</u>	<u>\$ 303,670</u>	<u>\$ 339,349</u>
Actual Return	<u>7.13%</u>	<u>8.03%</u>	<u>6.26%</u>	<u>7.05%</u>
Difference	<u>\$ 42,908</u>	<u>\$ 85,461</u>	<u>\$ 671</u>	<u>\$ 38,302</u>

What it means...

Rate of return is a key indicator of financial results in a regulated utility. Any growth in plant requires that rates cover the cost of providing service or the utility will weaken financially in the long run. Current rates were put into effect December 1, 2013.

It is important to point out that the operating income reported here will not match what is reported in the financial statements due to PSCW ratemaking rules.

City of New Richmond Utilities



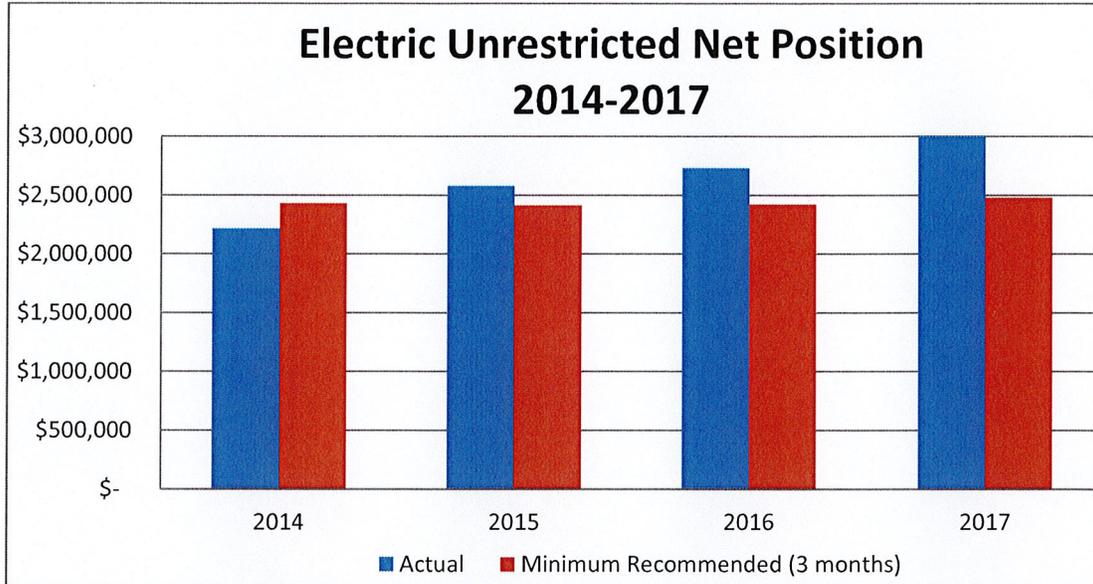
	2014	2015	2016	2017
Net Investment Rate Base	\$ 5,386,037	\$ 5,370,623	\$ 5,652,507	\$ 6,179,812
Authorized Return	6.50%	6.50%	6.50%	6.50%
Authorized Operating Return	\$ 350,092	\$ 349,090	\$ 367,413	\$ 401,688
Actual Operating Income	\$ 107,805	\$ (216,959)	\$ 167,994	\$ 73,697
Actual Return	2.00%	-4.04%	2.97%	1.19%
Difference	\$ (242,287)	\$ (566,049)	\$ (199,419)	\$ (327,991)

What it means...

Rate of return is a key indicator of financial results in a regulated utility. Any growth in plant requires that rates cover the cost of providing service or the utility will weaken financially in the long run. Current rates were implemented on July 1, 2014.

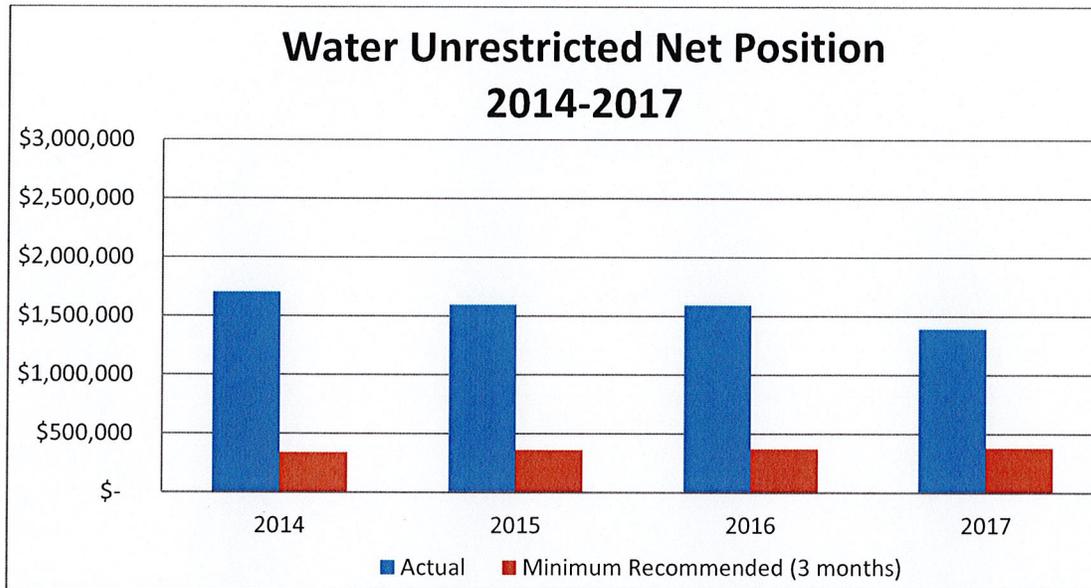
It is important to point out that the operating income reported here will not match what is reported in the financial statements due to PSCW ratemaking rules.

City of New Richmond Utilities



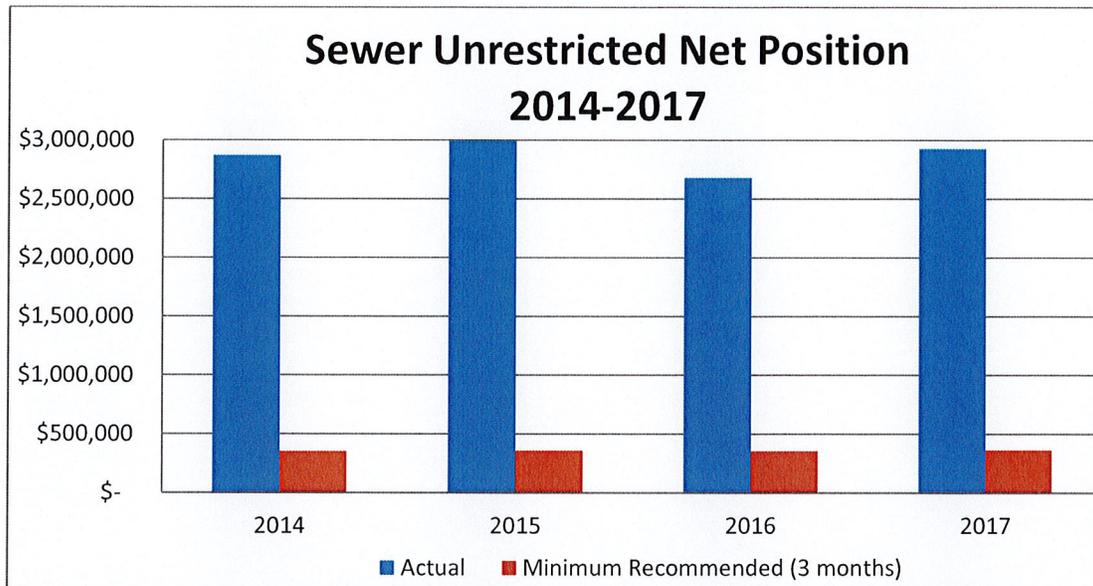
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Funding Benchmark				
Estimated Monthly Revenues	<u>\$ 812,193</u>	<u>\$ 806,913</u>	<u>\$ 809,606</u>	<u>\$ 828,579</u>
Actual Unrestricted Net Position	<u>\$ 2,216,883</u>	<u>\$ 2,578,557</u>	<u>\$ 2,730,758</u>	<u>\$ 3,064,579</u>
Months billings on Hand	<u>2.73</u>	<u>3.20</u>	<u>3.37</u>	<u>3.70</u>

City of New Richmond Utilities



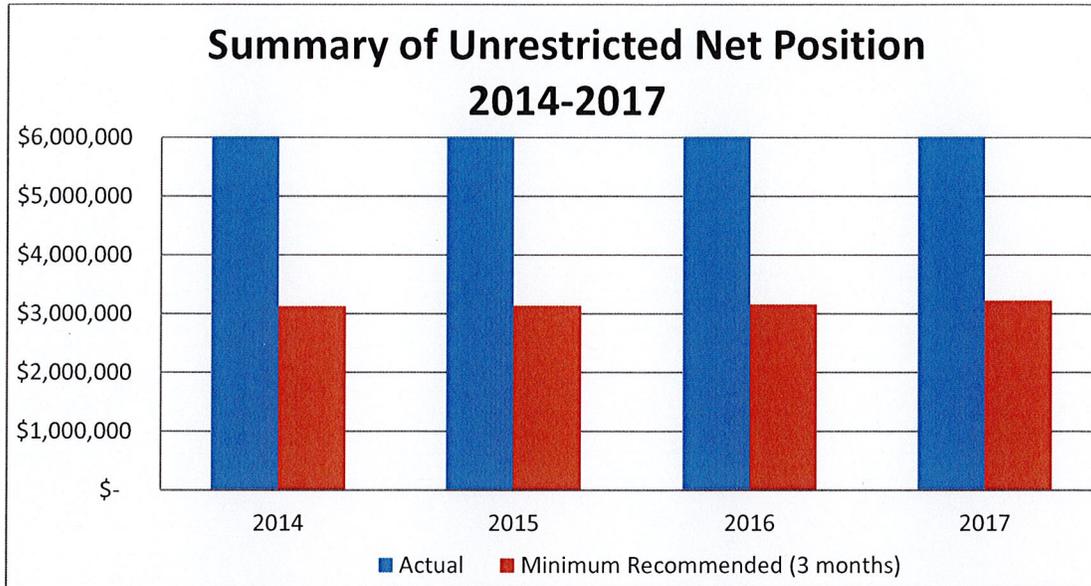
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Funding Benchmark				
Estimated Monthly Revenues	<u>\$ 113,734</u>	<u>\$ 121,798</u>	<u>\$ 125,610</u>	<u>\$ 127,663</u>
Actual Unrestricted Net Position	<u>\$ 1,703,525</u>	<u>\$ 1,594,589</u>	<u>\$ 1,590,836</u>	<u>\$ 1,392,478</u>
Months billings on Hand	<u>14.98</u>	<u>13.09</u>	<u>12.66</u>	<u>10.91</u>

City of New Richmond Utilities



	2014	2015	2016	2017
Funding Benchmark				
Estimated Monthly Revenues	\$ 119,267	\$ 120,755	\$ 120,458	\$ 122,475
Actual Unrestricted Net Position	\$ 2,871,168	\$ 2,992,619	\$ 2,680,541	\$ 2,925,144
Months billings on Hand	24.07	24.78	22.25	23.88

City of New Richmond Utilities

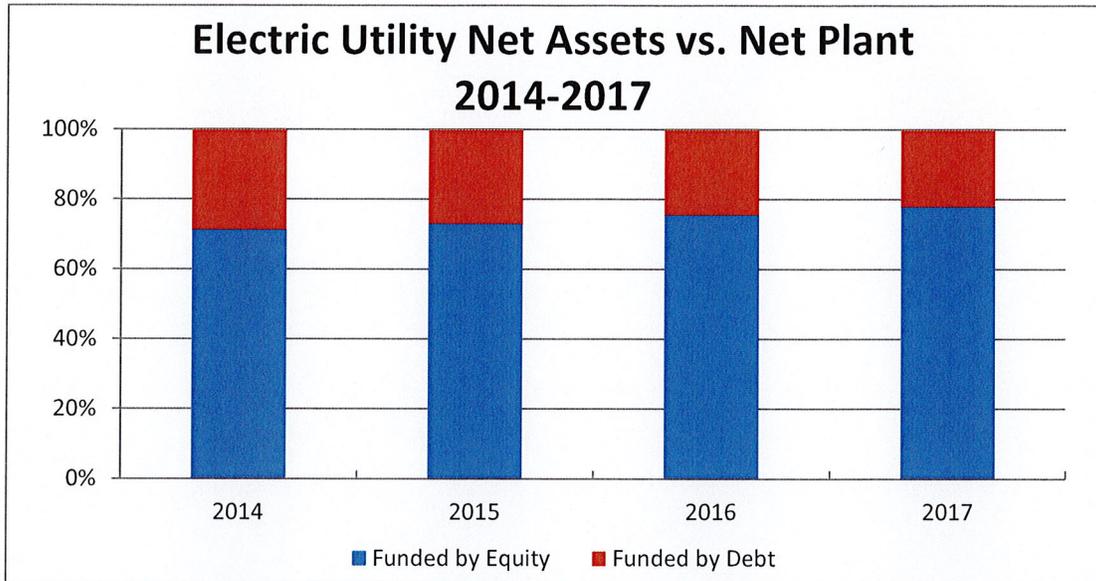


	2014	2015	2016	2017
Funding Benchmark				
Estimated Monthly Revenues	<u>\$ 1,045,193</u>	<u>\$ 1,049,465</u>	<u>\$ 1,055,673</u>	<u>\$ 1,078,716</u>
Actual Unrestricted Net Position	<u>\$ 6,791,576</u>	<u>\$ 7,165,765</u>	<u>\$ 7,002,135</u>	<u>\$ 7,382,201</u>
Months billings on Hand	<u>6.50</u>	<u>6.83</u>	<u>6.63</u>	<u>6.84</u>

What it means....

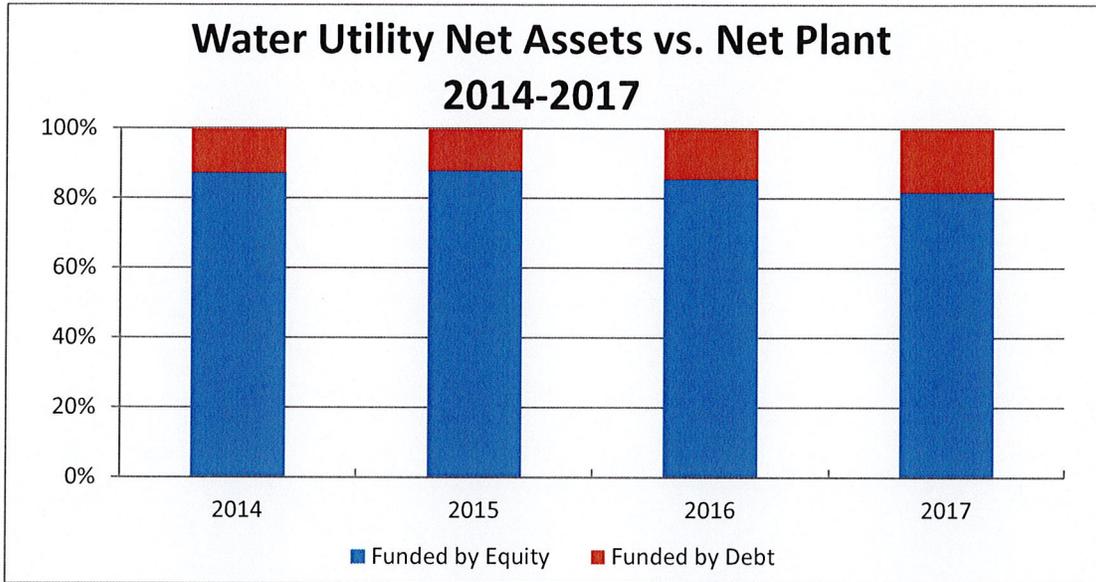
A utility should maintain funds to cover its operations in a normal business operation cycle plus a contingency. In addition, utilities should have available for capital improvements. These funding levels facilitate budgeting since there will be less concern for business cycle fluctuations. The GFOA recommended target is 3 months revenue in reserve.

City of New Richmond Utilities



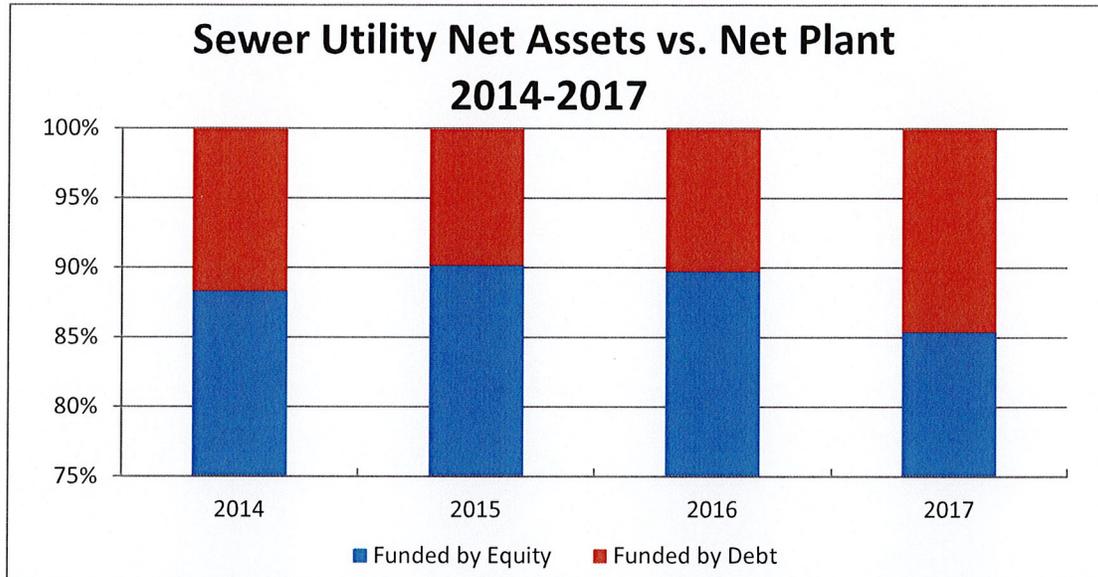
	2014	2015	2016	2017
Net Investment in Capital Assets	\$ 4,124,993	\$ 4,293,477	\$ 4,480,796	\$ 4,587,098
Net Property, Plant, and Equipment	\$ 5,789,829	\$ 5,882,156	\$ 5,927,323	\$ 5,886,934
Percent of Net Plant Funded by Equity	<u>71%</u>	<u>73%</u>	<u>76%</u>	<u>78%</u>
Percent of Net Plant Funded by Debt	<u>29%</u>	<u>27%</u>	<u>24%</u>	<u>22%</u>

City of New Richmond Utilities



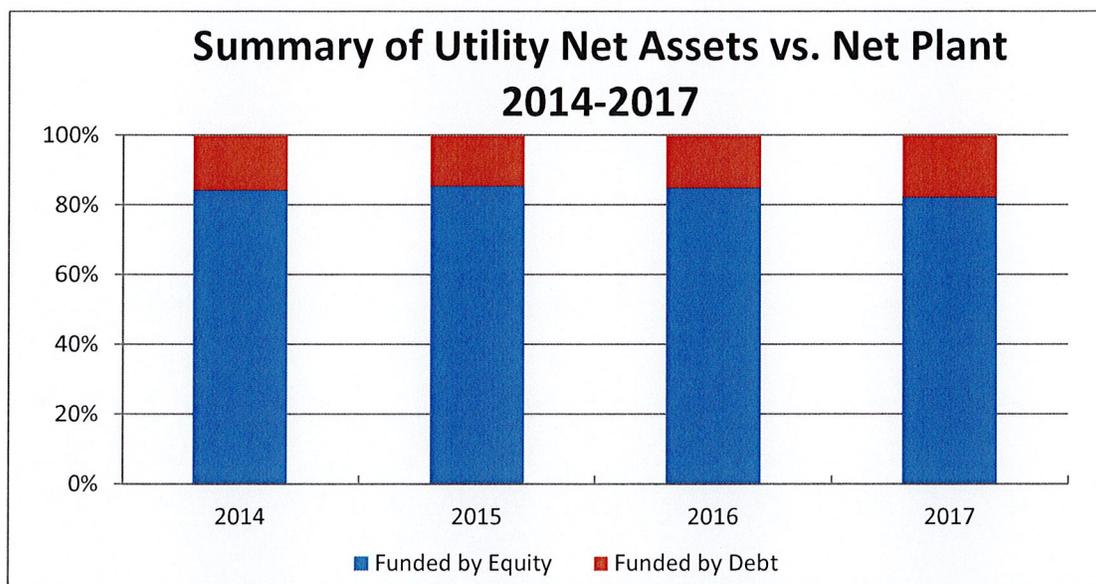
	2014	2015	2016	2017
Net Investment in Capital Assets	\$ 10,550,143	\$ 10,532,394	\$ 10,623,724	\$ 10,647,848
Net Property, Plant, and Equipment	\$ 12,101,715	\$ 11,983,743	\$ 12,416,087	\$ 13,019,151
Percent of Net Plant Funded by Equity	<u>87%</u>	<u>88%</u>	<u>86%</u>	<u>82%</u>
Percent of Net Plant Funded by Debt	<u>13%</u>	<u>12%</u>	<u>14%</u>	<u>18%</u>

City of New Richmond Utilities



	2014	2015	2016	2017
Net Investment in Capital Assets	\$ 8,583,630	\$ 8,370,993	\$ 8,309,095	\$ 8,110,147
Net Property, Plant, and Equipment	\$ 9,720,459	\$ 9,284,202	\$ 9,260,152	\$ 9,498,323
Percent of Net Plant Funded by Equity	<u>88%</u>	<u>90%</u>	<u>90%</u>	<u>85%</u>
Percent of Net Plant Funded by Debt	<u>12%</u>	<u>10%</u>	<u>10%</u>	<u>15%</u>

City of New Richmond Utilities

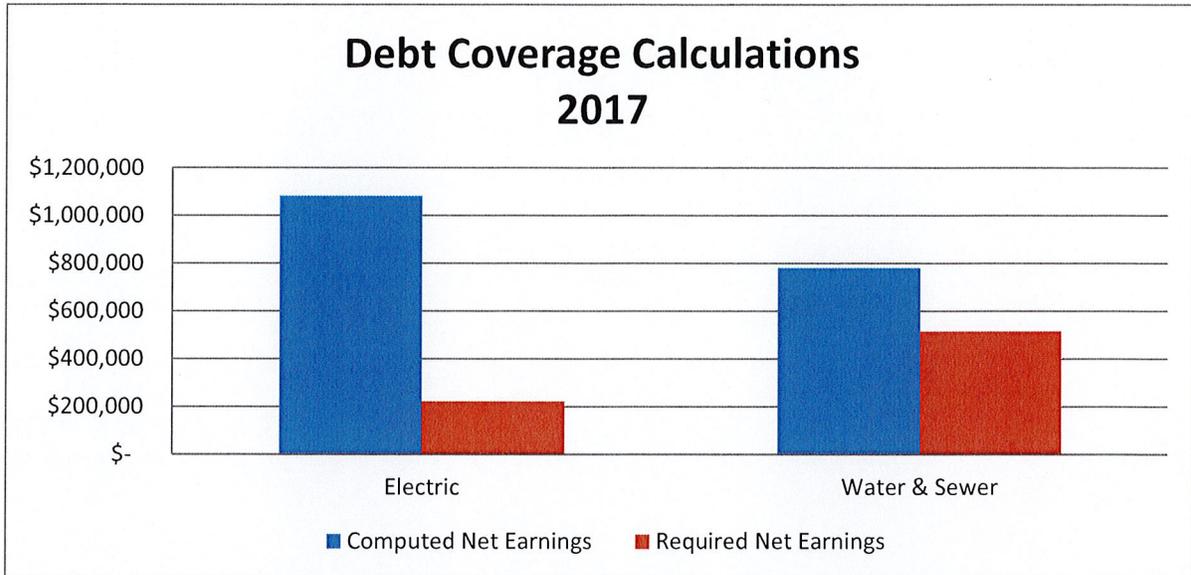


	2014	2015	2016	2017
Net Investment in Capital Assets	\$ 23,258,766	\$ 23,196,864	\$ 23,413,615	\$ 23,345,093
Net Property, Plant, and Equipment	\$ 27,612,003	\$ 27,150,101	\$ 27,603,562	\$ 28,404,408
Percent of Net Plant Funded by Equity	<u>84%</u>	<u>85%</u>	<u>85%</u>	<u>82%</u>
Percent of Net Plant Funded by Debt	<u>16%</u>	<u>15%</u>	<u>15%</u>	<u>18%</u>

What it means....

Obtaining financing for capital improvements is normally a necessity for capital intensive utilities. Management should keep their related debt to a manageable level as this allows you to be less aggressive seeking rate relief and provides more options to address unanticipated expenses. Normal utility target is 50% or more equity and 50% or less debt.

City of New Richmond Utilities

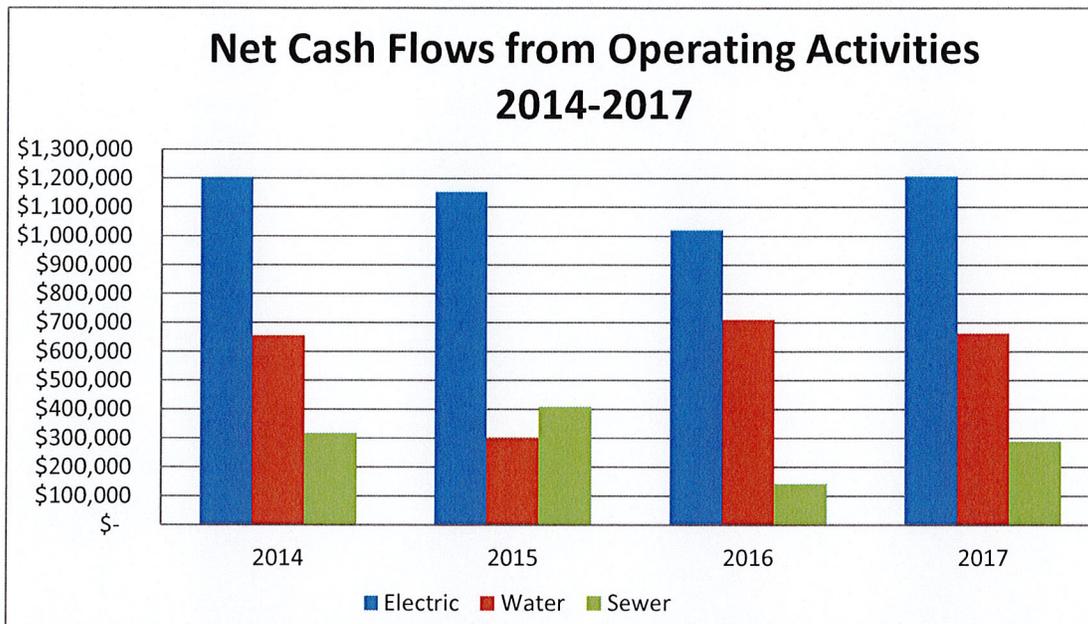


	Electric	Water & Sewer
Accrual based Revenues	\$ 9,942,944	\$ 3,001,648
Accrual Operating Expenses	(9,482,780)	(3,108,655)
Add back: Depreciation	621,380	888,228
Computed Net Earnings	\$ 1,081,544	\$ 781,221
Current Year Revenue		
Bond Debt Service	179,405	413,939
Coverage Factor	1.25	1.25
Required Net Earnings	\$ 224,256	\$ 517,424
Difference	\$ 857,288	\$ 263,796
Coverage	6.03	1.89

What it means....

The bond resolutions require that earnings from the system be 1.25 times the revenue bond annual debt service based on the bond year. The coverage requirement was met in 2017.

City of New Richmond Utilities



	2014	2015	2016	2017
Electric Operations	\$ 1,202,151	\$ 1,152,776	\$ 1,020,196	\$ 1,206,485
Water Operations	\$ 656,960	\$ 302,442	\$ 712,780	\$ 664,598
Sewer Operations	\$ 316,740	\$ 409,371	\$ 142,112	\$ 288,811

What it means....

Cash flow from operations should be sufficient not only to recover operating costs, but also to provide for debt service, transfers to the municipality for property tax equivalent and routine plant additions.



156 East First Street
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MEMORANDUM

TO: Utility Commission
FROM: Joel Enders, Management Analyst
DATE: August 29, 2018
SUBJECT: 2018 – 2022 Capital Improvement Plan

BACKGROUND

Staff will review and distribute the draft 2018-2022 Capital Improvement Plan during the Utility Commission meeting, and go over next steps. Staff recommend Commissioners take 30 days to review the draft CIP, particularly project priority rankings. Concurrently, staff will be refining funding options and scenarios with Trilog Consulting as part of the ongoing Water and Sewer Rate Study.

RECOMMENDATIONS

No formal action on this item is requested at this time.



TO: Utility Commission

FROM: Mike Darrow, City Administrator
Rae Ann Ailts, Finance Director

DATE: September 5, 2018

RE: 2019 Budget Review

The general fund in combination with the Utilities budgets reflect over 18 million dollars in services; ranging from operational needs at the New Richmond Regional Airport, water funding to ensure safe drinking water, library program services, emergency services provided by police, fire and ambulance to maintain safety and security to public work services which allow us to keep our infrastructure safe and community beautiful.

Through the years, the budget process has evolved and continues to evolve into the future. However, the critical value throughout the budget process is collaboration. This collaborative approach is integral in delivering and enhancing services to our community. The budget process begins in late spring with department heads reviewing operations and identifying future needs within their respective departments as well as all City operations. Since that time, we have worked with staff, department heads, council, boards and commission members and stakeholders in issue identification and discussion of general themes for our next fiscal year.

During Wednesday's meeting, staff will present information on general themes and key needs identified as part of the 2019 budgeting process. Outcomes for this meeting include:

- Understanding and approval of key themes
- Overview of department needs
- Overview of next steps within the budget process



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MEMORANDUM

TO: Utility Commission
FROM: Noah Wiedenfeld, Management Analyst
Joel Enders, Management Analyst
DATE: August 28, 2018
SUBJECT: Mass Notification System

BACKGROUND

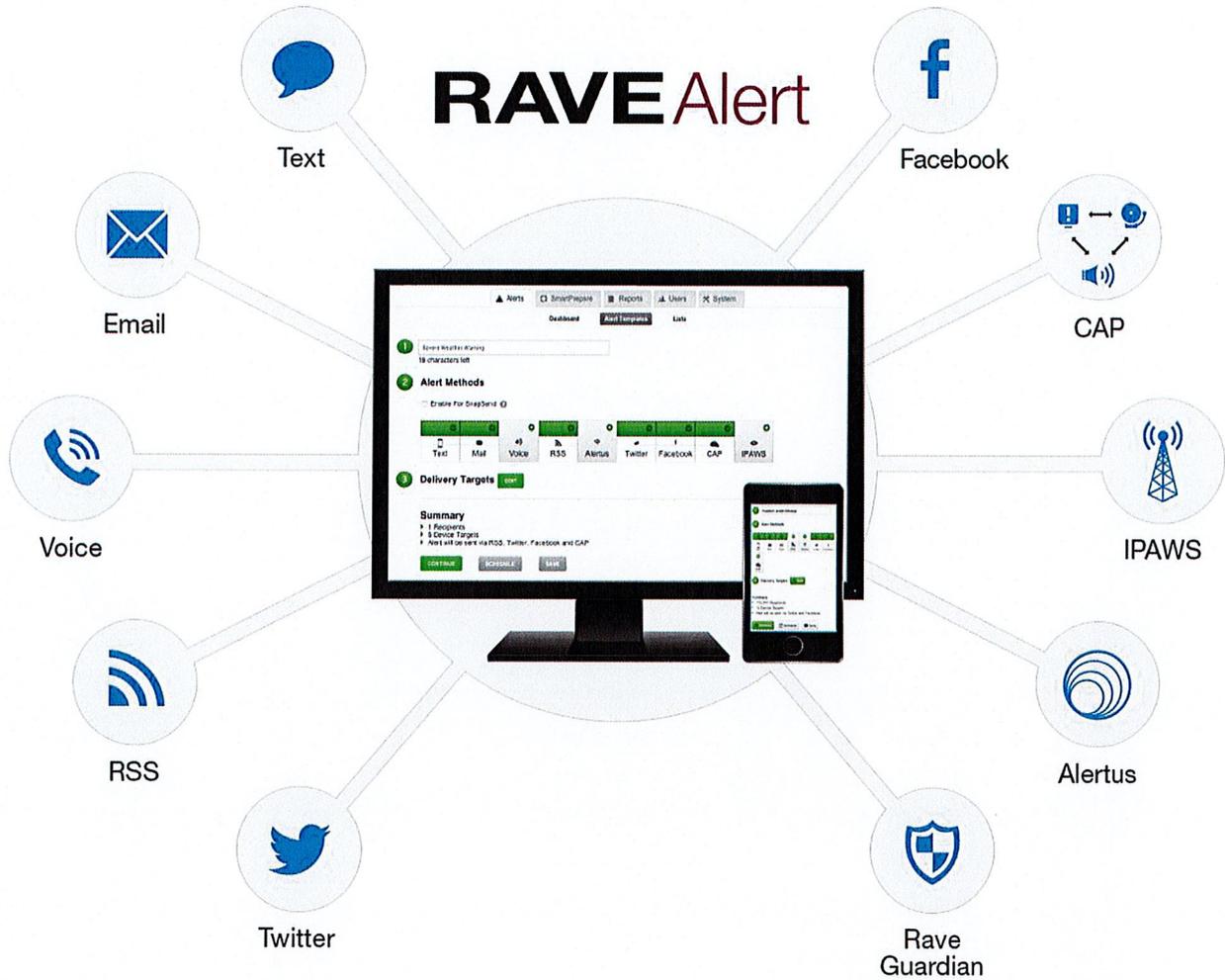
Several years ago, City staff identified the need for a mass notification system that would alert residents in the event of a power outage, water main break, sudden road closure, utility work, or localized emergency such as a gas leak. Last summer, the City and St. Croix County investigated the possibility of jointly adopting a mass notification system, but were unable to resolve concerns over access control and situational use.

Recognizing the continued need for a mass notification system, staff recently contacted several vendors for updated price quotes and information. Demonstrations were provided by Civic Ready, Nixle, and Rave Mobile Safety. All three systems offered similar functionality, but staff (including Police, Fire, and Utility personnel) concluded that Rave offered the best fit for New Richmond at the best price. Rave allows designated staff to quickly send notifications via text, email, phone, RSS feeds, and/or social media to all users or to a geographically defined area. Residents sign up for notifications via portals on the City/Utility website, and may choose sign up for all or specific types of notifications. This system will allow the City to quickly and effectively notify residents about situations/conditions that affect them.

The attached proposal specifies an annual fee of \$3,000, plus a one-time setup fee. Costs are proposed to be shared between the Utility and the City.

RECOMMENDATIONS

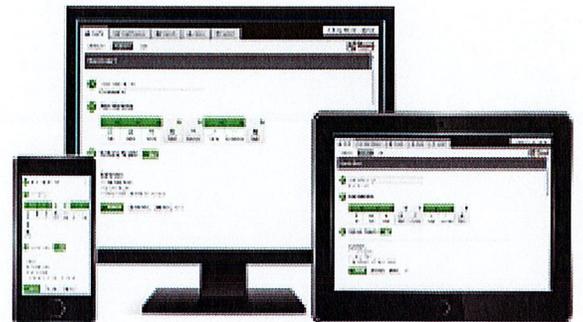
Staff recommends authorization to enter into a service agreement with Rave Mobile Safety according to the attached proposal.



Rave Alert Proposal for: New Richmond, WI

Account Executive: Ryan Camilleri
Email: rcamilleri@ravemobilesafety.com
Phone: (508) 532-8917

Date submitted: 8.28.2018 / Price quote expires: 9.28.2018



From anywhere. To anywhere. Rave Alert provides rapid sending – from the EOC or the field – to all modes: SMS, Email, Voice, Twitter, Facebook, Siren Systems, Dynamic Signage, RSS Feeds, websites, and IPAWS-OPEN.

Rave Alert Features & Benefits

Targeted Communications, Easy Custom Workflows

- **SnapSend™** – Simple 2-click process from any connected device, send alerts to all channels simultaneously
- **Send from anywhere** – Cloud-based technology lets you send messages from internet connected and mobile devices
- **Recipient Group manageability** – Manage an unlimited number of distinct notification groups.
- **Automated conference bridge** – Quickly assemble your team with a one click message
- **Customizable Workflows** – Shows each alert author *only* the features they need and can use – templates, recipients, delivery targets, social network accounts, and more. This keeps the system manageable and easy to use
- **Unlimited alert templates** – Tailored for specific emergency types.
- Unique **“call me” feature** for voice recordings – or use context-aware text-to-speech when time is of the essence
- **Automated Storm-Based Weather Notifications** – Target specific types of events, with or without precise geographic targeting for your area. When storms are coming, send notifications, by any mode, to your EMA, to specific locations, or to your entire population.

One Button: Multi-Modal Alerting

- **2-way SMS** – Send and receive text messages.
- **2-Way Voice** – Includes: custom caller ID, dynamic central office throttling, TTS and “Call Me” feature for voice recording. Configurable voice message delivery profiles include customized caller-ID message playback, answering machine detection, multiple retry rules, and touch-tone response options.
- **Simple integration** to Facebook, Twitter, websites, digital signage.
- **Multi-language** – Auto-translate with support for 48 languages
- **CAP support** – Trigger other systems via outbound Common Alerting Protocol (digital signage, sirens, websites, etc.)
- **Reporting** – We provide a robust suite of reporting tools. Detailed “by recipient” reports show date/time, delivery methods, destination phone number and email, success/failure, calls connected, unconnected, busy, or operator intercepts

Subscriber Management



Access-controlled workflows are all about **ease of use**. In large organizations with many users, it's important that alert authors only see functionality they are permitted to use – the templates, groups, specific social network accounts, and features they need to communicate effectively.

Rave Alert access controls show each author just what they need – and nothing extraneous! This keeps the interface simple for casual users or users in highly distracted environments such as dispatch centers, and helps prevent mistakes and confusion.

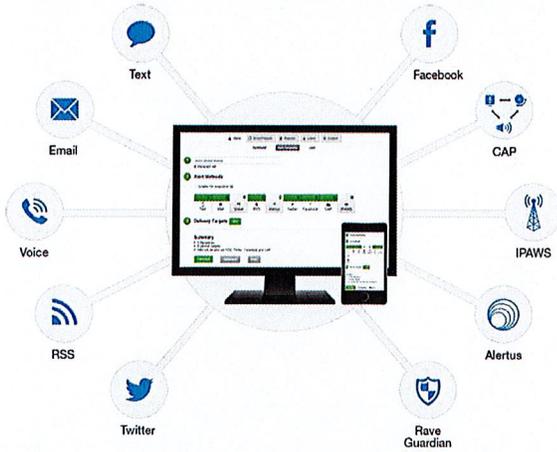
- **SmartLoader automated data management** – Rave's SmartLoader and user management APIs provide you with sophisticated integration options to keep data in sync across systems
- **Branded opt-in portal** – Citizens and staff can opt-in to your alert system with preferences you define.
- **Integrate with existing lists and data** from systems and other directories.
- **Helpful alert templates and best practice documents** assist with communications and emergency planning.
- **Access controls** – Granular system access control through role-based permissions. Extensive customizable admin functions for support of large diverse administration teams.

24x7 Public Safety Grade Infrastructure

- **Delivery rates** – Industry leading capacity ensures your entire population is notified in minutes, no matter how big or small.
- **Designed to manage stressful emergencies** – During the Boston Marathon bombing and Superstorm Sandy, Rave Emergency Notification flawlessly delivered millions of messages to a wide range of recipients
- **Easy setup and maintenance** – Software-as-a-Service (SaaS); hosted, branded, web-based solution requires no on-site installation or maintenance, and is rapidly deployed and configured to your specifications.
- **Reporting** – We provide a robust suite of reporting tools. Detailed “by recipient” reports show date/time, delivery methods, destination phone number and email, success/failure, calls connected, unconnected, busy, or operator intercepts.
- **Availability** – Backed by geo-redundant data centers, our infrastructure ensures high performance and unmatched availability.
- **Redundancy/Failover** – Direct connections to multiple wireless carriers, carrier networks, and Tier1 SMPP aggregators keeps messages moving in every stress scenario.
- **Security and Privacy** – Our data centers are SAS70/SSAE 16 compliant and complete regular 3rd party security audits.

RAVE

MOBILE SAFETY



Overview of Standard Onboarding

Each new Rave customer is assigned a dedicated Client Manager - the single point of contact during implementation who provides practical experience, expertise, and best practices. Your Client Manager guides your alert deployment to success.

Deployment Overview

Typical implementation timetable spans 5-10 business days, assuming availability of required resources at the customer site. This timetable may vary based on specific customer needs, implementation of optional integrations, or configuration needs for features requiring some customization.

- Client Manager is available to coordinate implementation within the first 60 days after contract signing, unless otherwise agreed upon by mutual consent
- Client Manager provides up to 12 hours of dedicated access during the deployment process, inclusive of deployment activities on the hosted platform
- Additional services are available at an optional cost

Project Components and Milestones

- **Project Initiation** – Establishes project roles and contact points, defines core objectives for overall deployment, and presents milestone goals for project timetables
- **Online Kick-off Meeting (1-1.5 hours)** – Web meeting with all project stakeholders covering:
 - Overview of the Platform
 - Access to product resources
 - Implementation process overview
 - SmartLoader options
 - Registration and authentication options
 - Integration to notification targets (RSS, CAP, social networks, etc.)
 - Specific project target dates
 - Next Steps

Implementation

- **Planning and Deployment Phase (up to 10 hours of Client Management)**
 - Deployment of hosted site, login credentials provided (Rave)
 - Implementation of one-time data loading, general configuration
 - Implementation of optional SmartLoader and enterprise authentication integrations
 - Implementation of geo-targeting and map-based tools
 - Implementation of optional IPAWS-OPEN support
 - Functional testing and technical review
 - Training for administrators and alert authors using online courseware
- **Project Conclusion and Transition to Standard Technical Support**
 - Production release milestone, customer next-steps
 - Scheduled “go-live” data
 - Preparation for full system test
 - Program marketing, support website, and related tasks
 - Client Manager hand-off to Standard Technical Support process
 - Project review and feedback

On-site premium training and onboarding options available at additional cost. Additional Rave Professional Services consulting hours are available at daily rate negotiated in contract.

Rave Pricing

Estimated Population: 9,000		
Product License	Annual Fee	One-Time Setup
Rave Alert (Unlimited Text, Email, Voice, RSS)	\$3,000	\$500
Social Media Integration	\$0	\$0
CAP Integration	\$0	\$0
24x7 Support	Included	Included
Training	Included	Included
Unlimited Software Upgrades	Included	Included

- Rave is a GSA Certified Vendor
- Prices above do not include tax (if applicable), which will be calculated at purchase.



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MEMORANDUM

TO: Utility Commission

FROM: Jeremiah J. Wendt, PE, Director of Public Works

DATE: August 28, 2018

SUBJECT: 2018 Sewer Televising/Grout

Background

In 2014, the City began an annual sewer televising program which has carried on for four years. The information gathered in the sewer televising program has helped to identify areas for reconstruction, such as N Starr Avenue, to address infiltration and deficient pipe conditions.

Because of the amount of sewer line televised (roughly 27 miles), there is a lot of data for City Staff to catalogue, and thanks to Kyle Wells, GIS Analyst and Kayla Harle, Summer Intern, much of that work has finally been done this summer.

With the organization of this information, many areas have been identified for minor repairs, such as root control, or grout injection to address infiltration. Knowing that these items need to be addressed, and that we have televised all of the older areas of town, staff is proposing to take a year off from televising, use the \$25,000 in televising funds to implement some of the needed repairs in 2018, and pick up the televising in 2019.

Staff have specifically reached out for proposals to address infiltration in the area where the Knowles Avenue sewer main crosses Paperjack Creek, which showed significant infiltration. Proposals from two firms ranged from \$22,032 to \$57,728.

Recommendation

Staff recommends approval of the attached proposal from VisuSewer for grouting the sewer main along Knowles Avenue at the Paperjack Creek crossing for an estimated cost of \$22,032.



Proposal

To: Jeremiah Wendt
City of New Richmond
156 East First Street
New Richmond, WI 54017
(715) 246-4268

From: Todd Stelmacher
Visu-Sewer, Inc
3155 104th Lane NE
Blaine, MN 55449
763-252-0004

Date: 3/29/2018

Project: Test & Seal Grouting

Visu-Sewer is pleased to provide the following quotation for Test & Seal Grouting:

Test and Seal grouting of approximately 970 linear feet of 10" sanitary sewer main in the City of New Richmond. We estimate there are 324 joints based on video inspection. Visu-Sewer will provide all labor, equipment and material to complete this project with the grout allowance provided below. Price assumes that the grout packer can traverse each pipe section. If needed, removal of obstructions (i.e. roots, protruding taps, mineral deposits, etc.) will be completed at \$265.00 per hour.

Price - \$68.00 per joint (Includes Labor and Materials)
(Based on a minimum of 970 linear feet)

NOTE: Price includes up to **607** gallons of AV100 grout assuming a typical fail rate. If needed, additional gallons will be billed at \$12.00 per gallon.

We propose to attempt to seal the leak between MH 517 and MH 516 and the leak at MH 518 on a time and material basis. If the leak at MH 518 is between the host pipe and the liner, that may be difficult to seal. Our T&M rates are as follows:

Price - \$265.00 per hour
AV100 grout - \$12.00 per gallon

The City of New Richmond will need to locate and expose all manholes, provide access to all manholes, water from nearby hydrants without charge, provide any required permits, and a dump site for captured debris. We have assumed that cones and signs will be adequate for traffic control. If a higher level of traffic control is required, additional compensation will be required. Thank you for the opportunity to quote on this project. If you have any questions please do not hesitate to call us at 763-252-0004.

www.visu-sewer.com

WISCONSIN - ILLINOIS - MINNESOTA - IOWA - MISSOURI



All material guaranteed to be as specified. All work to be completed in a substantial workmanlike manner according to specifications submitted, per standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workmen's Compensation Insurance. This proposal may be withdrawn if not accepted within 30 days of issue. Time and material rates are charges "port to port". Terms - Net 30 days.

Acceptance of Proposal

The above prices, specifications and conditions are satisfactory and are hereby accepted. Visu-Sewer, Inc. is authorized to do the work as specified.

Date: _____ Signature: _____

www.visu-sewer.com

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MEMORANDUM

TO: Utility Commission

FROM: Jeremiah J. Wendt, PE, Director of Public Works

DATE: August 28, 2018

SUBJECT: WWTP Facility Plan

Background

City staff have worked with MSA to prepare a Facility Plan for the Wastewater Treatment Plant, which was completed in 2018 using funds allocated through the STH 64 Coalition. Staff will present a summary of the Facility Plan to the Utility Commission (the Executive Summary is attached for review).

Recommendation

Staff recommends approval of the WWTP Facility Plan.

EXECUTIVE SUMMARY

The City of New Richmond is located in St. Croix County, Wisconsin, approximately 8 miles east of Somerset, WI and 65 miles west of Eau Claire, WI. The population of New Richmond was 8,375 in the 2010 Census, with current 2017 estimates of the population at 8,909 (WI State Demographer).

The original wastewater plant was constructed in 1981 and underwent a significant upgrade in 1999. The 1999 upgrade expanded the plant through the addition of primary and final clarifiers as well as an additional aeration tank. A UV disinfection system was added in 2010 and improvements to the aeration system were made in 2013 that included a new PD blower and EPDM membrane diffusers added to the aeration tank. The facility discharges to the Willow River which eventually feeds into Lake St. Croix.

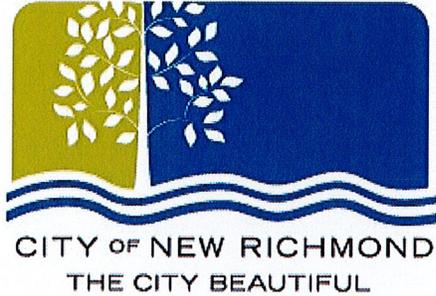
The City began the Wastewater Facility Planning process in 2016 due to projected rapid growth from the construction of the St. Croix Crossing project. The project involves the construction of a new bridge across the St. Croix River which is anticipated to lead to significant regional growth. Part of the project included a growth mitigation package of \$400,000 designated to St. Croix County to help Cities plan for wastewater treatment facility needs and expansion alternatives that will accommodate projected population growth while protecting human health and water resources. The New Richmond Wastewater Treatment Facility Plan was one project that was selected by a coalition of impacted Cities for funding.

The purpose of this Facility Plan is to evaluate the condition of the existing treatment facility and collection system and assess the ability of the systems to meet the 20-year wastewater treatment needs of the City of New Richmond. Based on the existing capacity of facility, it appears that the existing wastewater treatment facility largely has the capacity to meet the projected 20-year wastewater design flows and comply with the future effluent requirements without upgrades.

The primary exception to this statement is the new phosphorus Water Quality Based Limits (WQBELs) that are being imposed on the facility as part of the Lake St. Croix TMDL process. The new limit was imposed as part of the new WPDES permit issued in 2018. The new permit changes the facilities effluent phosphorus limit from 1.0 mg/L to 0.075 mg/L and 0.62 lbs/day (6-month average), and 0.225 mg/L (monthly average). The existing facility will not meet this limit without upgrades.

The WDNR gives permittees three options for compliance with the ultra-low phosphorus effluent requirements: 1) technology upgrades to meet the limits, typically tertiary filtration and chemical addition; 2) adaptive management within the basin to reduce in stream phosphorus levels below an established in stream threshold (0.075 mg/L in the case of the Willow River); 3) phosphorus trading with area agricultural concerns to offset the amount of phosphorus discharged by the facility above the permitted limit.

In order to determine the best possible strategy for the City of New Richmond, the facility planning process evaluated all three potential options. It was determined that the best alternative initially for the City to pursue would be adaptive management. The aim of the adaptive management program would be to use the first 5 year permit term after adaptive management adoption to begin to develop partnerships within the basin with the aim of transitioning to a trading program once projects and partnerships were solidified. The City will also use the next four years of their interim permit to add a variety of minor upgrades to the facility to prepare for phosphorus compliance and minimize the phosphorus release of the existing facility.



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MEMORANDUM

TO: Utility Commission

FROM: Mike Darrow, City Administrator and Utility Manager

DATE: August 29, 2018

RE: Community Outreach Meal

Background

The Community Outreach Meal is a monthly community-wide meal held at United Methodist Church on the 3rd Tuesday of each month from 5:00-6:30pm. The meal is free and open to everyone in the community. Typically, each month one of the local churches take a turn preparing and serving the meal.

This year, one of the churches dropped out of serving the meal. We were asked to assist in sponsoring a meal in the month of September. We are recommending that New Richmond Utilities sponsor the event with the use of community funds in the amount not to exceed \$600.

Recommendation

Motion to approve \$600 towards the Community Outreach Meal in the month of September.