



October 4, 2017

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 **October 11, 2017 at 3:30 p.m.** in the Administrator's office at the Civic Center.

1. Call to order
2. Adoption of agenda
3. Approval of previous commission meeting minutes (Sept 6, 2017)
4. Approval of bills and disbursements – September 2017
5. Public Comment
6. Community Solar Discussion
7. 2018 Budget Update
8. Capital Improvement Plan Discussion
9. Drinking Water Analytical Report
10. Staff Reports
11. Communications and miscellaneous correspondence
12. Adjourn

A handwritten signature in black ink, appearing to read "Mike Darrow", written in a cursive style.

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 UTILITY COMMISSION MINUTES

**September 6, 2017**

The regular meeting of the New Richmond Utility Commission was held on September 6, 2017 at 3:30 p.m. at the Civic Center.

Pat Becker called the meeting to order at 3:30 p.m.

Members Present: Jerry Frey, Bob Mullen, Dan Casey, 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 Jerry Frey to approve the minutes of the August 1, 2017 meeting, and bills and disbursements from August 2017, seconded by Dan Casey, and carried.

**Public Comment:** None

### **2016 Auditor's Report – Baker Tilly:**

The Utility engages an independent accounting firm on an annual basis to conduct an audit of all funds managed by the City. The audit provides assurance to taxpayers, council, board and commissions, and municipal bond investors, that the financial reports of the City can be relied upon as they are properly accounted for under the requirements of GAAP (Generally Accepted Accounting Principles) and GASB (Governmental Accounting Standards Board).

The Utility Commissioners received a copy of Baker Tilly's presentation. Amanda Mboga, CPA, Senior Manager with Baker Tilly Virchow Krause, LLP gave an overview of the presentation. A motion was made by Bob Mullen to approve the audit, seconded by Dan Casey, and carried.

### **Sewer Leak Policy:**

In 2009, the Utility Commission approved a Water Leak Sewer Adjustment Policy which addresses consideration for a sewer adjustment on leaks based on certain criteria. In 2017, staff received two applications requesting consideration for a sewer credit, and were denied. During the review of the applications, the Commission directed staff to review the policy and advise if any changes were necessary to clarify the policy.

Staff reviewed the policy, and also consulted with other municipalities regarding their leak policies. Based upon this review staff recommends the policy remain in place with minor language modifications. The proposed policy eligibility states: "This policy is intended to address leaks which may be considered for a sewer adjustment. Only water pipe breaks (leaks) that develop after metering which do not add any volume of water to the WWTP may be considered for a sewer adjustment. There will be no adjustment to the water portion of the bill." A motion was made by Bob Mullen to accept the recommended change to the Sewer Leak Policy as outlined in the memo, seconded by Jerry Frey, and carried.

### **2017 Second Quarter Financial Report:**

Rae Ann Ailts presented the 2<sup>nd</sup> Quarter Financial Report for the Electric, Water, and Waste Water Funds. A copy of the reporting metrics presentation was given to the Commissioners. Overall growth has been steady averaging 1.6% annually amongst all utilities since 2012. The revenue and operating expenses were reviewed for the Electric, Water, and Sewer Utilities.

### **2018 Budget Update:**

Mike Darrow and Rae Ann Ailts gave an update on the 2018 Budget. The budget process began in late spring with department heads reviewing operations and associated service costs while

identifying future needs within City and Utility operations. This process resulted in the development of a vision statement which focuses attention on how the needs identified in the budget will be accomplished in the coming year. The 2018 vision statement is:

The City of New Richmond strives to bridge our heritage with the current and future needs of our growing community. We will accomplish this through:

- Providing reliable, safe and convenient services
- Striving to be leaders in local government through the use of innovation, sustainable best practices and fiscal responsibility
- Fostering transparency through community engagement
- Acknowledging the significant return on investment to our economy through the support of local programs and services
- Retaining and attracting staff to meet the growing expectations of our community

The identification of needs has led to an essential core value in FY2018: the need for staffing level increases to keep pace with New Richmond's growing community and expectations of core services.

The draft budget for the Utility will be completed and presented during the October Commission meeting. Commissioners were encouraged to participate in BudgetLab2018, along with Council members and key stakeholders. Staff is looking for feedback and innovative ideas from those who make up our community.

### **5 Year Capital Improvement Projects**

Mike Darrow gave an update on the 5 Year Capital Improvement Projects. Projects identified within the draft 2018-2022 Capital Improvement Plan (CIP), incorporate projects identified in the previous 2015-2019 CIP. It also includes new needs as identified by Staff, Council members, Commissioners, and through input from the community from various engagement processes. Projects totaling approximately 33 million dollars have been identified. The proposed plan provides an opportunity for Council and Commission to not only consider projects, but to assess and rate projects by assigning priority levels. Staff is looking for feedback within the next few months.

### **Department Reports**

#### **Bob Meyer, Water Superintendent:**

Locates continued throughout the summer, partly due to all the projects taking place within the city. Derrick Construction will be moving forward with Richmond Prairie condos. Paperjack Bend project inspections are nearing completion. A pre-construction meeting took place for Cassandra Drive, with construction expected to begin near the end of the month. Jon Evans spent some time helping Star Prairie with a bad water sample, and working through protocol to get back online. Star Prairie will be billed for these services. Jetting of mains continues. Hydrant maintenance took place on Knowles Ave. Staff repaired a leaking hydrant at Freedom Park. Meters and cross connections continue. Staff is working on the completion of a major report on water sampling of all wells. North 4<sup>th</sup> Street Project should be completed by mid October.

#### **Steve Skinner, Lead Wastewater Treatment Plant Operator:**

Pump #1 at the Main Lift Station has been installed, and is in operation. Removal of trees will be done around Well #3. This will open an area for the new standby generator to be installed. The actual installation of the generator could be delayed six to eight weeks due to a fuel permit requirement. The WWTP passed the DNR plant inspection, which was completed last month. A broken underground wire going to one of the mixers was repaired. All back up generators have been serviced for 2017 with no major issues. Trees will be planted before the ground freezes.

#### **Tom Rickard, Electric Superintendent:**

No report given.

**Jeremiah Wendt, Director of Public Works:**

No report given.

**Rae Ann Ailts, Finance Director:**

Public Power Week is October 2<sup>nd</sup> through October 7<sup>th</sup>. Since the Utility Picnic Appreciation was fore gone in lieu of the John Doar History Trail event, some activities will take place during public power week. The Electric Department will be recognized for receiving the APPA Safety Award, along with some activities to reflect customer appreciation. Staff is currently working on the Utility website. This involves going through old content, along with looking at new information to update to the new platform. The plan is to go live with the new website in October/November. Rae Ann reported one update for Weston Arndt. Stated the EPS generation was retested and went well.

**Weston Arndt, WPPI Energy Services Rep:**

No report given.

**Mike Darrow, Utility Manager:**

Mike Darrow stated the John Doar event went well. Good feedback was received from the community. Approximately three hundred people were served at the community picnic. Mike commended Noah Wiedenfeld on all his work in putting the event together. MEUW notified members asking for help to assist Florida and Houston recover from the hurricane damage. It will be left to the discretion of the electric department to determine if there is crew available to send. Mike extended a thank you to Rae Ann Ailts and all department heads for the time spent on the budget process. Mike will be attending the upcoming WPPI Annual Conference. The quiet zone is still being looked into as part of the Comprehensive Planning Process.

**Closed Session per State Statute #19.85 (1)(c), Non-union Wages & Salaries:**

A motion was made by Dan Casey to move into closed session, seconded by Jerry Frey, and carried.

A motion was made by Bob Mullen to approve the items discussed in closed session, seconded by Pat Becker, and carried. A call to vote was taken, and passed unanimously.

There being no further business, a motion was made by Dan Casey to adjourn, seconded by Bob Mullen, and carried. The meeting adjourned at 5:25 p.m.

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Pat Becker, President

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Gerry Warner, Secretary

## New Richmond Utilities

**SEPTEMBER 2017**

### Check Register

Check #	Date	Amount	Vendor Name	Description
001691	9/1/2017	53,910.66	CITY OF NEW RICHMOND	PAYROLL 9/1/17
001692	9/7/2017	1,267.55	SUPER AMERICA	AUGUST FUEL BILL
001693	9/8/2017	14,671.34	US BANK CORPORATE PAYMENT SYSTEM	WWTP AUGUST PCARD INVOICES
001694	9/15/2017	51,970.24	CITY OF NEW RICHMOND	PAYROLL 9/15/17
001695	9/15/2017	3,560.62	CITY OF NEW RICHMOND	MONTHLY BILL
001696	9/15/2017	5,971.10	CITY OF NEW RICHMOND	SEPT INSURANCE
001697	9/15/2017	5,000.00	CITY OF NEW RICHMOND	RENT
001698	9/15/2017	7,735.98	CITY OF NEW RICHMOND	RECYCLING
001699	9/15/2017	23,780.00	CITY OF NEW RICHMOND	STORM WATER
001700	9/15/2017	5,803.34	NEW RICHMOND UTILITIES	AUG CTOC COLLECTIONS
001701	9/15/2017	2,835.00	WISCONSIN PUBLIC POWER INC	AUG 5 SOLAR PANELS SOLD
001702	9/15/2017	88,420.00	LOCAL GOVERNMENT INVESTMENT POOL	SEP17 INVESTMENTS
001703	9/15/2017	51,125.00	LOCAL GOVERNMENT INVESTMENT POOL	SEP17 INVESTMENTS
001704	9/20/2017	15,648.00	LOCAL GOVERNMENT INVESTMENT POOL	AUG WATER IMPACT & SAC COLLECT
001705	9/19/2017	35,832.98	WI DEPT OF REVENUE	AUG17 SALES TAX
001706	9/28/2017	849,345.89	WISCONSIN PUBLIC POWER INC	AUGUST PURCHASED POWER
001707	9/29/2017	162,202.50	BREMER BANK, N.A.	15 ELECTRIC REV BOND
001708	9/29/2017	53,184.56	CITY OF NEW RICHMOND	PAYROLL 9/29/17
001709	9/28/2017	1,925.24	CITY OF NEW RICHMOND	NORTH 4TH ST CONSTRUCT SVCS
001710	9/28/2017	107.50	CITY OF NEW RICHMOND	BENEFIT EXTRAS MO, FSA, ADMIN
001711	9/28/2017	37.16	CITY OF NEW RICHMOND	LIFE INSURANCE
001712	9/28/2017	749.97	CITY OF NEW RICHMOND	EMPLOYER HSA CONTRIBUTION
001713	9/28/2017	20,061.39	CITY OF NEW RICHMOND	HEALTH INSURANCE
001714	9/28/2017	352.22	CITY OF NEW RICHMOND	SHORT TERM DISABILITY
001715	9/28/2017	367.42	CITY OF NEW RICHMOND	LONG TERM DISABILITY INS
001716	9/28/2017	45,335.00	CITY OF NEW RICHMOND	TAX EQUIVALENT
001717	9/28/2017	9,657.63	CITY OF NEW RICHMOND	REIMB 3RD QTR WAGE LAMERS
001718	9/28/2017	2,729.00	CITY OF NEW RICHMOND	REIMB WAGE 3RD QTR THOMPSON
001719	9/28/2017	21,455.84	CITY OF NEW RICHMOND	REIMB WAGE 3RD QTR WENDT
001720	9/28/2017	12,373.67	CITY OF NEW RICHMOND	REIMB WAGE 3RD QTR KRAFT
001721	9/28/2017	7,494.36	CITY OF NEW RICHMOND	REIMB WAGE 3RD QTR BANNINK
001722	9/28/2017	21,130.98	CITY OF NEW RICHMOND	REIMB WAGE 3RD QTR DARROW
001723	9/28/2017	9,301.81	CITY OF NEW RICHMOND	REIMB WAGE 3RD QTR WIEDENFELD
001724	9/28/2017	16,001.50	CITY OF NEW RICHMOND	REIMB WAGE 3RD QTR AILTS
001725	9/28/2017	939.00	COMMERCIAL TESTING LABORATORY	COLIFORM BACT
001726	9/28/2017	284.00	GOLDCOM VOICE & DATA SUPPLY	SAFETY RED MARKING PAINT
001727	9/28/2017	2,079.70	INFOSEND, INC	AUGUST BILLING & POSTAGE
001728	9/28/2017	2,690.50	MUNICIPAL ELECTRIC UTIL OF WI	JT&S PROGRAM LAST 4 SESSIONS
001729	9/28/2017	197.26	QUILL	LABELS, CARDSTOCK, FILE POCKET
001730	9/28/2017	25.00	WISCONSIN STATE LAB OF HYGIENE	FLUORIDE
035207	9/6/2017	189.32	BALDWIN TELCOMM	AUGUST PHONE BILL
035208	9/6/2017	63.15	ELIZABETH M SMITH	CR REF ACCT# 700900-37
035209	9/15/2017	228.00	CEMSTONE READY MIX INC	WISCONSIN GRADE A MIX
035210	9/15/2017	297.08	FRONTIER COMMUNICATIONS	AUGUST PHONE BILL
035211	9/15/2017	454.59	KWIK TRIP	AUGUST FUEL
035212	9/15/2017	3,963.96	L W ALLEN LLC	PUMP REPAIR
035213	9/15/2017	304.00	NARDINI FIRE EQUIP CO., INC.	CO2 INSPECTION
035214	9/15/2017	365.70	PRAXAIR DISTRIBUTION INC	LSEU230-5 IND HIGH PRES
035215	9/15/2017	333.23	PROFESSIONAL SERVICE INDUSTRIES, INI	NORTH 4TH STREET

035216	9/15/2017	9,310.50	SHORT ELLIOTT HENDRICKSON INC	NORTH 4TH STREET PROJECT
035217	9/15/2017	1,000.00	UNIVERSITY OF ST THOMAS	SCHOLARSHIP GAVIN BROWN
035218	9/15/2017	246.28	VERIZON WIRELESS	AUGUST PHONE BILL
035219	9/28/2017	239.92	AAF INTERNATIONAL	PERFECTPLEAT HC M8
035220	9/28/2017	900.35	AMERIPRIDE LINEN & UNIFORM SERVICES	UNIFORM SERVICE
035221	9/28/2017	816.67	FRESCO INC	SUNTECH PHOTO CONTROLS
035222	9/28/2017	460.00	FUSION METAL PRODUCTS INC	SANDBLAST & POWDER COAT LIGHT
035223	9/28/2017	620.00	MUNSON PLUMBING SERVICE LLC	PLUMBING 733 BERNDS AVE
035224	9/28/2017	79.45	MYBINDING	18" SPIRAL BINDING COIL
035225	9/28/2017	955.00	NORTHERN LAKE SERVICE, INC.	SDWA INORGANICS, SYNTHETIC
035226	9/28/2017	1,800.00	NR TREE SERVICE LLC	LOADER TRUCK, BRUSH CHIPPER
035227	9/28/2017	3,502.00	SCHMITT & SONS EXCAVATING, INC	WATER SERVICES ON 5TH ST
035228	9/28/2017	385.00	SKOGLUND OIL CO. INC.	HYDRO 46
035229	9/28/2017	33,160.32	WEST CENTRAL WIS BIOSOLIDS FAC	AUGUST BIOSOLIDS
035230	9/28/2017	50.00	DNR	A JACKSON-EXAM WASTEWATER OPER
035231	9/28/2017	110.57	XCEL ENERGY	JULY GAS BILL

**Total**                        \$ 1,667,396.00

**Total Checks & Wires**



**To:** Utility Commission

**From:** Mike Darrow, City Administrator  
Rae Ann Ailts, Finance Director

**Date:** October 9, 2017

**RE:** Community Solar Discussion

### **Background**

In 2015, New Richmond Utilities was one of the first municipally owned utilities, in Wisconsin, to install a community solar garden. The project has been well received and supported by the community; with 25% of shares sold to date. Our goal in the coming year is to continue to increase the awareness and support of the project. As such, during budget conversations several ideas for increasing participation in community solar were discussed. Additionally, River Falls Utilities has taken some new approaches to community solar within the last year. We have invited Kevin Westhuis, Utility Director for River Falls Utilities, to discuss these programs and the impact experienced in River Falls during the next commission meeting.



**To:** Utility Commission

**From:** Mike Darrow, City Administrator  
Rae Ann Ailts, Finance Director

**Date:** October 9, 2017

**RE:** 2018 Budget Update

### **Background**

Over the last several months staff and the Commission have discussed the needs of the Utility. During our meeting on Wednesday we will further review the Utility budgets focusing on projected revenues and expenditures. We will be looking for formal budget approval during the November commission meeting.

Additionally, we will be conducting a number of Community Engagement sessions throughout the month of October and November. We will be highlighting the combined operating needs of the City and Utility as well as capital needs. The key focus is to engage as many residents, businesses and other stakeholders through presentations, activities, social media updates and online survey's! We intend to make this process transparent, engaging, collaborative and fun!

We invite Commission members to join staff throughout the coming month as we bring the budget to the community as well.

We look forward to the many ideas, suggestions and discussions – all questions are welcomed and encouraged! The following organizations are confirmed for presentations:

Chamber of Commerce Ambassadors  
Senior Health Fair at The Centre  
WITC  
Deerfield  
VFW

Rotary  
Comprehensive Plan Committee  
New Richmond News  
Kiwanis

We are working to add several more community opportunities and we will continue to post updates on our website and social media as dates are confirmed.



**To:** Utility Commission

**From:** Mike Darrow, City Administrator  
Rae Ann Ailts, Finance Director

**Date:** October 9, 2017

**RE:** 2018 Capital Improvement Plan Update

### **Background**

During the September 30<sup>th</sup> Utility meeting, a list of projects was provided for considered under the 2018-2022 Capital Improvement Plan (CIP). These projects were identified by staff, Council members, Commissioners and by the community over several months as well as projects which carried over from the previous plan. The Capital Improvement Plan is a process which stretches over many months but begins with the identification of projects, establishing of themes, which aid in prioritization and then preparation of a financial plan providing a roadmap for implementation of the projects.

During the September Council work session, staff was asked to begin prioritizing projects based upon a color coding methodology which would provide a quick glance into projects which are needs versus wants. For example, red indicates an immediate need for replacement/repair/etc due to safety or health.

During Wednesday's meeting staff will provide an update regarding the projects and also next steps.



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## MEMORANDUM

**TO:** Utility Commission

**FROM:** Jeremiah Wendt, Director of Public Works

**DATE:** October 4, 2017

**SUBJECT:** Drinking Water Analytical Report

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### **BACKGROUND**

New Richmond's Water Utility is regulated by the Wisconsin Department of Natural Resources, and as a condition of our permit to operate a municipal waterworks system, certain testing and analysis is required. In the year 2017, a wide range of testing was required for the drinking water system, including testing for lead. Staff will compile the results of this testing and present a thorough summary at the October 11, 2017 Utility Commission meeting.