

Approved

**SPECIAL JOINT CITY COUNCIL AND  
WATER AND SEWER UTILITY COMMISSION  
MEETING  
Minutes**

**June 9, 2014**

**Brillion Community Center**

**5:30 PM**

**CALL TO ORDER:**

Mayor Deiter called the meeting to order at 5:30 pm.

**ROLL CALL:**

**CITY COUNCIL:**

Present were Mayor Gary Deiter, Alderpersons Robert Brick, Mel Edinger, Crystal Fflug, Betty Nies, Wally Sonnabend, Larry Van Frachen, and Carrie Wenzel. Also present were City Administrator/Clerk-Treasurer Lori Gosz, Police Chief JoAnn Mignon, City Librarian Chris Moede, and Deputy Clerk/Treasurer Joy Buboltz (arriving at 6:10 PM).

**WATER AND SEWER COMMISSION:**

Present were Mayor Gary Deiter, Jeff Wittmann, Mary Jo Krueger, Wally Sonnabend, Joe Levasch, Dave Schwahn, Leonard Kopidlansky, and Dan Mertens.

**GUESTS:**

Guests of the meeting were Jon Cameron from Ehlers & Associates, Inc., Ron Wolf from McMahon, Randy Much from MCO, and Paul Much from MCO

**APPROVAL OF AGENDA:**

**Motion** – Edinger moved to approve the agenda as printed and circulated. Seconded by Fflug. Call vote. Motion carried unanimously.

**SAFE ROUTES TO SCHOOL GRANT PROJECT (CITY COUNCIL ACTION):**

City Administrator Gosz reported that she received a call from Jeff Saxby, Regional Project Management for the WisDOT Safe Routes to School Program. She explained that the WisDOT will be allowing projects to be advertised for construction bid without having the right-of-way acquisition complete. The award of the construction bid will be done after the right-of-way acquisition is complete. She explained that there are 3 or 4 projects in this region that are faced with the same issues of completing the project deadlines due to right-of-way acquisition delays. The WisDOT would like to have these grant projects complete, therefore are allowing adjustments in the timeframes.

**5-YEAR CAPITAL FINANCIAL MANAGEMENT PLAN WORKSHOP #4 – EHLERS & ASSOCIATES, INC.:**

**A. Utility Project Borrowing – Approval of the \$245,000 GO Notes (Utility Commission/City Council Action):**

Jon Cameron from Ehlers presented the bids received for the \$245,000 GO Promissory Notes for the Utility Projects. He explained the request for bids was sent to the three local financial institutions. The only bid received was from Calumet County Bank with an interest rate of 3.75%, which is higher than the 1.25% anticipated.

Cameron explained the Bank note will be a five (5) year loan with interest only payments with a full principal payment in 2020. He explained that Calumet County Bank has agreed to those terms. Cameron explained that because the loan is a small amount the higher interest rate does not have a huge impact on what was projected. He explained the closing date of the loan would be June 30, 2014.

Approved

Edinger questioned the Utility's ability to pay off the loan in 2020. Cameron explained that this was included in the water rate case study.

**Utility Commission Motion** – Kopidlansky moved to recommend to City Council the approval of the \$245,000 GO Promissory Note through Calumet County Bank as presented. Seconded by Krueger. Call vote. Motion carried unanimously.

**City Council Motion** – Sonnabend moved to approve the \$245,000 GO Promissory Note through Calumet County Bank as presented. Seconded by Brick. Poll vote. 7 votes cast. Motion carried unanimously.

**WELL #5 PROJECT – WELL CONSTRUCTION CONTRACT UPDATE - MCMAHON:**

Ron Wolf from McMahon gave an update on the Well #5 Project. He reviewed the memo submitted by Amy Vaclavik to the City Council and Utility Commission members. He stated that the results of the 24-hour pump test of the Well are encouraging. He further explained that Vaclavik will be reviewing the data collected and would like to schedule a joint meeting on June 23<sup>rd</sup> with the City Council and Utility Commission to discuss her final conclusions on the Well. Also, a construction schedule for the pumphouse contractor should be then considered.

Mertens questioned if there are any other delays with the project. Wolf explained because of the delay with the Well development, the Water Transmission Main contractor, Jossart Brothers, has asked to pull off the work site for a few weeks to be able to complete another job. Wolf stated this is to the City's benefit as it will allow time for Wisconsin Public Service to remove power poles along Round Lake Road. Jossart should be back at the end of June to complete the installation of the Water Transmission Main. Wolf reported that Jossart's subcontractors will be completing the patch work on Main Street and E. Water Street this week.

A special joint meeting of the City Council and Utility Commission was scheduled for Monday, June 23, 2014 at 5:30 pm to discuss the Well construction test results and to discuss the construction schedule for the pumphouse construction.

**5-YEAR CAPITAL FINANCIAL MANAGEMENT PLAN WORKSHOP #4 – EHLERS & ASSOCIATES, INC. (CONT):**

**B. General fund and Capital/Reserve Budgets (City Council Action):**

Jon Cameron explained the capital plans for infrastructure projects for the next five years was prepared as full/complete projects to include sanitary sewer, water, storm sewer, sanitary sewer laterals, street, curb/gutter/sidewalk. He explained that due to the large costs of these total projects, he would like to ask the City to prioritize the projects to give him more direction to finalize an attainable financial plan for the City to use.

Cameron explained that street and storm sewer project borrowing would be through GO (General Obligation) debt which counts against the City's legal margin for debt limit. He explained that the City's current outstanding debt is at approximately 75% of the debt limit. He stated it in order for the City to maintain that 75% threshold; the City would only be able to borrow approximately \$2 million for the next 5 years.

Cameron suggested that at the next workshop, he would like to demonstrate the impact these projects would have on the general fund tax levy and the water and sewer utility user fees.

Approved

Wolf explained the proposed project list was created using the Sanitary Sewer I/I Remediation 5-Year Capital project list and the 5-Year Street Project list. Randy Much stated the goal for the I/I Remediation project list reflects the five year program that was discussed with the WDNR. The sanitary sewer lateral replacement program would be from the homes to the sewer main at the property owners costs. He explained the intent would be for the City to pay for the project costs and special assess the homeowners for the costs. By doing this, Much suggested that the City could establish a revolving account for project cost reducing the amount of future borrowing needs.

Wolf stated for the purpose of financial planning the projects were estimated with worst case scenario costs, using the recent S. Francis Street project as an example. Randy Much explained recent wet weather televising was used to identify the project areas for I/I Remediation.

Street repairs were discussed. It was suggested that in some years only I/I projects be done by doing only sanitary sewer laterals. Krueger suggested that if only sanitary sewer lateral projects are done, then mini-storm sewers be included in those projects.

Cameron asked what costs can be assessed and what costs can't be assessed. Wolf explained that every street is different and explained the possible percentages. Cameron advised those in attendance to keep in mind there are other capital needs in the City and to try to make a "needs list".

Van Frachen stated the City's biggest concern is to eliminate clear water from entering the City's Sanitary Sewer. Much stated from the televising that has been done in the City it shows there is a substantial amount of lateral joint problems. Van Frachen he stated that water will not back into a property owner's basement, since most homes today needs sump pumps. Mertens stated there will be back up in basements.

The list of future projects were reviewed and discussed. Wolf stated that if the City Council/Utility Commission is only considering doing mini storm work on certain streets then his street costs are low. Van Frachen stated it appears it is best when a project is done to redo the whole street at that time.

Mayor Deiter reminded those in attendance this is a long term, ongoing program. Edinger stated he feels we should look at what streets need to be totally redone. Nies stated this would show the residents that street work is also being done. Wittmann reminded those in attendance that we need to focus on the streets with water issues. Wenzel stated we also need to address the streets that are in poor condition. Levash stressed the importance of creating a 5-Year Plan for the I/I Projects and a 5-year Plan for street reconstruction.

It was suggested that Cameron and Wolf work together and look over the proposed G.O. Borrowing and list of streets over the next 3-5 years and "fine tune" some of the costs. Kopidlansky stated that will help in prioritizing projects.

Gosz reminded the City Council that they need to remember there will also be future capital items that will need to be considered for future budgets.

Randy Much reminded those in attendance of the phosphorus limit the City/Utility will need to address in the future. Edinger asked about the future of the City's Wastewater Treatment Plant. He suggested doing the projects we can afford and go from there.

Cameron informed the City Council/Utility Commission members that the City's application for a water rate increase is at the PSC and he is working with the PSC on the water rate increase.

Approved

Randy Much stated the City/Utility has committed to the DNR certain street projects that will need to be completed in five (5) years. Levash again stressed the importance of a five (5) year plan to let residents know when they street may be done.

Krueger stated if more televising is to be done, projects need to be defined.

Sonnabend suggested having Columbus Avenue, north of USH 10 reconstructed next year and to replace the laterals and install mini storm sewers on Schley Street and Dewey Street. Schley Street and Dewey Street could be used a test area. Wolf cautioned replacing piping from the curb to the home when in the near future those mains would also need to be replaced.

Discussion followed.

Wolf and Cameron will work on fine turning some of the figures of the proposed streets to be redone.

The final Workshop will be held on Monday, July 14<sup>th</sup>.

**ADJOURNMENT:**

**Motion** – Edinger moved to adjourn the meeting. Seconded by Sonnabend. Call vote taken. Motion carried unanimously. The meeting was adjourned at 7:04 PM.

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Gary Deiter, Mayor

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Joy L. Buboltz, Deputy Clerk/Treasurer