

In Attendance

Mayor S. Bierce, Alderman J. Wamser, Committee Members: M. Kreiter, D. Swan

Absent

Committee Member, J. Tormey

Also in Attendance

M. Wagner-Director of Public Works, J. Mueller-Utility Manager, R. Wirtz-Chief Engineer-Utilities, R. Kincaid-Assistant Utility Manager, M. Gabbey-Chief Engineer-Streets and Development, S. Smaxwill-Administrative Assistant

1. Call to Order and Pledge of Allegiance

Mayor Bierce called the meeting to order at 4:00 p.m. and requested everyone stand for the Pledge of Allegiance.

2. Public Comments

None

3. Discussion and Action Regarding the Minutes

3.1. Discussion and possible action regarding the meeting minutes of 4/25/2024

A motion was made and seconded (Wamser, Kreiter) to approve the April 25, 2024, meeting minutes. Motion passed: For-3, Against-0 (Swan Absent)

4. Communications

4.1. Discussion and possible action regarding installing “No Engine Breaking” signs along Ryan Road (CTH KF) north of STH 16.

Ms. Wagner reported that a resident requested No Engine Breaking signs be installed on Ryan Road (CTH KF). There is a significant grade difference from north to south along that stretch of roadway, so trucks are engine braking to slow down for the Highway 16 ramps.

The city has an ordinance that prohibits engine braking. The sign will be more of a deterrent, as it is difficult to enforce. The sign will be placed south of Lyndale Road, just past CTH JK when approaching CELA school.

The county requires a permit for the city to install signs within their right-of-way and each individual sign requires its own permit. The permit is \$250, and the sign is \$100-150 (rough estimate).

John Schultz made a public comment on the increase in engine braking taking place in that area.

A motion was made and seconded (Wamser, Swan) to recommend installation of No Engine Breaking signs to Council. Motion passed: For-4, Against-0

5. Old Business

5.1. Discussion and possible action regarding the Quiet Zone Studies.

Ms. Wagner brought this item back as an update at the request of Mr. Swan.

Ms. Wagner reported that the preliminary design for Weyer Road is completed. Because of the proximity of this crossing to Duplainville Road and the private driveway, the quiet zone does not qualify for supplementary safety measures. Therefore, the city must go through and do an alternate safety measure (ASM) which needs to be reviewed and approved by the Federal Railroad Administration. The city submitted the ASM to the railroad last week and anticipates hearing back in the next 9-12 weeks.

The preliminary design for Green Road has been completed and the improvements will be included in the contract as soon as the Weyer Road ASM has been approved.

The city is currently working with Waukesha County to finalize Watertown Road. A permit is needed from the county to be able to make any improvements at that crossing.

The Duplainville Road intersection is ready to go. The paperwork will be submitted to Canadian Pacific Railroad at the same time as the other crossings, so all quiet zones are implemented at the same time. Weyer Road is the only one out of five crossings that has an issue.

The City of Brookfield is taking the lead on the Springdale Road project. They are working through the process with a similar timeline as our city's crossings.

Mr. Swan feels that the city should not wait until the issues for Weyer Road are approved to complete the rest of the crossings. He asked about moving the access to the driveway further to the east, so it won't be so close to the road. Ms. Wagner said that it is Canadian National's driveway, as well as access for private homes, and therefore cannot be relocated. The reason for doing all the crossings together was to have a consistent length for the railroad, so there is no train horn for a long distance.

The city is waiting to hear from the Village to do the Kopmeier project.

No action taken.

5.2. Discussion and possible action regarding capping assessments for connecting to municipal water and sanitary sewer.

Ms. Wagner reported that this committee previously discussed trying to find a way to make water and sewer extensions more affordable to residents. The department did some additional investigation with the PSC to determine whether they would have any issue with the municipality or the utility picking up those costs. The PSC did not have a lot of guidance in that area. The PSC will review the utility costs when going for a rate case. The costs are included as part of the rate review process.

Ms. Wagner stated that at a recent common council meeting, the council took action not to levy a water main assessment for a project that will complete a water main loop on Lindsay Road. They did maintain the water service assessment but eliminated the water main assessment. That project will close a loop and reduce the number of customers at risk on a long dead end that would have a potential service interruption if there was a main break anywhere along that stretch of water main. Once the loop is completed, only Woodleaf subdivision and some customers along Swan Road would be left on the dead end main.

The assessments averaged \$16,000 per household for the water main assessment, and approximately \$10,000 for the water service assessment. The utility would pay 60% of the project costs because it was providing the loop as an improvement for the utility. Only 40% would be assessed to the residents (the \$16,000 and \$10,000 were 40% of the cost of the project). With the action of the council, the water utility will now pay 91% of the cost of that water main project. Only 9% is being assessed, and that is basically for the water services. The concern is the implication this will have on the water utility and the precedent that the council set.

There has not been a project in the history of the water utility that did not assess for water main. This action is a huge divergence from policy that has been set since the utility was adopted. One item brought up at the council meeting as an example of a project that was done in 2014 when the utility installed a new well. Test pumping indicated this project would impact many of the wells in the area. All those properties had assessments, but because of the importance of that well, and the fact that it was the only shallow well that was available to install in the area, the utility paid the assessments for those properties. This is because those properties were harmed when the utility took out the use of their private wells. The assessments weren't waived, the utility mitigated the damage that was done to those properties by connecting them to city water for the overall benefit of the utility in obtaining the shallow well. Unfortunately, there is PFAS contamination in that well, but that is treatable.

Ms. Wagner stated that her point is that the Lindsay Road water main project is not a unique project. This provides better fire protection and redundancy within our systems, but so did a lot of our other water mains that have been extended throughout the community. The concern is that this may be the path that is going to be taken in the future when coming forward with other water main extension projects. Regardless of whether it is wanted, the water main provides a benefit to the properties. It will be difficult to sustain the utility if they do not assess those properties and the infrastructure that is being placed. At the council meeting, a lot of discussion revolved around how expensive these water and sewer extensions are, and how difficult it is to put that burden on the property owners. Ms. Wagner looked back at previous assessments that have been levied in this community and reviewed seven or eight different projects for water and sewer. To compare apples to apples, those assessments were reviewed in whatever year they were levied and then were brought forward to 2024 dollars using a construction cost index. That construction cost index reflects what inflation and other construction costs increase on an annual basis. When reviewing them in 2024 dollars, the Lindsay Road project falls in the upper middle of those assessments.

The review indicated the cost of the Lindsay Road water main assessments are not out of line with what has been assessed to residents in the past. The utility needs to close these loops for the benefit of our system, and to provide water service to ensure its customers have reliable, safe drinking water in the future. This is the same for sewer/septic relief areas where there are small lots and no place to put a new septic or mound system. Providing that sanitary sewer is how those lots are going to sustain into the future.

The utility is proposing to come up with some sort of cap to be able to continue to build the system, while protecting current customers and providing for future customers. There needs to be a balance between the escalating construction costs of those assessments and a threshold that is tolerable for residents.

Ms. Wagner reviewed the average of the previous assessments that were levied. The average for a water main assessment is \$14,357.62. A 1-1/4" service, which is typical for a residential home, is \$7,656.24. Same with the sanitary sewer, the average was \$19,749.23. And a 6" lateral is

\$9,063.85. The utility is proposing to set a cap for those assessments at those values and have it increase by the construction cost index every year moving forward. Anything over these caps would be paid by the water utility or the sewer utility, which means that those costs would be in the rates. All ratepayers would be paying for a portion of those extensions if it reaches the cap.

Alderman Wamser was against supporting funding from the other residents to pay for these projects. He asked if Ms. Wagner checked with other municipalities in the area and asked how they pay for these projects. Ms. Wagner replied that most were built out of sewer and water, so those extensions are already there. Brookfield had sewer everywhere, and they are slowly bringing water main into the older neighborhoods. They do assess 100% of the costs, and they do it only on a front-footage basis. A number of communities assess when they install extensions, as far as she knows, no one has a cap.

Mayor Bierce said that this is probably the toughest thing being done right now at the council level. He is in favor of keeping this conversation going one way or another to definitely come up with a plan.

Mr. Swan had questions about the current payment plans for road, sewer and water assessments. Ms. Wagner said the payment plans are allowed to be paid over 10 years, plus interest at 1% over what the city borrows.

Mr. Kreiter and Mr. Swan complimented Ms. Wagner on her research and feels this is a good start.

A motion was made and seconded (Kreiter, Swan) to recommend establishing a cap on water and sewer special assessments. Motion passed: For-4, Against-0

6. Water and Sewer Division

6.1. Discussion and possible action regarding the 2023 Consumer Confidence Report (CCR).

Ms. Mueller reported that the utility is required to send out an annual Consumer Confidence Report. This report is included in the Utility Messenger newsletter that was sent to all municipal water customers in June. The newsletter includes important information about water quality and the utility. The EPA or DNR will be redesigning the report format in the future, and the utility may be required to send it out twice a year.

Mr. Swan feels that Shady Lane should be revisited under these guidelines (of an assessment cap). Ms. Wagner stated the project was awarded as a road and stormwater improvement and is under construction right now, along with Joseph Road.

Mr. Swan asked if the council agrees with an assessment cap, will this information be included in a letter stating that a 10-year payment plan with interest is available? Ms. Wagner said it would be discussed at council level, but the council must first approve the cap, so this will be discussed in the July council meeting.

No action taken.

6.2 Discussion and possible action regarding the 2023 Compliance Maintenance Annual Report (CMAR).

Ms. Mueller reported on the CMAR, an annual DNR report required of the sanitary sewer system. The report is a synopsis of what has occurred in the sewer utility for the last year. The Utility passed with an A grade, which is excellent.

No action taken.

7. Engineering Division

7.1. Discussion and possible action to extend the existing contract for garbage and recycling collections with Johns Disposal.

Ms. Wagner reported that our current contract with Johns Disposal (Johns) for garbage and recycling service expires at the end of this year. In the past, the city has gone with Waukesha County who puts together an RFP for participating communities in the Waukesha area and bids out the garbage and recycling service for the communities as a larger RFP. Then the city picks what services it wants to offer.

Waukesha County began compiling the information to complete the RFP, but because of the fire at the material recovery facility, a study is being done to determine if they will rebuild at a different site or become a transfer station. The county asked the city to request a one-year extension on our current contract with Johns to allow the county time to finish their MRF study and then go out for RFP. 2014 was the last time the city was part of the process. Johns has done it a couple of times since, and the city did see a significant reduction in its collection costs. Part of the reduction was because the city decided to make “up-the-drive” an optional service.

Ms. Wagner requested a one-year extension from Johns, anticipating that the city would participate in the RFP that the county is going to be putting out either later this year or early 2025. Johns came back with a one-year extension and proposed a five-year extension for the community. Johns increase for the one-year extension is approximately 9%, and then landfill costs would increase by 5%. Just a side note, the city’s current contract would currently cap an increase at 2.65%.

For the five-year extension, the first year would increase by 4.5%, landfill still increase by 5%, and then they asked for a subsequent 4% increase each year after year one. Ms. Wagner feels it is important, especially since it's been 10 years since the last time the city went out for an RFP, to execute the one-year extension and then participate in the county RFP. Ms. Wagner recommends that if the five-year contract is chosen, the city should have some sort of cap rather than the 4% annual increase, and she feels it should be based on those indices.

Mayor Bierce feels that neither option is great. He agrees that going the road of hanging in there with the county is certainly the way to go. But if the city does sign, he would be in favor of the one-year extension and would like staff to let Johns know that at 9%, they have basically eaten up all the goodwill they have acquired over the last 10 years. They will be viewed simply as another vendor when it comes time to make our decision for who gets the city garbage and recycling services for the next 10 years.

Mr. Swan said he is interested in the five-year contract. He asked if it is needed for only three years, could it be reduced? Ms. Wagner said no, the city would pay a penalty for that.

Mr. Kreiter agrees with Mayor Bierce.

Mr. Swan asked where the oil recycling fits in with this whole thing. Ms. Wagner said that the common council opted not to replace the tank and suspended taking collections for spent oil and filters. It was published on the city website with a list of locations to dispose of oil and filters.

A motion was made and seconded (Bierce, Kreiter) to recommend the one-year extension to the Council.

Motion passed: For-4, Against-0.

8. Public Comments

None

9. Adjournment

A motion was made and seconded (Kreiter, Bierce) to adjourn the meeting at 4:58 p.m. Motion passed: For-4,
Against-0

Respectfully Submitted,

Magdelene Wagner
Director of Public Works