



City of Racine

City Hall
730 Washington Ave.
Racine, WI 53403
www.cityofracine.org

Meeting Minutes - Final

Wastewater Commission

Tuesday, September 15, 2020

4:30 PM

City Hall Annex, Room 227

Roll Call

PRESENT: 9 - Robert Lui, Kathy DeMatthew, Thomas Bunker, Cory Mason, John Tate II, John Hewitt, Thomas Friedel, Natalia Taft and Terry McCarthy

EXCUSED: 5 - James Spangenberg, Daryl Lynaugh, Dan Moore, Anthony Bunkelman and Anthony Beyer

Approval of Minutes for the August 18, 2020 Meeting

A motion was made by Hewitt, seconded by DeMatthew, that this file be to Approve the Minutes

Approval of Minutes for the September 2, 2020 Special Meeting of the Finance Committee of the Board of Wastewater Commissioners Meeting

A motion was made by DeMatthew, seconded by Hewitt, that this file be to Approve the Minutes

[0582-20](#)

Subject: Project Reports

A) Facility Plan Update

Recommendation: Receive and File

The General Manager gave an update on the Facility Plan Update and communicated to the commissioners that it is available for public view on the City of Racine website.

Received and Filed

[0573-20](#)

Subject: Election of Officers

Recommendation: Approve all Officers as Noted

Mayor Mason, seconded by Hewitt, made a motion to rotate current commissioners up to fill president and vice president leaving the secretary position open. Mayor Mason recommended McCarthy be secretary, seconded by Taft, made a motion to approve.

President - Alder N. Taft

Vice President - Robert Pucely

Secretary - Terry McCarthy

A motion was made by Mayor Mason, seconded by Hewitt, that this Communication be Approved. The motion PASSED by the following vote:

AYES: 8 - Lui
Bunker
McCarthy
Taft
Mason
Tate II
Hewitt
Friedel

NOES: 1 - DeMatthew

EXCUSED: 6 - Spangenberg
Pucely
Lynaugh
Moore
Bunkelman
Beyer

[0585-20](#)

Subject: Communication from the General Manager submitting a proposal from AECOM to provide support services to respond to requests from various consultants and SSR Parties relating to Facility Plan information requests

Recommendation: Approve

The General Manager explained the proposal to support contract services not to exceed \$50,000 on a time and materials basis.

A motion was made by Hewitt, seconded by Mayor Mason, that this file be Approved

[0606-20](#)

Subject: Communication from the General Manager requesting permission for the City of Racine to sign certain permit applications and documents pertaining to City owned lands known as PIN 151032321010010

Recommendation: Approve

Recommendation of the Finance and Personnel Committee on 09-21-2020: Authorize the Mayor, on behalf of the City of Racine, to enter into a mutually agreeable access agreement with CNH to allow to enter the City's property adjacent to CNH's property south of the Wastewater Treatment Plant for the purposes of environmental assessment and remediation activities, authorize the Mayor to sign a Stormwater Permit Application as to the City's property adjacent to CNH's property south of the Wastewater Treatment Plant and designate the Mayor as the City official for CNH's Chapter NR 718 application for contaminated soils removed from the City's bluff property for placement on the CNH property.

Fiscal Note: N/A

The General Manager explained that the land was purchased for a possible plant expansion and that it was titled under the City of Racine; the city attorney agreed that permits should be signed by the legal owners.

A motion was made by Bunker, seconded by Hewitt, that this file be Referred Finance and Personnel Committee

[0567-20](#)

Subject: Proposal from Brown & Caldwell to provide hydraulic modeling service support

Recommendation: Approve

The General Manager explained the hydraulic modeling proposal is not to exceed \$15,000 and this contract is to expire on Aug 31, 2021.

A motion was made by Hewitt, seconded by Bunker, that this file be Approved

[0568-20](#)

Subject: Proposal from Brown & Caldwell to provide Cost of Service Study support

Recommendation: Approve

The General Manager explained the proposal is to provide study support for assigning cost shares on facility planning projects and the contract is not to exceed \$15,000 and expires on August 31, 2021.

A motion was made by Hewitt, seconded by Mayor Mason, that this file be Approved

[0581-20](#)

Subject: Approval of Household Hazardous Waste Rates for 2021

Recommendation: Approve

The General Manager requested HHW rates stay the same as 2020 at \$3 per household.

A motion was made by DeMatthew, seconded by Hewitt, that this file be Approved

[0580-20](#)

Subject: Submittal of the Report of the Finance Committee of the Racine Wastewater Commission regarding Year 2021 Wastewater Utility Operations and Maintenance Budget and the 2021-2025 Capital Improvements Budget Recommending Adoption

Recommendation of Racine Wastewater Commission on September 15, 2020: To adopt O&M Budget and defer CIP Budget

FURTHER RECOMMEND, THE ITEM BE REFERRED TO THE COMMITTEE OF THE WHOLE

The Chief of Operations presented the O&M budget, which was adopted as approved by the Finance Committee. Mayor Mason, seconded by Taft, made a motion for CIP to be deferred. The General Manager will schedule a commission meeting to present items detailed in the Wastewater Facilities Plan that appear in the CIP on or about

October 1st, 2020.

A motion was made by Friedel, seconded by Bunker that the Operations and Maintenance Budget be Referred to the Committee of the Whole for incorporation into the city budget. The motion PASSED by a Voice Vote.

A motion was made by Mayor Mason, seconded by Taft, that the Capital Improvements Program Budget be deferred . The motion PASSED by the following vote:

AYES: 7 - Lui
McCarthy
Taft
Mason
Tate II
Friedel
Hewitt

NOES: 2 - DeMatthew
Bunker

EXCUSED: 6 - Spangenberg
Pucely
Lynaugh
Moore
Bunkelman
Beyer

[0613-20](#)

Subject: Submittal of the 2021 Sewer Service Rates

Recommendation on September 15, 2020: Defer

Recommendation of Racine Wastewater Commission on October 1, 2020: To adopt the 2021 Sewer Rates

FURTHER RECOMMEND, THE ITEM BE REFERRED TO THE COMMITTEE OF THE WHOLE

The Finance Committee approved the use of deferred revenue from the Rate Stabilization Fund (RSF) to increase the utility debt service ratio (DSR) from 0.98 to 1.10. The RSF was adopted by commission (Legistar item# 958-17) to provide a maximum deferred revenue account of \$1,200,000.00 that can be used for rate relief or to increase the utility DSR. The Sewer Agreement requires the utility to reconcile the annual budget and adjust by true-up the value of any budget deficit or surplus. A true-up surplus may cause the utility to return funds in the manner of a rate decrease that results in the DSR to fall below the 1.10 loan agreement threshold. As the 2021 budget is a reconciliation of 2019 in which the utility realized a large true-up surplus and funds return, the initial DSR was .98. A discussion ensued regarding maintaining a proper RSF balance to cover succeeding budget year DSR coverage.

A motion was made by Friedel, seconded by Bunker, to modify the RSF policy by increasing the maximum deferred revenue from \$1,200,000 to \$1,600,000. This motion was approved by voice vote.

Sewer service rates presented to commission require revision to reflect the transfer of funds from the RSF, as discussed above. These rates will be recalculated and presented at the interim commission meeting for consideration. A motion was made by Mason, seconded by Taft, to defer submittal of the 2021 sewer service rates. This motion was approved by voice vote.

A motion was made by Mayor Mason, seconded by Vice President Taft, that this file be Deferred

Adjournment

There being no further business, meeting adjourned 6:24 p.m.