



City of Racine

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

Meeting Minutes - Draft Wastewater Commission

Wednesday, November 20, 2024

5:30 PM

City Hall, Room 207

ROLL CALL

Let the record show that Commissioner Sullivan was voting in the absence of Commissioner Sheppard, who was excused.

PRESENT: 10 - Natalia Taft, Cory Mason, Terry McCarthy, Anthony Bunkelman, Mollie Jones, Jens Jorgenson, Jack Feiner, Jim Sullivan, Nancy Washburn and Claude Lois

EXCUSED: 4 - Stacy Sheppard, John Tate II, Anthony Beyer and Kevin Salb

[1000-24](#)

Subject: Approval of Minutes for the October 17, 2024, Wastewater Commission Meeting

Staff Recommendation: To Approve

Fiscal Note: N/A

A motion was made by Bunkelman, seconded by Jorgenson, that this file be Approved.

[1039-24](#)

Subject: Communication from the Utility Administrative Manager Regarding Budget Expenditures through September 30, 2024

Staff Recommendation: To Receive & File

Fiscal Note: N/A

Highlights of the financial report given by Utility Administrative Manager, Ken Scolaro.

A motion was made by Washburn, seconded by Alder McCarthy, that this file be Received and Filed.

[1001-24](#)

Subject: Submittal of Pretreatment Rates for 2025

Staff Recommendation: To Approve

Fiscal Note: N/A

The Wastewater Utility Director presented the 2025 pretreatment rates charged to

industrial users for Utility administrative, inspection, sampling and laboratory activities conducted under the Industrial Pretreatment Program.

A motion was made by Lois, seconded by Alder McCarthy, that this file be Approved.

[0889-24](#)

Subject: Proposal from Ruckert-Mielke to perform 2025 Revenue-Sharing Calculations

Staff Recommendation: To Approve

Fiscal Note: Cost Proposal not to exceed \$14,700.00.

The Wastewater Utility Director, along with Bridgot Gysbers from Ruckert-Mielke, presented a proposal from Ruckert-Mielke to perform the 2025 Revenue Sharing Calculations as required in the Sewer Agreement section 7.1a, as well as annual payment that is required in section 8.2.

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

[1002-24](#)

Subject: Communication sponsored by Alder McCarthy, Regarding a Resolution Authorizing the Issuance and Sale of Up to \$10,450,921 Wastewater Utility Revenue Bonds, Series 2024, and Providing for Other Details and Covenants With Respect Thereto, and approval of related \$12,550,921 Financial Assistance Agreement

Recommendation of the Wastewater Commission on 11/20/24: To Approve with a Referral to the Finance & Personnel Committee.

Recommendation of the Finance and Personnel Committee on 11-25-2024: To authorize the execution of the Financial Assistance Agreement and the Issuance and Sale of up to \$10,450,921.00 Taxable Wastewater Revenue Bonds, Series 2024, and Providing for Other Details and Covenants with Respect Thereto.

Fiscal Note: The \$10,450,921.00 Bond at an interest rate of 2.2% from state revolving funds reflects principal forgiveness up to \$2,100,000.00.

A motion was made by Mayor Mason, seconded by Jorgenson, that this file be Approved with a Referral to the Finance and Personnel Committee.

[0890-24](#)

Subject: Annual Update Regarding the City of Racine Peak Flow Mitigation Plan

Recommendation of the Wastewater Commission on 10/17/24: To Defer this Item until the November Commission Meeting

Fiscal Note: N/A

City of Racine Public Works Commissioner, John Rooney, presented the annual updated on the City's Peak Flow Mitigation Plan, highlighting ongoing peak flow reduction strategies including mainline and lateral replacement & lining, manhole lid replacement & sealing, and ongoing progress on the pilot sump pump program. The Wastewater Commission approved the City Plan at the October 17, 2022, meeting to remove the sewer moratorium for treatment peak hour flow capacity exceedances. This report signifies Year 3 of the City's 7-Year Plan.

A motion was made by Jorgenson, seconded by Mayor Mason, that this file be Received and Filed.

[1003-24](#)

Subject: Communication from Wastewater Utility Director Regarding an Update on Energy Plan Development Support

Staff Recommendation: To Receive & File

Fiscal Note: N/A

Katie Richardson, with Greeley and Hanson, presented an update on the Energy Plan Proposal that was originally presented to the Commission on July 16, 2024. Highlights included defining a unit of measurement to achieve energy reduction goals, discussion over converting biogas into energy which can thereby reduce demand on electricity, as well as using solar panels, and wind energy as potential sources. The next steps in the process would be moving forward to define metrics of success and developing a roadmap to identify energy demand reduction strategies. Commissioners also requested periodic check-ins on this topic throughout the ensuing process.

A motion was made by Alder McCarthy, seconded by Jorgenson, that this file be Received and Filed.

[1004-24](#)

Subject: Change Order #3 on Contract D-22 - Biogas Conditioning, Lee Mechanical (contractor)

Staff Recommendation: To Approve

Fiscal Note: Zero dollar change order to extend substantial and final completion dates.

The Wastewater Utility Director presented Change Order No. 3 on Contract D-22, Biogas Conditioning Project, Lee Mechanical (contractor) in the amount of \$0.00. This zero-cost change order is for the purpose of extending the substantial completion date to cover the biogas conditioning media installation, equipment startup, and commissioning; in conjunction with Contract C-22 engine generator startup.

A motion was made by Alder McCarthy, seconded by Washburn, that this file be Approved.

[0228-24](#)

Subject: Amendment #2 of Rate Stabilization Fund Policy

Recommendation of the Wastewater Commission on 03/19/2024:

To Defer this item until the next meeting due to the absence of Mayor Mason, who requested to have input on this item.

Fiscal Note: N/A

The Wastewater Utility Director presented a proposed amendment to the current Rate Stabilization Fund (RSF) Policy, which was originally established by the Utility to maintain back in September 2017. The main purposes of the RSF was to maintain a favorable debt service ratio to position the Utility for priority lending on bonds, but also to reduce wide fluctuations in service rates due to unpredictable weather patterns, and their direct impact as it correlates to precipitation and revenues. After the first RSF amendment, the parameters allowed for a maximum fund balance of \$1.6M, maximum annual transfer of \$0.6M, and minimum balance of \$0.4M. After a discussion with commissioners, it was suggested that Amendment #2 should eliminate the minimum balance, eliminate the maximum annual transfer, and establish an RSF target balance to be maintained.

A motion was made by Alder McCarthy, seconded by Washburn, that this file be Deferred until January, when a more concrete plan can be developed with a specific action item, upon which the Commission would take into consideration and vote.

[1005-24](#)

Subject: Consideration and Possible Action to Extend the Curative Action Resolution Time Periods

Staff Recommendation: N/A

Fiscal Note: N/A

Wastewater Commission Legal Counsel, Attorney John St. Peter with Dempsey Law, was present virtually to present an update to the Commission on the Notice of Breach filed by the Village of Mount Pleasant on November, 19, 2024. The parties expressed that there has been little movement on resolution of the Material Change In Circumstance due to the budgeting season. Counsel also reminded the Commission that their extension expires on Jan 15, 2025, and that an action will be required at that meeting.

A motion was made by Alder McCarthy, seconded by Jorgenson, that this file be Received and Filed.

CLOSED SESSION

A motion was made by President Taft , seconded by Alder McCarthy, to enter into Closed Session. The motion PASSED by the following vote:

AYES: 10 - Taft
Mason
McCarthy
Bunkelman
Jones
Jorgenson
Feiner
Sullivan
Washburn
Lois

EXCUSED: 4 - Sheppard
Tate II
Beyer
Salb

[1006-24](#)

Subject: Communication Sponsored by Alder McCarthy Requesting that the Wastewater Commission Meet Regarding Bargaining and Development Opportunities, which, for Competitive and Bargaining Reasons, Require a Closed Session

Fiscal Note: N/A

Adjournment

Having taken no action, the meeting was adjourned from Closed Session at 8:35 p.m.