

Public Utilities Committee

Tuesday, September 17, 2019

6:00 PM

McFarland Municipal Center
Conference Room A

AGENDA

1. CALL TO ORDER, ROLL CALL.
2. PUBLIC APPEARANCES.
3. APPROVAL OF MINUTES.
 - a. Discussion and action regarding the minutes from the regular meeting held on August 20, 2019
4. BUSINESS.
 - a. Discussion and action to make a recommendation to the Village Board regarding a proposal from Town and Country Engineering to complete a Sanitary Sewer Collection System Inflow and Infiltration Evaluation.
 - b. Discussion and action regarding a proposal from Town and Country Engineering to study the rate structure of the Sanitary Sewer Utility.
 - c. Discussion and action on Sanitary Sewer policy for utility customer billing disputes.
 - d. Presentation of the Public Works Monthly Report from the Director
5. SCHEDULE NEXT MEETING DATE.
 - a. Tuesday, October 15, 2019 at 6:00 pm.
6. ADJOURNMENT.

This meeting notice constitutes an official meeting of the above referenced group and was posted in accordance with all applicable laws related to Open Meetings Law. It is possible that members of and possibly a quorum of members of other governmental bodies of the municipality may be in attendance at the above stated meeting to gather information. No action will be taken by any governmental body at the above stated meeting other than the governmental body specifically referred to above in this notice. Upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals. For additional information or to request this service, contact the McFarland Municipal Center at (608) 838-3153 or cassandra.suettinger@mcfarland.wi.us.

VILLAGE OF MCFARLAND
Public Utilities Committee Minutes

Tuesday August 20, 2019 – 6:00 P.M.

1. CALL TO ORDER, ROLL CALL

The meeting was called to order by Village Trustee and Chairperson Mary Pat Lytle at 6:00 p.m.

Members present: Village Trustee Eric Kryzenske, Edward Wreh, Pauline Boness, Marc Nielsen, Randy Hansen. Absent: Chris Fredrick

Staff present: Jim Hessling (Director of Public Works/Utilities), Aimee Irwin (Assistant to the Director), Brian Berquist (Town & Country Engineering), Tim Stieve (Town & Country Engineering)

2. PUBLIC APPEARANCES

None.

3. APPROVAL OF MINUTES

Discussion and action regarding the minutes from the regular meeting held on July 16, 2019.

Committee recommended the following changes to the minutes

- Members present section-move Brian Berquest to Staff present section
- 4a change Storm Utility to Stormwater Utility
- 4b change recommendation to recommended
- 4c change village to Village

Motion by Mary Pat Lytle to approve the minutes with applicable edits above. Seconded by Marc Nielsen. Motion passed 4-0-2. Edward Wreh and Pauline Boness abstained.

4. BUSINESS

a. Discussion and action regarding simplified rate increase submittal to WI PSC.

- Aimee Irwin presented information to the committee regarding the possible simplified rate increase. The previous Conventional Rate Case occurred in 2001. The previous Simplified Rate Case occurred in 2010. Per the PSC we could complete a Simplified Rate Case. We would need to notify the public of this decision prior to filing and pick one effective date. From the date of filing the application and the rates being in affect, it must be at least 45 days for the PSC review window.
- Mary Pat Lytle stated her concern that a Simplified Rate case may not be enough to assist with covering additional costs for the Utility. Marc Nielsen recommended looking into forward looking test years information from PSC.

- Motion by Mary Pat Lytle to recommend to the Village Board the completion of a Simplified Rate Case. Seconded by Marc Nielsen. Passed 6-0-0
- b. Discuss and action on creating a policy for utility customer billing disputes
 - Hessling presented example policies from other communities along with Chairperson Mary Pat Lytle's draft policy. Hessling provided information that goal of this policy is to assist the Utility employees in handling billing disputes and back billing for sanitary or storm sewer charges. Committee discussed various policies from Janesville, Belleville, Oregon, and Stoughton.
 - No action taken on this item. Committee would like staff to bring back the next draft policy to the September meeting.
- c. Discuss and action on Main Street change order to replace hydrants in the North Autumn and Timber Lane areas of the project and additional sewer work on Scott Street.
 - This agenda item was discussed out of order. Tim Stieve from Town & Country Engineering provided background information for the change order request of replacing nine hydrants in North Autumn and Timber Lane areas given the current resurfacing activities. Estimated total additional cost would be approximately \$54,000. Tim Stieve also provided information regarding the additional storm sewer work on Scott Street to improve drainage and overall structural integrity in this area. The additional cost was not available from the contractor at the time of this meeting but Tim provided an estimate of approximately \$20,000.
 - Motion by Marc Nielsen to recommend to the Village Board to proceed with the additional costs for replacement of hydrants in the Autumn and Timber Lane areas along with the additional sewer work on Scott Street. Seconded by Pauline Boness. Passed 6-0-0
- d. Discuss 2019 WI DNR Sanitary Survey Report and Notice of Noncompliance for McFarland Waterworks.
 - This agenda item was discussed out of order. Hessling presented information regarding the recent WI DNR Sanitary Survey Report along with deficiencies. Hessling reviewed the letter that was sent to the DNR regarding next steps. Hessling will follow up with the DNR regarding plans to include necessary items in the 2020 budget.
- e. Presentation of the Public Works Monthly Report from the Director
 - Hessling provided an update on public works activities in the Village for the month of July 2019.
- 5. SCHEDULE NEXT MEETING DATE
 - a. Tuesday September 17, 2019
- 6. ADJOURNMENT
 - a. Motion by Pauline Boness to adjourn at 7:26 p.m. Seconded by Edward Wreh. Motion passed 6-0-0.



VILLAGE BOARD SUMMARY SHEET

MEETING DATE: Tuesday, September 17, 2019

SECTION: Business

DEPARTMENT: Public Works

CONTACT: Jim Hessling, Public Works Director, Aimee Irwin, Assistant to the Public Works Director

AGENDA ITEM: Discussion and action to make a recommendation to the Village Board regarding a proposal from Town and Country Engineering to complete a Sanitary Sewer Collection System Inflow and Infiltration Evaluation.

PREVIOUS ACTION:

The Public Utilities Committee provided a recommendation of acceptance to the annual Audit at its meeting on July 16, 2019. In this meeting we discussed the variance between pumping and treatment as well as the desire to want to study this issue.

ISSUE SUMMARY:

During the Audit process it was discussed in Committee why the Village sends more water to MMSD for treatment than it takes out of the ground for actual usage. Annually the Village pumps about 580,000 gallons of water per day but sends to the treatment plant about 740,000 gallons per day. This study will evaluate our system to try and make recommendations to curb inflow and infiltration which refers to "clear" water getting its way into the system. Town and County Engineering will conduct the Study and included a proposal within your packet that describes the work that it entails. The Committee requested previously to conduct this work to better understand this variance.

FINANCIAL/BUDGET IMPACT:

The cost for Phase 1 of this study as described is provided for at \$21,500. The second phase has a few different alternatives we will consider later based upon the recommendations of Phase 1. The cost for this will be paid out of the Utilities Fund and specifically split between Consultant Services and Miscellaneous within Sanitary Sewer Services.

VILLAGE PLAN REFERENCE:

None.

ORDINANCE REFERENCE:

None.

BOARD, COMMISSION OR COMMITTEE RECOMMENDATION:



Recommended for approval to the Village Board.

ATTACHMENTS:

1. Inflow-Infiltration Proposal

MEMORANDUM

Date: August 16, 2019

To: Jim Hessling, Director of Public Works – Village of McFarland

From: Brian Berquist, President – Town and Country Engineering

Subject: Scope of Services – Collection System Inflow and Infiltration Evaluation

The Village of McFarland's sanitary sewer collection system is made up of approximately 37 miles of between 8" and 18" diameter pipe and 867 manholes. In addition to the publicly owned sewer infrastructure there are many miles of private laterals, typically 4" and 6" diameter pipes, feeding into the sanitary sewer. As these sewers age and deteriorate, clear water can begin to infiltrate into the pipes, taking up needed capacity for both the sewers and pumping stations. This clear water is considered inflow and infiltration (I/I).

Inflow is considered clear water entering the sanitary sewer system via direct connections, which may include roof drains, open pick-hole manholes, connections with storm drains, home drain tiles, etc., and typically causes rapid and short lived increases in flow through the system. Infiltration is considered a more constant flow of clear water into the system, such as cracked pipes, leaking manholes, etc., and results in long term increases in flow when wet weather occurs.

Recent utility audits have shown that the Village is sending considerably more sewage flow to Madison Metropolitan Sewerage District (MMSD) than the drinking water wells are pumping for water use. This has spurred a request for this proposal from the Public Utilities Committee.

The I/I study is proposed to be accomplished in two phases, with recommendations from the first phase guiding actions taken in the second phase. The scope of these phases will include:

Phase 1 – Flow Monitoring and Data Evaluation

The first phase of the I/I study will work to identify areas of high I/I contributions through flow monitoring in select areas of the Village. This work will include:

- Mapping/Staff Review: A kickoff meeting will be held with Village staff to discuss known areas of high I/I and desired areas of investigations to lay out a detailed approach to subsequent flow monitoring efforts. This will include a review of data gathered by the Village thus far, and a review of mapping comments included in the GIS system. This review would be used to identify sewer-sheds that will be used to prioritize areas for flow monitoring.
- Preliminary Flow Monitoring Visit: After the preliminary kickoff meeting a site visit will be performed during the day to visit each of the identified sewer-sheds and investigate manholes within each of these sewer-sheds. This will be a "Big Picture" field review of the collection system and identify exact manholes in which flow monitoring will be performed and how access can be achieved. During this visit a flow meter will be brought along to identify sewer flows in the manholes. For this task, the Village would ideally provide two people to complement our staff.
- Long Term Flow Monitoring: Long term flow monitoring refers to fixed installations of flow meters within the collection system. The duration of the installation can vary from a couple days to months, depending upon the application. Based upon the results of the kickoff

meeting and preliminary areas will be identified that would benefit from long-term review of flows. Ideally this would coincide with some sort of wet weather event, though it is also valuable for identifying base I/I contributions through the system. The budget estimate assumes multiple long term meters will be installed at two events and 20 meter-weeks (# of installed meters x installed weeks). For this task we ask that at least one Village staff be present to aid in access and installation of flow meters in manholes.

- **Nighttime Flow Monitoring:** Flow monitoring between 11:00 PM and 6:00 AM provides a good picture of I/I flow contributions as measurements are generally assumed to have little or no sewage contributions. Nighttime flow monitoring also allows a much larger study area as measurements will only be taken to establish base flow at each manhole, allowing many manholes to be investigated per night. Nighttime flow monitoring is best performed during significant wet weather events and as a result will likely be completed over a 1-2 year period. The budget estimate assumes five nighttime flow monitoring events during wet weather. For this task, the Village would again provide two people to complement our staff for working between 11:00 p.m. and 6:00 a.m.
- **Summary and Recommendations:** A summary memo will be prepared to provide an update on the I/I study after completion of the flow metering. This will also prepare a more detailed list of recommended follow-up actions to be performed as a part of Phase 2.

The estimated cost for the above scope will be completed on an hourly basis and is estimated to be \$21,500.

Phase 2 – Follow-Up Investigations

Following the first phase of investigations recommendations will be prepared for additional investigations. These could include the following items:

- **Smoke Testing:** Smoke testing is used to find direct connections to the sanitary sewer that may include roof drains, storm drains, broken clean-outs, etc. Smoke testing involves setting non-toxic smoke flares in the collection system and setting a high capacity gas powered fan over a manhole to force the smoke into the piping system. People then inspect the surrounding blocks to identify areas where smoke is exiting the system. Smoke testing is best performed during dry weather. This follow-up investigation is typically best suited in areas where high inflow is suspected and often includes downtown areas and older neighborhoods. **A budgetary estimate for smoke testing is \$9,000, assuming two smoke testing events.** Many Village staff would be required for this activity to complete the smoke surveys of the surrounding areas.
- **Dye Testing:** Dye testing can be used to identify sources of inflow or in conjunction with storm sewer flooding to identify infiltration to the sanitary systems. This may be recommended dependent upon the findings of the flow monitoring and would be billed on an hourly basis depending upon the scope.
- **Televising:** Televising will be recommended for specific lines depending upon the findings of the flow metering. Televising is recommended to identify the sources of I/I; such as cracked pipes, leaking laterals, sump pumps (dependent on timing) and will provide a better idea of the corrective actions required. Televising will be completed by a contractor hired by the Village.

A report will be prepared summarizing the findings of all actions in both Phase 1 and Phase 2 that will be provided to the Village as a plan for I/I corrective actions as well as a document that can be submitted to DNR for CMOM compliance and potential project funding.

We would need assistance from Village staff to provide us with data and to assist in field operations. Two persons are recommended, but we can use one Village staff and one additional member of our staff for additional cost.

We at Town and Country Engineering, Inc. wish to thank you for allowing us to serve the Village of McFarland on this project. If you have any questions regarding the above material, please feel free to call.

BRB

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VILLAGE BOARD SUMMARY SHEET

MEETING DATE: Tuesday, September 17, 2019

SECTION: Business

DEPARTMENT: Public Works

CONTACT: Jim Hessling, Public Works Director, Aimee Irwin, Assistant to the Public Works Director

AGENDA ITEM: Discussion and action regarding a proposal from Town and Country Engineering to study the rate structure of the Sanitary Sewer Utility.

PREVIOUS ACTION:

The Public Utilities Committee provided a recommendation of acceptance to the annual Audit at its meeting on July 16, 2019. In this meeting we discussed the desire to study our rate structure for sanitary sewer services.

ISSUE SUMMARY:

Another issue discussed during the annual audit review was our current rate structure for sanitary sewer treatment. Similar to water it was discussed that sewer rates were lagging creating potential deficit situations related to annual operating costs. We have not increased our rates for sewer services since 2015 and it was recommended to study these rates and consider possible increases to keep pace with rising costs, especially from MMSD. Enclosed in your packet is a proposal from Town and Country Engineering for this purpose.

FINANCIAL/BUDGET IMPACT:

The cost for this work as described is provided for at \$5,000. We have already budgeted for this amount within the Utilities Fund and specifically under Consultant Services within Sanitary Sewer Services.

VILLAGE PLAN REFERENCE:

None.

ORDINANCE REFERENCE:

None.

BOARD, COMMISSION OR COMMITTEE RECOMMENDATION:

Recommended for approval.

ATTACHMENTS:

1. Memo - Sewer User Charge Review

MEMORANDUM

Date: September 9, 2019

To: Matt Schuenke, Village Administrator
Jim Hessling, Village Public Works Director
Village of McFarland
5915 Milwaukee Street, PO Box 110
McFarland, WI 53558

From: Brian Berquist, P.E.

Subject: Village of McFarland – Sanitary Sewer User Service Charge Review

Project Scope and Understanding

The Village of McFarland is requesting Engineering Services to complete a sanitary sewer user service review. This review is intended to assist the Village to determine if 1) the current rates are sufficient to cover the near term capital improvements planned for the collection system, and 2) establish a rate increase if necessary to fund these improvements so as to allow the utility to operate without a loss.

The Engineering Services shall include, but not limited to:

- 1) Meet with the Village staff to review the cash flow projections, the Village's current wastewater capital improvements plan (CIP), the user service charge estimates, and the recent audit findings.
- 2) Provide a draft memo for Village staff review summarizing the key assumptions used in developing the proposed rates, as well as the documented support and calculations.
- 3) Incorporate Village staff comments, and submit final draft of the summary memo.
- 4) Prepare recommended rates for review and adoption by the Village Public Utilities Committee and Board.
- 5) Attend one Committee and Village Board meeting to assist in answering questions on the proposed sewer utility service charge changes.
- 6) Prepare an updated Sanitary Sewer User Charges Review report memo documenting the findings of our review.

Owner Responsibilities

The Village will be expected to provide Town & Country Engineering with the last 3 years of the following information:

- Financial audit information, and annual Sewer Utility O&M costs
- Madison Metropolitan Sewerage District historic billing data

TOWN & COUNTRY ENGINEERING, INC.

Madison ♦ Rhinelander ♦ Kenosha
2912 Marketplace Drive, Suite 103 • Madison, WI 53719 • (608) 273-3350 • tce@tcengineers.net

Engineering Costs

Items #1 - #4 will be completed for a Not To Exceed limit of \$3,500. Items #5 and #6 (full report and meeting with the Village Board) will be completed for an additional Not to Exceed amount of \$1,500, or \$5,000 total. Costs will be invoiced on a Time and Material basis with charges only for the hours and expenses incurred.

We at Town & Country Engineering, Inc. wish to thank you for allowing us to work the Village on this project. If you have any questions regarding the above material, please feel free to call. We will plan on attending the upcoming Committee meeting to present the proposal.



VILLAGE BOARD SUMMARY SHEET

MEETING DATE: Tuesday, September 17, 2019

SECTION: Business

DEPARTMENT: Public Works

CONTACT: Jim Hessling, Public Works Director, Aimee Irwin, Assistant to the Public Works Director

AGENDA ITEM: Discussion and action on Sanitary Sewer policy for utility customer billing disputes.

PREVIOUS ACTION:

This item was initially introduced at the June 18, 2019 Public Utilities Committee meeting. At the July 16, 2019 meeting, staff was directed by the committee to research what other communities do to address/resolve this issue.

After reviewing several examples from various communities, the Utilities Committee at its August meeting, decided to go with the policy that Janesville uses, that addresses back billing/disputed charges on a person's sanitary sewer bill. Staff was asked to use this policy and its form along with adding language that addresses discrimination.

ISSUE SUMMARY:

The Public Works Department requested at the Public Utilities Committee meeting of June 18, 2019, that the Public Utility Committee look at and create a policy/mechanism for staff to refer to, in the case of a disputed charge(s) on a customer's bill. The department has discovered several issues in regards to various bills, including some that have been under charged for utility services.

Having a policy in place will assist the department in applying consistent standards to all of our customers while at the same time providing our employees the guidance to carry out the obligations and operations of the utility. This policy should cover all three of our entities which include storm water, water and sanitary sewer.

The Public Service Commission (PSC) of Wisconsin regulates the McFarland Water Utility. We operate the utility by a set of rules called a rate file, which is governed by the PSC. These rules are explicit on how we charge for our water.

FINANCIAL/BUDGET IMPACT:

VILLAGE PLAN REFERENCE:



ORDINANCE REFERENCE:

BOARD, COMMISSION OR COMMITTEE RECOMMENDATION:

ATTACHMENTS:

1. Sanitary Sewer Billing Policy

SANITARY SEWER BILLING POLICY

PURPOSE

This policy is intended to ensure that customers are billed consistently and appropriately for sewer service. The Public Service Commission (PSC) through the rules contained in Chapter 196 Wisconsin Statutes and Chapter 185 Wisconsin Administrative Code dictates billing of the water service. The PSC does not regulate the billing of sewer rates or usage; therefore, it is necessary to have a policy in place regarding sanitary sewer billing.

DISCRIMINATION IN RATES

McFarland Utilities bills sewer usage based on the water usage associated with the customer's account. Chapter 185.15 of the Public Service Commission Administrative Code, as well as Chapters 196.22 and 196.60 of Wisconsin Statutes prohibit free or discriminatory service. The PSC's interpretation of these rules is that if the water goes through the meter and the meter tests accurately, the service must be billed. Therefore, McFarland Utilities position based on these rules is that the sewer usage must also be billed to the customer.

STATEMENT OF POLICY

1. Pursuant to Section 185.34 of the Public Service Commission Administrative Code, the McFarland Utilities will charge (back bill) for water and wastewater service for a period of two years when there is unrecorded remote outside meter (ROM) consumption.
2. "Unrecorded ROM consumption" is defined as the base meter reading less ROM reading pursuant to the PSC Administrative Code 185.34(2).
3. Whenever the utility discovers unrecorded ROM consumption the utility will back bill prorated usage amounts for the previous 24 months in accordance with Wisconsin State Statute 196.635.
4. If a customer requests a repayment agreement to pay a back bill the request will be treated as a deferred payment agreement in accordance with PSC Administrative Code 185.38
5. If the customer defaults on the repayment agreement the entire unpaid balance will become due and payable and will begin to accrue interest at a rate of 1% per month in accordance with the PSC Administrative Code 185.33(10)(a).
6. During the repayment agreement period, the customer will need to remain current on any current usage of their utility account.
7. No further agreements will be extended if terms of the repayment agreement are not met.

DISPUTE PROCEDURES

The utility's obligation to the customer if a water utility charge is disputed is contained in Chapter PSC 185.39 Wis. Admin. Code. Those obligations stated briefly are: to investigate the concern promptly, advise the customer of the result of the investigation, attempt to resolve the dispute, and offer a deferred payment agreement if reasonable. McFarland Utilities shall follow these procedures when attempting to resolve disputes regarding billing for sewer.

If the customer's concern is not resolved by the utility they may contact the PSC. Chapter 66.0821(5)(a) Wis. Stats states that "if a user of sewer service complains to the public service commission that rates, rules and practices are unreasonable or unjustly discriminatory....the public service commission shall investigate the complaint".

Therefore if a customer's complaint regarding the billing practice of McFarland Utilities as stated in this document, and the issue cannot be resolved with the utility, the customer has the right to file a complaint with the PSC



VILLAGE BOARD SUMMARY SHEET

MEETING DATE: Tuesday, September 17, 2019

SECTION: Business

DEPARTMENT: Public Works

CONTACT:

AGENDA ITEM: Presentation of the Public Works Monthly Report from the Director

PREVIOUS ACTION:

ISSUE SUMMARY:

FINANCIAL/BUDGET IMPACT:

VILLAGE PLAN REFERENCE:

ORDINANCE REFERENCE:

BOARD, COMMISSION OR COMMITTEE RECOMMENDATION:

ATTACHMENTS:

1. August 2019 directors report

PUBLIC WORKS COMMITTEE

September 10, 2019

PUBLIC UTILITIES COMMITTEE

September 17, 2019

PARKS, RECREATION & NATURAL RESOURCES COMMITTEE

September 19, 2019

**Public Works Directors Report
for
August 2019**

The following is information concerning events and activities of the Public Works Department along with the Water and Sewer Utilities for the previous month. This information is provided in brief to provide an overview of the highlights.

New Hire

The Department of Public Works is pleased to announce Sayer Larson as the new Parks Superintendent. Sayer comes to us from the Dane County Parks system. Welcome Sayer.

Street Sealing and Crack Filling

Street maintenance work (street sealing) for 2019 finally happened in August, far behind the anticipated completion date that we had thought.

2019 Street Construction Project

Maddrell Excavating started their work on 8/19/19 and is progressing well. Work is anticipated to last approximately 60 days.

Water Rate Increase

The department is in the process of working on a simplified rate increase through the Public Service Commission. This procedure would increase rates by 3% without the complicated rate review process needed to raise the rate higher.

Water Meter Reading System Upgrade

The meter reading system used by Public Works to prepare the monthly water and sewer bills was upgraded. The last upgrade was approximately 10 years ago.

Summer Help

The additional summer staff that was brought on to assist the Public Works and Parks Departments have completed their service with us. One went back to their full time position (teacher) and the others went on to college.

Equipment Delivery

The department took delivery of the budgeted large snowplow truck and a pickup truck. Both vehicles have been put in service.

Donated Bench

Public Works received and installed a donated park bench at McDaniel Park. The bench was donated in memory Anna Mischnick, by her parents, Sara and Matt. This is a nice addition to the park.

Water Main Break

Public Works crew repaired a water main break off of South Court.