

CITY OF BAYFIELD
PUBLIC WORKS COMMITTEE

May 2, 2014

Meeting called to order by Bryan at 8 a.m. at City Hall. Present: Don Albrecht, Mel Whiteside, Vincent Kelly, Gene Brevold and Jim Bryan; City employees Tom Kovachevich, Nick Wszalek, Dionne Johnston and Linda Goodlet; Mark Van Vlack. M/Kelly S/Whiteside to approve agenda as amended to place item 4 first. Approved. Minutes from March 7, 2014, meeting approved on a motion by Brevold, S/Kelly. No public input was offered on the agenda.

4. PSC Report

The water and sewer utility has been unable to keep up with expenses over the past few years. Since 2007, the city has been rebuilding infrastructure without any substantial corresponding rise in revenues. In 2007-2009, more than \$5 million worth of work was done while new projects in 2012-2015 add to the revenue problem. The last substantial rate increase was 2001.

Rebuilding the city's 100-year old system, upgrading water mains from 4" to 8", burying them deep enough to be safe from the Polar Vortex, and then having enough revenue to pay the tax equivalent has left the utility with insufficient funds. Financial statements and the PSC Annual Report prepared by Mark Van Vlack indicate that the city's target return on investment has fallen from its authorized level of 6.9% to 6.4% in 2011, 4% in 2012, and 1.84% last year. To return to the appropriate level, the PSC might set a utility rate increase of 24% (amounting to \$24 every two months for an average residential user). M/Whiteside S/Brevold to file an application with the Public Service Commission for a utility rate increase. Motion carried.

1. Old Business

a. *PBSD Collection Charge System*: City Council took no action and the matter remains unresolved.

b. *Project Updates*:

-- **Highway 13 project**: final close-out paperwork on last year's project should be done soon.

-- **Historic Streets**: waiting on final approvals; will be bid later this summer or fall for 2015 work.

-- **2014 water main replacement**: proposed start May 19; Rittenhouse Avenue from First to Front Street will temporarily be a two-way street for the duration of the project on a M/Kelly S/Whiteside. Motion carried.

-- **Sidewalk replacement**: M/Brevold S/Whiteside to initiate the process for special assessments to repair sidewalks in the downtown area. Motion carried.

2. Public Works Director & Utility Operator

-- **Water Freeze ups and Main breaks**: more than \$35,500 has been spent on labor, equipment, materials and outside services for repair of water main breaks. The five repairs along Sixth Street amount to more than \$50,000. Twenty-seven properties had water freeze-ups from January 27-March 27. An estimate of costs to rebuild the water main and have it meet standards for 320 feet along Sixth Street is \$76,000. M/Kelly S/Whiteside to seek funding to make the appropriate repairs on Sixth Street. Carried.

-- **Sewer Freezups**: between January 29 and April 14, thirteen properties in the city plus at the treatment plant demanded thaw and repair as needed.

-- **Sluiceway**: city crew shared photographs of clogged debris barriers and lots of eroded silt along the sluiceway beneath the iron bridge and along the ravine trail. The DNR has restrictions on how it must be removed and disposed on a site away from the floodplain; the estimate for removal and hauling totals nearly \$10,000. Depending on negotiations with DNR, cost might be less. M/Kelly S/Whiteside to hire C & W Trucking to remove the debris as directed. Carried.

4. 2015 Water Project Update

In anticipation of continuing work to improve outdated water mains and related infrastructure, the city is looking to make improvements next year on Catholic Hill, from Sweeny to First or Second and portions along Highway 13. City Clerk Hoopman noted that Strand Engineering offers a free service to assist with planning that includes cost analysis and restructuring debt retirement for large-scale, multi-year projects. M/Kelly S/Whiteside to authorize design services from Strand Engineering for the 2015 Catholic Hill project. Carried.

5. Set next meeting and Adjournment

Next meeting set for 9 a.m. Friday, June 6, location TBD.

Adjournment M/Kelly S/Whiteside. Motion approved at 10:50 a.m.