

**Village of Weston, Wisconsin
OFFICIAL MEETING AGENDA OF THE PUBLIC WORKS COMMITTEE**

Monday, January 8, 2018, at 4:30 p.m.

AGENDA ITEMS.

1. Meeting called to order by Acting Chairman Ostrowski.
2. Roll Call by Recording Secretary.

Roll call indicated 3 Property & Infrastructure Members present.

<u>Member</u>	<u>Present</u>
Ziegler, Jon	No
Hubbard, Tom	Yes
Jensen, John	Yes
Ostrowski, Kevin	Yes
Priebe, Matthew	No

Village staff present were Keith Donner, Michael Wodalski, Daniel Guild, Scott Tatro, and Donna Van Swol. Board member present was Trustees White. There were 7 audience members present

3. Approval of minutes from November meeting.

****M/S/P Jensen/Hubbard: to approve the minutes from the meeting of November 13, 2017 as presented.***

Yes Vote: 3 No Vote: 0 Abstain: 0 Not Voting: 0 Result: Pass

<u>Member</u>	<u>Present</u>
Ziegler, Jon	-
Hubbard, Tom	Yes
Jensen, John	Yes
Ostrowski, Kevin	Yes
Priebe, Matthew	-

4. Approval of permits and applications.

****M/S/P Jensen/Hubbard: to approve water/sewer permit 201701331, 201701332, 201701379, and 201701417.***

Yes Vote: 3 No Vote: 0 Abstain: 0 Not Voting: 0 Result: Pass

<u>Member</u>	<u>Present</u>
Ziegler, Jon	-
Hubbard, Tom	Yes
Jensen, John	Yes
Ostrowski, Kevin	Yes
Priebe, Matthew	-

5. Public Comments. None

EDUCATIONAL PRESENTATIONS & REPORTS.

6. Committee Roles & Responsibilities. Guild reported the committee goes through a large amount of information throughout the year. Members can go to the Village website to see what our committee's responsibilities are. It can be found in the municipal code under Chapter 2 Administration. The Public Works Committee is a standing committee and they are supposed to give advice and guidance on particular subject matter to the Village Board of Trustees. The Village Board seeks out committee members who have an expertise in a given area and assign them to committees that would benefit from their expertise. The committee is the first line to determine the level of service and funds to spend in the given areas. Guild briefly summarized the types of projects that would fall under the Public Works Committee and the roles of the committee. The village has a list of projects to be considered for the future.

The village board is going to have less large group multiple committee meetings and divide the tasks into smaller "jobs" and distribute to the different committees.

7. 2018 Budget & Public Works. Guild reported he had a brief slide presentation that was given to the Village Board at their November meeting. The village has 4,153 residential parcels. Of that total there are 370 vacant residential parcels with an assessed value of about \$9M. Guild asked what can we do to spur development on these parcels? These are areas within the village for infill development. Guild drafted a taxation model (in 2013 based on 3.94% increase annually and 1% increase in assessed value) when he got here and projected out for seven years until the end of this decade. Guild briefly summarized the general fund expenses by department. The public works budget decreased slightly for 2018 by .11% or about \$2,000. The 2018 total overall expenses are up 4.71% or an increase of about \$450,000 compared to 2017. The total debt service expense for the village is \$40.4M. We are planning for a debt service deficit in 2017 and 2018 but by the end of 2019 it should be a positive amount. At the end of the decade the general obligation debt will be virtually gone. The 2018 Capital Improvement Projects budget is anticipated to have a deficit budget of about \$47,000 by the end of the year. The challenge staff has is to try to prioritize and finance the infrastructure the village has going forward into the future. The Village have lost over \$7M in state shared revenues since the cuts have started. Transportation aids have been a continued problem for the village. We have doubled the amount of lane miles we maintain over the past 20 years and we now have half the revenue that we had 20 years ago to maintain it. This is from us incorporating as a village in more recent history as compared to our peer legacy communities throughout Wisconsin. These other peer communities get \$2.5M to \$4.5M more annually than Weston from the State of Wisconsin. Guild added the committee needs to look at what the community can expect if these infrastructure maintenance projects are put off for too much longer.

8. 2018 Utility Budgets and Consumer Rates/Charges. Donner reported in 2016 we adopted a resolution to file for a water rate increase after, Ehlers & Associates, our financial consultants had done a review of our Water Utility needs. We had done a preliminary capital budget, historical and operating budgets as a basis for this review. Ehlers recommended we file for a rate increase for the Water Utility. We have not had a rate increase since 2009. The conventional wisdom is rather than filing for larger rate increases at greater intervals to do smaller rate increases more regularly. Among the recommendations was to manage toward a benchmark rate of return of 4%. A rate increase was filed in August 2017 after we had submitted our construction authorization request for the meter change out project. Their initial take was we were going to need a 25% increase in step 1 and 9% in the second step the following year. The PSC had just reviewed this prior to our meeting in November. We received a final letter of review from the Financial Analyst at the end of November. The revenue requirement reduced from the 32% overall which was recommended to maintain a 4% rate of return to 25% overall. When the PSC is done with the rate design we will need to schedule a public hearing. Then the PSC will issue a rate order for the increase to be implemented.

The most recent Sewer Utility rate increase was last done in 2015. In 2017 MSA recommended a rate increase of 17% for volume charges, 14% for base rates and 2.5% annual increases thereafter. The

decision was made to defer the sewer rate increase until the water rate increase was implemented. The sewer rate increase does not have to go through the PSC for approval. The Village Board will adopt it by ordinance.

Donner displayed graphs showing how Weston's water and sewer rates compared to other communities in central Wisconsin. A spreadsheet was included showing the estimated impact the water and sewer rate increases would have on a customer's quarterly bill with water/sewer usage of 12,000 gallons and 17,500 gallons. Weston's current water rates are low compared other communities and are in the lowest 25% of 19 communities in the county. The Sewer Utility is almost at 50% of comparable communities in Marathon County.

Donner reviewed the costs expense categories for both the Water and Sewer Utilities

9. Public Works Staffing & Organization Chart. Next meeting.

POLICY ISSUES – DISCUSSIONS/RECOMMENDATIONS.

RESOLUTIONS/ORDINANCES.

FUTURE ITEMS.

10. Next meeting date(s).

- a. **Special Meeting – Monday, January 29 @ 4:30 p.m.**
- b. **Regular Meeting – Monday, February 12 @ 4:30 p.m.**

11. Topics for future meetings. Capital Projects budget and RFP's that were returned.

12. Remarks from Staff. None.

13. Remarks from Committee Members. None.

14. Announcements. Guild asked the committee members to put Tuesday, April 17, 2018 on their calendars for the 2nd annual service and leadership awards banquet.

15. Adjournment.

Acting Chairman Ostrowski adjourned the meeting at 6:02 p.m.

Donna Van Swol, Utility Clerk