

**RIVER FALLS UTILITY ADVISORY BOARD  
REGULAR MEETING  
January 15, 2018, 6:30 p.m.  
Council Chambers, City Hall**

The regular meeting of the River Falls Utility Advisory Board was called to order by Utility Advisory Board President Myszewski at 6:30 p.m.

**Present:** Adam Myszewski, Diane Odeen, Duane Pederson, Patrick Richter, Kevin Swanson and Tim Thum

**Staff present:** Kevin Westhuis, Utility Director; Rhonda Davison, Utility Program Coordinator; Lanae Nelson, Utility Administrative Assistant; Scot Simpson, City Administrator; Julie Bergstrom, Assistant City Administrator, Wayne Siverling, Electric Line Superintendent; Brian Hatch Electric Meter Tech; Mike Noreen, Conservation & Efficiency Coordinator ; Sue Langer, Accounting Manager; Ron Groth, Wastewater/Water Superintendent; Greg Dietsche, City SCADA Engineer; and Mary Zimmermann, Communications Manager

**Council present:** Scott Morrissette, Jeff Bjork, Chris Gagne and Hal Watson

**Approval of Minutes:**

December 18, 2017, Regular Meeting Minutes

**M/S Odeen/Richter approve minutes. Unanimous.**

**CONSENT AGENDA:**

Acknowledgment of the following minutes:

West Central Wisconsin Biosolids Facility Commission – 11-14-2017;

POWERful Choices Committee Meeting – 12-14-2017

**MSC Odeen/Swanson approve Consent Agenda. Unanimous.**

**PUBLIC HEARING:**

**Resolution No. 2018-01 adopting recommendation for Hydro Electric Facilities –**

Utility Director Kevin Westhuis introduced Mark Lobermeier from SEH provided financial aspects of relicensing the Hydroelectric Facilities. Lobermeier has worked with the City Staff and Kinni Corridor stake holder group for the past 18 months. He provided detailed information about the hydroelectric facilities including generation history, condition of the Junction Falls and Powell Falls facilities, revenues, projected net revenues, and the relicensing process.

In reviewing the details of the resolution, it was noted that there was a typo under “Junction Falls Hydro Facility”. It should read: “Improvement from 1990 will be fully depreciated in 2030” (not in 2020).

Federal Energy Regulatory Commission (FERC) granted the City's request for a five-year license extension for the River Falls Hydroelectric Project (P-10489) to accommodate the Kinnickinnic River Corridor Planning Process. This action extended the license term to 2023 and delayed notice by the City to FERC to August 31, 2018, on whether the City will relicense or surrender the license.

**In the presentation were three relicensing options proposed by the City Council:**

- 1) Relicense the current hydro facilities, maintaining both the Junction Falls and Powell Falls hydro facilities. Any future hydro or dam related expenditures over \$5,000 will be brought to the Utility Advisory Board and City Council for review and approval.
- 2) Surrender the license, which would remove both the Junction Falls and Powell Falls hydro facilities and dams at some point in the future.
- 3) Relicense the Junction Falls hydro facility, and remove the Powell Falls hydro facility and dam at some point in the future. Any hydro or dam related expenditures over \$5,000 will be brought to the Utility Advisory Board and City Council for review and approval.

**Discussion:**

**Scenario 1: Relicense and maintain both the Junction Falls and Powell Falls facilities.**

Under Scenario 1, the City would seek a new 40-year license that would allow the City to continue to (but not be required to) generate power from the two hydro facilities. During this period, it is anticipated that no funds will be invested in Powell Falls to make identified structural and generation improvements. The current estimated base cost (2017 dollars) for this scenario is \$754,750.

**Scenario 2: Surrender the license, and remove both the Junction Falls and Powell Falls hydro facilities and dams at some point in the future.** Under Scenario 2, the City would endorse the ultimate removal of both facilities, surrendering the license for Hydroelectric Project P-10489, thus, eliminating power generation effective August 31, 2023, coincident with the expiration of the existing license. Implied in Scenario 2 is the timely removal of both facilities including establishment of a free-flowing river, developing stream habitat and restoring the adjacent reclaimed flood plain within the limits of the City's financial capacity and available funding from non-City sources.

The current estimated base cost (2017 dollars) for this scenario is \$8,012,846.

**Scenario 3: Relicense and maintain the Junction Falls facility.** Under Scenario 3, the City would seek a new 40-year license that would allow the City to continue to (but not be required to) generate power from the Junction Falls facility. During this period, the City could continue to produce power throughout the 40-year duration of the license which would expire in 2063. Implied in Scenario 3 is the removal of the Powell Falls facility at some point in the future including establishment of a free-flowing river below the Junction Falls dam, developing stream habitat and restoring the adjacent reclaimed flood within the limits of the City's financial capacity and available funding from non-City sources.

The current estimated base cost (2017 dollars) for this scenario is \$1,931,184.

There Chair opened the public hearing for comments.

**Public spoke at Public Hearing:**

Neal Gilbertson, River Falls, WI;  
Eddie Rivard, New Brighton, MN;  
Larry Larson, River Falls, WI;  
Michael Alwin, St. Paul, MN;  
William Hanson, River Falls, WI;  
Peter Davis, River Falls, WI;  
Judie Foster Babcock, River Falls, WI;  
Deb Wulf, Hudson, WI;  
Mark Spafford, River Falls, WI;  
Alison Bruflat, River Falls, WI;  
Nate Dodge, River Falls, WI;  
Steve Dodge, River Falls, WI;  
Emily Page, River Falls, WI;  
Alison Page, River Falls, WI;  
Sarah Hall, River Falls, WI;  
Dave Fehringer, River Falls, WI;  
Michael Page, River Falls, WI;  
Gary Van, River Falls, WI;  
Tony Stifter, Blaine, MN;  
Karen Hansen, River Falls, WI  
Bill Hansen, River Falls, WI;  
Ben Plunkett River Falls, WI;  
Rose Rude, River Falls, WI;  
Joel Donna, River Falls, WI;  
Christopher Gagne, River Falls, WI;  
Christopher Olson, River Falls, WI;  
Stan Meyer; River Falls, WI;  
Lynne McMullen, River Falls, WI;  
Lauri Wilson, River Falls, WI;

**Myszewski closed the public hearing and moved back into Regular Session at 7:25 p.m.**

**MS Pederson/Thum motion to forward the UAB decision directly to the City Council. Odeen felt the Kinni Corridor Committee was created to make a recommend to the City Council. She opposed the motion. Pederson agreed but felt the UAB was appointed by Council and doesn't answer to a secondary committee. As there was no further discussion, Myszewski asked for a vote on the motion. It failed 4-2 with Pederson and Thum voting in favor and Odeen, Swanson, Richter, Myszewski voting against.**

Myszewski asked for discussion on the resolution. There was brief discussion from board members. Westhuis and Lobermeier answered questions from the UAB about the three options.

**MS Richter/Odeen to move for the approval of Option # 3 to Relicense the Junction Falls Hydro Facility, and remove the Powell Falls hydro facility and dam in the future.** Any hydro or dam related expenditures over \$5,000 will be brought to the Utility Advisory Board and City Council for review and approval. **President Myszewski asked for a vote on the resolution. The resolution passed 5-1 with Swanson voting against.**

**NEW BUSINESS:**

**Resolution No. 2018-02 adopting recommendation to City Council for Water/Wastewater SCADA System**

Greg Dietsche, City SCADA Engineer and Ron Groth, Wastewater/Water Superintendent presented the information and recommendation for the purchase of a replacement SCADA system for water and wastewater from PJ Kortens and Company, and forward to the Common Council with a positive recommendation.

**MSC Odeen/ Richter approve the resolution. Unanimous.**

**REPORTS:**

Westhuis said the Finance Report for December 2017 was unavailable and will be presented at February 19, 2018, meeting.

Utility Dashboards for Electric, Water, Wastewater Treatment Plan and POWERful Choices were included in the UAB packets for review. Westhuis gave a brief overview and answered questions about the dashboards.

**ANNOUNCEMENTS:**

Westhuis announced that Wayne Siverling, Superintendent, is in attendance and the new power plant substation is nearing completion working with XCEL Energy to make some final change overs, and they are working with AT&T on phone lines.

Myszewski commented and Westhuis recognized Lanae Nelson as the new Administrative Assistant at the River Falls Municipal Utilities.

**ADJOURNMENT:**

**MSC Thum/ Richter to adjourn. Unanimous.**

**Myszewski announced meeting adjourned at 8:04 p.m.**

Reported by: Lanae Nelson, Utility Administrative Assistant

  
Duane Pederson, Secretary