



**RIVER FALLS UTILITY ADVISORY BOARD
REGULAR MEETING
April 16, 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 Secretary Duane Pederson at 6:30 p.m.

Utility Advisory Board Present: Diane Odeen, Patrick Richter, Tim Thum, Duane Pederson, Kevin Swanson and Mark Spafford

Utility Advisory Board Absent: Adam Myszewski

Staff Present: Utility Director Kevin Westhuis; Utility Administrative Assistant Lanae Nelson; City Treasurer Sue Langer; Electric Line Superintendent Wayne Siverling; Lead Water Works Operator Greg Koehler and Electric Meter Technician Brian Hatch

Approval of Minutes:

March 19, 2018, Regular Meeting Minutes

MSC Odeen/Richter approve minutes. Unanimous.

CONSENT AGENDA:

Acknowledgment of the following minutes:

West Central Wisconsin Biosolids Facility Commission: 2-15-2018;

POWERful Choices Committee Meeting: 3-8-2018

MSC Richter/Odeen approve Consent Agenda. Unanimous.

NEW BUSINESS:

Resolution No. 2018-05 - Approving Professional Services by Energis High Voltage Resources Inc. for Junction Falls Generator Facility

Utility Director Kevin Westhuis and Electric Line Superintendent Wayne Siverling gave a presentation on the professional services from Energis High Voltage Resources Inc. for Junction Falls. Westhuis provided background on recent CT failure at Junction Falls and the need for the proposed expenditure.

Odeen asked if the equipment had been tested before. Siverling said yes, between 1995-early 2000s. There was further discussion from Swanson, Spafford, Thum and Richter. Westhuis explained City Council passed a resolution requiring any expenditures needed on the hydroelectric facilities must be approved by the UAB if they surpass \$5,000 and above \$15,000 go City Council.

MSC Richter/Swanson to move for the approval of the Resolution. Secretary Pederson asked for any further decision; seeing none he asked for a vote on the resolution. The resolution passed unanimously.

Resolution No. 2018-06 - Recommending Agreement with TRC for Initial Application for Hydroelectric Relicensing to the Federal Energy Regulatory Commission (FERC)

Utility Director Westhuis presented a recommendation for professional services agreement with TRC Solutions consulting for the completion of the initial application with the Federal Energy Regulatory Commission (FERC) for relicensing of the River Falls Hydroelectric facilities.

In February 2018, City Council approved a resolution relicensing the hydroelectric facilities and the application of intent to relicense with a due date of August 31, 2018. The fee to retain TRC Solutions for the initial application phase is \$75,000 with a not to exceed clause. Any optional change order coverage must be approved by the Utility Director. The \$75,000 is a budgeted CIP item and will be paid for from the Utilities general fund and accounted for as a hydro expense. The current license was set to expire in 2018 and was granted a five-year extension to continue to operate under the current license until 2023. In 2014 TRC Solutions sent a request of qualifications (RFQ) proposal and RFMU determined that they were the best fit for this project because they had potential to provide the best fit for River Falls due to their experience in similar projects and environmental qualifications.

Westhuis recommended continuing the relationship with TRC, because they are familiar with this project and the initial application needs to be filed by August 31. Odeen added that making an application to FERC is a very technical, requiring time and skills that our staff are unable to do. Therefore, it is necessary to hire TRC. Thum asked if the same fee for the relicensing process is the same for all electric hydro's or is it dependent on size of the hydro. He was concerned that the cost is a significant amount.

Pederson asked if there was any further discussion on the resolution. Richter noted this was expected, once the motion was made to decommission the one hydro and relicense the other. Spafford asked for clarification if the same group would be leading the project. Westhuis confirmed that it would be.

MS Odeen/Swanson to move for the approval of the Resolution. Pederson asked for a vote on the resolution. The resolution passed unanimously.

Resolution Recommending Ordinance Change for Backwater Valves

Utility Director Westhuis and Lead Water Works Operator Greg Koehler provided background information. Westhuis talked about what is the City's responsibility versus the customer's responsibility.

Westhuis spoke about the pain this causes the customer when a backup occurs. He talked about the process of determining who is responsible for the costs of a backup, working with insurance companies, professional cleaning and the need to provide more education for the public.

Koehler explained backflow valves and how they operate. Westhuis touched again about the importance of educating the public. There was further discussion by the board with Westhuis and Koehler. Richter asked if Westhuis and Koehler have spoken to City Inspector, Dave Hovel. They have and Hovel thought it was a good idea. Spafford appreciated all the great work that Groth, Koehler, and the water department have done to keep the City's water system clean and efficient. Spafford spoke to local contractors and plumbers about the ordinance, and the plumbers were in favor and the contractors were not due to added cost. Spafford feels that there is more cost and doesn't want to be reactive on this ordinance change and would like more information.

Richter would like to see language in the ordinance with a possible exception for the homeowner to choose to opt out of a backwater valve if they mark on building permit stating that this is their choice.

Pederson agreed that if the homeowner makes the decision, they take the liability if there is a problem. After hearing the discussion, Westhuis recommended that the ordinance be tabled until next meeting, and he will bring additional information on this. Odeen asked if other municipalities have required this, and Westhuis said yes. There around 11 in Wisconsin; Groth has more detailed information on this. Odeen would like more information from the other communities to understand how the maintenance level is.

The ordinance will require a backflow valve be installed and structure protected by a backflow valve for any drains or fixtures below curb elevation. This will apply to any new construction, both residential and commercial. The amended ordinance also gives the City authority to require installation on existing buildings if a backup has occurred. Public education will be necessary to inform customers how the process works.

MS Odeen/Richter move to table the resolution. Secretary Pederson asked for a vote to table the resolution. The resolution to table passed unanimously.

REPORTS:

Well #5

Westhuis and Koehler presented the UAB with an update on Well #5 rehabilitation. Fifteen months ago, there was a pump on West Division Street that was replaced. The water department follows safety guidelines and have been working with the DNR on this system. Well #5 works and is now back up and running.

Finance Report

City Treasurer, Sue Langer read the report as follows: Electric fund has a year-to-date revenue of \$3.3 million; year-to-date expenses are \$3.09 million, which resulting in positive income of \$209,450 which is an increase of \$161,056 year over year. Water fund has a year-to-date revenue of \$420,634; year-to-date expenses are \$406,698, which resulting in a positive incoming of \$13,936 which is an increase of \$68,833 year over year. Sewer fund has a year-to-date revenue of \$814,084; year-to-date expenses are \$500,265, which resulting in a positive income of \$313,819, which is an increase of \$82,780 year over year. Stormwater fund has a year-to-date revenue of \$141,972; year-to-date expenses are \$93,795, which resulting in a positive income of \$48,177, which is an increase of \$35,170 year over year.

Utility Dashboards

The 2018 March utility dashboards of Electric, Water, Wastewater Treatment Plan and POWERful Choices were included in the UAB packet for review.

Monthly Utility Reports

The 2018 March monthly utility reports were in the UAB packet for review. Westhuis reviewed the sewer televising that is done as a part of the normal maintenance. The Wastewater and Water Departments look for cracked pipes, root growth, and how good of a job is done with cleaning.

ANNOUNCEMENTS:

Westhuis shared information from the Board of Directors of WPPI Energy meeting on March 8. RFMU's whole-sale power provider voted to adjust WPPI's rates for 2018 due to a decreased federal corporate tax rate. In 2018, the savings impact is expected to lower WPPI's wholesale rate to member utilities by an estimated three percent. RFMU will pass these savings to customers via the Power Adjustment Clause (PCAC) on their monthly bills. The PCAC reflects monthly variations in wholesale costs driving by

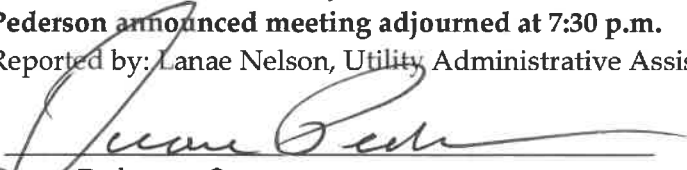
seasonal changes, fluctuations in customer demand, increasing fuel costs and other factors. RFMU customers will benefit from the new corporate rates.

ADJOURNMENT:

MSC Odeen/ Richter to adjourn. Unanimous.

Pederson announced meeting adjourned at 7:30 p.m.

Reported by: Lanae Nelson, Utility Administrative Assistant



Duane Pederson, Secretary