

**MINUTES OF THE NEENAH WATER WORKS COMMISSION
AND
STORM WATER CITIZEN ADVISORY BOARD MEETING**
Regular Meeting – August 15, 2022
Council Chambers – City Hall

Present: President Schmeichel; Commissioners: J. Lang, F. Lang, Boyette, and Bauman; and Director Mach

Also Present: Deputy Finance Director Kahl

Excused: None.

President Schmeichel called the meeting to order at 4:31 p.m.

Approve Special Meeting Minutes for July 18, 2022 – Following discussion, **M.S.C. Bauman/F. Lang to approve the July 18, 2022 Regular Meeting Minutes.** All voting aye.

Approve the Invoices for July 2022 – Commissioners asked about the charges from Mailroute, Inc. and Core & Main, Inc., and invoices from Kruczek Construction, Inc. and Krueger True Value. Director Mach explained that Mailroute, Inc. provides the email filtering for the Utility, and staff purchased hydrants and hose bibb backflow preventers from Core & Main. Invoices from Kruczek Construction are for the water main repairs needed during water main construction. Typically, there are breaks found and/or created during a project that must be repaired in order to maintain water service. Staff purchased air fresheners from Krueger True Value.

Following discussion, **M.S.C. F. Lang/Bauman to approve the July 2022 invoices.** All voting aye.

Appearances – None.

Old Business/New Business

Approve Final Pay Request for Contract 1-22, Water Main and Sewer Construction on Apple Blossom Drive, Fredrick Drive, Green Acres Lane, Honeysuckle Lane, Meadow Lane, Primrose Lane, and Wild Rose Lane Reports – Director Mach presented a brief memo detailing the final payment request from Kruczek Construction for the water mains work on the abovementioned streets. Per the typical approval process where the Water Utility is responsible for more than 50% of the joint work, the Board of Public Works and the Water Utility approve the final payment and send this recommendation to Common Council.

Following discussion, **M.S.C. Boyette/J. Lang to approve the final payment of \$86,785.64 to Kruczek Construction, Inc. and recommending the final payment to the Common Council for approval.** All voting aye.

Approve Draft 2022-2026 CIP – Deputy Director of Finance Kahl and Director Mach presented the 2022-2026 CIP. Highlights of the CIP include the addition of a booster station, replacement of the CO₂ tank, two water main extensions, a new Fox River water main crossing, and an aggressive replacement schedule including the replacement of approximately 640 Utility-owned lead services from 2023 through 2026. Director Mach provided detail on the proposed Fox River crossing. The reasoning for including Elm Street and Reed Street was to complete the water main and service work needed to support the future Shattuck School Redevelopment. Commissioners were concerned about the total cost of the CIP. Director Mach agreed that the CIP is aggressive, especially as there has been very little focus in

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the past on replacement of lead services. Mayor Lang reminded the Commission that this is a planning document.

Following discussion, **M.S.C. F. Lang/Schmeichel to approve the Draft 2022-2026 CIP**. All voting aye.

Discussion on Possible Future Issuance of Debt – Director Mach followed up on the discussion of the CIP with a request to discuss the need to possibly issue debt to finance the most cost-intensive capital items and the replacement schedule for 2023 and 2024. Commissioners asked about the 2011 rate increase and how long the projected revenue and expense model was sustainable. Director Mach noted that he can review the 2011 PSC paperwork and notes in order to report this information back to the Commission. Commissioners were also concerned that the Utility is projected to be debt-free at the end of 2026. Director Mach explained that this fact is appealing, but the cost of needed additions, repairs, and upgrades within the system in the next two years are projected to be greater than the amount of cash and reserves available.

Following discussion, **No action required. Commissioners requested Director Mach and Deputy Director of Finance Kahl provide an analysis of future revenues and capital expenses and present the analysis to the Commission at the September meeting.**

Director's Report –

1. Water Loss Report – Staff continue leak detection efforts.
2. The following change orders and pay requests were approved at the July 27, 2022 Board of Public Works meeting:
 - Pay Request No.3, Contract 2-22, Sanitary, Water Services, and Street Construction on Dieckhoff Street and Grove Street to Donald Hietpas & Sons, Inc., Little Chute, WI, in the amount of \$24,466.30 for Water Services.
 - Change Order No.1, Contract 1-22, Water Main and Sewer Construction on Apple Blossom Drive, Fredrick Drive, Green Acres Lane, Honeysuckle Lane, Meadow Lane, Primrose Lane and Wild Rose Lane for final quantity adjustments, to Kruczek Construction, Inc., Green Bay, WI in the amount of \$16,301.00 for Water Main and Valves.
 - Change Order No.1, Contract 6-21, Concrete Pavement and Sidewalk Repairs to Jim Fischer, Inc., Appleton, WI, for additional concrete patch repairs on Bell Street and Cecil Street, in the amount of \$2,353.23 for Water Main Repairs.
 - Final Payment for Contract 6-21, Concrete Pavement and Sidewalk Repairs, Jim Fischer, Inc., Appleton, WI, in the amount of \$2,353.23 for Water Main Repairs.
3. Solar installation update – The solar installation is performing very well. Director Mach will insert the spreadsheet detailing monthly generation in the minutes.
4. Private lead service line replacement funding update – The contract received no bids. Staff are looking at removing sanitary laterals from the contract, splitting the contract into two smaller contracts, and rebidding.
5. The next regular Waterworks Commission meeting is scheduled for September 19, 2022.

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Following discussion, **M.S.C. Bauman/J. Lang to accept and place on file the Director's Report.** All voting aye.

Closed Session – **M.S.C. Boyette/J. Lang to convene into closed session pursuant to Wis. Stats §19.85 (1)(e) for deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session in order to discuss negotiations relating to a proposal for alternative water metering technologies.** All voting aye.

Adjournment – There being no further business, **M.S.C. Boyette/Bauman to adjourn in closed session at 6:22 p.m.** All voting aye.

Respectfully submitted,



Anthony L. Mach
Director, Neenah Water Utility

Neenah Water Utility - Industrial Tower Solar Array

Full Months in Operation	Dates			Usage (kWh)			Solar Array Output (kWh)			Generation (kWh) [\$0.1324/kWh Usage + \$0.0425/kWh Excess Gen. - Meter Fees]	
	From	To	Days	In Reading	Out Reading	Usage	In Reading	Out Reading	Generation	Net Usage (Generation)	Estimated Net Savings + Surplus
	12/13/2021	12/22/2021	8	65710	66027	317	0	111	111	206	\$ 14.19
1	12/22/2021	1/24/2022	33	66027	67607	1580	111	730	619	961	\$ 79.83
2	1/24/2022	2/23/2022	30	67607	69322	1715	730	1427	697	1018	\$ 90.32
3	2/23/2022	3/24/2022	29	69322	70886	1564	1427	2424	997	567	\$ 130.02
4	3/24/2022	4/23/2022	30	70886	72295	1409	2424	3328	904	505	\$ 117.67
5	4/23/2022	5/24/2022	31	72295	73281	986	3328	4576	1248	(262)	\$ 139.57
6	5/24/2022	6/24/2022	31	73281	73902	621	4576	5941	1365	(744)	\$ 111.80
7	6/24/2022	7/23/2022	29	73902	74477	575	5941	7226	1285	(710)	\$ 104.39
						8767			7226	1541	\$ 787.78

Number of Full Months in Operation		7
Cost of System (Less Incentives)	\$	10,183.00
Projected Payback (Years)		7.54