

CITY OF EDGERTON
UTILITIES COMMISSION
EDGERTON CITY HALL
12 ALBION STREET

Monday, August 10, 2020 at 5:30 p.m.

1. Call to Order; Roll Call.
2. Confirmation of Meeting Notice on Friday, August 7, 2020
3. Personal appearances for non-agenda items limited to 3 minutes.
4. Approve July 13, 2020 Utility Commission Minutes.
5. Discuss and Consider overpayment refund for 1015 N Main St
6. Approve Vouchers Payable.
7. Discuss and Consider Leak Credit for 815 W Fulton St.
8. Discuss and Consider 2021 Water and Sewer Forecast
9. Discuss and Consider 2021 Water and Sewer Rates
10. Operator's Reports.
11. Director's Report.
12. Administrative Report.
13. Adjourn

Cc: All Commission Members All Council Members
 Department Heads Newspapers

NOTICE: If a person with a disability requires that the meeting be accessible or that materials at the meeting be in an accessible format, call the City Administrator's office at least 6 hours prior to the meeting to request adequate accommodations. Telephone: 884-3341

Notice is hereby given that a majority of the Common Council is expected to be present at the above scheduled noticed meeting to gather information about a subject over which they have decision making responsibility. The only action to be taken at this meeting will be action by the Utilities Commission.

**JULY 13, 2020 UTILITY COMMISSION MEETING MINUTES
CITY OF EDGERTON**

Chairperson Kapellen called the meeting to order at 5:30 p.m.

Present: Anne Radtke (remote), Candy Davis, Jim Kapellen, Rick Petersen, Janelle Frey, Lawanna Schieldt and Denise Langan

Others Present: Utility Director Randy Oren, City Clerk Treasurer Cindy Hegglund and Maria Rojas-Monroy

Hegglund confirmed the meeting agenda was properly posted on Friday, July 10, 2020 at the Post Office, Edgerton Library, City Hall and the city's website.

APPROVAL OF MINUTES: A Denise Langan/Lawanna Schieldt motion to approve the June 8, 2020 Utility Commission meeting minutes passed on a 7/0 roll call vote.

APPROVE CHANGE ORDER FOR GMS EXCAVATORS, INC: A Candy Davis/Rick Petersen motion to approve change order #1 for GMS Excavators, Inc for the IKI Sewer Easement Sanitary Sewer Relocation project for a decrease of \$2,705 passed on a 7/0 roll call vote.

APPROVE PAY REQUEST FOR GMS EXCAVATORS, INC: A Rick Peterson/Janelle Frey motion to approve the final pay request for GMS Excavators, Inc for the IKI Sewer Easement Sanitary Sewer Relocation project in the amount of \$1,654 passed on a 7/0 roll call vote.

APPROVE VOUCHERS PAYABLE: A Jim Kapellen/Candy Davis motion to approve payment of the bills list in the amount of \$59,054.92 passed on a 7/0 roll call vote.

LEAK CREDIT FOR 305 S MAIN ST: Maria Rojas-Monroy, the owner of 305 S Main St, appeared before the Commission to request a leak credit. Mrs. Rojas-Monroy stated the original leak was fixed but she may still have a problem. The current policy states the usage needs to be 20,000 gallons over the average usage. The usage at this address was only 18,000 over the average. The Commission agreed the customer did not qualify and took no action on the leak credit request. This allows her to make a future request if she is still experiencing water leaks.

LEAK CREDIT FOR 526 SHEARER: A Jim Kapellen/Rick Petersen motion to approve a leak credit for 526 Shearer St in the amount of \$175.00 for sewer only passed on a 7/0 roll call vote.

2019 COMPLIANCE MAINTENANCE ANNUAL REPORT: Oren stated the report was excellent again this year. The plant received A's in all the categories.

A Denise Langan/Rick Petersen motion to recommend to Council the adoption of a resolution to accept the 2019 Compliance Maintenance Annual Report passed on a 7/0 roll call vote.

Being no other business before the Commission, a Lawanna Schieldt/Janelle Frye motion to adjourn passed, all voted in favor.

Randy Oren/wjl
Utility Director

August 3, 2020

BMO Harris Bank N.A.
1015 N Main St
Edgerton, WI 53534

RE: 1015 N Main St

To Whom it may Concern,

On 07/14/2020 we received a payment of \$328.40 for the water bill at the above property. This payment left a credit on the account of \$328.40. If you would like this amount refunded to you please fill out the form below and return in the provided envelope. Once the form is received by our Utility Billing Department, it will be placed on the next Utility Commission agenda for approval. The Utility Commission meets the 2nd Monday of each month. If you have any questions please contact me at 608-884-3341.

Thank you

Wendy Loveland

Wendy Loveland
Utility Billing Clerk
CITY OF EDGERTON

Please send me a refund check in the amount of \$328.40 for the overpayment at 1015 N Main St.
My current address is:

BMO Harris Bank N.A. | Jones Lang LaSalle Americas, Inc.
c/o *David Harris*, Finance Director

Name

200 Warrenville Road -- Mailstop: 2700/3B

Address

Naperville, IL 60563

City

State

Zip

331.281.2335 (Work) | 312.257.5287 (Cell)

Report Criteria:

Detail report.
Invoices with totals above \$0 included.
Paid and unpaid invoices included.
Invoice Detail Input Date = 08/14/2020
Invoice Batch = "ACH","JS","CC"

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
21								
21	ALLIANT ENERGY	JUN 20 213303	213303 ELECTRIC CHARGES	08/14/2020	45.17	.00		
21	ALLIANT ENERGY	JUN 20 227005	227005 ELECTRIC CHARGES	08/14/2020	22.91	.00		
21	ALLIANT ENERGY	JUN 20 227005	227005 GAS CHARGES	08/14/2020	14.70	.00		
21	ALLIANT ENERGY	JUN 20 236416	236416 ELECTRIC CHARGES	08/14/2020	30.80	.00		
21	ALLIANT ENERGY	JUN 20 357770	357770 ELECTRIC CHARGES	08/14/2020	1,416.29	.00		
21	ALLIANT ENERGY	JUN 20 357770	357770 GAS CHARGES	08/14/2020	14.70	.00		
21	ALLIANT ENERGY	JUN 20 360963	360963 ELECTRIC CHARGES	08/14/2020	854.09	.00		
21	ALLIANT ENERGY	JUN 20 422906	422906 ELECTRIC CHARGES	08/14/2020	4,623.23	.00		
21	ALLIANT ENERGY	JUN 20 422906	422906 ELECTRIC CHARGES	08/14/2020	20.55	.00		
21	ALLIANT ENERGY	JUN 20 48150	48150 ELECTRIC CHARGES	08/14/2020	63.24	.00		
21	ALLIANT ENERGY	JUN 20 715243	715243 ELECTRIC CHARGES	08/14/2020	890.93	.00		
21	ALLIANT ENERGY	JUN 20 881653	881653 ELECTRIC CHARGES	08/14/2020	736.90	.00		
21	ALLIANT ENERGY	JUN 20 881653	881653 GAS CHARGES	08/14/2020	15.12	.00		
Total 21:					8,748.63	.00		
179								
179	CTW CORPORATION	39760	DOME REPLACEMENT - WELL #	08/14/2020	2,000.00	.00		
Total 179:					2,000.00	.00		
194								
194	DEEGAN'S HARDWARE INC	JUNE 2020	MAY 2020 CHARGES - SEWER	08/14/2020	34.99	.00		
194	DEEGAN'S HARDWARE INC	JUNE 2020	MAY 2020 CHARGES - SEWER	08/14/2020	103.44	.00		
194	DEEGAN'S HARDWARE INC	JUNE 2020	JUNE 2020 CHARGES - T&D MT	08/14/2020	66.08	.00		
194	DEEGAN'S HARDWARE INC	JUNE 2020	JUNE 2020 CHARGES - WATER	08/14/2020	19.78	.00		
194	DEEGAN'S HARDWARE INC	JUNE 2020	JUNE 2020 CHARGES - HYDRA	08/14/2020	25.99	.00		
Total 194:					250.28	.00		
206								
206	DIGGERS HOTLINE INC	200652801	JUNE 20 LOCATE TICKETS	08/14/2020	152.23	.00		
206	DIGGERS HOTLINE INC	200652801	JUNE 20 LOCATE TICKETS	08/14/2020	152.24	.00		
Total 206:					304.47	.00		
311								
311	FRONTIER COMMUNICATIONS	7/1/20A	608-884-2466 TELEPHONE CHA	08/14/2020	56.02	.00		
311	FRONTIER COMMUNICATIONS	7/1/20A	608-884-3341 TELEPHONE CHA	08/14/2020	95.43	.00		
311	FRONTIER COMMUNICATIONS	7/1/20A	608-884-3341 TELEPHONE CHA	08/14/2020	95.43	.00		
311	FRONTIER COMMUNICATIONS	7/1/20A	608-884-8331 TELEPHONE CHA	08/14/2020	73.06	.00		
311	FRONTIER COMMUNICATIONS	7/1/20A	608-884-6531 TELEPHONE CHA	08/14/2020	286.96	.00		
311	FRONTIER COMMUNICATIONS	7/1/20A	608-884-1968 TELEPHONE CHA	08/14/2020	26.62	.00		
311	FRONTIER COMMUNICATIONS	7/1/20A	262-002-7247 TELEPHONE CHA	08/14/2020	34.15	.00		
311	FRONTIER COMMUNICATIONS	7/1/20A	262-002-7243 TELEPHONE CHA	08/14/2020	68.23	.00		
Total 311:					735.90	.00		

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
357								
357	JANESVILLE DOOR CO LTD	111119	REPAIR GARAGE DOOR - WATE	08/14/2020	52.84	.00		
	Total 357:				52.84	.00		
435								
435	LYCON INC	0903491-IN	GRAVEL FOR SEWER DEPT	08/14/2020	1,691.29	.00		
	Total 435:				1,691.29	.00		
490								
490	SECURIAN FINANCIAL GROUP,	SEPT 2020	SEPT 2020 LIFE INSURANCE	08/14/2020	71.20	.00		
490	SECURIAN FINANCIAL GROUP,	SEPT 2020	SEPT 2020 LIFE INSURANCE	08/14/2020	88.37	.00		
	Total 490:				159.57	.00		
731								
731	BAKER TILLY VIRCHOW KRAUS	BT1661960	SERVICES 12/31/19 UTILITY FI	08/14/2020	250.00	.00		
731	BAKER TILLY VIRCHOW KRAUS	BT1661960	SERVICES 12/31/19 UTILITY FI	08/14/2020	250.00	.00		
	Total 731:				500.00	.00		
779								
779	WI DEPT OF EMPLOYEE TRUST	SEPT 2020	SEPTEMBER 20 HEALTH INSUR	08/14/2020	3,310.62	.00		
779	WI DEPT OF EMPLOYEE TRUST	SEPT 2020	SEPTEMBER 20 HEALTH INSUR	08/14/2020	3,310.62	.00		
	Total 779:				6,621.24	.00		
812								
812	TESTAMERICA LABORATORIES	5000028171	WASTEWATER ANALYSIS	08/14/2020	504.00	.00		
	Total 812:				504.00	.00		
934								
934	STAPLES CREDIT PLAN	7310538234A	COPY PAPER	08/14/2020	18.46	.00		
934	STAPLES CREDIT PLAN	7310538234A	COPY PAPER	08/14/2020	18.46	.00		
934	STAPLES CREDIT PLAN	7310822027A	PAPER - PAST DUE NOTICES	08/14/2020	1.58	.00		
934	STAPLES CREDIT PLAN	7310822027A	PAPER - PAST DUE NOTICES	08/14/2020	1.58	.00		
	Total 934:				40.08	.00		
1009								
1009	FARM & FLEET CO	2990	MOWER TIRE - SEWER DEPT	08/14/2020	19.98	.00		
	Total 1009:				19.98	.00		
1043								
1043	TRANSUNION LLC	JULY 2020	MEMBERSHIP DUES	08/14/2020	16.66	.00		
1043	TRANSUNION LLC	JULY 2020	MEMBERSHIP DUES	08/14/2020	16.67	.00		
	Total 1043:				33.33	.00		
2323								
2323	STODDARD SILENCERS INC	103597	F8-110 FILTER ELEMENT	08/14/2020	222.21	.00		
	Total 2323:				222.21	.00		

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
2624								
2624	MARK'S CHEMICAL LLC	13634	HFS AND SODIUM HYPOCHLOR	08/14/2020	789.00	.00		
Total 2624:					789.00	.00		
2772								
2772	ENERGETICS	0863072	AEON PD	08/14/2020	485.50	.00		
Total 2772:					485.50	.00		
2887								
2887	DELTA DENTAL OF WISCONSIN	AUG 2020	AUG 20 DENTAL INSURANCE	08/14/2020	251.19	.00		
2887	DELTA DENTAL OF WISCONSIN	AUG 2020	AUG 20 DENTAL INSURANCE	08/14/2020	251.19	.00		
Total 2887:					502.38	.00		
2890								
2890	PITNEY BOWES PURCHASE PO	7/14/20A	POSTAGE - SEWER DEPT	08/14/2020	17.34	.00		
2890	PITNEY BOWES PURCHASE PO	7/14/20A	POSTAGE - WATER DEPT	08/14/2020	17.34	.00		
Total 2890:					34.68	.00		
3404								
3404	BURNS FULL SERVICE LLC	JULY 2020A	JULY 2020 GAS/DIESEL CHARG	08/14/2020	155.52	.00		
3404	BURNS FULL SERVICE LLC	JULY 2020A	JULY 2020 GAS/DIESEL CHARG	08/14/2020	294.07	.00		
Total 3404:					449.59	.00		
3458								
3458	MULCAHY SHAW WATER INC	322700	BALLAST UV SYSTEM AT WWT	08/14/2020	570.00	.00		
Total 3458:					570.00	.00		
3534								
3534	CHARTER COMMUNICATIONS	000011507012	WATER DEPARTMENT INTERNE	08/14/2020	32.49	.00		
Total 3534:					32.49	.00		
3557								
3557	DAVE'S MILTON ACE HARDWAR	A82142	DISTILLED WATER/SHIPPING O	08/14/2020	37.68	.00		
3557	DAVE'S MILTON ACE HARDWAR	A87356	SHIPMENT OF SAMPLES	08/14/2020	22.82	.00		
Total 3557:					60.50	.00		
3883								
3883	ABSOLUTE MOBILE TESTING L	120-460	DRUG AND ALCOHOL TESTING	08/14/2020	170.00	.00		
3883	ABSOLUTE MOBILE TESTING L	120-460	DRUG AND ALCOHOL TESTING	08/14/2020	170.00	.00		
Total 3883:					340.00	.00		
3951								
3951	WI STATE HYGIENE LABORATO	637880	WATER LEAD/FLUORIDE TESTI	08/14/2020	753.00	.00		
3951	WI STATE HYGIENE LABORATO	640758	FLUORIDE TESTING	08/14/2020	26.00	.00		
Total 3951:					779.00	.00		

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
4880								
4880	BAYSIDE PRINTING, LLC	137430A	2ND QTR 20 BILLING - POSTAG	08/14/2020	275.96	.00		
4880	BAYSIDE PRINTING, LLC	137430A	2ND QTR 20 BILLING - POSTAG	08/14/2020	275.96	.00		
4880	BAYSIDE PRINTING, LLC	137430A	2ND QTR 20 BILLING - MAILING	08/14/2020	136.48	.00		
4880	BAYSIDE PRINTING, LLC	137430A	2ND QTR 20 BILLING - MAILING	08/14/2020	136.48	.00		
Total 4880:					824.88	.00		
5071								
5071	EMSL ANALYTICAL, INC	35140256	ASBESTOS SAMPLE TESTING	08/14/2020	148.00	.00		
Total 5071:					148.00	.00		
5085								
5085	BMO HARRIS BANK NA	8/3/20	REFUND OVERPAYMENT OF UT	08/14/2020	328.40	.00		
Total 5085:					328.40	.00		
Grand Totals:					27,228.24	.00		

GRAND TOTAL: \$27,228.24

Meeting Date: August 10, 2020
Vouchers Payable submitted By: Jenny Salvo, Administrative Assistant

James Kapellen (Chairperson)

Anne Radtke (Aldersperson)

Candy Davis (Aldersperson)

Report Criteria:

Detail report.

Invoices with totals above \$0 included.

Paid and unpaid invoices included.

Invoice Detail.Input Date = 08/14/2020

Invoice.Batch = "ACH","JS","CC"

Memo

To: Utility Commission

From: Randy Oren

Date: 8/5/2020

Re: Leak Credit 815 W. Fulton St.

Corey Steen is requesting a leak credit for property he owns at 815 W. Fulton St. for the second quarter of 2020. He has submitted a short letter along with the affidavit form for your review. His average usage for the last four quarters was 21,000 gallons. The second quarter billing was for 137,000 gallons, so the possible credit he is asking for is on 116,000 gallons.

The maximum possible water credit under our policy would be \$203.00

The maximum possible sewer credit under our policy would be \$648.44

The Commission is under no obligation to award any credits under our policy.

LEAK CREDIT AFFIDAVIT

This form is required if your leak credit request is 20,000-50,000 gallons over your average usage

I, Corey A. Steen, personally appeared before the undersigned notary public to affirm that either I or my contractor have made repairs to the plumbing or appliance that has caused the leak for which I seek a credit. I affirm the following statements:

Describe the location of the leak. Garden hose at 815w. Fulton st.

Describe the probable cause of the leak. Garden hose burst

*Attach all receipts for materials or repairs related to the leak.

I understand that if a credit is approved, I may not apply for another leak credit for 3 years.

[Signature] Date: 7-9-20
Signature of property owner/tenant

State of Wisconsin
County of Rock

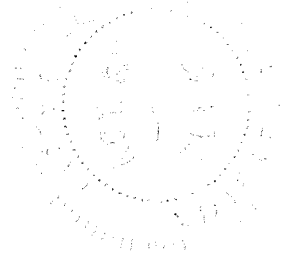
Signed and sworn to (or affirmed) before me on July 9, 2020
Date

by Corey Steen
Printed name(s) of individual(s) making statement

who proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

[Signature]
Notary Public

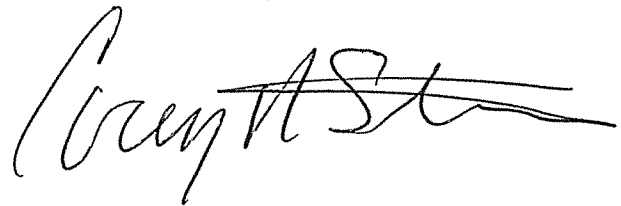
My commission expires on 7/17/2020



I came home to a burst garden hose. I had no clue how long it had been burst.

I have replaced the hose and no longer leave hoses ~~on~~ on.

Corey A. Steen

A handwritten signature in cursive script that reads "Corey A. Steen". The signature is written in black ink and features a prominent, sweeping underline that extends across the width of the name.

METER ID # 87455640
 METER SIZE 5/8"
 OCCUPANT Corey Steem
 STREET 815 W Fulton
 ACCT # 7886004

DATE	READER	READING				# OF GALLONS
8-19-20				0175		137
3-12-20	Talk to me about leaking meter			0038		38
12-12-19	New meter			0000		—
12-12-19				2188		16
9-17-19				2172		15
6-17-19				2157		16
3-13-19				2141		9
12-11-18				2132		11
9-19-18				2121		40
6-20-18				2081		18
3-16-18				2063		13
12-11-17				2050		8
9-21-17				2042		17
6-15-17				2025		11
3-24-17				2014		12

Average usage last 4 quarters = 21,000 Gals.
 2nd quarter usage = 137,000 Gals.
 Credited request on 116,000 Gals.
 Max. possible water credited
 $116 \times \$1.75 = \203.00
 Max. possible sewer credited
 $116 \times \$5.59 = \648.44

City of Edgerton Utilities

Phone (608) 884-3341

12 Albion St.
Edgerton, WI 53534
www.cityofedgerton.com
www.facebook.com/cityofedgerton

Monday 8:00 AM - 6:00 PM
Tuesday - Thursday 8:00 AM - 5:00 PM
Friday 8:00 AM - 4:00 PM
Closed daily from 12:00 PM - 1:00 PM

ACCOUNT NO: 7.8860.04

STEEN, COREY
REBECCA FOX
815 W FULTON ST
EDGERTON WI 53534

BILLING DATE	DUE DATE	AMOUNT DUE Y
08/04/2020	07/20/2020	1,543.12
AMOUNT DUE AFTER DUE DATE >		1,589.41

MAKE CHECK PAYABLE TO CITY OF EDGERTON

PLEASE RETURN TOP PORTION WITH PAYMENT

STEEN, COREY
SERVICE ADDRESS 815 W FULTON ST
ACCOUNT NO: 7.8860.04

08/04/2020

PREVIOUS BALANCE: -15.64

TYPE OF SERVICE	READING DATES		METER READING		USAGE IN THOUSANDS	CHARGE PER THOUSANDS	AMOUNT
	FROM	TO	PRESENT	PREVIOUS			

WATER	03/12/2020	06/15/2020	175	38	137		455.76
SEWER					137		1,061.40
STORM WATER							10.00
PUBLIC FIRE PROTECTION							31.60

PENALTY-WATER
PENALTY-SEWER
PENALTY-STORM WATER

TOTAL CURRENT CHARGES: 1,558.76
TOTAL AMOUNT DUE NOW: 1,543.12
AFTER DUE DATE 1,589.41

3% Late Charge

STOP THE LEAKS!

If Your water bill seems high check immediately for leaks in your system. A dripping faucet or other unsuspected leaks may be the cause of a high bill. **WATER WASTE AT 40 POUNDS PRESSURE**

Edgerton Water Works found high levels of lead in drinking water in some homes. Lead can cause serious health problems. For more information please call Edgerton Water Works at 884-3341 or visit cityofedgerton.com

SEWER CHARGE

QUARTERLY BASE CHARGE

5/8" & 3/4" - \$ 40.75	2" - \$ 115.60
1" - 56.47	3" - 191.30
1-1/4" - 67.22	4" - 407.21
1-1/2" - 83.34	6" - 568.50

Volume Charge of \$7.45 per 1000 Gallons

FOR YOUR REFERENCE

RATES OF WATER DEPARTMENT

GENERAL SERVICE - QUARTERLY DEMAND CHARGE

5/8" - \$ 23.37	1-1/2" - \$ 44.54	6" - \$ 304.31
3/4" - 23.37	2" - 85.35	8" - 408.22
1" - 26.73	3" - 133.60	10" - 623.46
1-1/4" - 31.91	4" - 204.12	12" - 816.45

VOLUME CHARGE/QUARTER

First	50,000 gals. used quarterly - \$3.48 per 1000 gallons
Next	450,000 gals. used quarterly - \$2.97 per 1000 gallons
Next	500,000 gals. used quarterly - \$2.84 per 1000 gallons
Over	1,000,000 gals. used quarterly - \$1.75 per 1000 gallons

A charge will be made for any damage to meters. 25% Surcharge for customers outside City Limits

HR - QUARTERLY PUBLIC FIRE PROTECTION CHARGE

5/8" - \$ 31.60	1-1/2" - \$ 155.87	6" - \$ 1,577.24
3/4" - 31.60	2" - 249.88	8" - 2,523.58
1" - 79.04	3" - 467.60	10" - 3,781.67
1-1/4" - 116.92	4" - 790.47	12" - 5,043.45

a 1/32" leak wastes 170 gallons in 24 hours
a 1/16" leak wastes 970 gallons in 24 hours
a 1/8" leak wastes 3600 gallons in 24 hours

Memo

To: Utilities Commission
From: Staff
Date: 8/6/2020
Re: 2020 Forecast

Each year the Utility Commission reviews the five year updated financial forecast for the utilities. This analysis provides a long term view of the financial health of the utilities; it is used to make decisions about projects, staffing, and other operating expenses; and it provides the basis for determining if a rate increase or borrowing is needed **for the next year**.

The forecast is largely driven by capital projects and equipment. The capital projects and equipment shown on the attached lists are included in the forecasts. The following is the summary of the forecast for each utility.

Water Utility

Analysis: The Public Service Commission establishes eligibility criteria for the simplified rate increase process. According to PSC regulations, the water utility is eligible for a simplified rate increase of 3% this year based on the rate of return for the water utility. The last water rate increase was in 2012.

Notable changes to the forecast from last year are: the painting of the west water tower in 2025 and Albion Street reconstruction in 2024. The forecast also includes increased operating and equipment costs required to address the lead exceedances issue. These projects and operating costs add considerably to costs compared to last year's forecast.

The attached water utility forecast summary tests three scenarios: 1. having no rate increases over the next 5 years and not borrowing for projects; 2. having no rate increases over the next 5 years and borrowing \$800,000 for next year's projects; and 3. having an inflationary (3%) rate increase in 2021 and borrowing \$800,000 in 2021.

First Scenario: Indicates that a significant rate increase would be needed without a borrowing for South Main Street.

Second Scenario: Indicates that a borrowing for this very large project would avoid a significant rate increase but the utility's cash position continues to decline over time due to the other large capital projects included in the forecast.

Third Scenario: Indicates if rates were increased in 2021 by 3%, the utility is in a better cash position than in the second scenario.

Water rate: The Utility will need to borrow for S Main project as given the magnitude of the project to avoid a significant rate increase. While borrowing for S Main Street without a rate increase still provides a

small positive cash position in 2025, a rate increase should be considered due to the upcoming increase in reoccurring expenses the utility will have associated with lead reduction issues (\$14,500 in costs annually). Staff recommends the Utility Commission select alternative three as the preferred alternative meaning there would be a 3% rate increase next year and the utility would borrow for the S Main St project in 2021.

Sewer Utility

Analysis: Notable changes to the forecast from last year are: the construction of sludge storage shed, the replacement of the vector truck in 2024, and substitution of Albion Street for Ridgeway and Crescent which is a more expensive project. These projects add considerably to costs compared to last year's forecast.

The sewer utility is not regulated by the PSC so the Commission and the City Council determine the rates. The last sewer rate increase was a 3% increase in 2017.

The attached sewer utility forecast summary tests two scenarios: 1. having no rate increase and no borrowing for any projects (other than the awarded RD loan/grant for S Main St); and 2. having an inflationary (3%) rate increases in 2021 with the awarded RD loan/grant for S Main St as the only borrowing.

First Scenario: If the utility had no rate increases and accepted the loan/grant for S Main St (paid cash for all other projects), the utility would cash flow but with a significant reduction in available cash by 2025. This is primarily due to larger capital projects/equipment in 2021, 2022, and 2024.

Second Scenario: If the utility had an inflationary rate increase of (3%) in 2021 and accepted the loan/grant for S Main St (paid cash for all other projects), the utility would be in a better position than in the first scenario.

Sewer rate: Both of the Rural Development loans (S Main St and the WWTP) have a 40 year amortization schedule and no prepayment penalties. Once the S Main Street project is complete and we have an understanding of the actual cost of that project, staff would like the Commission to consider prepaying a portion of the RD loans if possible. This would reduce the 40 year term of the loan so as to not burden future rate payers with a debt that may be for equipment that is no longer in service. In the past when one utility has needed an inflationary rate increase, if the other utility also had a justification for a rate increase, the Commission has elected to increase both utilities at the same time allowing for more future years when there is no rate increase. Given that very low available cash in the last year of the forecast, staff recommends the sewer utility have a 3% inflationary rate increase in 2021.

EDGERTON WATER UTILITY
Summary of Forecast/Rate Increases

Rate Increases	2020 Ending Cash Available	2020 Rate Increase Needed	2021 Ending Cash Available	2021 Rate Increase Needed	2022 Ending Cash Available	2022 Rate Increase Needed	2023 Ending Cash Available	2023 Rate Increase Needed	2024 Ending Cash Available	2024 Rate Increase Needed	2025 Ending Cash Available	2025 Rate Increase Needed
No increases and no borrowing	378,165		(157,343)	17.10%	(180,926)	19.63%	(134,368)	14.56%	(290,523)	31.42%	(565,275)	61.05%
No rate increases with \$800,000 borrowing in 2021. 20 yr payback	378,165		642,657		565,302		558,087		348,159		19,635	
3% increase 2021 with \$800,000 borrowing in 2021. 20 yr payback	378,165		670,224		620,437		640,789		458,429		157,472	

Key Assumptions:

- 4% annual increase in operations and maintenance expenses
- Annual increase of 20 residential customers
- Includes all capital projects listed on attached project schedule
- Includes all projected debt payments for debt-funded projects
- Includes repayment of all advances from General Fund and Sewer Utility
- Cash available equals the ending cash balance less restricted cash less amount needed to cover 3 months of operation and maintenance expense

DUGERTON WATER UTILITY							
Capital Improvements							
	Actual	Forecasted					
	2019	2020	2021	2022	2023	2024	2025
Capital Projects:							
Blaine St watermain							
- Swift to Randolph	-	-	-				
- Randolph to Hemphill							
Edward Avenue watermain	-	-	-				
Chaucer St watermain	-	-	-				
S. Main St watermain			765,000				
Wellhouse 4 improvements							
Wellhouse 3 improvements							
Wellhouse 2 improvements							
-Lord St to Hain Rd	-	-	-				
East Water Tower painting	-		-				
West Water Tower painting	-	-	-				225,000
Sweeney	170,831						
Stoughton Rd		-					
Rollin - N Main to Albion		217,000					
Rollin - Stoughton to Albion							
Quigley St				200,000			
Maple Court							
Developer contributions							
Washington St							
Well #3 Reconstruction		24,305					
Henry St main replacement					145,000		
Crescent and Ridgeway							195,000
Henderson Util Modifications		19,800					
Albion St						325,000	
Leak Detector survey	-	0		10,000			
Corrosion Control Equip Install				27,000			
Miscellaneous	17,418	0	-				
Contributed assets to other funds							
Equipment:							
Hydrants	5,903	10,000	10,000	10,000	10,000	10,000	10,000
Meters	27,445	15,000	15,000	15,000	15,000	15,000	15,000
Pickup truck			24,000				
Elevated Tank Inspections	-	3,250	-				
East Tank Control Enclosure	-	-	-				
Replace Van	24,806		-				
Miscellaneous	23,442	20,000	20,000	20,000	20,000	20,000	20,000
Total	\$ 269,845	\$ 309,355	\$ 834,000	\$ 282,000	\$ 190,000	\$ 370,000	\$ 465,000

EDGERTON SEWER UTILITY
Summary of Forecast/Rate Increases

	2020	2020	2020	2021	2021	2021	2022	2022	2022	2023	2023	2023	2024	2024	2024	2025	2025
Rate Increases	Ending Cash Available	Rate Increase Needed	Ending Cash Available	Ending Cash Available	Rate Increase Needed	Rate Increase Needed	Ending Cash Available	Rate Increase Needed	Rate Increase Needed	Ending Cash Available	Rate Increase Needed	Rate Increase Needed	Ending Cash Available	Rate Increase Needed	Rate Increase Needed	Ending Cash Available	Rate Increase Needed
1 No increase and no borrowing	651,612		747,529	530,289			466,516			239,172			100,138				
2 3% increase in 2021 and no borrowing	651,612		782,591	600,414			573,703			379,422			275,450				

Key Assumptions:

- all scenarios include borrowing/grant for S Main
- 4% annual increase in operations and maintenance expenses
- Annual increase of 20 residential customers
- Includes all capital projects listed on attached project schedule
- Includes all projected debt payments for debt-funded projects
- Cash available equals the ending cash balance less restricted cash less amount needed to cover 3 months of operation and maintenance expense

DGERTON SEWER UTILITY							
Capital Improvements							
Cash spent							
	Actual	Forecast					
	2019	2020	2021	2022	2023	2024	2025
Capital Projects:							
Downtown	-	-	-	-	-	-	-
Brailsford							
Gateway							
Blaine St							
- Swift to Randolph	-	-	-	-	-	-	-
- Randolph to Hemphill							
Highland							
E Lawton							
Chaucer St	-	-	-	-	-	-	-
Dickinson	-	-	-	-	-	-	-
S. Main St			624,000	-	-	-	-
Slip line Swift to Randolph							
Rollin St - N Main to Albion		130,000	-				
Rollin St - Stoughton to Albion							
Drilling monitoring wells	-	-	-	-	-	-	-
Sweeney	108,347						
Stoughton Rd		-					
Quigley St				150,000			
Maple Ct		-		-		-	-
N Main/ Throson main ext							
Washington St							
Henry St					130,000		
IKI Sewer Repair	18,685	1,654					
Ridgeway						-	175,000
Henderson util modifications		8,800					
Albion St						282,000	
Equipment:							
Manhole replacement	-	10,000	10,000	10,000	10,000	10,000	10,000
Irrigation meters	-	1,500	1,500	1,500	1,500	1,500	1,500
WWTP Upgrades	-	-	-	-	-	-	-
Sludge Building				150,000			
Vactor Truck						175,000	
Pickup Truck					24,000		
Grinder for Bar Screen							
Replace RBC Unit #4	-	-	-	-	-	-	-
Miscellaneous	3,641	20,000	20,000	20,000	20,000	20,000	20,000
Total	\$ 130,673	\$ 171,954	\$ 655,500	\$ 331,500	\$ 185,500	\$ 488,500	\$ 206,500

Memo

To: Utility Commission
From: Staff
Date: 8/6/2020
Re: Collection Policy

Utility shutoffs: The PSC has extended the “COVID” moratorium on utility shutoffs for nonpayment until September 1. We estimate a reduction in revenue per quarter of \$500 for the loss of reconnection fees. While the City could begin shutoffs of delinquent customers on September 1, Utility Administration has decided to not perform shutoffs during this period. All unpaid charges as of November 15 will be put on the property owner’s taxes.

Late fees: The PSC’s temporary prohibition on charging late fees expired on July 15. We estimate a reduction in revenue per quarter of approximately \$3,700 for not charging late fees. While the City could begin charging late fees as of July 15, Utility Administration has decided to not assess late fees through the end of the 4th quarter this year.

Collections: Unpaid utility accounts are placed on the tax roll on November 15 of each year. Occasionally a renter terminates an account and does not pay the remaining balance. The City tries to avoid putting unpaid utility charges incurred by **terminated renters** on the landlord’s tax bill until we have first tried to collect the amount due through a collection service. In keeping with State and Federal COVID related policies prohibiting evictions and shutoffs, the City has not sent any delinquent utility customers to collection since March. There are a handful of accounts associated with renters having terminated accounts who would normally be sent to collection. The total amount of delinquent utility accounts eligible to be sent to collections for terminated accounts is currently \$3,370. Administration has decided to begin the collection process of these terminated accounts.

EDGERTON WATERWORKS

July Report 2020

1. Monthly samples were taken to the State Lab of Hygiene. All samples were safe.
2. Fixed another leak at the cemetery.
3. Fixed a water main leak on Albion St. A joint clamp was used to fix the problem.
4. A required DNR water sample for asbestos was taken. No asbestos was detected.
5. The chlorine pumps at #2 and #4 needed routine maintenance. Both working fine.
6. An old hydrant on Cherry St. was replaced.
7. Six inch hydrant extensions were put on the Cherry St. hydrant and a hydrant on Randolph St.
8. The new dome was installed at #3 wellhouse.
9. Painting was done at #3.
10. Mowing and weed control.
11. Locates were done.
12. Monthly DNR report was submitted.

Thomas A. Pennekamp/Operator-in-charge

EDGERTON W.W.T.P. REPORT

JULY 2020

1. Daily lab work.
2. D.N.R. reports.
3. Did sewer and lift station checks.
4. General-plant maintenance was done.
5. Did phosphorus and ammonia sampling for D.N.R. reports.
6. Lawn maintenance was done at the plant and sewer easements.
7. Preventative maintenance is being done on the collection system leading to the plant by jet-cleaning and root cutting if necessary.
8. Crane was here and had to replace a lip seal on aeration blower #1. Aeration blower #2 has a inner seal leak and will have to go back to the shop for repairs or rebuild. L.W. Allen was here to rewire aeration #3 blower. The wires broke do to a bad vibration.
10. Crane and with the help from us had to remove digester blower #2. It has been leaking oil from an inner seal and has to be rebuilt.
11. U.V. module #2, lamps 3 and 4 burnt out along with the ballast that controls them. We pulled the unit out and made the repairs.
12. Took the Vector-Truck to Pomp's tire Service and had all new tires installed.
13. Worked on the north-east sand bed.

Thank-You

James Reilly

Edgerton - W.W.T.P.