



City of La Crosse, Wisconsin

City Hall
400 La Crosse Street
La Crosse, WI 54601

Meeting Agenda - Final

Board of Public Works

Monday, January 29, 2024

10:00 AM

Council Chambers
City Hall, First Floor

The Board of Public Works meeting is open for in-person attendance and will also be conducted through video conferencing. The meeting can be viewed by visiting the Legislative Information Center (<https://cityoflacrosse.legistar.com/Calendar.aspx>) and clicking on the video link to the far right in the meeting list.)

Call to Order

Roll Call

Approval of Minutes

Agenda Items:

- [24-0118](#) Resolution adopting Sanitary Sewer Utility Rate Review and Cash Reserve Policy.
- [24-0119](#) An Ordinance to amend Sec 46-82 of the Code of Ordinances of the City of La Crosse regarding Sanitary Sewer Connection Fees.
- [24-0149](#) Bidder's Proof of Responsibility
- [24-0159](#) Report of Quote proposals for Well #23H & #24H Abandonment.
- [24-0160](#) Request to purchase used attenuator from County as part of Capital Equipment purchase in 2024.

Adjournment

Notice is further given that members of other governmental bodies may be present at the above scheduled meeting to gather information about a subject over which they have decision-making responsibility.

NOTICE TO PERSONS WITH A DISABILITY

Requests from persons with a disability who need assistance to participate in this meeting should call the City Clerk's office at (608) 789-7510 or send an email to ADAcityclerk@cityoflacrosse.org, with as much advance notice as possible.

Board members: Mitch Reynolds, Tamra Dickinson, Rebecca Schwarz, Andrea Trane, Matthew Gallagher.



City of La Crosse, Wisconsin

City Hall
400 La Crosse Street
La Crosse, WI 54601

Text File

File Number: 24-0118

Agenda Date: 2/1/2024

Version: 1

Status: New Business

In Control: Finance & Personnel Committee

File Type: Resolution

Resolution adopting Sanitary Sewer Utility Rate Review and Cash Reserve Policy.

RESOLUTION

WHEREAS, the Sanitary Sewer Utility exists so that current and future customers have availability and accessibility to safe, reliable and affordable wastewater disposal services, and

WHEREAS, the Board of Public Works has the authority for the management and governance of municipal utility operations, and

WHEREAS, the establishment and maintenance of appropriate working capital reserves and operating cash reserves are critical to maintaining a financially stable organization, and

WHEREAS, adequate cash reserves helps to mitigate the effects of economic volatility and uncertainty, and

WHEREAS, the adoption of a clear cash reserve policy is a foundation to strong fiscal management.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of La Crosse that it hereby adopts the reference Sanitary Sewer Utility Rate Review and Cash Reserve Policy.

BE IT FURTHER RESOLVED that future amendments to this policy shall go before the Board of Public Works as acting authority over utility operations.

BE IT FURTHER RESOLVED that the Director of Finance, Utilities Finance & Compliance Manager and Director of Engineering & Public Works are hereby authorized and directed to take all necessary steps to implement this resolution.

City of La Crosse

Sanitary Sewer Utility Rate Review and Cash Reserve Policy

1. INTRODUCTION AND PURPOSE

The La Crosse Sanitary Sewer Utility (“Utility”) operates and maintains a regional wastewater treatment plant on Isle La Plume, 27 sanitary lift (pumping) stations, and over 200 miles of sanitary sewers that make up the wastewater collection and treatment systems for the City of La Crosse. The Utility staff also operates and maintains seven lift stations and 134 miles of storm sewers as part of the Storm Water Utility.

Currently, the regional La Crosse treatment plant accepts and treats waste from not only the City but several adjacent entities, including the City of Onalaska, the Town of Campbell, Sanitary Districts 1 and 2 in the Town of Shelby, and the City of La Crescent.

The Utility is governed by the City Council (“Council”), the Board of Public Works (“BPW”), and the Finance and Personnel Committee (“F&P Committee”). This Rate Review and Cash Reserve Policy (the “Policy”) is designed to establish guidelines to ensure the fiscal stability of the Utility and provide guidance to the Utility staff, Council, BPW, and F&P Committee in the management of the Utility’s finances.

Properly designed rate review and reserve policies send a positive signal to ratepayers, investors, and regulatory and credit rating agencies that the City is committed to maintaining the long-run fiscal strength of the Utility. Strong and transparent financial policies, including maintaining prudent reserves for emergencies, rate stability, working capital and capital improvements, are consistent with best practices in the utility industry and are important to the Utility as they help to:

- Maintain the short-term and long-term financial health of the Utility.
- Fund unanticipated cost contingencies.
- Ensure funds exist for system improvements.
- Ensure cash exists for the timely payment of bills.
- Act as a significant positive credit factor in bond ratings.

2. ANNUAL RATE REVIEW POLICY

In 2025 and subsequent years, after completion of year end audit adjustments, Utility staff shall review the prior year’s year-end balances of designated and undesignated cash reserves and the rate of return and cash flow generated by the Utility during the preceding year. Utility staff shall report this information to the BPW, along with a recommendation regarding adjustment of sewer rates. The recommended actions may include no adjustment to rates, a cost-of-living adjustment, preparation of a full cost of service rate study, or other actions consistent with

Wisconsin law, City ordinances, intermunicipal agreements, bond covenants, or financial assistance agreements with the State of Wisconsin. Utility staff may report financial information or provide recommendations to the BPW for an adjustment to sewer rates more frequently than required by this policy.

3. CASH RESERVES POLICY

A. Definitions

1. **Restricted Reserves:** Restricted reserves are reserve funds that may only be used for a specific purpose(s) defined by City ordinance or policy, bond covenants, financial assistance agreements with the State of Wisconsin, intermunicipal agreements, Wisconsin Statutes, or other applicable regulations or agreements. Restricted reserves will be placed in segregated accounts and funds may only be used for the specified purpose(s).
2. **Unrestricted Reserves:** Unrestricted reserves may be used for any purpose authorized by Wisconsin Statutes.
3. **Designated Reserves:** Designated reserves include all cash reserves that are maintained by the Utility in accordance with this policy. This includes both restricted and unrestricted reserves.
4. **Undesignated Reserves:** Undesignated reserves include any reserves held by the Utility more than the cash reserves that are maintained in accordance with this policy.

B. General Policy

This policy establishes minimum target levels for cash reserves to be maintained by the Utility. All cash reserves held by the Utility in accordance with this policy are Designated Reserves. Only funds on hand more than the minimum amounts described in this policy may be considered “Undesignated Reserves”. This policy establishes the following Designated Reserves, described in more detail below:

1. Operating Reserves
2. Special Redemption Fund
3. Debt Service Reserves
4. Equipment Replacement Fund
5. Connection Fee Fund
6. Capital Improvement Reserves

C. Operating Reserves

1. **Type:** Unrestricted
2. **Purpose and Definition:** Ensures sufficient resources to pay budgeted operating and maintenance expenses, recognizing the timing differences between payment of expenditures and receipt of revenues and the potential for unexpected expenses or loss of revenue.

3. Target (Minimum) Level: Equal to 250 days of operation and maintenance expenses, based on the most recent year's expenses.
 4. Events or Conditions Prompting Use of the Funds: Operating reserves may be routinely used by the Utility to cover temporary cash flow deficiencies caused by timing differences between revenues and incurring expense obligations, unexpected increases in operating expenses or loss of revenue.
- D. Special Redemption Fund
1. Type: Restricted.
 2. Purpose and Definition: Funds set aside to make current principal and interest payments on outstanding Utility debt. A fraction of the next principal and interest payment(s) is accumulated in this fund each month and used to make the payments when due.
 3. Target (Minimum) Level: As required by the Utility's schedule of principal and interest payments.
 4. Events or Conditions Prompting Use of the Funds: Funds in the Special Redemption Fund will be used as needed to make principal and interest payments when due.
- E. Debt Service Reserves
1. Type: Restricted
 2. Purpose and Definition: Ensures ability to make debt service payments in an extreme event that may impact the Utility's ability to provide services. The Debt Service Reserve is intended to prevent an event where the Utility would be unable to pay its debt service obligations during such emergencies, or extreme market disruptions.
 3. Target (Minimum) Level: As required by any notes or bonds issued by the Utility.
 4. Events or Conditions Prompting Use of the Reserve: The Debt Service Reserve may be utilized in the event the Utility is otherwise unable to pay its debt service obligations, in accordance with bond covenants.
- F. Equipment Replacement Fund
1. Type: Restricted
 2. Purpose and Definition: Funds set aside to pay the costs of replacing equipment necessary to maintain the capacity and performance of the wastewater collection and treatment system.
 3. Target (Minimum) Level: As required by the Wisconsin Department of Natural Resources (WDNR) as a condition of receiving any loans from the Wisconsin Clean Water Fund Program. It is the policy of the Utility to use the percentage schedule as defined by the WDNR to calculate the minimum amount of funds to be held in the Equipment Replacement Fund.
 4. Events or Conditions Prompting Use of the Reserve: These funds may be used on a regular basis to fund replacement of equipment, as defined by Wisconsin Administrative

Code. If the amount in the fund is reduced below the minimum amount required by WDNR, the Utility must replenish the funds within three years.

G. Connection Fee Fund

1. Type: Restricted
2. Purpose and Definition: Used to segregate connection fee revenues. These funds may only be used for capital improvements to the Wastewater Treatment Plant, interceptor sewers, or interceptor lift stations.
3. Target (Minimum) Level: All connection fee revenues collected by the Utility, less any funds expended for capital improvements as allowed for by this policy, City ordinance, and intermunicipal agreements.
4. Events or Conditions Prompting Use of the Reserve: These funds may be used for any capital improvement to the WWTP, interceptor sewers, or interceptor lift stations.

H. Capital Improvement Reserves

1. Type: Unrestricted
2. Purpose and Definition: Provide funds to ensure continuity of cash funded construction projects, recognizing the amount of cash funded construction may vary from year to year.
3. Target (Minimum) Level: Equal to the average amount of the next five years of cash funded capital outlay as defined by the Utility's adopted Capital Improvement Program.
4. Events or Conditions Prompting Use of the Funds: These funds may be used to cash fund routine capital improvements in a year when current revenues are less than the amount needed, or for unanticipated capital costs.

I. Funds in Excess of Minimum Reserve Requirements

Funds in excess of the minimum levels described above are considered Undesignated Reserve Funds of the Utility and may be used for any purposes consistent with Wisconsin law, City ordinances, intermunicipal agreements, bond covenants, or financial assistance agreements with the State of Wisconsin.

J. Replenishment of Reserves

Reserves below the minimum target levels could leave the Utility exposed to operational risks, credit risks, violation of bond covenants, or violation of financial assistance agreements with the State of Wisconsin. Should the Utility draw down reserves below the minimum targeted level, Utility staff will develop and present a plan to the BPW for replenishing reserves.



City of La Crosse, Wisconsin

City Hall
400 La Crosse Street
La Crosse, WI 54601

Text File

File Number: 24-0119

Agenda Date: 1/30/2024

Version: 1

Status: New Business

In Control: Judiciary & Administration Committee

File Type: Ordinance

ORDINANCE NO.:_____

AN ORDINANCE to amend Sec 46-82 of the Code of Ordinances of the City of La Crosse regarding Sanitary Sewer Connection Fees.

THE COMMON COUNCIL of the City of La Crosse do ordain as follows:

SECTION I: Section 46-82 is hereby amended to read as follows:

Sec. 46-82. - Sewer connection fee.

- (a) *Wastewater system connection fee.* ~~Each new connection to the City's wastewater treatment system shall be required to pay a connection fee to the City.~~ Connection fees shall be charged for any and all of the following: (1) a new sewer connection; and/or (2) an increase in sewer discharge. The amount of the connection fee per residential equivalent connection (REC) shall be set forth in the City's fee schedule established by resolution and adopted by the Common Council. The amount of the connection fee may be reviewed and updated by the Common Council from time to time to ensure that the fee reflects the amounts that the City has invested in its wastewater treatment infrastructure and the current demand patterns of customers.
- (b) *Basis for connection fee.* The City owns and operates a wastewater treatment plant and a system of interceptor sewers and lift stations that convey and treat wastewater. ~~with capacity to serve additional customers.~~ The purpose of the connection fee is to recover from new customers the cost of the available excess capacity in the utility system that has been paid for by the City and past and current customers. The amount of the connection fee is based on the total current value of the system wide assets, benefitting both retail and wholesale customers ~~wastewater treatment plant and interceptor assets,~~ the average day wastewater flow capacity of the entire system, and the average wastewater flow per day of a typical residential customer in the City.
- (c) *Residential equivalent connections.* A residential equivalent connection (REC) equals the estimated amount of wastewater discharged by a single-family home in the City on a daily basis. The connection fee for each new single-family home is based on 1.00 REC, also known as the Base REC. The connection fee for other uses is based on the number of RECs assigned to the use, also known as the Base REC multiplier. RECs are assigned to a new connection based on the estimated amount of average wastewater flow to be discharge by the new connection compared to that discharged by an average single-family household. A new connection shall never be assigned less than 1.00 REC.
- (d) ~~*New connection.* A new connection is a parcel or property that has not discharged wastewater to the City's Wastewater Treatment Facility within the 15 years immediately prior to the plumbing permit application date. An increase in average wastewater flow discharged by a current or previously served parcel or property is not a new connection.~~
- (d) *Computation of Fees.* Connection fees for sewer shall be determined by the class of use and size of use as follows:
- (1) *New Construction*
- | | |
|--|---|
| a. Single Family Homes | 1.0 REC |
| b. Two and three dwelling units | 1.0 REC per dwelling unit |
| c. Multifamily (Four or more dwelling units) | 1.0 REC for the first three dwelling units,
plus .75 REC's for each additional unit |
| d. All other non-residential | Based on estimated annual average flow
and then divided by the current
Residential REC flow value in gallons.
Fee cannot be less than 1.0 REC. |

(2) Expansion of or redevelopment of existing structures. The Utility may impose a connection fee when the expansion or redevelopment of a property changes the capacity used by the facility or property. To limit the burden on utility administrators, these changes will only be charged when the expansion or redevelopment significantly increases the flow to the treatment plan, as defined below. The amount of the connection fee will be based on the estimated increase flow using the same method for calculating the base REC multiplier, provided however, that any expansion that involves a new connection to the sewer main shall be subject to the same connection fee base REC multiplier as a new use.

a. A Significant Increase is defined as either:

1. An increase in building square footage (all floors combined) of at least 20 percent, and,
2. The total occupied building square footage of the expansion (including original portions) is at least 10,000 square feet.

(3) Redevelopment of vacant lots and subdivided areas. Any new redevelopment on any property previously developed and then demolished, shall be charged a connection fee. The connection fee shall be calculated based on the difference between the former Base REC or REC Multiplier pertaining to the area being developed, and the new REC calculation.

a. There shall be no credit given for former base RECs or REC Multipliers if a prior connection has not discharged to the wastewater system for more than 15 years.

- (e) *Payment of connection fee.* The ~~City Utility Manager~~ City Utility shall determine the number of RECs applicable to a new connection in conjunction with the City's issuance of a plumbing permit and issue an invoice to the property owner for the new connection. The City shall collect the connection fee as a condition precedent to the issuance of the plumbing permit. The billing entity shall provide documentation of all new connections, collect this fee and provide payment to the Sanitary Sewer Utility for the prior year's connection fees no later than January 31 of each year.
- (f) *Appeal.* A property owner of a new connection who disputes the determination of RECs applicable to such new connection may within 20 days following the date of the City's invoice described in subsection (d) above, file a written appeal with the City specifying the nature of the dispute. The appeal shall state the grounds upon which the property owner contends that the decision should be modified or reversed. No appeal may be considered by the City unless the appeal is timely filed, and the connection fee is paid in accordance with the terms of this section and the invoice. If an appeal is timely filed, the Utilities Manager shall review the initial determination within 20 days and determine whether to sustain or deny the appeal. The property owner may further appeal this decision to the Board of Public Works within 15 days of receipt of the Utilities Manager's decision on appeal. The Board of Public Works shall hear the appeal within 15 days after receipt of the appeal. The Board of Public Works may sustain, reverse or modify the determination. Any appeal not timely filed, failing to state the grounds upon which the property owner contends the decision should be modified or reversed, or failing to pay the disputed fee shall be summarily denied by the City. Chapter 68, Wis. Stat., shall not apply to this section.
- (g) *Enforcement.* The penalty for failing to pay any connection fee is as provided for in section 46-71 and, in addition, termination of service or the right to use the Sanitary Sewer System of the City of La Crosse including equitable and injunctive relief.

SECTION II: Should any portion of this ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, the remainder of this division shall not be affected.

SECTION III: This ordinance shall take effect and be in force from and after its passage and publication.

Mitch Reynolds, Mayor

Nikki M. Elsen, City Clerk

Passed:
Approved:
Published:



CITY OF LA CROSSE

400 La Crosse Street
La Crosse, Wisconsin 54601
(608) 789-CITY
www.cityoflacrosse.org

LEGISLATION STAFF REPORT FOR COUNCIL

File ID Caption

Staff/Department Responsible for Legislation

Requestor of Legislation

Location, if applicable

Summary/Purpose

Background

Fiscal Impact

Staff Recommendation



City of La Crosse, Wisconsin

City Hall
400 La Crosse Street
La Crosse, WI 54601

Text File

File Number: 24-0149

Agenda Date: 1/29/2024

Version: 1

Status: Agenda Ready

In Control: Board of Public Works

File Type: General Item

Agenda Number:



City of La Crosse, Wisconsin

City Hall
400 La Crosse Street
La Crosse, WI 54601

Text File

File Number: 24-0159

Agenda Date: 1/29/2024

Version: 1

Status: Agenda Ready

In Control: Board of Public Works

File Type: Report



City of La Crosse Engineering
400 La Crosse Street
La Crosse, WI 54601-3396
Phone (608) 789-7505
Fax (608) 789-8184

January 24th, 2024

PROJECT: Well #23H & #24H Abandonment

To the Board of Public Works

Dear Board of Public Works Members:

The following quote was received for the project: Well #23H & #24H Abandonment

Water Well Solutions Wisconsin, LLC
Oconomowoc, WI

\$119,724.00

The City Engineer recommends awarding the quote proposal to Water Well Solutions Wisconsin, LLC in the amount of \$119,724.00.

Sincerely,

Matthew Gallagher, P.E.
Director of Engineering & Public Works

MG:mh



1/23/2024

City of La Crosse
400 La Crosse Street,
La Crosse, WI 54601
Attn: Derek Greebon

RE: Well #23H and #24H Abandonment

Derek,

Per your request, Water Well Solutions is pleased to submit the following proposal to abandon unit well 23H and 24H for the City of La Crosse. Our proposal includes the complete removal and disposal of the pumping equipment within each well, the demolition and disposal of the discharge piping, and the disconnection, removal, and disposal of the VFDs located within each well house. All other components not specifically listed will remain. We plan to conduct the work in accordance with WDNR Code NR 812.26 as follows, given the construction of these wells:

All debris, pumps, piping, ungrouted liner pipe, and any other obstruction known to be in the well or drillhole shall be removed if possible before the well or drillhole is filled and sealed. When a pump is stuck within the well, a reasonable attempt shall be made using the best available technology to pull it out. If the pump cannot be pulled, a tremie pipe shall be placed in the well to a depth just above the top of the pump and neat cement grout shall be pumped in to entomb the pump and fill and seal the entire well.

Well casing or liners with ungrouted annular spaces that cannot be removed from the well or drillhole shall be perforated or ripped in place prior to filling and sealing. When an ungrouted casing or liner is perforated or ripped in place prior to filling and sealing, it shall be completed in accordance with all the following procedures:

1. The casing pipe or liner shall be perforated using projectiles fired perpendicular to the length of the string of pipe. The perforations shall extend completely through the casing or liner pipe. As an alternative, the casing pipe or liner may be vertically ripped.
2. Four perforation shots or one rip shall be provided for each 5 feet of casing or liner.
3. Each perforation shot shall be a minimum of 0.4 inches in diameter. Each rip shall have a minimum width of 0.25 inches and a minimum length of 12 inches.
4. The orientation of each successive perforation shot, or rip shall be rotated by 90 degrees along the string of pipe.
5. After the well casing or liner has been perforated or ripped, the well shall be filled completely with neat cement from the bottom up to the ground surface. The well shall be filled both inside and outside the string of casing or liner pipe using a pressure grouting method in accordance with the requirements specified in s. [NR 812.20](#).

The sealing material to be used to fill and seal a well or drillhole greater than 3 inches in diameter shall be placed through a tremie pipe or by means of a dump bailer except when bentonite chips or bentonite pellets are used. Tremie pipe shall meet the requirements specified in s. [NR 812.11 \(2\)](#). The bottom end of the tremie pipe shall be submerged in the filling and sealing material as the grouting proceeds.

Water Well Solutions values our partnership with the City of La Crosse and looks forward to working with you. As always, please feel free to contact us with questions.

Best regards,

Philip M. Judkins
Project Manager

Mobile : (262) 354-5554



QUOTE PROPOSAL

Contract: Well #23H and #24H Abandonment
Date: January 24th, 2024 at 12 pm
EDF #: 24-027

Item	Code	Unit	Description	Quantity	Unit Price	Total
1	1000	L.S.	Well #23H	1	\$59,862.00	\$59,862.00
2	1001	L.S.	Well #24H	1	\$59,862.00	\$59,862.00
			TOTAL			\$119,724.00

GRAND TOTAL QUOTE - All Sections (All Items) \$ 119,724.00
one-hundred nineteen-thousand seven-hundred twenty-four (DOLLARS)
(WRITE OUT AMOUNT)

THE CITY RESERVES THE RIGHT TO REJECT ANY OR ALL PARTS OF THIS
QUOTE PROPOSAL AND TO AWARD THE QUOTE DEEMED MOST
ADVANTAGEOUS, TO THE CITY WHEN ALTERNATES, AS WELL AS BASE
QUOTE, ARE CONSIDERED.

THE CITY RESERVES THE RIGHT TO HOLD THE QUOTE UP TO 45 DAYS.

Water Well Solutions Wisconsin, LLC
N87W36051 Mapleton St
Oconomowoc, WI 53066
(Complete Business Name & Address)

By: Philip Judkins
Title: Project Manager
Date: 01/23/2024



Engineering Department

400 La Crosse St., La Crosse, WI 54601 • (608) 789-7505 • Fax: (608) 789-8184

<http://www.cityoflacrosse.org>

GRAND TOTAL BID – All Sections/All Items (not including alternates) \$ 119,724.00

one-hundred nineteen-thousand seven-hundred twenty-four (DOLLARS)

(WRITE OUT AMOUNT)

THE CITY RESERVES THE RIGHT TO REJECT ANY OR ALL PARTS OF THIS BID PROPOSAL AND TO AWARD THE BID DEEMED MOST ADVANTAGEOUS, TO THE CITY WHEN ALTERNATES, AS WELL AS BASE BID, ARE CONSIDERED.

THE CITY RESERVES THE RIGHT TO HOLD THE BID UP TO 45 DAYS FROM BID UNTIL CITY COUNCIL ACTION TO AWARD OR REJECT THE BID(S) IS ENACTED.

Addendum Numbers N/A **are hereby acknowledged.**

The undersigned, being familiar with the local condition and all other factors affecting the cost of the work and having made all necessary field investigations, hereby proposes to furnish all the labor, equipment, materials, tools, skills, and all else necessary to perform and complete in a workmanlike manner all of the work upon which we are bidding all in accordance with the plans and specifications prepared by the City of La Crosse, including any addenda issued thereto. The work shall be completed in accordance with the above bid prices.

The City of La Crosse may increase, reduce, or eliminate complete individual bid item quantities based on project requirements. Additions or deductions shall not exceed fifteen percent (15%) of the **total cost** of the project, as awarded.

Water Well Solutions Wisconsin, LLC

N87W36051 Mapleton St

Oconomowoc, WI 53066

(Complete Business Name & Address)

By: Philip Judkins

Title: Project Manager

Date: 01/23/2024



City of La Crosse, Wisconsin

City Hall
400 La Crosse Street
La Crosse, WI 54601

Text File

File Number: 24-0160

Agenda Date: 1/29/2024

Version: 1

Status: Agenda Ready

In Control: Board of Public Works

File Type: General Item