

**City of Oconomowoc
Utility Committee**

Aldermen: Zapfel, Chairman / Ellis, Secy / Rosek

Tuesday, April 05, 2022 - 7:00 PM

City Hall - Council Chambers

174 E. Wisconsin Ave. Oconomowoc, WI 53066



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 Clerk's office at least 48 hours in advance to request adequate accommodations. Tel: (262) 569-2186

- 1. Call to Order, Roll Call and Confirmation of appropriate Meeting Notification**
- 2. Approve Minutes**
 - a. Minutes from January 18, 2022
- 3. Committee Business**
 - a. Consider/recommend Resolution 22-R3021 Authorizing Execution of the Department of Natural Resources Principal Forgiveness Financial Assistance Agreement
- 4. Adjourn**

Diane Coenen, City Clerk
City of Oconomowoc

Members of other City governmental bodies (boards, commissions, committees, council, etc.) may attend the above noticed meeting of the Utility Committee to gather information. The only action to be taken at the above noticed meeting will be action by the Utility Committee. Utility Committee members should notify the City Clerk's Office at 569-2186 if they are unable to attend.

**City of Oconomowoc
Utility Committee Meeting Minutes
January 18, 2022 - 6:55 PM**



Aldermen Present: John Zapfel, Kevin Ellis, Matt Rosek

Also Present: Robert Magnus, Betsy Bleck, Lucas Caine, Diane Coenen, Robert Duffy, Kevin Freber, Mark Frye, Jason Gallo, Scott Osborn, Tony Posnik, Laurie Sullivan, Brad Timm, Dan Uribe, Chris Douglas, Lou Kowieski, Matt Mulder, Charles Schellpeper

Chairman Zapfel called the Utility Committee Meeting to order at 6:49 PM.

Call to Order, Roll Call and Confirmation of appropriate Meeting Notification

Approve Minutes

a. Minutes from December 7, 2021 and January 4, 2022

Motion to approve the minutes of December 7, 2021 and January 4, 2022 made by Ellis and seconded by Rosek.

Motion carried 3-0-0.

Committee Business

a. Consider/recommend Awarding Contract Amendment for Design Modifications and Construction Administration Services for Well No.8 Pumping Station

Motion to recommend awarding contract amendment for Design Modifications and Construction Administration Services for Well No. 8 Pumping Station made by Rosek and seconded by Ellis.

Motion carried 3-0-0.

b. Consider/recommend Awarding Contract for Twenty-Year Electric Distribution Plan including a Five-Year Construction Work Plan

Motion to recommend awarding contract for twenty-year Electric Distribution Plan including a five-year Construction Work Plan made by Rosek and seconded by Zapfel.

Motion carried 3-0-0.

Review Committee Reports

- a. UC Utility Billing Report - January 2022**
- b. UC Electric Report - January 2022**
- c. UC Water Report - January 2022**
- d. UC Wastewater Report - January 2022**

Adjourn

Motion to adjourn made by Ellis and seconded by Rosek.

Motion carried 3-0-0.

The meeting adjourned at 6:57 PM.

Minutes taken by Diane Coenen, City Clerk

Alderman Ellis, Secretary



MEMORANDUM

DEPARTMENT - WATER UTILITY

Date: April 5, 2022
To: Utility Committee and City Council
From: Scott Osborn P.E. – Water Superintendent
Re: Consider/Act – Resolution 22-R3021 – Authorizing Execution of the DNR Principal Forgiven Financial Assistance Agreement

RELATES TO THE STRATEGIC PLAN

Strategic Goal- I – PROVIDE A SAFE AND SECURE COMMUNITY

- I.D.5 – Evaluate the removal of lead water laterals (private and public)

BACKGROUND

Starting in 2021, the City of Oconomowoc was able to provide Safe Drinking Water Loan Program (SDWLP) grant funding for homeowners to replace their portion of a lead water service line (LSL). Wisconsin Public Service Commission began requiring municipalities to report on their Annual Report the number, material type and size of each public and private water service line (lateral). Concurrent with that effort, the Utility has been focusing on specifically confirming the locations of where all the lead service lines are located. According to our records, the City of Oconomowoc has approximately 900 public and private side lead water laterals serving customers in our system.

Currently the City replaces the water service lines on the public side on any water main replacement/relay project associated with the Annual Street Maintenance Program projects. In addition, we make a significant effort to reach ALL homeowners with an assumed/confirmed lead service line. Letters, social media posts, bill stuffers, etc. have been used to let homeowners know we were able to obtain Wisconsin Department of Natural Resources (WDNR) grant funding which provides \$3,000 reimbursement payment to a pre-qualified contractor for the private side lead water service line replacement.

ADDITIONAL ANALYSIS

None

FINANCIAL IMPACT

The financial assistance component consists of a combination of grant money from the Department of Natural Resources and a negotiated agreement with Ixonia Bank. A summary of the financial aspects of the Private Lead Service Line (LSL) Replacement Program that the City is offering consists of the following:

- WDNR Grant for up to \$3,000 per site
- Direct personal loan from Ixonia Bank for amounts not covered by the grant
 - 5-year term, 1.5% interest

RECOMMENDATION

Suggested Committee Recommendation: Motion to recommend to the Common Council acceptance of Resolution 22-R3021 authorizing the execution of the Department of Natural Resources Principal Forgiven Financial Assistance Agreement. This will allow the City to accept the 2022 grant dollars in the amount of \$600,000 enabling the City to offer \$3,000 to a total of 200 confirmed private lead service line homeowners.

SUGGESTED MOTION

Suggested Common Council Motion: Motion to adopt Resolution 22-R3021.

RESOLUTION NO. 22-R3021

**AUTHORIZING EXECUTION OF THE DEPARTMENT OF NATURAL RESOURCES
PRINCIPAL FORGIVENESS FINANCIAL ASSISTANCE AGREEMENT**

WHEREAS, the City of Oconomowoc (the “Municipality”) wishes to undertake a project to replace private lead water service lines (LSL) at residences identified as being in the City’s Private Lead Service Line Replacement Program (the “Program”); and

WHEREAS, the Municipality has applied to the Safe Drinking Water Loan Program (the “SDWLP”) for financial assistance in the form of a loan made by the SDWLP to the Municipality of which all the principal will be forgiven at the time that loan disbursements are made to the Municipality, pursuant to the DNR Financial Assistance Agreement; and

WHEREAS, the SDWLP has determined that it can provide a loan with principal forgiveness in an amount up to \$600,000 that it has identified as being eligible for SDWLP funding in 2022.

NOW, THEREFORE, the Mayor and City Clerk are authorized by and on behalf of the Municipality to execute the Principal Forgiven Financial Assistance Agreement that contains the terms and conditions of the SDWLP award for the Project. The Principal Forgiven Financial Assistance Agreement is incorporated herein by this reference.

DATE: April 5, 2022

CITY OF OCONOMOWOC

BY: _____
Robert P. Magnus, Mayor

ATTEST:

Diane Coenen, City Clerk