

**Village of Fox Crossing  
Special Meeting of the Board of Trustees  
Municipal Complex – Arden Tews Assembly Room  
February 1, 2021 - 5:30 pm  
Minutes**

1. **Call to Order**

President Dale Youngquist called the workshop to order at 5:30 p.m.

Clerk Darla Fink noted those present: President Youngquist, Trustee Michael Van Dyke (via teleconference), Trustee Kris Koeppe, Trustee Gregory Ziegler, Trustee Mark Englebert, Trustee Dale McNamee, and Trustee Barbara Hanson (via teleconference), Village Manager Jeffrey Sturgell, Director of Finance Myra Piergrossi, Director of Community Development George Dearborn, Utility Superintendent David Tracey, and Deputy Finance Director Jeremy Searl. There were two attendees, Dave Maccoux and Amber Drewieske, from Clifton Larson Allen, LLP (CLA).

2. **Fox Crossing Utilities Water Rate Study Presentation by Clifton Larson Allen, LLP (CLA)**

Amber Drewieske presented the work CLA has done for this Water Rate Study and the preparations they have made to present this plan to the PSC. She explained the process to complete the water rate analysis. The timeframe is approximately 4-6 months from submission to approval depending on any backlog, so we should have the approved plan from the PSC prior to budget time. If approved, the new water rates would begin after the Public Hearing, hopefully on or around January 1, 2022, if possible.

She presented the proposed changes to operating revenues including balancing the fixed and volume rates, adding a real estate closing fee to recover some of the labor costs of completing these searches, adding missed appointment charges for repeat violators to reduce on staff time, and adding fees for customers that refuse to allow electronic reads or for those that repeatedly request customer usage profiles be completed. Director Piergrossi explained that at this time, when real estate inquiries come in for other municipalities that use our water service, we are charging nothing to recoup our costs. In order to begin charging for this, we need to include it in our rate file.

The expense items that have had significant fluctuations include the relocation of water mains for the DOT project, Clayton legal fees and the addition of Clayton customers, aging equipment, tower painting, and well rehabilitations. The plan is to normalize some of these costs to even them out over a scheduled timeframe.

The Rate of Return is the key indicator of results and how cash flow is managed to cover ongoing maintenance and capital costs over time. The average ranges from 5-6% and the Village is currently authorized at 6.25% (prior to 2012, the Village's rate was 7%). The current plan is again requesting 7% to ensure the Village is able to meet the coverage ratio on debt for revenue bonds and cash reserve requirements. It is likely the Village will not get the full 7% but that is what CLA is recommending we request.

After analyzing all of this data, the PSC calculation gives an estimated water rate increase to the consumers of 28%, assuming the previously mentioned 7% Rate of Return. If the Rate of Return is lowered, that increased projected rate will decrease. It's important to note that it has been nearly 10 years since the last rate increase, and the Village needs to look ahead at future projects including the Neenah Joint School District and East Side/West Side connection. If we are going to look at a future East Side/West Side connection, we can discuss a two-step increase approach due to the estimated cost of this project with another rate increase in 3-5 years to cover this upcoming large cost. The PSC would prefer to see all of this information in one presentation, rather than hear the case twice and slowly increase rates over time.

The current volume charge in the Village is \$4.57 per 1,000 gallons. After the projected increase, the volume charge would be \$5.85 per 1,000 gallons. As a frame of reference to other local municipalities, the Village of Harrison is at \$5.71, the City of Menasha is at \$6.65, the Town of Grand Chute is at \$7.15, and the City of Neenah is at \$5.81.

At the end of the discussion, the Village Board agreed with the proposed changes from CLA and directed them to complete the analysis to present to the PSC. Director Piergrossi will begin working with title companies to update the Village's contract to include the additional sewer rate fee during title inquiries and will look to add a water rate fee in the future. Dave Maccoux and Amber Drewieske left the meeting at 7:15 p.m. The group took a short five minute break.

4. **Fire Department Community Risk Assessment and Standards of Cover Document Presentation and Discussion**

Rather than continue with the Well Rehabilitation discussion, the group decided to hear the Community Risk Assessment presentation as Village Staff were standing by to give this report. Assistant Fire Chief Todd Sweeney, GIS Coordinator Phil Ohlinger, and Officers Mark Hesselman and Ryan Braun appeared at 7:20 p.m.

Chief Sweeney explained that as part of the reaccreditation process, this Community Risk Assessment and Standard of Cover needs to be presented to the Village Board. He introduced Officer Hesselman, the Fire Accreditation Manager at the Fire Department and Officer Braun, the incoming Fire Accreditation Manager. Deputy Finance Director Jeremy Searl assisted with many of the spreadsheets and figures for this report and GIS Coordinator Phil Ohlinger created the tables within the report. This is a 5-year project/document, but it will continually be updated and an ongoing process.

The Community Risk Assessment includes an overview of the Village, population demographics, weather risks, structure of the political body, structure of the Fire Department, and financial status. They use this information and developed a risk assessment methodology to gauge the amount of risk the Village has. GIS Coordinator Ohlinger then looked at all the Village planning/building data for businesses as well as residential properties including age, square footage, number of floors, basement, etc., to give each property a risk score. They then go on to Loss/Save data. Loss is determined as dollars in fire loss and Save is determined by how many of those suffering cardiac arrest were saved before leaving the scene. Then they go into risk planning zones. The Village was broken down into 14 zones (10 on the West Side and 4 on the East Side) which is based off the planning zones for the Village. Each zone has a description to include population demographics, types and number of homes, types and number of businesses, and hazard score maps. At the end, they are able to see unique risks for each zone, such as a high elderly population, higher call volume, or any other associated risk.

Once the Community Risk Assessment is complete, they begin working on the Standards of Cover. This document takes a deeper look at the department, their resources, how they deploy them, and how they want to deploy them in order to identify opportunities and areas of growth. Resource deployment looks at the staffing model, how the department operates, and other deployment considerations including the staffing model and times of limited staffing and the public safety answering point which is in Oshkosh under the Sheriff's Department. Then they look at critical tasking which takes all of the different types of calls and breaks them into groups of low, moderate, and high risk responses. Low risk is defined as a single engine response such as a carbon monoxide or burning complaint call. Moderate risk is defined as a two engine response including general fire alarms and car accidents. High risk is defined as an all available resources respond to calls like structure fires. They then consider what tasks are needed at each of these types of incidents to determine their effective response force (the number of people needed to handle that type of incident). All of that information is used to get a baseline or their current performance, and define a benchmark which is their goal. The accreditation team goes off the 90<sup>th</sup> percentile statistic which means 90% of the time the department is beating the time defined.

After determining benchmarks, they are able to make a plan going forward. They are just now learning what the new software can do for the department as far as improving data accuracy and plan to use this information to design public education applicable to the types of issues affecting each zone, continue education to change dispatch protocols, explore risk assessments (refine business surveys and residential information), improve loss/save data tracking, which was never previously tracked, so they are hoping to come up with a way to track this information going forward, and attempt to work with Gold Cross to track transport times. They plan to involve the entire department on these efforts with information posted throughout both stations and have already scheduled a meeting next month to explain this process to the team. Going forward, all of this information will be evaluated and updated annually, adding in new data from the current year and dropping off the oldest year's data, updating recommendations, and determining

how best to continually improve the department. Chief Sweeney, Officers Hesselman and Braun, and GIS Coordinator Ohlinger left the meeting at 8:00 p.m.

### 3. Water Well #5 Rehabilitation Discussion

Manager Sturgell gave an overview of the situation regarding water on the East Side. The East Side is currently served by Well #5 and Well #7. The Village recently rehabilitated Well #7 to get it up and running. Then this last fall, Well #5 started to fail. It was found to not be pumping efficiently and was pumping black water. At that time, they took it offline, and during the last quarterly sample, they were unable to obtain a sample from Well #5, the water was black. At that time they shut it down and contacted both the DNR and Water Well Solutions to analyze this problem.

Utility Superintendent Tracey advised there are a few options going forward. The first would be a complete repair of Well #5, correcting with stainless steel as was done with Well #7 and putting everything back online to an estimated cost of \$480,000-\$500,000. The second option would be to abandon Well #5 completely per DNR requirements with an estimated cost of \$140,000. A third "down the road" option would be to bring the water line across the lake from the West Side to the East Side to an estimated cost of \$8-10 Million which will take 5-10 years to plan and complete. The question is how long we need the East Side water to be operational before water can be run from the West side. His recommendation would be to spend the funds to completely rehabilitate Well #5 which will buy the time needed to get water to the East Side. If instead the decision is made to abandon Well #5 at this time, we would default to using only Well #7 which we've had problems with in the past, meaning if there is a problem we would be relying 100% on City of Menasha water. The Village tries on average to use 30% Menasha water. However, when more than 50% Menasha water is used, we start to get a lot of complaints as to the odor and taste. Additionally, Menasha charges almost \$1.00 more per thousand gallons, yet we charge our customers the same rate resulting in a loss for the Village.

If we pipe water to the East Side we would be completely self-sufficient for water, but could still maintain a tie in from the City of Menasha in case of emergency. It would be a DNR decision as to whether we could continue to maintain the Wells as a backup water source rather than having to use Menasha water. We would still need to do quarterly well testing and there are general maintenance costs to maintaining both wells, but either way, that is a DNR decision. President Youngquist suggested talking with the City of Appleton about the possibility of them supplying water on the East Side rather than Menasha, however we would need to provide at least a two year notice to Menasha before discontinuing service. Superintendent Tracey advised this was looked into years ago, however Appleton's rates will likely be even more expensive than Menasha's.

The Village Board gave direction to go ahead with rehabilitation of Well #5, a Resolution for which can be approved at the next Village Board Meeting, with a budget amendment approved later in February. If approved on Monday, Superintendent Tracey can give Water Well Solutions the go ahead to begin work right away. He doesn't foresee them going over the estimated \$500,000, however the agreement has been written that they would need authorization prior to going over that amount. There was a discussion on getting bids from other contractors but this will slow the process down, and is not required by law. Village policy says we should get additional bids, however this is a very unique situation with a tight timeline and limited contractors available. Also, Water Well Solutions has familiarity with this Well and its history. Superintendent Tracey and Director Piergrossi both recommend not going through the bid process on this project due to these circumstances. The Village Board approved going forward with this project with formal approval at Monday's Village Board Meeting.

### 5. Motion to Adjourn

At 8:45 p.m., **MOTION:** Trustee Englebert, seconded by Trustee Koeppe to adjourn.

Respectfully submitted,

Darla M. Fink, Village Clerk

**Note:** *These minutes are not to be considered official until acted upon at an upcoming regular meeting, therefore, are subject to revision.*