

REGULAR MEETING OF THE JEFFERSON UTILITIES COMMISSION, HELD AUGUST 10, 2020

On call of the roll, commissioners present were: Adams, Brandel, Neils, Pieters, Ganser and Oppermann. Also present were: Utility Manager Adler, Office Manager Statz and City Attorney Rogers. Absent: Bristol. The meeting began at 5:30 p.m.

PUBLIC PARTICIPATION

Utility Manager Adler asked the Commission to hold a moment of silence for the passing of a prior employee's spouse.

MINUTES

It was moved by Comm. Brandel and seconded by Comm. Pieters to approve the minutes from the July 13, 2020 meeting. Motion carried on a voice vote. Comm. Adams abstained due to his absence.

EXPENDITURES

It was moved by Comm. Brandel and seconded by Comm. Ganser to approve the payment of July's bills totaling \$1,151,471.55. On call of the roll, motion carried. (Adams – Aye, Pieters – Aye, Brandel – Aye, Neils – Aye, Ganser – Aye, Oppermann - Aye)

DISCUSSION AND POSSIBLE ACTION – PURCHASE OF NEW DIGGER TRUCK UTILITY SALES & SERVICE FOR \$278,756

Utility Manager Adler stated our digger truck is 18-19 years old. He is looking to replace the truck in 2021. Half of the payment for the truck will be due in 2020 when the truck is ordered and the other half will be due in 2021 when the truck is delivered. He has received three quotes, and is recommending Utility Sales & Service for a cost of \$278,756, including a \$10,000 trade in credit. Utility Sales & Service has provided Jefferson Utilities with exceptional customer service and Utility Manager Adler feels they offer a better product than the other two companies. Utility Sales & Service is also able to repair equipment on-site, rather than having to take the unit to another location.

City Attorney Rogers clarified that the other two quotes were lower than Utility Sales & Service's quote.

Utility Manager Adler stated that was correct.

Comm. Pieters questioned how long we have had the current unit.

Utility Manager Adler stated it was purchased in 2001. Four to five years ago, we did a large amount of repairs to the unit to extend its life. We are now at the point where the unit needs to be replaced.

Comm. Adams asked if we could sell the truck ourselves, rather than trade it in.

Utility Manager Adler stated we could place the unit on Wisconsin Surplus Online Auction site. He explained that Wisconsin Surplus stated units like ours typically sell for between \$12,000 and \$15,000. He stated it would be up to the Commission if they wished to list the unit or take the \$10,000 trade in value from Utility Sales & Service.

Comm. Adams asked if there was an auction fee.

Utility Manager Adler explained there was, but it would be paid by the buyer.

Comm. Brandel questioned if a minimum price could be set.

Utility Manager Adler explained that could be done.

Comm. Ganser stated it was a no-lose situation to use the site.

Comm. Oppermann stated he was in favor of listing the unit on the Wisconsin Surplus Online Auction site for a minimum bid of \$10,000.

Comm. Ganser stated he has had positive experiences with the site and there is a two week sale period, so a quick turn-around.

Comm. Ganser asked why there is a \$20,000 difference between the highest and lowest prices.

Utility Manager Adler explained that the boom used by the two companies is different and Utility Sales & Service had a heavier duty boom.

It was moved by Comm. Oppermann and seconded by Comm. Brandel to purchase a new digger truck from Utility Sales % Service for \$278,756, due to their superior customer service and a heavier duty boom. Our current unit is to be listed on the Wisconsin Surplus Online Auction site for a minimum bid of \$10,000. On call of the roll, motion carried. (Adams – Aye, Pieters – Aye, Brandel – Aye, Neils – Aye, Ganser – Aye, Oppermann - Aye)

DISCUSSION ON 2021 ELECTRIC AND WATER CAPITAL PROJECTS

Utility Manager Adler reviewed the projects scheduled for 2021 on the electric and water utilities. The largest project for the electric utility is Riverside Alley. The project will be spread over three years and includes removing old services and placing the wire underground. The proposed 2021 capital projects and major operational and maintenance expenses is \$703,000.

Comm. Pieters asked how much of the \$703,000 is going towards Riverside Alley.

Utility Manager Adler stated about \$125,000 is reserved for the project in 2021.

Comm. Pieters asked how the project will be funded. Are there any grant funds to help with the costs?

Utility Manager Adler explained the project began because of some grant funds that were available to benefit low-income residents. Those funds were now being allocated to the Plymouth Street reconstruction.

Comm. Oppermann explained that the City closed out a Revolving Loan Program and had \$700,000 in grant funds to be spent benefiting low-income residents.

Utility Manager Adler stated the Fire Chief has written a letter citing the overhead wires pose safety concerns and need to be removed. This means the utility needs to reconstruct the alley with underground services at the utility's expense.

Comm. Pieters asked if the spending proposed was typical for each year.

Utility Manager Adler stated it was in line with prior year's spending.

Utility Manager Adler reviewed the proposed 2021 water projects. The largest project is to replace the water main on Plymouth Street, from Hillside to the railroad tracks. In addition, the pick-up truck that was to be replaced in 2020 is being pushed to 2021.

Comm. Pieters asked when it was decided what projects would be completed.

Utility Manager Adler explained the water main projects follow the City's street replacement schedule.

Comm. Pieters questioned how long water main typically lasts.

Utility Manager Adler explained some water main in Jefferson was installed during war-time. A couple of years ago there was very old water main removed on Church Street, which was from the 1940's.

Comm. Oppermann explained that staff takes into consideration the condition of the street and the water main when determining what gets replaced.

It was moved by Comm. Pieters and seconded by Comm. Neils to adjourn. Motion carried on a voice vote. The meeting adjourned at 6:07 p.m.