

**VILLAGE OF OSCEOLA
ADMINISTRATION & FINANCE COMMITTEE AGENDA**

Date: Thursday, April 4, 2024
Time: 4:30 p.m.
Place: Village Hall-310 Chieftain St-Room 105

AGENDA

- 1) Call to Order
- 2) Approval of the Agenda
- 3) Approval of the minutes dated
 - a. March 7, 2024
- 4) Discussion and Possible Action re:
 - a. Baird – 2024 & 2025 CIP, Utility and Budget Borrow
 - b. CIP 2024 & 2025 Update
 - c. Police Combination Update
- 5) Future Agenda items and Updates
- 6) Adjourn

Carie Krentz
Village Clerk

NOTE: It is possible that members of other governmental bodies of the municipality may be present at the above scheduled meeting to gather information about a subject over which they have decision-making responsibility. No action will be taken by any governmental body at the above-stated meeting other than the governmental body specifically referred to above in this notice.

Please note that, upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids and services. For additional information or to request this service, contact Village Hall at (715) 294-3498.

VILLAGE OF OSCEOLA ADMINISTRATION & FINANCE COMMITTEE PROCEEDINGS
March 7, 2024

The Village of Osceola Administration & Finance Committee met on March 7, 2024, at Village Hall. Chair Gilliland called the meeting to order at 4:30 pm.

Present: Bruce Gilliland, Van Burch, and Brad Lutz

Staff present: Devin Swanberg, Tanya Batchelor, Carie Krentz and Andrew Bach

Motion by Burch and seconded by Lutz to approve the agenda.

Ayes-3 Nays-0 Motion carried

Motion by Burch and seconded by Lutz to approve the minutes dated February 8, 2024.

Ayes-3 Nays-0 Motion carried

Discussion and Possible Action re:

Contracted Police Agreement

Swanberg and Joel West have been working on this agreement for over a month. This agreement allows St. Croix Falls officers to respond to calls when we do not have an officer on duty or on another call. It is strictly on an as needed basis. The rate would be hourly rate, fringe and a bit for wear and tear on vehicles for a total rate of \$64.10 per hour. Discussion on services to be provided and funding for this service. The term of the contract should go to December 31, 2024.

Motion by Lutz and seconded by Burch to recommend sending to the Board for approval.

Ayes-3 Nays-0 Motion carried

VoIP phone System

Swanberg reached out to another company to provide a quote for VoIP phone system. The bid has come in significantly lower than the one from Bitworks. Lutz has volunteered his time to help with the installation of this system with no compensation. Bitworks (Village IT company) will need to be involved with the set-up as well. The majority of the fixed quote is the hardware that will be offset with the savings on current costs for phone lines. Return on investment is 5-7 years.

Motion by Burch and seconded by Gilliland to recommend to Board for approval of VoIP system with Evergreen Tel as presented.

Ayes-2 (Lutz abstained) Nays-0 Motion carried

Fee Schedule – increase request from Building Inspector

Swanberg stated this will be in addition to the Fee Schedule they have seen multiple times. WWIA is increasing their fees, which have not been increased since 2018 when the Village started contracting with them.

Motion by Lutz and seconded by Burch to send this to the Board for adoption as presented.

Ayes-3 Nays-0 Motion carried

Budget Report

Transferring information from the old account numbers into the new account numbers took some time and is finally completed. This shows budget figures for year-to-date for 2024. Things are on track and look good.

Future Agenda items and Updates

n/a

Chair Gilliland adjourned the meeting at 4:58 pm.

Respectfully Submitted by
Carie Krentz, Village Clerk

The logo for BAIRD is a blue parallelogram tilted to the right, containing the word "BAIRD" in white, bold, serif capital letters.

Village of Osceola

Administration and Finance Committee Meeting

April 4, 2024

Justin A. Fischer, Managing Director

jfischer@rwbaird.com
777 East Wisconsin Avenue
Milwaukee, WI 53202
Phone 414.765.3827

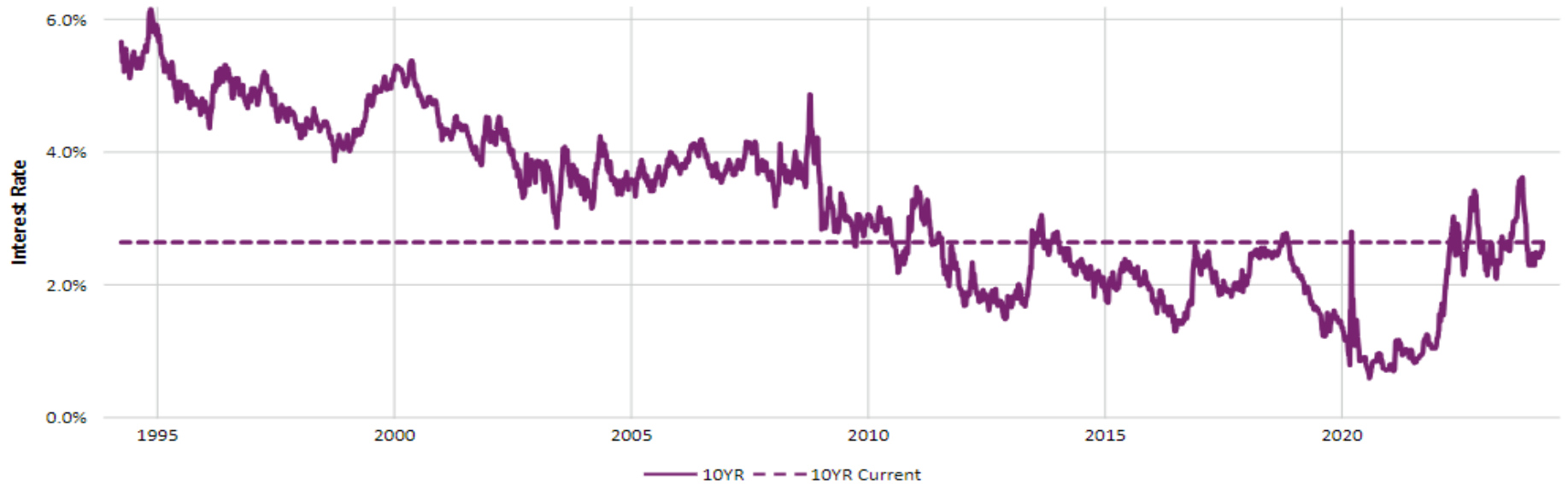
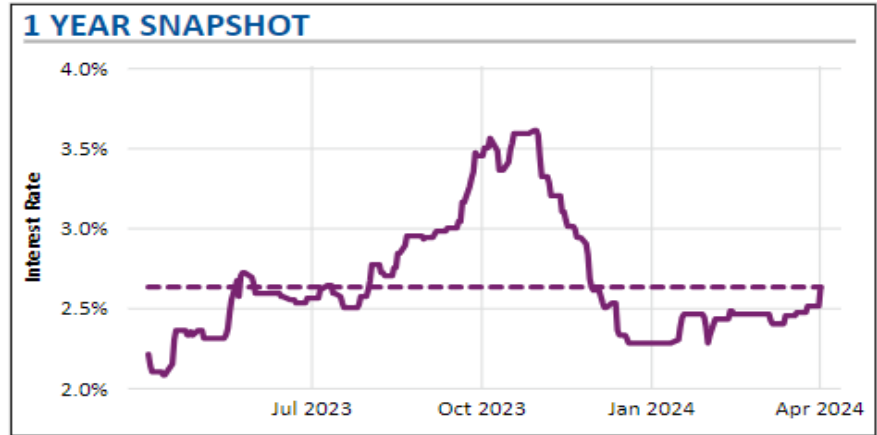
Village of Osceola

Administration and Finance Committee Meeting

April 4, 2024



Historical Interest Rates (AAA MMD Index) – Past 30 Years



Source: Refinitiv as of April 2, 2024

Village of Osceola

Administration and Finance Committee Meeting

April 4, 2024



Borrowing Amount / Structure / Purpose

Issue:	General Obligation Promissory Notes
Est. Amount:	\$2,410,000
Dated Date:	June 4, 2024
Structure:	Matures June 1, 2025 – 2034
First Interest:	June 1, 2025
Purpose:	2024-25 (CIP, Equipment & Maintenance, Water and Sewer)
Callable:	June 1, 2031
Estimated Interest Rate:	4.00%
Parameters Maximum Interest Rate:	4.75%

Tentative Timeline

- Administration and Finance Committee consider plan of finance..... April 4, 2024
- Village Board adopts parameters resolution..... April 9, 2024
 - Authority for final sign-off on Note sale, within designated parameters, is delegated to the Village Administrator
 - Preparations are made for issuance
 - ✓ Official Statement
 - ✓ Marketing
- If market is strong & meet Board’s parameters, sell the Notes (finalize terms and interest rates) May 2024
- Closing June 4, 2024

Village of Osceola

Financing Discussion

April 4, 2024



Hypothetical Financing Illustration

				Village CIP COST: \$1,400,000 Equip. & Maint. CIP Cost: \$125,500 Water CIP Cost: \$776,986 Sewer CIP Cost: \$55,000										
				\$2,410,000 G.O. PROMISSORY NOTES Dated June 4, 2024 (First interest 6/1/25)										
LEVY YEAR	YEAR DUE	EXISTING DEBT SERVICE (Levy Supported)	PRINCIPAL (6/1)	INTEREST (6/1 & 12/1) TIC= 4.00%	LESS: HYPOTHETICAL BID PREMIUM	TOTAL	New Money \$1,430,000 CIP TOTAL	New Money \$130,000 Equip. & Maint. TOTAL	New Money \$795,000 Water TOTAL	New Money \$55,000 Sewer TOTAL	COMBINED DEBT SERVICE (Levy Supported)	LEVY HYPOTHETICAL FUTURE BORROWINGS (A) (B)	TOTAL COMBINED DEBT SERVICE (Levy Supported)	
2023	2024	\$930,909									\$930,909	*	\$0	\$930,909
2024	2025	\$866,453	\$255,000	\$168,434	(\$69,332)	\$354,102	\$107,981	\$137,488	\$101,385	\$7,248	\$1,111,922	*	\$0	\$1,111,922
2025	2026	\$731,471	\$265,000	\$96,120		\$361,120	\$255,743		\$98,113	\$7,265	\$987,214	*	\$0	\$987,214
2026	2027	\$735,041	\$185,000	\$84,870		\$269,870	\$163,118		\$99,738	\$7,015	\$898,159	*	\$89,400	\$987,559
2027	2028	\$734,584	\$200,000	\$75,245		\$275,245	\$167,368		\$101,113	\$6,765	\$901,951	*	\$87,800	\$989,751
2028	2029	\$731,539	\$140,000	\$66,745		\$206,745	\$102,868		\$97,363	\$6,515	\$834,406	*	\$155,600	\$990,006
2029	2030	\$730,016	\$175,000	\$58,870		\$233,870	\$129,118		\$98,488	\$6,265	\$859,134	*	\$128,300	\$987,434
2030	2031	\$579,344	\$280,000	\$47,495		\$327,495	\$222,118		\$99,363	\$6,015	\$801,461	*	\$186,100	\$987,561
2031	2032	\$579,479	\$290,000	\$34,043		\$324,043	\$218,029		\$100,235	\$5,779	\$797,508	*	\$193,300	\$990,808
2032	2033	\$308,456	\$300,000	\$20,915		\$320,915	\$219,129		\$96,230	\$5,556	\$527,585	*	\$460,600	\$988,185
2033	2034	\$311,356	\$320,000	\$7,120		\$327,120	\$219,784		\$97,114	\$10,223	\$531,140	*	\$458,000	\$989,140
2034	2035	\$412,469									\$412,469	*	\$578,300	\$990,769
2035	2036	\$412,009									\$412,009	*	\$576,400	\$988,409
2036	2037	\$357,313									\$357,313	*	\$633,500	\$990,813
2037	2038	\$353,238									\$353,238	*	\$634,500	\$987,738
2038	2039	\$132,256									\$132,256	*	\$811,900	\$944,156
2039	2040	\$134,388									\$134,388	*	\$830,200	\$964,588
2040	2041	\$131,463									\$131,463	*	\$803,400	\$934,863
2041	2042											*	\$924,400	\$924,400
2042	2043											*	\$736,400	\$736,400
		\$9,171,782	\$2,410,000	\$659,856	(\$69,332)	\$3,000,524	\$1,805,253	\$137,488	\$989,139	\$68,645	\$11,114,522	*	\$8,288,100	\$19,402,622

(A) This information is provided for information purposes only. It does not recommend any future issuances and is not intended to be, and should not be regarded as, advice.
 (B) Assumes \$1,000,000 issued every other year beginning in 2026. Assumes 10 year repayment at a planning interest rate of 4.00%.

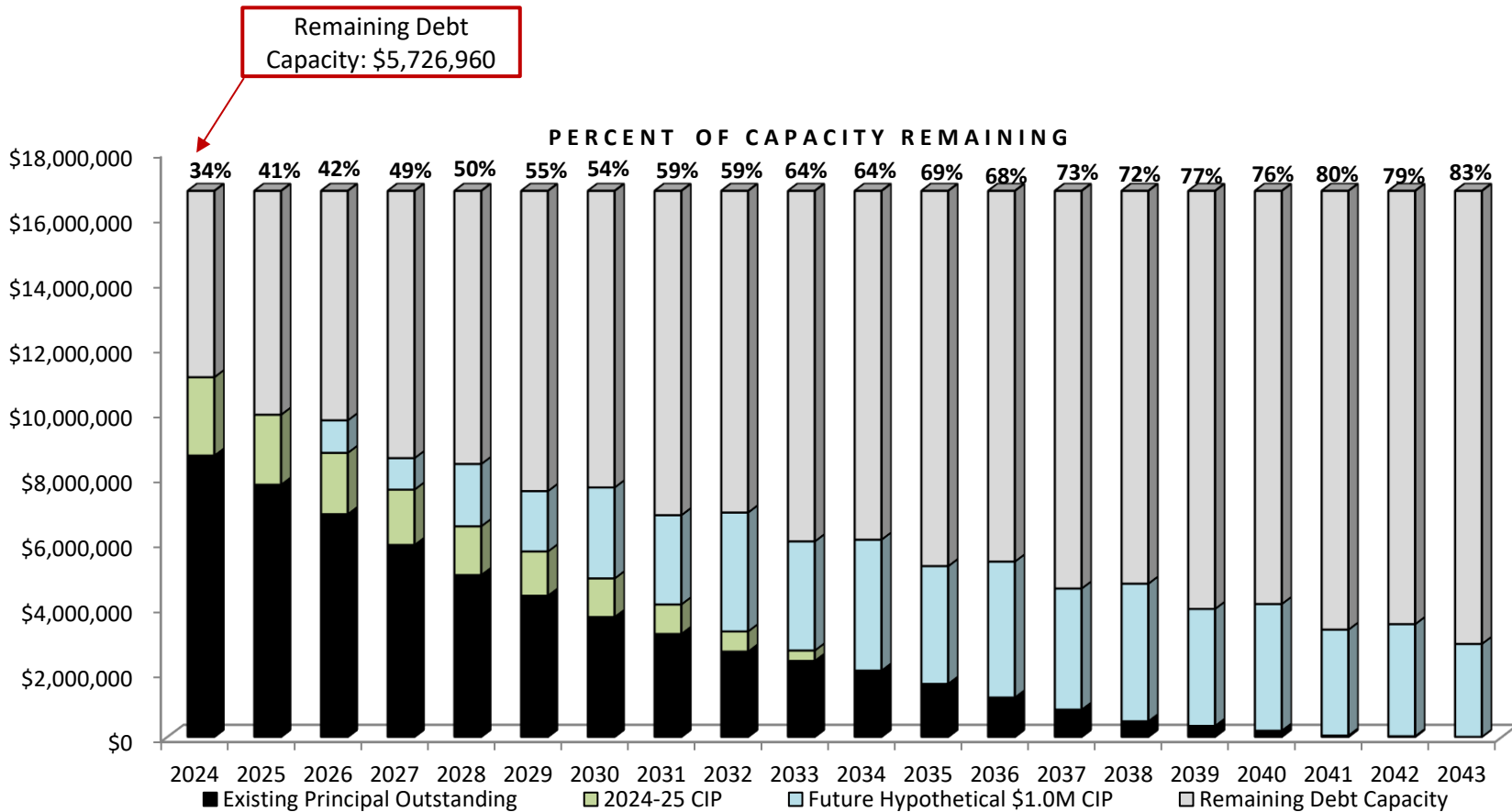
Village of Osceola

Financing Discussion

April 4, 2024



GO Bonding Capacity as of 12/31 (with hypothetical future borrowings)



Note: Future capacity based on 2023 Equalized Valuation (TID-IN) of \$336,162,300 with annual growth of 0.00%
 Levy: Assumes \$1,000,000 issued every other year beginning in 2026. Assumes 10 year repayment at a planning interest rate of 4.00%.



Memo

To: Admin Finance Committee
From: Rick Caruso, Public Utilities Coordinator
CC: Devin Swanberg, Carie Krentz
Date: 4/4/2024
Re: 2024 Utility Capital Projects

1. Water Meter Replacement Project

The Utility currently has 1,333 meters used for customer billing ranging from ¾” to 4 inch in size. These meters are read by operators on two different configurations, the first being a radio system consisting of 629 meters, allowing meters to be read with handheld equipment called a drive-by configuration, and second, a touch read system of 704 meters that requires operators to walk to each home and activate a pad from a reading device. In 2014 the plumbing code changed lowering the allowable lead content in brass, including water meters. From 2014 on, the utility installed lead-free smart meters into homes and businesses but still have about half of the system using the old brass meters.

We have reached out to our equipment supplier, Core and Main, to provide general contracting services to replace the remaining walk by meters and migrate the drive by system to a new antenna-based system that would allow the utility to read water meters from an installation based on the County Road M water tower. Core and Main has provided an estimate for the project (attached), subcontracting the meter installation to HydroCorp who handles all aspects of the installation process, outlined in their attached scope of work, including performing cross-connection inspections on residential properties for compliance with DNR regulation, and gathering of service line material size and type for compliance with the EPA lead and copper inventory.

Replacement of the remaining walk by meters and migration of the existing meters to an Advanced Metering Infrastructure (AMI) system allows the utility to move to a monthly billing process, providing several benefits to both the Village and its Utility customers. The Village and Utilities benefit by compliance with PSC meter replacement and testing requirements, DNR cross connection requirements, efficient reading, steady revenue stream, and a 20-year meter life. The utility customers can benefit from budget friendly monthly billing, faster leak detection (30 day read vs. 90 day read), smart metering technology such as leak detection alarms, and data logging features that assist with determining leaks and repairs.

Because approximately half of the utility meters have been replaced with 20-year life meters, we are recommending replacing the remaining meters in 2024 to have a recurring 10-year cycle of meter replacements to allow for planning and rate stability. Total project cost including materials, installation, antenna installation, and software is estimated to cost \$497,000 including a 5% contingency.

1. Bluff Tower Main Replacement Design

Part of our mapping initiative is to determine the age and condition of utility infrastructure. To accomplish this, operators have dug deep into utility files, maps, print, and existing field notes to determine location of these assets as well as their age. The Bluff Water tower was erected in 1968, and it was assumed that the water main feed was of the same vintage until operators found the original construction documents for the tower that stated the main was simply connected to existing cast iron water main. It was determined that the “existing” water main in 1968 was actually part of the original water system, installed in 1917.

Because this 1917 water main runs directly up the bluff side, access for repair of such a vintage pipe is challenging, and being the main supply for the low zone was prioritized for replacement. The Village contacted engineering firm SEH to discuss the project and develop an opinion of cost where it was determined that the project is qualified for the Safe Drinking Water Loan Program administered by the DNR that includes low interest loan rates and the possibility of principal forgiveness.

The site proves to be challenging not only from the vertical elevation, but also permitting will be needed from the DNR for wetland, WISDOT for Highway 35 crossing, and Canadian National Railroad for crossing of the tracks.

The next step in this process is project design, engineering, and applying for the Safe Drinking Water Funding. The cost of the engineering and design phase of the project is \$120,090 (from initial surveying to project bidding and tabulation) and \$37,000 for the SDWLP application and administration (from application to closing) of the loan. Not included in the scope of work is core sampling and soil analysis, which the Village would contract directly with a specialized firm, estimated at approximately \$5000

2. Water Tower Improvements

As part of our regular maintenance, each of our water towers are regularly drained and inspected to determine the condition of the coatings on both the interior wet surface and the exterior protective coating. Upon the most recent inspections, the bluff tower was found to have micro-cracking on the exterior surface, causing the rust colored staining effect seen from ground level. This micro-cracking is areas of coating failure that has allowed rust to start underneath the protective exterior coating. It is suggested that the tower be removed from service and the areas from the walkway down prepped and painted to prevent further damage to base material. The cost for the prep and coating of the bluff tower has been prepared by our water tower engineering firm KLM and has been identified as \$37,298.

Regular inspection of the County Road M water tower found failures of the coating on the interior wet surface, consisting of approximately 1000 square feet. In addition to the wet area coating, the mixer has been in service longer than its recommended life. While the tower is out of service for paint, the mixer would be replaced and the electrical extended to allow for servicing or replacement of the mixer without removing the tower from service. As the main feed for our system a temporary tank service would be used to hold pressure in the high zone during the duration of the work, estimated to be approximately three weeks. The cost of these improvements has been prepared by our tower engineering firm KLM and was identified as \$85,598. It is important to note that the exterior of the tower is in excellent condition and the repairs of the interior surface could delay a full restoration (\$750,000) an estimated 7-10 years.

3. WWTP Facility Plan

Several wastewater treatment and collection system projects were identified in capital planning such as blower modifications and upgrades, sludge thickening, building upgrades, and collection system rehabilitation such as lining of existing sewers. These projects generally qualify for Clean Water Fund (CWF) lending, with benefits similar to the low interest and principal forgiveness of the SDWLP for drinking water. As a prerequisite to qualify for this lending, the Village must complete a facility plan that includes effluent limit projections, population projections, estimate future flows, identify alternatives to address facility needs, provide cost estimates for future improvements, and provide planning for collection system improvements. With a twenty-year planning cycle, we can ensure that the wastewater treatment facility is aligned with the Village needs that are currently being identified in the comprehensive plan. The cost for completion of the facilities plan is \$55,000.

4. Funding Source

Based on guidance from Trilogy Financial, the utility's financial consultants, issuing 10-year bonds is advised to fund the meter replacement project as well as the items in 2,3, and 4. As a strategic approach, the completion of the tower projects aims to increase the longevity of the coatings while the initiation of the facility plan and water main engineering maintains the momentum of these capital items.



Memo

To: Village Board
From: Devin Swanberg Village Administrator
CC: Admin and Finance
Date: April 8th, 2024
Re: CIP

The following documents are near complete project list that will be used for board approval in May. The workshop gave me the parameters to formulate the amount of money we need to borrow for the CIP and what projects can fit within those confines. The final full CIP from MSA will be presented in May for approval.

		2024	2025				
R 016.1	Professional Services for R 016		-				
R 018	Simmon Drive Reconstruction*						
R 016	River Street & 3rd Avenue Reconstruction*			586350			
R 006	Annual - Chip Seal	110,000	120,000	*future budget item - not CIP			
R 007	Annual - Crack Fill/Pothole	22,350	23,500				
R 008	Annual - Sidewalk	15,000	15,800				
R 009	Annual - Street Painting	15,000	15,800				
R 022	Annual - Overlay						
R 024	Snow Plow		100,000	New one in '23? Split in two borrows, find down payment			
R 026	Utility Tractor •	-					
R 034	Articulating Boom Lift •			Using 22 23 CIP, \$50,000			
R 029	1 Ton Truck w/ Snow Plow #1 •	35,000					
R 027	5 Ton Flat Bed Trailer •	12,000					
R 039	Skidsteer Attachment - Snow Blower •	7,000					
R 022	Trailer #1- Medium •	1,500					
R 038	Skidsteer Attachment - Brush Cutter •	5,000					
R 040	Skidsteer Attachment Hydraulic Rock Bucket •	3,000					
R 042	Skidsteer Attachment - 72-inch Snow Pusher Mounted	5,000					
R 015	52" Zero Turn Mowers #1 •	5,000					
R 032	52" Zero Turn Mowers #2 •	5,000					
R 033	72" Zero Turn Mowers #3 •	12,000					
R 014	1/2 Ton Truck #1 •	-		42500			
R 017	Class 5 Dump Truck	60,000					
R 041	Enloader Attachment - Snow Pusher 12 Foot Loader M	20,000					
R 036	UTV Spreader •		5,300				
PR 001.1	Professional Services for PR 001	40,000					71100
PR 001	Cascade Falls Lookout & Stairs Phase 1*		385,000	TID?			
PR 011	Park Signage and Wayfinding *	5,000	5,000	36750* total Pay as you go			
PR 002.1	Professional Services for PR 002						
PR 009.1	Professional Services for PR 009			Gateway Park Grant Dependent*			
R 030	1/2 Ton Truck #3 •						
PR 002	Schillberg Park Playground*						
PR 012.1	Professional Services for PR 012			Smith Park future \$50000	Potential Sell 1/2 help off set		
PB 001	Entitlement Match * - Airport	7,500	7,500				
PB 006	Fire Hall Roof Rehab	70,000					
PB 002.1	Professional Services for PB 002						
PB 002	Public Works Facility						
PB 005	Maintance of Village Hall	10,000	10,000				
PB 004	Former DPW Building Rehab	10,000	10,000				
CD 001	Comprehensive Plan Update	19,000		Half in 22/23 Half in 24/25			
CD 008	Conceptual Design For Cascade Falls	20,950					
CD 007	Stewardship Grant Application	5,000					
CD 005	Depot Road Master Plan						
CD 003	CIP Update		3,000				
CD 006	Grant Assistance						
E 008	Fire - Air Rescue Boat trailer	10,000					
E 021	Fire - Tender_1485 Replacement *		31,500				

E 027	Police - Portable Radios	17,940					
E 028	Police - iRecord System Refresh	12,200				133,750	
E 030	Police - Stinger Spike Strips	2,130					
E 015	Police - Squad Vehicle*			68,250			
E 007	Police - CC Flock Cameras			10,170			
E 005	Police -Body Worn Cameras	5,060		5,060			
E 006	Police - Tasers 7 ECDs	4,830		4,830			
E 029	Police - Annual Filters for dryer, Veny Hood, & fumer			3,280			
		574484		826015			
		2024		2025			
CIP Total		\$ 574,484	\$	826,015			
	Goal	\$ 700,000	\$	700,000	\$	1,400,000	
	Excess	\$ 125,516	\$	(126,015)	\$	(499)	