



CITY OF PORT WASHINGTON, OZAUKEE COUNTY, WI
GENERAL GOVERNMENT AND
FINANCE COMMITTEE MEETING
TUESDAY, FEBRUARY 17, 2026, AT 5:30 P.M.
Port Washington City Hall, 100 W. Grand Avenue,
Port Washington, WI 53074
Lower Level Conference Room

AGENDA

1. Roll Call
2. Approval of Minutes of the Previous Meeting
3. Consideration and Possible Recommendation on Ordinance 2026-02: Amending Administrative Portions of the Municipal Code
4. Consideration and Possible Action on the Use of Water Utility Reserves for Additional Project Costs for the Water Treatment Plant Improvement Project
5. Consideration and Possible Action to Reduce the Wastewater Billing for the Residents at 996 Algoma Dr.
6. Discussion on Unintended Use Policy
7. Chairman's Business
8. Member's/Liaisons' Business
9. Public Comments/Apearances
10. Next Meeting- Tuesday, March 3, 2026, at 5:30 p.m.
11. Adjournment

Committee Members: Alderpersons- Dan Benning and Jonathan Pleitner
Staff Liaisons: Melissa Gossett, Susan Westerbeke and Mark Emanuelson

Special Accommodations: Persons with disabilities requiring special accommodations for attendance at the meeting should contact the City Clerk at 262-284-5585 or cityclerk@portwashingtonwi.gov at least one (1) business day prior to the meeting.

Notice of Possible Quorum: Notice is hereby given that Common Council members or members of other governmental bodies who are not members of this board, commission or committee may be present at this meeting to gather information about a subject over which they have decision-making authority. In that event this meeting may also constitute a simultaneous meeting of the Council or of such other governmental bodies. Whether a simultaneous meeting is occurring depends on whether the presence of one or more Council members or members of such other governmental bodies results in a quorum of the Council or of such other governmental bodies and, if there is a quorum, whether any agenda items listed above involve matters within the Council's or the other governmental bodies' jurisdiction. If a simultaneous meeting is occurring, no action other than information gathering will be taken at the simultaneous meeting. [State ex rel. Badke vs. Greendale Village Board, 173 Wis. 2d 553 (1993).]



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MINUTES

- 1. Roll Call-** Chairperson Dan Benning called the meeting to order at 5:30 p.m. Members present were Alderpersons Dan Benning and Jonathan Pleitner. Also present was City Administrator Melissa Gossett, Director of Administration/City Clerk Susan Westerbeke, and City Attorney Matt Nugent.
- 2. Approval of Minutes of the Previous Meeting-** MOTION MADE BY ALD. PLEITNER, SECONDED BY ALD. BENNING TO APPROVE THE REGULAR MEETING MINUTES OF JANUARY 20, 2026 AND SPECIAL WORK SESSION MEETING MINUTES OF JANUARY 26, 2026. Motion carried unanimously.
- 3. Consideration and Possible Recommendation for Approval of Ordinance 2026-1: An Ordinance Repealing §214.13 and Amending §141-1 of the Municipal Code-** The City Attorney reviewed the proposed repealing of the ordinance for the Beer Garden Series and amending the Municipal Code as it relates to the issuance of cat licenses. MOTION MADE BY ALD. BENNING, SECONDED BY ALD. PLEITNER TO RECOMMEND APPROVAL OF ORDINANCE 2026-1: AN ORDINANCE REPEALING §214.13 AND §141-1 OF THE MUNICIPAL CODE AS PRESENTED. Motion carried unanimously.
- 4. Consideration and Possible Recommendation for Approval of Ordinance 2026-2: Amending Administrative Portions of the Municipal Code-** The City Attorney provided an update on the draft ordinance that is still under review. This item will be placed on the February 17 meeting agenda.
- 5. Chairman's Business-** Chairperson Benning would like to discuss Impact Fees, Building Permit Fees, Lead Water Lateral Replacements, and updates to the City Building Condition Assessment Report during the month of March.
- 6. Member's/Liaisons' Business-** None.
- 7. Public Comments/Appearances-** Alderperson Mike Gasper was present to express concern about unlicensed animals in the city and enforcement.
- 8. Next Meeting-** Tuesday, February 17, 2026, at 5:30 p.m.
- 9. Adjournment-** MOTION MADE BY ALD. PLEITNER, SECONDED BY ALD. BENNING TO ADJOURN THE MEETING AT 5:44 P.M. Motion carried unanimously.

Respectfully submitted,
Susan L. Westerbeke, Director of Administration/City Clerk

AGENDA ITEM MEMORANDUM

City of Port Washington

TO: General Government and Finance Committee

FROM: Roger Strohm, City Engineer; Mark Emanuelson, Finance Director

DATE: February 17, 2026

SUBJECT: Consideration and Possible Action on the Use of Water Utility Reserves for Additional Project Costs for the Water Treatment Plant Improvement Project

ISSUE: Should the General Government and Finance Committee approve the use of Water Utility Reserves to fund additional project costs for the Water Treatment Plant Improvement project?

STAFF RECOMMENDATION: Staff recommends approval of the use of Water Utility Reserves to fund additional costs for the Water Treatment Plant Improvement Project to a maximum of \$1,063,500.

RECOMMENDED MOTION: I move to approve the use of Water Utility Reserves to fund additional costs for the Water Treatment Plant Improvement Project to a maximum of \$1,063,500, OR “Move to approve staff’s recommendation.”

BACKGROUND/DISCUSSION:

At the January 13, 2026 Board of Public Works meeting, the Board approved Contract Change Order 4 for the Water Treatment Plant Improvement project. With this change order, the project has reached its limit for contingency items in the budget; however, there are additional items identified that need to be completed on this project, as well as additional likely unknown project costs, as the project is only 60% complete.

Below is a list of the identified potential project changes. These changes are estimated to cost up to \$1,063,500. Description of these items are also included in “Project Look Ahead” section of the attached Short Elliott Henderson (SEH) project memo.

- Pending Proposal Requests/Change Orders
 - Additional roofing metal (SEH #1) \$5,000
 - Epoxy floors in boiler room (SEH #2) \$7,500
 - Lift station concrete restoration (SEH #3) \$10,000
 - Plant 1 epoxy floor repairs (SEH #4) \$15,000
 - Plant 2 clearwell grading (SEH #5) \$7,500
 - \$45,000
- Upcoming Proposal Requests
 - Chemical feed room modifications (SEH #6) \$75,000
 - Pump vacuum prime system (SEH #7) \$125,000
 - Plant water pressure reducing valve (SEH #8) \$3,500
 - \$203,500

FISCAL IMPACT:

- 1. Amount of Recommendation/Cost of Project:** up to \$1,063,500
- 2. Source of Funding:** Water Utility non-operating reserves.
- 3. Operating and Maintenance Cost:** N/A

BOARD/COMMITTEE/COMMISSION RECOMMENDATION: N/A

PUBLIC OUTREACH: N/A

IF APPROVED, NEXT STEPS: Execute change orders as approved by the Board of Public Works.

ATTACHMENTS:

SEH project memo

Total Project Cost Summary Report (TPCSR)



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MEMORANDUM

TO: Roger E Strohm Jr, PE

FROM: Bradley Weiss, PE (Lic. CO, IA, MN, TX, VA, WI)

DATE: January 28, 2026

RE: Port Washington WTP Change Order Summary and Project Look Ahead
SEH No. PORWA 177127 14.00

The City of Port Washington's (COPW) Water Treatment Plant (WTP) Improvements Project was awarded to CD Smith Construction in the amount of \$18,198,184.00. The project is funding with a loan provided by the Wisconsin Department of Natural Resources. As part of this loan, a 5% contingency is required, the amount of which is \$909,909.20. To date, four (4) change order documents have been recommended for approval amounting to \$913,638.53.

The purpose of this memorandum is to summarize current status of work change items that have been approved or recommended for approval and to provide a "look ahead" of work change items that have been completed and paperwork not received from the Contractor, work change items that are underway and not yet completed, and work change items that have been discussed and are desired by staff.

BACKGROUND

This WTP Improvements Project was initiated following a WDNR directive to make improvements to the WTP's finished water storage. As much of the facility was at the end of its useful life, the scope of the construction project incorporated the replacement of these items. Based on priorities of COPW Staff during the majority of the design phase and the desire to keep project costs down, the initial design intention did not have many considerations for improvements to the WTP staff working areas. The current COPW Staff working on a day to day basis on this project entered late in the design phase where the desired changes to the scope would have presented design rework or were not yet known while Staff was learning the needs of the WTP.

WORK CHANGE ITEMS TO DATE

A Change Order Summary table from Change Order 4 is included as enclosure A and provides a list of work change items that are approved or have been recommended for approval. These work change items were broken into the following categories for evaluation:

- Changes in scope within design intention: These are work change items are to the project that don't change the overall design intention of the project. In general these include changes to products made to the project during the shop drawing review process, in layout coordination with the contractor, or were not included in the base bid but are needed for the operation of the WTP. **These are changes are within the design intent and/or are needed for the operation of the WTP.**
- Unforeseen conditions and/or emergency response actions: These are work change items that were added to address unforeseen conditions or emergency response actions. **These changes address underground conditions, extreme weather events, or outside of the control of the Contractor**

Engineers | Architects | Planners | Scientists

Short Elliott Hendrickson Inc., 3535 Vadnais Center Drive, St. Paul, MN 55110-3507

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- Added scope outside of design intention: These are work change items that were added to improve the long term use, functionality, or operator working conditions of the WTP. **These changes provide benefit to the WTP and are needs identified by COPW Staff.**

Change Category	Change Category Amount	Percentage of Project Budget
Changes in scope within design intention	\$108,997.98	0.6%
Unforeseen conditions and/or emergency response actions	\$359,775.14	1.98%
Added scope outside of design intention	\$444,865.41	2.44%
Total	\$913,638.53	5.02%

Approximately 50% of the changes to date are changes within the scope of the design intention or responses to unforeseen conditions and approximately 50% of the changes to date are added scope outside the design intention but address needs identified by COPW staff to improve the long term use and functionality of the WTP.

Considering the age of infrastructure and the availability of records, I believe the project is within industry standards for construction changes at 2.5% of the project cost addressing needs directly related to the base scope of work or unforeseen conditions.

PROJECT LOOK AHEAD

There are a number of work items that the Project Team has been tracking that are:

- Completed by the Contractor outside of the Scope of Work but paperwork has not yet been received from the Contractor
- Underway by the Contractor outside of the Scope of Work
- Desired by COPW staff outside of the Scope of Work that would have been requested to be a part of the project if Staff was present at the start of the Project. If not pursued through this project, Staff may address these at a later date at additional cost due to inflation and contractor mobilization.

These items are listed in the table, below, along with estimated costs.

	Item	Status	Estimated Cost
1	Additional roofing metals for storm sewer reroute	Completed, paperwork not received.	\$5,000
2	Epoxy floors in boiler room	Completed, paperwork not received.	\$7,500
3	Lift station installation – concrete restoration	Completed, paperwork not received.	\$10,000
4	Plant 1 pipe gallery epoxy floor repairs	Completed, paperwork not received.	\$15,000
5	Plant 2 clearwell grading modifications	Completed, paperwork not received.	\$7,500
6	Chemical feed room modifications	Underway	\$75,000
7	Pump vacuum prime system	Underway	\$125,000
8	Plant water pressure reducing valve	Underway	\$3,500
9	East side ramp and paving	Desired	\$150,000

10	Plant 1 filter media replacement and addition of granular activated carbon (GAC) in each filter	Desired	\$400,000
11	Generator access driveway installation	Desired	\$60,000
12	Water salesman addition	Desired	\$75,000
13	Plant 2 Piping Cleanup	Desired	\$20,000
14	Drain down and sludge pumps	Desired	\$80,000
15	Control room drywall and drop ceiling installation	Desired	\$15,000
Total			\$1,048,500

Approximately \$1.05M of additional project needs has been identified by the project team. It is also worth noting the bulk of the work has not progressed to Plant 2, where unknown conditions will likely be identified. It is recommended that additional contingency funds to address these anticipated unknown conditions be considered in the amount of \$500,000. As these funds are not allocated to specific items, if they are not used, they are returned to the City.

In summation, it is recommended that the City consider funding an additional \$1,550,000 towards the Project.

VALUE ENGINEERING

During the last progress meeting with the Contracting forces, the project team explored numerous value engineering propositions to explore potential cost savings. With the original design intention focused on replacement of equipment at the end of its useful life and minimizing project costs, there are minimal work items that can be trimmed from the project without major changes to the overall operation of the WTP. Additionally, as nearly all of the equipment and materials have been released and ordered, there are very minimal cost savings that can be achieved by removing scope without placing significant burden on COPW staff or detracting from the long term operation of the WTP. The following savings were explored:

1. Removal of painting in Plant 2 – estimated savings: \$250,000

To date there has not been work efforts focused on painting in Plant 2. Potential cost savings of removing painting the Plant 2 sub-basement piping, filter pipe gallery, and ancillary spaces was explored. These spaces are in need of recoating. Additionally, the work in the Plant 2 sub-basement and pipe galleries include significant amounts of pipe coatings which is beneficial to their long term condition. In discussion with COPW Staff, removal of this work from the Contract would result in this work being completed by COPW Staff or by an outside Contractor at a future date but would require significant operational interruptions to shutdown Plant 2 for an extended period of time. **It is not recommended to remove Plant 2 painting from the scope of work.**

2. Removal of epoxy flooring in Plant 2 – estimated savings: \$45,000

To date there has not been work efforts focused on floor finishes in Plant 2. Potential cost savings of removing these floor finishes was explored. The floors in these areas are in need of recoating. In discuss with COPS Staff, removal of this work from the Contract would result in this work being completed by COPW Staff or by an outside Contractor at a future date. **It is not recommended to remove Plant 2 floor coatings from the scope of work.**

3. Removal of filter function valve replacement in Plant 2 – Estimated savings: \$75,000

To date the filter function valves in Plant 2 have not been replaced, but the materials have been released. Potential cost savings of removing the replacement of the Plant 2 filter function valves from the scope of work of work was explored. This is a mechanical labor savings only as materials have already been released and power and control would need to be ran to the existing

valves if they remain in service. In discuss with COPS Staff, removal of this work from the Contract would result in this work being completed by COPW Staff or by an outside Contractor at a future date. **It is not recommended to remove the replacement of the Plant 2 filter function valves from the scope of work.**

4. Removal of rapid mix and flocculator replacement in Plant 2 – estimated savings: \$30,000

The rapid mix and flocculator equipment in Plant 2 has not been replaced yet, but the materials have been released. Potential cost savings of removing the mechanical installation of the rapid mix and flocculators from the scope of work of work was explored. This is a mechanical labor savings only as materials have already been released and power and control would need to be ran to the existing mixers if they remain. In discuss with COPS Staff, removal of this work from the Contract would result in this work being completed by COPW Staff or by an outside Contractor at a future date. **It is not recommended to remove Plant 2 rapid mix and flocculator replacement from the scope of work.**

5. Removal of filter underdrain and airwash in Plant 2 – Estimated savings \$300,000

Work has not started on the reconstruction of the Plant 2 filters. This work generally includes the reconstruction of the filter structure to incorporate an airwash system, which provides a more thorough filter backwash and provides consistency with the Plant 1 filter operations. This is not work that COPW staff could be reasonably expected to complete do the complexity of the construction. **It is not recommended to remove the Plant 2 filter underdrain and airwash system from the scope of work.**

FUNDING

If the City pursues funding to cover the additional needs of the project, it should but noted that there is an opportunity to apply for reimbursement in the form of an additional WDNR Safe Drinking Water Loan Program (SDWLP) package. This would require:

- COPW to acquire interim financing now
- Application to the state fiscal year 2027 funding
- Award and closure of a loan
- Consolidation of interim financing into the SDWLP loan.

The primary benefit of the SDWLP is that rates from WDNR funding are lower than typical market lending rates. There are several notable downsides to this funding strategy:

- The award of a SDWLP is not guaranteed. The SDWLP has does not have excess funds in recent years resulting in projects presenting the most need to be awarded funding. These typically are projects that aim to address compliance issues or are major infrastructure upgrades for a community. The additional needs of this project do not fall into these categories and are likely to score low as a package.
- New SDWLP funding packages are requiring compliance with Build America, Buy America (BABA) requirements. This raises the cost of products and adds complexity to the construction administration processes. All costs associated with the additional needs would require BABA compliance to be eligible for consolidation into the SDWLP package. There is a risk that the BABA compliance is achieved but a SDWLP package is not awarded which would result in COPW have incurred unnecessary costs for BABA compliance.

Due the risks described above, in discussion with the COPW project team, it is recommended that COPW pursue financing outside of the SDWLP if they wish to pursue these additional needs

Memorandum
January 28, 2026
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CLOSURE

I trust this memo provided sufficient breakdown of the current project changes and future anticipated changes. If you have any questions please do not hesitate to contact me at 507.440.7485 or by email at bweiss@sehinc.com.

BJW

Enclosure 1: Current changes approved or recommended for approval.

[https://sehincazure-my.sharepoint.com/personal/bweiss_sehinc_com/documents/documents/work/port washington/wtp ca-ci/finance council 2.3.2026/port washington wtp finance council 2.3.2026 - memo.docx](https://sehincazure-my.sharepoint.com/personal/bweiss_sehinc_com/documents/documents/work/port%20washington/wtp%20ca-ci/finance%20council%202.3.2026/port%20washington%20wtp%20finance%20council%202.3.2026%20-%20memo.docx)

Change Order Summary WTP Improvements Project					
Contract Summary					
Original Contract Amount		\$ 18,198,184.00			
Current Contract Amount		\$ 19,111,822.53			
Individual Changes					
Item	Description	Amount	SC Days	FC Days	Change Order Number
1	Compacted Aggregate Piers	-\$295,680.00	0	0	1
2	Generator Contract Time Adjustment	\$0.00	106	106	2
3	PCI# COR0002 - Unused Pipe & Concrete Pier Demo in Plant 1 Sub-basement	\$12,963.30	0	0	2
4	PCI# COR0003 - Misc. Doors, Frames, and Hardware Changes	\$13,600.65	0	0	2
5	PCI# COR0004 - Misc. Valve Changes on Submittal Rev. 1	\$94,128.30	0	0	2
6	PCI# COR0005 - A.W. Reroute of Exist. Storm Line to Meet Code	\$3,258.15	0	0	2
7	PCI# COR0006 - Unknown Exist. Bldg. Foundation Demolition & Femoval	\$21,517.39	0	0	2
8	PCI# COR0007 - Unknown 10 Inch Water Main Leak Repair	\$37,160.00	0	0	2
9	PCI# COR0008 - Back-up Plan Pump #5 - Existing Pump Relocation	\$58,295.00	0	0	2
10	PCI# COR0010 - EIFS Removal & Wall Coating	\$17,470.00	0	0	2
11	PCI# COR0011 - Changes to the Lab Casework -Countertops	\$1,444.80	0	0	2
12	PCI# COR 0012 - Washer & Dryer Relocation	\$4,785.01	0	0	2
13	PCI# COR 0013 - Meter Shop Ceiling Removal and Painting of Ceiling	\$11,494.00	0	0	2
14	PCI# COR009 - Additional Plant 1 & 2 Valves	\$191,752.05	0	0	2
15	PCI #COR0015 - Misc. Exterior Door Changes - Access Control	\$9,410.45	0	0	2
16	Integration Allowance Return	-\$1,100,000.00	0	0	2
17	Filter Function Valves Allowance Return	-\$1,300,000.00	0	0	2
18	Fire Alarm and Door Access/CCTV Rough In Allowance Return	-\$125,000.00	0	0	2
19	PCI #COR0019 - Filter Function Valves and Actuators	\$1,095,545.85	0	0	2
20	PCI #COR0017 - Integration by subcontractor (Energenecs)	\$939,540.00	0	0	2
21	PCI #COR0020 - 4 Operable windows in lieu of fixed windows	\$16,294.95	0	0	2
22	PCI #COR0021 - Insertion valve addition for Thomas Port Line	\$44,739.45	0	0	2
23	PCI #COR0023 - Cut out & Replace Caulk on Existing Building Vertical EIFS Joints	\$5,586.00	0	0	2
24	PCI #COR0024 - Plant 1 Backwash Pump Preparation for Emergency Use	\$8,024.00	0	0	2
25	PCI #COR0018 - Addition of drywall to various rooms	\$ 32,959.00	0	0	3
26	PCI #COR0026 - Added Office Door to Adjacent Roof	\$ 15,143.00	0	0	3
27	PCI #COR0014 - Maintenance Shop Changes	\$ 102,446.00	0	0	4
28	PCI #COR0025 - Winter Conditions due to delayed start	\$ 185,561.00	0	0	4
29	PCI #COR0028 - Misc. Electrical Changes for Field Order No. 6	\$ 468,095.25	0	0	4
30	PCI #COR0029 - Misc. August Winter T&M	\$ 91,064.00	20	20	4
31	PCI #COR0031 - J. Miller Electrical Misc. T&M	\$ 17,838.37	0	0	4
32	PCI #COR0032 - Epoxy Floor Coating Requested in Additional Rooms	\$ 39,337.46	0	0	4
33	PCI #COR0033 - Sanitary Lift Station - AWS Portion	\$ 52,532.55	8	8	4
34	PCI #COR0034 - Underground Storm Sewer Addition - AWS Portion	\$ 46,145.40	8	8	4
35	PCI #COR0037 - Chimney Cap Replacement	\$ 1,620.15	0	0	4
36	Vacuum Prime System - Material Only	\$ 94,567.00	0	0	4
Total		\$913,638.53	142	142	
Change Order Summary					
Total Change Order No. 1		\$ (295,680.00)	0	0	
Total Change Order No. 2		\$62,009.35	106	106	
Total Change Order No. 3		\$ 48,102.00	0	20	
Total Change Order No. 4		\$ 1,099,207.18	36	36	
Contract Days Summary					
Contract Substantial Completion				3/31/2026	
Contract Final Completion				5/31/2026	
New Substantial Completion				8/20/2026	
New Final Completion				10/20/2026	

Total Project Cost Summary Report (TPCSR)					
Budget Line Items		Project Budget / Loan Amount	Cost to Date	Anticipated Cost	Over/Under
1	Force Account Work				
		\$ -			
	#1 Total	\$ -			
2	Interim Financing				
b.	Interest on 2021 \$960,000 BAN	\$ 3,120.00	\$ 3,120.00	\$ 3,120.00	
	#2 Total	\$ 3,120.00	\$ 3,120.00	\$ 3,120.00	\$ -
3	Preliminary Design/Engineering	\$ -			
	SEH Plant Assessment	\$ 45,743.00	\$ 45,743.00	\$ 45,743.00	
	SEH PD	\$ 914,000.00	\$ 914,000.00	\$ 914,000.00	
	#3 Total	\$ 959,743.00	\$ 959,743.00	\$ 959,743.00	\$ -
4	Land or Easement Acquisition				
		\$ -			
	#4 Total	\$ -	\$ -		\$ -
5	Construction Management/Engineering				
a.	SEH CM	\$ 1,210,942.00	\$ 588,293.00	\$ 1,210,942.00	
	#5 Total	\$ 1,210,942.00	\$ 588,293.00	\$ 1,210,942.00	\$ -
6	Construction/Equipment				
a.	C. D. Smith	\$ 18,198,184.00	\$ 12,986,000.00	\$ 18,198,184.00	
	#6 Total	\$ 18,198,184.00	\$ 12,986,000.00	\$ 18,198,184.00	\$ -
7	Contingency & Change Orders				
	Change Order 1		\$ (295,680.00)	\$ (295,680.00)	
	Change Order 2		\$ 61,427.10	\$ 61,427.10	
	Change Order 3		\$ 48,102.00	\$ 48,102.00	
	Change Order 4		\$ 1,099,207.18	\$ 1,099,207.18	
	Anticipated			\$ 1,063,500.00	
		\$ 909,910.00			
	#7 Total	\$ 909,910.00	\$ 913,056.28	\$ 1,976,556.28	\$ 1,066,646.28

Total Project Cost Summary Report (TPCSR)					
Budget Line Items		Project Budget / Loan Amount	Cost to Date	Anticipated Cost	Over/Under
8	Miscellaneous Costs				
	WE Energies: Moving Utilities	\$ 74,906.00	\$ 74,906.00	\$ 74,906.00	
	J&H Heating: Relocating HVAC	\$ 16,011.00	\$ 16,011.00	\$ 16,011.00	
	Sippel Electrical: Relocating interior electrical	\$ 44,902.00	\$ 44,902.00	\$ 44,902.00	
	Balestreri - Asbestos removal	\$ 12,035.00	\$ 12,035.00	\$ 12,035.00	
	Lab Equipment	\$ 15,000.00	\$ -		
	Office Equipment	\$ 10,000.00	\$ -		
	City Attorney	\$ 5,000.00	\$ -		
	#8 Total	\$ 177,854.00	\$ 147,854.00	\$ 147,854.00	\$ (30,000.00)
9	Closing Costs				
a.	Financial Advisor	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	
b.	Bond Counsel	\$ 30,700.00	\$ 30,700.00	\$ 30,700.00	
	#9 Total	\$ 45,700.00	\$ 45,700.00	\$ 45,700.00	\$ -
10	Total Project Costs TOTAL	\$ 21,505,453.00	\$ 15,643,766.28	\$ 22,542,099.28	\$ 1,036,646.28

AGENDA ITEM MEMORANDUM

City of Port Washington

TO: General Government & Finance Committee

FROM: Mark Emanuelson, Finance Director / Treasurer

DATE: February 17, 2026

SUBJECT: Consideration and Possible Action on a recommendation to reduce the wastewater billing for the residents at 996 Algoma by \$401.70.

ISSUE: Should the Finance Department reduce the wastewater billing for the residents at 996 Algoma by \$401.70.

STAFF RECOMMENDATION: Staff recommends consideration for a reduction in the wastewater bill and that the Board of Public Works recommend a reduction to the General Government & Finance Committee to reduce the wastewater billing for the residents at 996 Algoma by \$401.70.

RECOMMENDED MOTION: “I move to recommend to approve a reduction to the wastewater billing for the residents at 996 Algoma by \$401.70.

BACKGROUND/DISCUSSION: Under section 342-10 of municipal ordinances (attached) Section A. states that *“a sewer service charge based, in part, on the actual quantity of water used. Except as provided in Subsection C hereinbelow, the actual quantity of water used shall be as measured by the Water Utility water meter used upon the premises.”*

This language in the ordinances specifies that the only manner in which the water meter will not be used as the basis for volume sewer charges is if the property owner installs a special deduct meter at the property, which is outlined in Section C.

The property owner at 996 Algoma recently contacted utility billing staff to inquire why their typical \$135 utility bill was \$1,093 on their current utility bill. After a thorough review, it was determined that a plumbing fixture at the property was malfunctioning. This resulted in 75,000 gallons more water running through their water meter than typical for this location.

This property owner has submitted a written request asking that they be credited to alleviate these high charges. There is no dispute of the underlying plumbing issue. Based on the past consumption history at this location, staff is recommending a reduction of sewer volume service fees in the amount of \$401.70 which is the difference between their historical average and their current bill.

STRATEGIC PLAN:

1. **Strategic Direction:** N/A
2. **Impact on Strategic Direction:** N/A.

LEGAL:

1. **City Attorney Review:** N/A
2. **Legal Comments & Conclusions:** N/A
3. **Statutory References:** N/A

FISCAL IMPACT: The impact of this item is \$401.70 in forgone sewer revenues.

1. **Amount of Recommendations/Cost of Project:** N/A
2. **Source of Funding:** N/A
3. **Operating and Maintenance Cost:** N/A

BOARD/COMMITTEE/COMMISSION RECOMMENDATION: N/A.

PUBLIC OUTREACH: N/A

IF APPROVED, NEXT STEPS: TBD

ATTACHMENTS:

Section 342.10 of municipal ordinances

§ 342-10. Basis for sewer service charges.

- A. Sewer users serviced by Water Utility water meters. There is hereby levied and assessed upon each lot, parcel of land, building, or premises having a connection with the wastewater collection system, and being served with water solely by the Water Utility, a sewer service charge based, in part, on the actual quantity of water used. Except as provided in Subsection C hereinbelow, the actual quantity of water used shall be as measured by the Water Utility water meter used upon the premises. **[Amended 3-16-2021 by Ord. No. 2021-3]**
- B. Sewer users served by private wells.
- (1) If a person discharging wastewater into the sanitary sewers procures any part or all of his water from sources other than the Water Utility, all or part of which is discharged into the sanitary sewers, the person shall have water meters installed by the Water Utility at the person's expense for the purpose of determining the volume of water obtained from these sources. Where sewer meters are already installed, water meters will not be required. The water meters shall be furnished by the Water Utility and installed under its supervision, all costs being at the expense of the person requiring the meter.
- (2) The Water Utility will charge for each meter rental a charge set by the Water Utility to compensate for the cost of furnishing and servicing the meter. The rental charge shall be billed at the time the sewer service charge is billed.
- C. Deduct meters. If a person reasonably believes that a substantial amount of metered water is not discharged to the sanitary sewer, the person may, at their own expense and with the prior approval of the approving authority, hire a licensed plumber to install such additional meter (also known as a "deduct meter") or metered services as may be necessary to calculate the volume of water not discharged to the sanitary sewer. Metered water not discharged to the sanitary sewer shall not be subject to sewer service charges. If the approving authority approves the installation of an additional meter, the person granted such approval shall be responsible for and pay all costs associated with the installation of such meter, including, without limitation, general plumbing, meter horn permit, and installation costs. A flat charge for the use of such additional City-owned water meter shall be added to the person's bimonthly water/sewer bill. Except for meter installation by City personnel, all work related to additional meters or metered services shall be performed by a licensed plumber. The additional meter shall be installed by City personnel, shall remain installed on the premises for a minimum of one year, and shall be subject to inspection, repair, replacement or removal by City personnel at reasonable times, upon reasonable prior notice. No person shall cause, or permit any other person to cause, water to be routed or rerouted from the discharge of any additional meter into the person's general distribution system that leads to the sanitary sewer. In addition to the general penalties prescribed by this article, any violations of this subsection shall result in all deduct meter readings being null and void and immediate removal of the additional meter from the premises. **[Amended 3-16-2021 by Ord. No. 2021-3]**



Administrative Policy Utility Unintended Use Policy

June 15, 2023

Revised October 29, 2024

OBJECTIVE

The objective of this policy is to recognize that under certain extenuating circumstances some utility customers may face extraordinarily large utility bills due to the unintended use of water services due to plumbing or equipment failures, for which some financial relief may be warranted.

The Wisconsin Public Service Commission regulates the Port Washington Municipal Water Utility. Under their governing Statutes, utilities are encouraged to adopt an unintended use policy and incorporate that policy into the utility's PSC approved tariff, which controls the regulated utility charges and practices. This policy, however, cannot reduce fees for unintended water use below the utility's cost of providing water.

The Port Washington Municipal Sewer Utility is governed locally by the municipality and may adopt standards as it sees fit to establish guidelines to provide financial relief to customers for the unintended use of wastewater services.

These eligibility guidelines are designed in a manner that provides relief under only the most clearly extenuating unintended usage circumstances. They are not intended to be used for the more frequent irregularities in water usage that occur on an ongoing basis.

As such, the following guidelines will be adopted to govern the issuing of any unintended use billing credits for customers under these circumstances.

DEFINITIONS

Unintended use credit – eligibility guidelines

- The customer's billed usage must be at least 3 times the average usage for the property, or 20 ccf (15,000 gallons), whichever is greater.
- Average usage will be evaluated based on the most recent 3 billing cycles for which the property was occupied, evidenced by usage of at least 7 ccf (5,000 gallons) per cycle.
- In the event of a change in use or occupancy for commercial properties, the utility may defer the eligibility determination for credits until 3 billing cycles of information for the current use or occupancy is available.
- These credits are not applicable to irrigation or other seasonal usage consumption.
- These credits are not applicable for estimate to actual reading adjustments, or any other billing adjustments based on inaccurate historical meter reading information.
- A property is only eligible for one credit within any 3-year period.

POLICY

Unintended use - billing credits

Water Use credit:

As the Port Washington Municipal Water Utility uses a flat rate volume charge for water consumption, the rate established by the PSC is designed to reflect the utility's actual cost of providing water, plus the rate of return approved by the PSC.

- The unintended water use credit will therefore be a discount equal to the approved PSC rate of return for the utility's most recent rate case, on the amount of usage in excess of the customer's minimum eligibility usage. This discount will typically fall between 3.0% - 5.0%.

Sewer Use credit:

The Port Washington Municipal Sewer Utility uses a flat rate volume charge for wastewater services based upon the customer's water consumption. The remaining costs of the utility are intended to be covered by the fixed connections fees for system infrastructure, maintenance, and administration.

- The unintended wastewater use credit will be a 75% discount on the amount of usage in excess of the customer's minimum eligibility usage.

These billing credits are eligible to be applied against utility billings issued after **September 1, 2024**.

ADOPTION AND APPROVAL

The Unintended Use Policy shall be an administrative policy.

Applicability: Port Washington Water and Wastewater Utility's

Effective Date: August 15, 2023, **revised October 29, 2024**

City Administrator approval:



Date:

10/30/24