

Finance Committee

February 21, 2023

6:00pm - City Hall Council Chambers

Chairman Ptak Called the Meeting to order at 6:00pm

ROLL CALL

Present: Chairman Ptak, Aldermen Thompson, Lavieri, Jeppson, Herndon

Excused Absence: None

Others Present: **Others Present:** Finance Director John Duncan, Deputy Clerk Brent Bader, Director of Public Works Patrick Watson, Fire Chief Jerry Janick, Alderman Bacidore, Alderman Reynolds, City Engineer Brian Brown, Economic Development Director Curt Bedei, Alderman Jordan Crane, City Treasurer Virginia Kochanowski, City Attorney James McPhedran (arrived at 6:13pm)

A quorum was present.

Moved by Alderman Herndon and seconded by Alderman Lavieri to approve and place on file the minutes of the Finance Committee for February 6, 2023.

Each and every alderman has a copy.

Voice vote, all ayes. Motion carried.

No questions with bills.

Director of Public Works Patrick Watson is looking to purchase two stainless steel dump bodies. This bid is from Binelle who the city gets snow plows from. This bid is for dump body and sub frame. This bid is source well pricing and if Watson went out for a competitive bid it would be relatively close. The bid is for \$70,000 for both. The dump bodies can be then used on the new cab chassis. They do not have a second bid. This is allowing the city to get 5 more years out of these trucks instead of purchasing one for \$180,000.

Moved by Alderman Lavieri and seconded by Alderman Thompson to accept the bid for the two dump bodies for \$70,000.

ROLL CALL

AYE: Chairman Ptak, Alderman Thompson, Lavieri, Jeppson, Herndon

NAY: None **Absent:** None **Abstain:** None

MOTION CARRIED: 5-0

Alderman Crane and Alderman Lavieri mentioned getting on a list in the next couple years, knowing they may be replacing a truck in 5 years. Chief Janick mentioned that they just had to sign a document for the last vehicle that they purchased. If you decide not to follow through with the purchase, one would just lose their place in line.

Finance Director Duncan began the discussion regarding a proposal from Ferguson regarding the City's water billing process and software. The city does not yet have a proposal. The MTUs on the meters are at their life expectancy and the batteries on those have depleted. The meters are still reading but the transmission back to City Hall is failing. For those whose MTUs are currently not working, the city is asking homeowners to read their own meters and report them back to the City. Some Public Works employees are having to go into some homes to help the homeowner. A few months ago, over 100 were not functioning and now up to 500 are currently not functioning properly in town. The majority of the current city meters are Neptune, however, North of 11th Street there are older Badger meters. The city currently has Aclara MTUs and Hexagram is the name of the current software. The city also has nine DCUs, and collector sites, around town. These locations are the collecting sites to get the residents' reads. They are located on tall posts or water towers. The Neptune meter representative spoke recently to the city and gave the recommendation to abort Aclara hexagram system and move straight to Neptune MTUs. The Aclara ones are more expensive than the Neptune ones. If the city does move to the Neptune system, the city would have to replace DCUs at each collector site. The city did have the company run a propagation study based on all the meters in town, all the addresses, and the company recommended 3 to 4 collector sites. Each one of those is estimated to cost roughly \$25,000 to erect. This would be fewer sites than before due to technology which allows for the city to still get reads with cellular option or mobile option if one of the collector sites does go down. The city is getting proposals for both options. The city has made some decisions based on a discussion with Neptune's representative, in regard to where these collectors' sites would be located. The city is looking to get pricing on the MTUs and pricing on the erecting of the collector sites. There would also be a price for the annual maintenance fee for the software system. This software system brings in the reads and transmits those into the billing system. It also will alert customers when they have high water usage. The current Aclara system reads meters two times a day, while the new technology will now read 15/times a day. The cons to the current system, Aclara is unable to order the MTUs and the hexagram software is not user-friendly and there have been substantial service issues with the system. The city will be looking to replace the old badger meters with new Neptune meters. Duncan stated that the city's plan will be to replace the 4200 meters over some time. He proposed hiring a new water and new sewer laborer to do this work. He believes this work would take two/three years to convert the balance of the city. The city foresees retirements over the next few years and can look at the labor staffing levels when this work is done. Brown mentioned that it would save the city approximately 500,000 in savings by doing this work in-house. Duncan mentioned that this project could potentially be a \$1.2-1.3 million project. He also mentioned how the MTUs would be installed on the outside of the house, which would require less to transmit a signal. Also, if the MTUs are installed outside, the city will be able to access them easier without inconveniencing a resident. The MTUs can also hold up to about 3 months of data. Duncan mentioned that the hard pricing from Ferguson will be available soon. There are currently antennas now on top of towers, but the new technology will allow for the antenna to remain on top of towers, but a wire would be run down with all the equipment on the ground also. This will be less of a cost to have someone work on the antennas or the equipment. This company has also worked with Veolia who the city will be working with on

the water towers. Duncan mentioned that the City of Rochelle was also in the same position as the city, so Duncan was able to speak with them in regard to this matter.

Engineer Brown did mention that the first initial cost will be for all the towers to go up so the city will be able to collect all the reads from all over the town.

Alderman Lavieri asked about the mobile versus cellular read. He also asked if we would be purchasing a mobile collector or leasing one. Duncan mentioned that there could be an option of mobile or cellular collection sites based on the area and how many homes are that location. Cellular option would be more expensive. He also mentioned that no matter which route the city chose, the box would still store data for 90 days and read every 15 minutes. This new technology does allow for the city to pinpoint an overabundance of water usage in a home, what time of day and what is causing this to occur, toilet, water heater, etc.

Chairman Ptak asked about the positions that the city could potentially be hiring for. Duncan stated that the positions do currently exist in the union contract. These positions are not currently needed if this project wasn't getting done, but if the council agrees upon this project and agrees upon doing the work in-house, they would hire for such a position. Duncan states that once this project would be complete in its entirety and some retirements happen in the next couple of years, they would not be replacing those two employees as we would have hired employees in advance.

Duncan ended the discussion by letting the committee know that they can come see him at any time with any more questions.

Regarding the Celebration of Lights, Alderman Jeppson mentioned that the committee members discussed how they were in favor of capping the city workers' labor at \$50,000 and forgiving the \$50,000/yr. for 7 years that that planned on being donated back to the Celebration of Lights. Jeppson also suggested putting a maintenance fee on each display. Chairman Ptak mentioned that it was being considered.

There were no more questions or comments from the public.

Moved by Alderman Lavieri and seconded by Alderman Herndon to adjourn the meeting.

Voice vote, all ayes. Motion carried.

Chairman Ptak adjourned the meeting at 6:27pm



Amy Quinn, City Clerk