

**ORDINANCE NO. 2025-06**

**AN ORDINANCE TO AMEND SECTION 9-4-7(c) OF THE CODE OF ORDINANCES FOR THE VILLAGE OF CALEDONIA RELATING TO THE AMOUNT OF SEWER SERVICE CHARGES**

That the Village Board of the Village of Caledonia, Racine County, do ordain as follows:

1. That Caledonia Utility District has a ten-year Sanitary Sewer Capital Improvement Plan (CIP) of approximately \$38.065 million (2024 – 2033). In addition to the CIP, the Mount Pleasant TID #5 Conveyance for the Interstate 94 Corridor in Caledonia (TID #1 and TID #4) has a cost share of \$27.06 million, and the City of Racine wastewater treatment plant equipment upgrade has an estimated cost share of \$3.62 million. This is a total of approximately \$68.745 million of capital that will need to be funded through 2033.

2. That due to high intensity rain events in May, July, & August 2020, April & September 2022 and February 2023, along with the lack of additional Sanitary Sewer Capacity available at the Treatment Plant, the Utility District will need to construct additional attenuation basins to mitigate and control peak sanitary sewer flows. These projects will hopefully avoid or limit the duration the Village of Caledonia could be placed on a Sewer Moratorium at two of its three connection points with the Racine Wastewater Utility.

3. The Caledonia Utility District has already completed the Erie Street Sanitary Sewer Rehab, the Hoods Creek Attenuation Basin Expansion, the Dominican Lift Station rehabilitation, and the TID 4 Phase 4 Sanitary Sewer Extension Project. The balance of the ten-year CIP has Riverbend Lift Station Forcemain & Safety Site, 4 ½ Mile Road Sanitary Sewer Rehabilitation (TID#5 developer driven), the Central Lift Station Attenuation Basin, the Caddy Vista East Sewer Improvements, Annual Lift Station Improvements, Vehicle Replacement, Jet Rodder/Vactor Replacement, Annual Sewer Replacement Improvements, Sanitary Sewer Televising, Annual I & I Improvements, and future project placeholders. The total remaining project costs are estimated at \$38.065 million dollars.

4. That the first interest-only payment on the Village's share of the Mount Pleasant Clean Water Fund Loan was paid in November 2021. Interest-only payments have been made every November since 2021. The first principal and interest payment on the Village's share of the Mount Pleasant Clean Water Fund Loan was paid in May 2022. Principal and interest payments have been made every May since 2022.

5. That the Village's share of the projected City of Racine wastewater treatment plant equipment Clean Water Fund Loan had its first interest payment due in May 2024.

6. A Financial Plan was prepared by Ehlers (the Village's municipal advisor), reviewed by Village staff, and presented to the Caledonia Utility District & the Committee of the Whole. The Financial Plan indicates that the Village will need to issue additional Sewer Revenue Bonds of approximately \$5.75 million in 2026, \$1.3 million in 2028 and \$1.3 million in 2029. In addition, the Village is anticipated to obtain a Clean Water Fund Loan of approximately 22.6 million in 2026.

7. The Financial Plan also indicates that in order to complete the CIP, Bond for the projects, pay Caledonia's share of the Mount Pleasant TID #5 Conveyance, and Racine WWTP equipment upgrades, the Sewer Service Charge will need to increase. The projected overall increase needed in the Sewer Service Charge for the ten-year CIP, and the Mount Pleasant TID #5 Conveyance and Racine WWTP equipment upgrade is 67.65%. The Financial Plan currently proposes an increase effective in the 2nd Quarter as follows: 11.76% (\$170 to \$190) in 2025, and future increases effective in the 1<sup>st</sup> Quarter of 13.16% (\$190 to \$215) in 2026, 11.63% (\$215 to \$240) in 2027, 10.42% (\$240 to \$265) in 2028, and 7.55% (\$265 to \$285) in 2029.

8. That the Caledonia Utility District Commission and staff have discussed the CIP, sewer capacity issues, Caledonia's share of the Mount Pleasant TID #5 Conveyance and Racine WWTP equipment upgrades, the Financial Plan, and the necessity for a Sewer Service Charge increase at various noticed meetings since 2022.

9. That based on the above, Section 9-4-7(c) of the Code of Ordinances for the Village of Caledonia be, and hereby is, amended to read as follows:


**“(c) Amount of Sewer Service Charges.**

- (1) Category A. Customers as defined in s. 9-4-3(a)(3) shall pay a total service charge of **\$190.00/quarter**, effective March 15, 2025.
- (2) Category B. Customers as defined in s. 9-4-3(a)(4) shall pay a user charge, as determined by the District, based upon (without limitation) the costs of collection, treatment and disposal of wastewater, treatment and disposal of prohibited substances, and/or sampling, measurement and analysis performed by, or on behalf of, the District."

10. That this Ordinance shall take effect on March 15, 2025, after review by the Caledonia Utility District Commission on January 15, 2025, review by the Committee of the Whole on February 11, 2025, and approval by the Village Board on February 25, 2025, and publication as required by law.

Adopted by the Village Board of the Village of Caledonia, Racine County, Wisconsin, this 25 day of February, 2025.

**VILLAGE OF CALEDONIA**

By:   
Thomas Weatherston  
Village President

Attest:   
Jennifer Bass  
Village Clerk