



Minutes of June 3, 2014

A meeting of the Wausau Water Works Commission was called to order at 1:30 p.m. in City Hall on June 3, 2014. In compliance with Wisconsin Statutes, this meeting was posted and receipted for by the Wausau Daily Herald on May 28, 2014.

1) **Roll Call**

Members present: President Tipple, Commissioners Gehin, Otto, Rebman, Winters, and Utilities Director Marquardt.

Others present: Dick Boers, Dave Erickson; Deb Geier; Tonia Speener, Becher Hoppe Associates; Don Swailes, AECOM.

2) **Approve Minutes of May 6, 2014**

Motion by Mr. Rebman to approve the minutes of the May 6, 2014 meeting. Seconded by Mr. Gehin. Motion carried unanimously 5-0.

3) **Director's Report on Utility Operations.**

- Currently a declining rate is used for all of our customers. The City could consider an inclining rate for residential and continue to use a declining rate for non-residential which would be beneficial to continued economic development. The City could also consider an increase in the non-sufficient funds charge which is currently \$25.00 (the City charges \$40.00), as well as an increase in turn-on charges, especially for after hour calls. Other options would be Special Meter Reading Charges, Missed Appointment Charge and Real Estate Closing Charges. Concerns were expressed over charges for final readings fearing that it would cause parties moving out of properties to not request a final, and thus leaving outstanding balances on the accounts. However, it was felt that a Missed Appointment Charge would be prudent as there are costs associated in going to appointments when no one shows up or contacts us to let us know they won't be able to make the appointment.
- Hydrant flushing has been completed. Although other communities were experiencing longer flushing times due to residue in the pipes from ice scraping the minerals on the inside of the pipes. Fortunately we did not see a lot of this.
- Issues from the severe winter are starting to slow down. Year-to-date we've had 35 main breaks, 7 service leaks, and have 8 services off at the main. We've also seen a significant increase in water meters that froze and broke, as well as dead meters. Needless to say, this will likely be a year of playing catch up as many of the tasks we typically did during the early months of the year have not been completed yet, such as testing of our large meters.
- Residents were advised to turn off any water running by May 1. On May 2, we read all meters from addresses that we had advised to run water to assist

in billing adjustments. During the 3 month period of February 1 through April 30, our water plant pumped an additional 157,064,000 gallons of water over what was used in 2013.

- Our seasonal employees started on May 19th. Tyler Mesalk is a returning seasonal employee and Rebecca Eron is a new hire. Michaela Geier and Zack Nikolai are seasonal employees for the Wastewater Division. These students typically maintain the lawns at our facilities, paint hydrants, assist with the cleaning of media for the air strippers and other minor maintenance functions.
- All of the RTU's at the wells and booster stations were recently upgraded as all of the old units were obsolete. Our maintenance mechanics built frames for the units which were installed by PJ Kortens.
- The Wastewater plant is on track to meet permit limits for the month of May.
- JF Ahearn was the low bidder on the Final Clarifier #3 rehab project.
- Visu Sewer will start on the cured-in-place contract in June.
- Sludge hauling is still behind schedule because of the weather and we may have missed the window of opportunity to haul before planting. Tipple asked what happens if we are not able to get rid of the sludge. Marquardt stated there was a similar situation last year but we were able to dispose of the sludge throughout the summer. Erickson stated he will start contacting area farmers and eventually they will catch up by spreading on alfalfa fields.

Motion by Mr. Otto to accept the Director's Report as presented and place on file.

Seconded by Mr. Rebman. Motion carried unanimously 5-0.

4) **Presentation on the Gateway Project**

Scott Swenson, Ferguson Waterworks, stated Neptune and the City of Wausau have been working together for some time. About a year and a half ago the City started moving from a standard dial register to an e-coder meter. A major benefit is leak detection. The meter will take ninety-six 15 minute reads throughout the day and will flag an account for a continual flow, no flow or back flow event. Currently the City reads the meters with handhelds and an MRX. The Gateway System operates on a mobile radio frequency. The Gateway box has an antenna that collects the reads and sends it back to a server. This will reduce meter reading costs. Reading intervals can be done daily, hourly and up to 15 minutes depending upon the box. You can get final meter readings without sending a person to the site. Up to 360 reads per second can be processed.

Swenson stated that Athletic Park, the Jefferson Street Parking Ramp, the Housing Authority, Wausau West High School, the Elm Street Reservoir and the Wastewater Treatment Plant are adequate locations where Gateway receivers could be placed. Typically they would like a height of 60 to 80 feet to cast a broad enough umbrella for the receiver. A pole would have to be installed at the Wastewater Treatment Plant to get the height needed. Electrical would also have to be brought to each location. There are two system implementers who do software updates and training. Both would be on site for approximately three days after equipment is installed to get the system running and for training. A base proposal for the project is \$78,000. The cost for a 70' wood pole at the Wastewater Plant is approximately \$15,500. System benefits with the Gateway are reduce meter reading cost; less labor time; less vehicle rollouts; capability of receiving daily, hourly and potentially 15 minutes reads; leak, tamper and reverse flow flags; final reads; improved customer service capabilities; and potentially reduce water loss.

Otto questioned the coverage for the southeast side of Wausau. Swenson stated the Housing Authority is a high point and it will provide good coverage. To reach more southeast side locations in the future, a pole would have to be installed. The handheld unit and the MRX can still be used in areas where coverage is not provided, such as the southern and eastern areas and from the hospital to the west. The core of the City was concentrated on for now with the potential to install more receivers in the future.

Gehin questioned if the Gateway is continually reading and storing information. Swenson stated the City will get as much information as they want. The unit is always collecting reads.

Marquardt stated last month compatibility was questioned. Swenson explained the Neptune radio can be read with a Sensus handheld but cannot be read with Badger products. If using a true fixed based system, you should stay with one vendor. The Gateway system is meant to function with Neptune. The only interchangeability is on a basic mobile system with a handheld unit.

Tipple questioned the percentage of accounts the Gateway system will reach. Swenson responded with the proposed six locations, 80 to 85 percent will be reached. Gehin stated that Stevens Point had ventured away from Neptune and are now back to using Neptune. Swenson confirmed that Stevens Point had tried other compound meters but they were not standard American Water Works meters and went back to using Neptune.

Marquardt stated a sole source document will be completed for the Commission's review and then sent to Finance if the Commission would like to move forward.

5) Discuss and make recommendation regarding the Water Rate Structure

Marquardt stated a declining rate is currently used. Geier noted that utilities are being encouraged to go to a conservation or inclining rate. A conservation rate could be used for residential and a declining rate could be used for industrial as an inclining rate could discourage new business. The PSC had wanted Milwaukee to go to a conservation rate. However, they completed a survey and determined the conservation rate would have been difficult for low-income families.

Tipple stated in comparison to water costs of area communities, the City is in the bottom third. Geier stated Rib Mountain has not had a rate increase and feels they will have an increase in the future. Weston has had the inclining rate for several years due to supply issues. Most other communities have a declining rate. With the declining rate, the first 60 units is at the highest rate, then the next 540 units is at the middle rate, and anything over 600 units is at the lowest rate. Gehin stated there are very few residential accounts that reach 60 units. Tipple asked if taking the winter quarter off increased revenue. Geier replied it did increase revenue on the wastewater side. The only effect on the water side was a meter charge for accounts that added an extra meter. Gehin indicated Waukesha has also gone to a conservation rate due to supply issues.

Marquardt stated other areas to consider are non-sufficient fund charges, turn on charges, after hour calls, special meter reading charges, and missed appointment charges. This item will be brought back next month.

6) Discuss and make recommendation regarding the continuation of bottling water

Marquardt stated the tanker used to haul water in the past is no longer available. Boers indicated a number of communities quit bottling so the tanker was sold. Boers checked with other sources, such as Mullins Cheese. They sanitize their tanker; however, the gaskets and piping do not get changed. He is afraid of bacteria from raw milk. We could buy a 1,100 gallon plastic water tank for \$599 and shipping would cost \$383. Therefore, the tank would cost approximately \$1,000 and used only once a year. Otto stated it may not be a good investment if only used once a year. Geier stated the majority of the water is donated for non-profit community events, such as Art in the Park, Honor Flight, Komen race, etc. Boers stated other communities have stopped bottling water because they wanted to go green.

Mr. Winters stated it is good PR and moved to approve the purchase of the water tank. Seconded by Mr. Rebman. Motion carried unanimously 5-0.

7) Discuss and make recommendation regarding the Compliance Maintenance Annual Report

Marquardt explained this report is completed by staff and reported to the DNR. He noted the section for Affluent Quality and Plant Performance. In February and March the permit limit was average or above and therefore staff marked the section as non-compliant. This resulted in a grade of B. Nitrogen was over applied on a site and therefore 30 points were deducted under Biosolids Quality and Management. The high quality of arsenic was exceeded 1 time. Each time is 10 points, for a total of 40. This resulted in a total of 60 out of 100 points, which resulted in a grade of F for this section. Under

Staff and Preventative Maintenance there was a deduction of 10 points for recording our maintenance. This resulted in a grade of B. In Financial Management, 3 or more years for review was marked regarding equipment replacement funds, which is a 20 point deduction. Staff does review this annually, but will make a true review with the Commission. The final grade point average was 2.97 out of 4. We will review sludge spreading operations with staff, Kevin Fabel will be more diligent with industries regarding pretreatment, and financial management will be reviewed and brought to the Commission.

Tipple asked what the grades have been in the past. Marquardt stated last year the grade point average was above 3. Gehin questioned having the auditors review the Financials to improve that area. Marquardt stated we were harsh on ourselves because it had not been brought to the Commission. He will check with the Finance Director regarding using the auditors.

Mr. Gehin moved to approve the Compliance Maintenance Annual Report. Seconded by Mr. Rebman. Motion carried unanimously 5-0.

8) **Discuss and make recommendation regarding the purchase of 1524 Cleveland Avenue**

Marquardt stated there is an accepted offer of \$5,750. At the last meeting the Commission had authorized negotiating up to \$8,000.

Mr. Rebman moved to approve the purchase of 1524 Cleveland Avenue in the amount of \$5,750. Seconded by Mr. Winters. Motion carried unanimously 5-0.

9) **Discuss and make recommendation on agreement with Radio One Communications LLC WI to maintain transmitter and antenna on the Brown Street Water Tower**

Marquardt explained that WMZK 104.1 out of Merrill has a new owner. The previous owners were delinquent on the agreement. They were given the chance to catch up but did not, so the City terminated the lease. They have not been rebroadcasting off of the Brown Street tower since last fall. The new owners are requesting a new agreement and would be willing to pay \$3,000 per year. The past agreement was \$452 per month.

Boers explained in the summer they run a small air conditioner to keep their equipment cool, which runs approximately \$100 a month more. Marquardt stated according to the Attorney's Office anything that was left onsite was deemed our property, such as the antenna. The County had asked to install an antenna and they were told they could use the one that was left there. Boers contacted the County, but the County has not utilized the antenna and did not have a concern with Radio One using the antenna again.

Mr. Winters moved to approve an agreement with Radio One Communications LLC WI to maintain transmitter and antenna on the Brown Street Water Tower for \$500 per month and an additional \$100 per month when the air conditioner is operating. Seconded by Mr. Rebman. Motion carried unanimously 5-0.

10) **Adjourn**

There being no further business to discuss, motion was made by Mr. Gehin to adjourn the meeting. Seconded by Mr. Otto. Motion carried unanimously 5-0. Meeting adjourned at approximately 2:50 p.m.

/s/ Keene Winters

Secretary