



Minutes of April 5, 2016

A meeting of the Wausau Water Works Commission was called to order at 1:30 p.m. in City Hall on April 5, 2016. In compliance with Wisconsin Statutes, this meeting was posted and receipted for by the Wausau Daily Herald on March 30, 2016.

1) **Roll Call**

Members present: President Tipple, Commissioners Gehin, Rebman, Gisselman (arrived at approximately 1:50 p.m.).

Others present: Eric Lindman, Scott Boers, Dave Erickson, Deb Geier, Valerie Swanborg, Ken Ligman, Becher Hoppe; Steve Schultz, Becher Hoppe; Tonia Speener, Clark Dietz; Jay Knoke, Mi-Tech.

2) **Approve Minutes of the March 1, 2016 meeting**

Motion by Mr. Rebman to approve the minutes of the March 1, 2016 meeting. Seconded by Mr. Gehin. Motion carried unanimously 3-0.

11) **Discussion and possible action on implementing a Restricted Advance Repayment/Repair Fund for the Water Utility.**

This item was taken out of agenda order.

Swanborg said as part of the rate study last summer, the PSC recommended consideration of a reserve fund for non-recurring types of repairs. Swanborg developed a calculation based upon the PSC recommendations of including inclement weather and tower painting. Swanborg also added the annual payment to the Sewer Utility. This, along with estimated revenue for 2016, calculated for 3.86% of revenues to be set aside for non-recurring types of expenses. This would help with budgeting and help smooth out income statement impacts. If non-recurring expenses have not been reserved for, the Utility would have to absorb the expenses all in the year they occur or borrow. This has been done in the past when required by bond or loan covenant. The PSC has indicated this is reasonable and good management practice.

Mr. Gehin noted that \$140,000 would be paid in 10 years. He questioned if the 3.86% would be reconsidered at that time. Swanborg said it could be reconsidered or left as is. This would be recorded as reserve cash in the PSC report.

Motion by Mr. Gehin to approve implementing a Restricted Advance Repayment/Repair Fund for the Water Utility by allocating funds at 3.86% beginning January 1, 2016. Seconded by Mr. Rebman. Motion carried unanimously 3-0.

16) **Monthly Financial Reports and ongoing tracking of the budget.**

This item was taken out of agenda order.

Swanborg stated the Water and Sewer Utility revenues and expenses are on track. While the Water Utility is slightly below budget, it is trending higher than last year's revenues. She noted there is a big influx of revenue in December and comparing budgets month to month is not

fruitful. She feels it is more meaningful to compare to the prior year. There are no areas of concern with the Sewer Utility at this time.

3) Director's Report on Utility Operations

Due to the lengthy agenda and for the essence of time, Commission members were asked to review the Director's Report prior to the meeting and bring forward any questions.

Mr. Gehin questioned if uni-directional flushing and spring flushing are one of the same. Boers replied no and explained the yearly spring flushing is mainly to fulfill DNR requirements for operating hydrants and fulfilling maintenance needs. Uni-directional flushing is a separate operation to scour the pipes for lead issues.

Mr. Gehin questioned if bypass pumping was done in the past near Trail's End. Erickson stated this has not been done every year, but most years. Erickson explained the operation completed this year. Erickson feels that how flooding events are handled in this area should be made part of the CMON report. Discussion followed.

Mayor Tipple noted that at the last Council meeting a sole source purchase was approved for Neptune meters. An Alderperson had questioned the cost and Lindman did a good job explaining how other meters are not compatible.

Mayor Tipple asked if the sewer smell near the Courtyard happens when the ponds to the south open up in the spring. Lindman stated they have not been able to confirm the odor is sewer gas. A monitor has been installed to see if there are any spikes in hydrogen sulfide. Before doing any cleaning or televising, a smoke test could be done. The Commission agreed that completing a smoke test of the hotel is a good idea. Discussion turned to the lift station. Staff will follow up on this item.

Lindman announced that Deb Geier has submitted her retirement paperwork. Her last day will be July 13. She has a little over 27 years of service to the City.

Motion by Mr. Rebman to approve the Director's Report as presented and place on file. Seconded by Mr. Gehin. Motion carried unanimously 3-0.

5) Make recommendation on bids received for the Anaerobic Digester Equipment Rehabilitation and Replacement Project. (Bids were opened by the Board of Public Works on March 29, 2016.)

This item was taken out of agenda order.

Lindman stated one bid was received for this project. The bid was from August Winter and Sons in the amount of \$1,337,513. The project was estimated at \$1.2 million, not including the storage compressors. Becher Hoppe has indicated that after the contracts have been signed, a change order will be issued to change the painting subcontractor, which will result in a \$50,000 deduct. The project is within budget.

Motion by Mr. Rebman to award the project to August Winter and Sons in the amount of \$1,337,513. Seconded by Mr. Gehin. Motion carried unanimously 3-0.

6) Discussion and possible action regarding delaying the West Wausau Avenue (Timberline Subdivision) water and sewer extension project and utilizing these funds for sewer lateral repair and manhole repair/rehabilitation.

Lindman stated there have been inquiries about development on the sites along West Wausau Avenue. One individual is planning to purchase the first two and possibly three lots. This area does have access to water and sewer. There is no plan to develop the remaining two lots along West Wausau Avenue this year. There are some other projects that staff would like to complete this year as Rye has identified several laterals and manholes that need repair/replacement.

At this time, Gisselman entered the meeting.

Mr. Gehin questioned if the potential property owner would be subject to future assessments when sewer and water is extended. Lindman informed the individual that he will go over the assessment ordinance with him prior to him purchasing the property.

Motion by Mr. Rebman to approve delaying the West Wausau Avenue water and sewer extension project and utilize those funds for sewer later repair and manhole repair/rehab. Seconded by Mr. Gehin. Motion carried unanimously 4-0.

4) Make recommendation on Request for Proposals submitted for Lift Station Design and Construction Management. (Proposals were opened by the Board of Public Works on March 29, 2016.)

Due to his employer, Mr. Gehin excused himself for the discussion of this item.

Lindman stated the proposals were reviewed and rated independently by three staff members. The top three proposals were from Mi-Tech, McMahon and Clark Dietz. McMahon scored the highest, but was also the highest cost. Mi-Tech rated second and was the lowest cost. Clark Dietz rated third. Lindman feels any three of the firms will provide what is needed for the lift station design. Lindman explained that rating criteria was included in the RFP. This was so the RFP's were not solely rated on cost, but also experience and expertise.

Gisselman questioned if the City has worked with any of the firms in the past. Lindman confirmed that the City has worked with Mi-Tech (formerly CWE) and Clark Dietz. Geier stated the Utility worked with McMahon years ago.

Lindman further explained that he felt Clark Dietz provided the most detailed report, followed by McMahon and then Mi-Tech. Mi-Tech had the lowest cost. Personally, Lindman is most comfortable with the proposal from Clark Dietz as they provided the most detail regarding what they will provide.

Motion by Mr. Gisselman to accept the proposal submitted by Clark Dietz. Seconded by Mr. Rebman. Motion carried unanimously 3-0.

7) Discussion and possible action for a budget reallocation from the Planned Capital Improvements Budget for vehicle purchase to the Operations Budget for vehicle lease.

At this time, Mr. Gehin re-entered the meeting.

Lindman stated there is \$35,000 budgeted for a new light duty vehicle. The City has entered into a lease agreement for light duty vehicles. Therefore, the Utility would like to reallocate \$6,000 from the budget for the vehicle purchase to lease the vehicle. This would be replacing a vehicle.

Motion by Mr. Rebman to approve the budget reallocation. Seconded by Mr. Gehin. Motion carried unanimously 4-0.

8) Discussion and possible action for a budget reallocation to add funding for the purchase of a dump truck.

and

9) Discussion and possible action for a budget reallocation of unspent funds to rehabilitate High Lift Pump #1.

Agenda Items #8 and #9 were considered together.

Lindman explained there was \$200,000 budgeted for extending water along West Wausau Avenue. On the sewer side, this budget was reallocated for lateral replacement and sewer rehab. In the Water budget, there was \$100,000 budgeted for the purchase of a dump truck. Mark Hanson, Fleet Maintenance Manager, has indicated the purchase of a dump truck would run approximately \$150,000 to \$160,000. The proposal for the dump truck would also include a value for trade-in of the existing unit. Staff is proposing to reallocate \$60,000 from the West Wausau Avenue budget for the dump truck purchase. The remaining \$30,000 staff would like to reallocate to rebuild the high lift pump and clear well.

Motion by Mr. Gehin to approve reallocating funds for the purchase of a dump truck and to rehabilitate High Lift Pump #1 as recommended by staff. Seconded by Mr. Gisselman. Motion carried unanimously 4-0.

10) Discussion and possible action on the policy and procedures the Utility uses to supply water to contractors working in the City.

Boers explained that currently there are ten 3” meters that hook to hydrants throughout the City. Contractors, DPW, and the Park Department hook on hose onto the meter and are able to use water. They then report the water usage for billing purposes and to keep track of water loss. The problem with this is that there is no backflow protection on these meters and therefore by code are illegal. The meters themselves are outdated and have a higher lead content than what is currently acceptable. Boers indicated other Cities maintain three to four fill stations throughout the City. Currently, there is a fill station at the Meter Shop with up-to-date meters and backflow prevention. A backflow prevention device can be created with a meter and then access keys can be given out. The problem with this is some contractors may not report their use or abusing what is there. Boers showed a skid-mounted unit that has reporting capabilities and is solar powered. This particular unit is extravagant and costs about \$40,000. Staff would like permission to pursue a similar unit or possibly build a unit in house. The idea would then be to have three to four portable units that could be placed within the City. This would make access somewhat reasonable and the Utility would have more control.

The committee agreed by consensus to allow staff to pursue options and bring back to the Commission.

Lindman noted that changing the existing process would require an ordinance change to restrict hydrant use.

12. Discussion and possible action on a sole source purchase for RAS pumps.

Lindman stated this is for replacement of the Raw Activated Sludge pumps. Erickson has researched several different manufacturers and received quotes. Staff would like to purchase Chicago Pumps to reduce additional costs for piping changes. The pumps can be purchased for \$18,275. Erickson stated the original pumps were installed in 1969 and are getting worn out. Lindman noted that the cost is for the pumps only. The pumps would have to be installed in-house or contract out the installation. There is \$60,000 in the budget. Even with shipping costs and installation, staff feels this will fall within budget.

Motion by Mr. Gehin to approve the purchase of Chicago pumps from RDM Municipal Supply. Seconded by Mr. Gisselman. Motion carried unanimously 4-0.

13. Discussion and possible action on Neptune/Gateway software proposal.

Lindman stated this was talked about at the last Commission meeting. Geier worked with Neptune and the upfront costs will be \$3,400, annual maintenance of the software is \$2,700, the reporting module is \$850, and training costs. This will be located on premises as IT has setup a server.

Motion by Mr. Rebman to approve the Neptune/Gateway software proposal as presented. Seconded by Mr. Gehin. Motion carried unanimously 4-0.

14. Discussion and possible action regarding the continuation of bottling Northwoods Mist.

Mayor Tipple feels this is a good way to promote the City as water is donated for various community events. Boers noted that water is hauled to Shawano for bottling.

Motion by Mr. Gehin to continue the bottling of water. Seconded by Mr. Gisselman. Motion carried unanimously 4-0.

15. Discussion and possible action on a request for donation of Northwoods Mist – Marathon County Genealogical Society.

Mr. Gisselman noted that he is not a member of the Genealogical Society.

Geier stated that the State convention will be held in Wausau this year. The local chapter is hosting the convention and has asked for the donation so a bottle of water can be included in a gift bag for attendees.

Motion by Mr. Rebman to approve the donation of water. Seconded by Mr. Gehin. Motion carried unanimously 4-0.

17) Adjourn

There being no further business to discuss, motion was made by Mr. Gisselman to adjourn the meeting. Seconded by Mr. Rebman. Motion carried unanimously 4-0.

Lori Wunsch, Recording Secretary

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