



Minutes of September 6, 2016

A meeting of the Wausau Water Works Commission was called to order at 1:30 p.m. in City Hall on September 6, 2016. In compliance with Wisconsin Statutes, this meeting was posted and receipted for by the Wausau Daily Herald on September 1, 2016.

1) **Roll Call**

Members present: President Mielke, Commissioners Abitz, Gehin, and Rebman.

Others present: Eric Lindman, Scott Boers, Dave Erickson, and Valerie Swanborg.

2) **Approve Minutes of the August 2, 2016 meeting**

Motion by Rebman to approve the minutes of the August 2, 2016 meeting. Seconded by Abitz. Abitz asked if the computer and software system are up running as was the hope last month. Boers replied this is 90% complete. Abitz questioned if an opinion was received regarding repairs to the north secondary digester. Erickson said the opinion received was to paint it and to try to extend the life of it. No details were received on the cost, but Erickson has a request into a painting contractor. There being a motion and a second, motion to approve the minutes of the August 2, 2016 meeting carried unanimously 4-0.

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

Since the Director's Report is reviewed by the Commission members prior to the meeting, the Commission agreed by consensus to forego the reading of the report and ask questions on any items.

No questions were brought forward. Motion by Rebman to approve the Director's Report as presented and place on file. Seconded by Gehin. Motion carried unanimously 4-0.

4) **Discussion and possible action on sole source purchase of equipment for the Cleveland Avenue Lift Station Replacement Project.**

Lindman explained that the Commission approved plans and specifications for bidding the Cleveland Avenue Lift Station Project. Within those plans and specifications, the City was going to purchase the specified Flygt equipment. According to the Procurement Policy, a sole source purchase will have to be approved to purchase the equipment. The costs received from Flygt have been reviewed by Clark Dietz and seem to be within reason.

Gehin moved to approve the sole source purchase of Flygt equipment from Xylem Water Solutions USA in the amount of \$83,352.08. Seconded by Rebman. Motion carried unanimously 4-0.

5) **Discussion and possible action on contract amendment with Clark Dietz, Inc., regarding the 72nd Avenue Lift Station Replacement Project.**

Lindman stated this amendment is to Clark Dietz's original professional services agreement. Initially the intent was to replace both Cleveland Avenue and 72nd Avenue lift stations this year. The City has purchased 200 acres in the Business Campus. The majority of the flow from the

Business Campus will come back to the 72nd Avenue lift station. We do not have an anticipated amount of flow so the 72nd Avenue design was delayed until this fall with construction next year. This will allow Clark Dietz to determine anticipated flows and routes for the new Business Campus. Community Development has sent out a RFP asking for layouts for the Business Campus expansion. With some of the proposed work that Clark Dietz is providing and the RFP from Community Development, there is a risk of overlapping work. We do not want to pay for things twice. Therefore, we would like to wait for the RFP's and make sure work is not duplicated.

Abitz asked if Community Development has a layout for the Business Campus expansion with lot sizes. Gehin replied no as the RFP is requesting this.

Gehin questioned if the construction on the Cleveland Avenue lift station will take place this year. Lindman confirmed.

The committee agreed by consensus to table this item until next month.

6) Discussion and possible action on the 2017 operating budget.

Lindman stated the budget for the Water Utility is similar to previous years. The Sewer Utility budget includes the facility plan costs under the operating budget rather than the CIP budget. Lindman noted that last month the new organization chart was approved with a new position in each utility. These positions are included in this budget.

Swanborg noted that another item that impacts the Water Utility budget is the increase of repair and maintenance expenses. Additionally, because of a change in process, one of the chemicals doubled in expense. Mayor Mielke questioned the amount. Swanborg stated the chemicals increased from \$80,000 to \$160,000. Boers explained this is for corrosion control. The repair and maintenance expenses have increased approximately \$140,000. Gehin questioned if the cost increase is a reflection of the uni-directional flushing. Boers stated it is for filter rehab and well maintenance. He added that there are a lot of items that are reaching the end of their useful life. Mayor Mielke stated the budget process has started early and he has gone through the first round with other departments. Mayor Mielke stressed the need to watch the budget for 2017. Gehin clarified that the utility is not dependent upon the tax levy. This budget is funded by water and sewer rates.

Gehin moved to accept the 2017 operating budget. Seconded by Abitz. Motion carried unanimously 4-0.

7) Monthly Financial Reports and ongoing tracking of the budget.

Lindman stated everything is tracking well and the revenues are looking good through the end of July.

Rebman moved to accept the Monthly Financial Reports as presented. Seconded by Gehin. Motion carried unanimously 4-0.

8) Discussion and possible action on acquisition of property located at 700 Bugbee Avenue and four abutting parcels to the north comprising of approximately 76.5 acres.

Lindman was asked by the Commission to get a Phase I survey of the area, which came back clean. Lindman also met with the Assessment Department, which calculated the actual acreage at 87.7 acres. In 2009 the current owner had put together a subdivision layout of the area so there is development potential. This location has a good water supply but could also be used by the utility for spoil piles.

Abitz asked if this would have any bearing on Maine. Lindman stated some of the property is in Maine and the owners have stated they would be willing to request detachment prior to the sale. Detachment cannot be requested until a cooperative boundary agreement is finalized. This purchase would not be proposed until after the first of the year. We would enter into a letter of intent.

9) CLOSED SESSION pursuant to 19.85(1)(e) of the Wisconsin Statutes for deliberating or negotiating the purchase of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session regarding the acquisition of property located at 700 Bugbee Avenue and four abutting parcels to the north comprising of approximately 76.5 acres.

Motion by Gehin, second by Rebman to convene in closed session. Roll Call Vote: Ayes: Mielke, Rebman, Gehin, and Abitz. Noes: None. Motion carried 4-0.

10) RECONVENE in open session to take action on closed session items if necessary.

Motion by Gehin, second by Rebman to convene in open session.

Gehin moved to authorize staff to negotiate the terms and purchase of the property. Seconded by Rebman. Motion carried unanimously 4-0.

11) Adjourn

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

Lori Wunsch, Recording Secretary

o:\common\Lori\commission\SeptemberMinutes2016.doc