

Board of Water and Sewerage Commissioners
Monday, January 9, 2017
12:00 P.M.

MINUTES

PRESENT: Paul Adamski, Carl Rasmussen, Mae Nachman, Ray Schmidt and Anna Haines

ALSO PRESENT: Joel Lemke, Rob Molski, Mary Klesmith, Chris Lefebvre, Eric Southworth, Jason Draheim, Jaime Zdroik, Angel Gebeau of AECOM and Jodi Dobson of Baker Tilly

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ADMINISTRATION

1. Approval of minutes of the December 12, 2016 meeting.

Motion made by Ray Schmidt, seconded by Carl Rasmussen to approve the minutes of the December 12, 2016 Water & Sewerage Commission meeting.

Ayes all. Nays none. Motion carried.

II. ACCOUNTING

2. Discussion and possible action on approval of department claims.

WATER DEPARTMENT

Paul Adamski presented the statement of claims for the Water Utility for December. The balance as of December 1, 2016 was \$4,404,667.32; the bank deposits recorded in December 2016 were \$874,044.48. Checks issued December 2016 numbered 50711 through 50825 were in the amount of \$691,044.03. The net balance on hand December 31, 2016 was \$4,587,667.77.

WASTEWATER DEPARTMENT

Paul Adamski also presented the statement of claims for the Sewage Treatment Utility for December. The balance as of December 1, 2016 was \$6,539,042.10; the bank deposits recorded in December 2016 were \$287,497.10. Checks issued December 2016 numbered 32137 through 32215 were in the amount of \$458,082.90. The net balance on hand December 31, 2016 was \$6,368,456.30.

STORMWATER DEPARTMENT

Paul Adamski also presented the statement of claims for the Stormwater Utility for December. The balance as of December 1, 2016 was \$1,533,502.68. The bank deposits recorded in December 2016 were \$87,804.97. Checks issued December 2016 meeting numbered 1794 through 1817 were in the amount of \$67,179.70. The net balance on hand December 31, 2016 was \$1,554,127.95.

Motion made by Mae Nachman seconded by Anna Haines to approve the department claims for the month of December 2016 as audited and read.

Ayes all. Nays none. Motion carried.

3. **Recap of presentation given by Donohue & Associates last month on the Wastewater Treatment Facility Upgrade Project 2017-2019.**

Joel recapped some of the slides from the presentation given at last month's meeting.

Paul stated the last upgrade to the WWTP done 24 years ago costs as much as the current proposed upgrade and with interest rates being low and reaching certain capacity levels, he feels it makes sense to go ahead with the upgrade. There is also the possibility of up to \$750,000 worth of grants.

Paul stated even with proceeding with the upgrade, our rates would still be lower than other communities in the area.

4. **Discussion on rate implications of the 2017 Capital Operations & Maintenance Plan.**

Jodi Dobson of Baker Tilly explained the rate implications of the 2017 Capital Operations & Maintenance Plan. For 2017, based on our current budget, we'd be meeting all required or recommended bench marks.

WATER DEPT-The rate of return is below what we are authorized at and is decreasing slightly and it is time to look at rates again. The requirement for debt coverage is 1.1 and we would be at 3.11 and is still strong but is decreasing slowly from 2015 to 2017. Unrestricted funds, forecasted for 2017 its recommended to have one quarter cash on hand and we'd still have close to three quarters but again it is slowly decreasing.

SEWAGE DEPT-The figures do represent a portion of the WWTP upgrade, approximately 1.7 million. The debt coverage is being met at 3.39. Unrestricted funds and with 2017 Capital expenses it would decrease the cash on hand from 2.87 quarters cash on hand in 2016 to 1.55 quarters on hand in 2017. So it's not below minimum requirement but it is time to look at increasing rates.

Jodi is proposing that a five year financial forecast should be done showing the significance of the WWTP upgrade along with any other projects that would need to be done, customer growth and operating costs etc.

Joel explained that the City is looking into if they are replacing their infrastructure at an appropriate rate. This could impact the utilities because if they do more total reconstruction of streets, we also need to replace our water/sewer/storm utilities at the same time.

The Commission would like to see the five year forecast no later than July 2017 meeting.

5. **Discussion and possible action on the 2017 Capital Operations & Maintenance Plan.**

Joel summarized the 2017 Capital Operations & Maintenance Plans for Water/Sewer/Storm.

WATER

Capital Spending Items: Prentice St. Reconstruction; new utility garage; trench box safety equipment; well rehab; security assessment; GIS development

Computers & Software: ESRI GIS Annual Maintenance, Tokay Maintenance, Accela Maintenance, Meter Reading Equipment Maintenance, SmartNet

Training & Education: Misc. travel & education

SEWER

Capital Spending Items: Prentice St. Reconstruction; Upgrade Project-Phase 1; Security Assessment; Sewer main lining & manhole grouting; purchase of Water garage for repurposing; Trailer mounted pump replacement; Liftstation rehab/replace; GIS Development; Co-Gen Heat Exchanger Cleaning; RAS Pump Rehab

Computers & Software: Accela Annual Maintenance; Storage Server for Televising; GIS Annual Maintenance

Training & Education: Misc. travel & education

STORM

Capital Spending Items: Prentice St. Reconstruction; Ditching Project East side-West of Badger; Swale Project Wilshire/Green Ave; New Utility Garage; Security Assessment; GIS Development

Computers & Software: Accela Annual Software Maintenance; ESRI Annual Maintenance; Storage Server for Televising

Training & Education: Misc. travel & education

Motion made by Carl Rasmussen, seconded by Mae Nachman to approve the 2017 Capital Operations & Maintenance Plans for all three utilities, Water Department in the total amount of \$1,565,800, Sewer Department in the total amount of \$2,658,990 and Stormwater in the amount of \$1,005,100.

Ayes all. Nays none. Motion carried.

6. **Discussion and possible action on a proposal for design services from Donohue & Associates.**

Joel stated this would be a scope of services agreement for the Water Garage Project from design through bidding of the project.

Motion made by Ray Schmidt, seconded by Carl Rasmussen to approve the design services from Donohue & Associates in an amount not to exceed \$126,600.

Ayes all. Nays none. Motion carried.

III. WATER OPERATIONS

7. **Report on water distribution operations.**

The water operation report was distributed and reviewed for the month of December. A total of 1044 valves have been operated in 2016.

8. **Report on water supply operations.**

Our pumpage in December was 141,554,000 gallons, an increase of 15,260,000 gallons of water from December 2015.

IV. SEWAGE TREATMENT OPERATIONS

9. **Report on Collection System Maintenance.**

Rob stated everything is going good. The crew is focusing on televising and flushing at this time.

The sewer report for the month of December was reviewed by the Commission.

10. **Report on sewage treatment operations.**

Chris stated all permit levels were met. They produced 93% of their electricity and 95% of heat.

B.O.D. (7 average ppm), Phosphorus (.732 average ppm) and Suspended Solid (9.32 average ppm) limits were met for the month of December 2016.

V. STORMWATER OPERATIONS

11. Report on Stormwater operations.

Rob stated the crew has been working on clearing & brushing the stormwater easement between Forest St. North & Old Wausau Road, plowing snow at the Airport and taking inventory.

VI. DIRECTOR'S REPORT

12. Verbal Report.

Gary Kuplic has retired and Eric Southworth has accepted the position.

The City has asked Joel to travel to our Sister City in Rustov, Russia in August.

Joel will be serving as the interim Director of Public Works until the position is filled. Scott Schatschneider's last day is next Tuesday.

The next Water & Sewerage Commission meeting will be on Monday, February 13, 2017 at noon.

VIII. ADJOURNMENT

Motion made by Ray Schmidt to adjourn the meeting.

Ayes all. Nays none. Motion carried.

MEETING ADJOURNED
12:58 pm

BOARD OF WATER AND SEWERAGE COMMISSIONERS



CARL RASMUSSEN, SECRETARY