

**City of Stevens Point**  
**Board of Water and Sewerage Commissioners**  
**Monday, November 11, 2019**  
**12:00 P.M.**

**MINUTES**

**PRESENT:** Carl Rasmussen, Anna Haines and Mae Nachman

**ALSO PRESENT:** Joel Lemke, Rob Molski, Eric Southworth, Chris Lefebvre, Mary Klesmith, Jaime Zdroik, and Polly Dalton-D9 Alderperson

**EXCUSED ABSENCE:** Paul Adamski and Ray Schmidt

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## **ADMINISTRATION**

1. **Approval of minutes of the October 14, 2019 meeting.**

**Motion made** by Mae Nachman, seconded by Anna Haines to approve the minutes of the October 14, 2019 Water & Sewerage Commission meeting.

*Ayes all. Nays none. Motion carried.*

## **II. ACCOUNTING**

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

### **WATER DEPARTMENT**

Carl Rasmussen presented the statement of claims for the Water Utility for October. The balance as of October 1, 2019 was \$2,915,898.86; the bank deposits recorded in October 2019 were \$1,800,634.89. Checks issued October 2019 numbered 53644 through 53748 were for \$2,000,539.52. The net balance on hand October 31, 2019 was \$2,715,994.23.

### **WASTEWATER DEPARTMENT**

Carl Rasmussen presented the statement of claims for the Sewage Treatment Utility for October. The balance as of October 1, 2019 was \$6,134,810.43; the bank deposits recorded in October 2019 were \$687,893.81. Checks issued October 2019 numbered 34092 through 34172 were for \$1,207,785.00. The net balance on hand October 31, 2019 was \$5,614,919.24.

### **STORMWATER DEPARTMENT**

Carl Rasmussen presented the statement of claims for the Stormwater Utility for October. The balance as of October 1, 2019 was \$611,720.90. The bank deposits recorded in October 2019 were \$199,308.03. Checks issued October 2019 numbered 2600 through 2637 were for \$99861.84. The net balance on hand October 31, 2019 was \$711,167.09.

**Motion made** by Anna Haines seconded by Mae Nachman to approve the department claims for the month of October 2019 as audited and read.

*Ayes all. Nays none. Motion carried.*

3. **Discussion and possible action on borrowing for the utilities:**
  - a. **Refinancing Sewerage System Revenue Bond, Series 2010A, \$3,190,000.**
  - b. **Issuance of Stormwater Utility Revenue Bond, \$1,675,000.**

Corey Ladick, City Treasurer, explained that refinancing the Sewerage System Revenue Bond, Series 2010A, could ultimately save the utility approximately \$125,000.00. Interest rates have been declining since 2010. The rates back in 2010 ranged from 4 to 6%. The loan was originally a BAB (Build America Bond) where the federal government would pay 35% of the interest costs but now the federal government has reduced their subsidy toward this and can't be counted on for the future. The current interest rates would be in the lower 2% range.

Corey also explained the borrowing for the Stormwater Utility. This is so the utility can reimburse itself for Capital expenses incurred both for the construction of the Garage Project and the street reconstruction projects this year. Estimated rates would be in the lower 2% range, with issuance costs would be approximately 2.5% to 2.75%.

Anna Haines asked what happens if the bonds aren't issued? Corey explained that if we don't issue the Stormwater bond the Utility would be low on cash. Joel explained we would not be able to keep up with the reconstruction projects. Corey explained we could not combine the loans because they are two different revenue streams.

**Motion made** by Anna Haines, seconded by Mae Nachman to approve the refinancing of the Sewerage System Revenue Bond, Series 2010A - \$3,190,000.00 and the Issuance of the Stormwater Utility Revenue Bond - \$1,675,000.00.

*Ayes all. Nays none. Motion carried.*

4. **Discuss and possible action on utility rate adjustments.**

Joel stated that he has mentioned in the past about possible utility rate adjustments. No action needs to be taken on this item today. Joel stated the information he is providing is just preliminary information. Action will be taken at next month's meeting when the Capital Operations & Maintenance budget is presented.

Joel explained the Stormwater rates were created in 2013. The rates have not been changed since. We are looking into rate adjustments in order to cover costs affiliated with the increased rate of reconstruction projects in the City the last couple years and individual projects such as installing swales, ditching, and extending storm sewers etc.

Joel showed the Commission a graph of the revenues vs expenses. The expenses are increasing with the construction projects and we are losing money.

We are looking at a 19% rate increase for Storm. For a single family residence the annual stormwater rate would go from \$59.08 to \$70.30 or \$2.81 per quarter.

The last rate adjustment for the Sewage Department was in September of 2018. We will be proposing a small rate increase in order to account for inflation and reconstruct projects. The proposed rate increase will be approximately 3 – 5%.

### **III. WATER OPERATIONS**

#### **5. Report on water distribution & water supply operations.**

Eric stated winter operations have started. We lowered the water tower levels to prevent ice buildup in the towers. We replaced or repaired three services in order to get these off the Operation Deep Freeze list and they will no longer have to run their water all winter. They also repaired a couple of hydrants that were hit by cars. The Patch Street Well abandonment is starting tomorrow. Eric stated the DNR said the bottom of well has to be filled with concrete 20 – 30 feet. Our crew is tearing apart the shell today. This should be completed by the first of the year.

Our pumpage in October was 143,805,000 gallons, a decrease of 4,381,000 gallons of water from October 2018.

### **IV. SEWAGE TREATMENT OPERATIONS**

#### **6. Report on Collection System Maintenance.**

Rob stated they did repairs to the televising trailer and they will be televising for this coming years sewer projects.

A report for the month of October was provided to the Commission.

#### **7. Report on sewage treatment operations.**

Chris stated he did not provide graphs this month because the printer was not working properly. All permit requirements were met for October. We ran the biogas generator all month but only at 50% because we were short on high strength waste. We did produce 45% of our own electricity and 42% of our own heat. The backup generator was replaced and should be up and running at the end of the week. The lift station project is delayed and has been pushed back to January 2020. The biosolids project – digester #4 will be put online within the next two weeks, then they can start bringing in more high strength waste.

B.O.D. (4 average ppm), Phosphorus (.479 average ppm) and Suspended Solid (4.78 average ppm) limits were met for the month of October 2019.

## V. STORMWATER/CAN OPERATIONS

### 8. Report on Stormwater/CAN operations.

Rob stated they are finishing up black topping on inlets, cleaned up around outfalls, installed 175' of storm sewer on W. Cornell, installed sewer/water laterals on Forest St. North and Nebel Streets.

#### ***CAN Operations:***

Joel stated we did award the project to Elexco. The school district did get their E-Rate approved so this project is underway.

## VI. DIRECTOR'S REPORT

### 9. Verbal report & update on current projects.

Joel showed the Commission how solar panel production is working.

*The next Water & Sewerage Commission meeting will be on Monday, December 9, 2019 at noon.*

## VII. ADJOURNMENT

***Motion made*** by Mae Nachman to adjourn the meeting.

*Ayes all. Nays none. Motion carried.*

MEETING ADJOURNED

12:45 pm

BOARD OF WATER AND SEWERAGE COMMISSIONERS



CARL RASMUSSEN, SECRETARY