



Minutes of June 1, 2021

A meeting of the Wausau Water Works Commission was called to order at 1:30 p.m. in City Hall on Tuesday, June 1st, 2021. In compliance with Wisconsin Statutes, this meeting was posted and receipted for by the Wausau Daily Herald on May 27th, 2021.

Members Present: President Rosenberg, Commissioners Robinson, Herbst, Force, Gehin.
Others Present: Eric Lindman, Scott Boers, Dave Erickson, Tonia Westphal/Clark- Dietz, Dave Schneider/ WPS- Lisa Zahrt/ Clark-Dietz- Via Webex- Chris Collins/Sunvest, Aaron Cassidy/WPS/WEC, Toni Vanderboom, Kelly Zagrzebski/WPS/WEC, Jeff Klarer/ WPS/WEC, Deb Ryan.

1) Approve Minutes of May 5, 2021 Meeting.

Move to approve minutes by Herbst, Seconded by Gehin.

Motion to approve the minutes as presented, motion carried 5-0, passes unanimously.

2) Director's Report on Utility Operations.

Lindman asked if there were any questions on the Director's report.

Force questioned what the digger's tickets were primarily for as we already had 1221 in May.

Lindman replied they were mainly TDS as they have 6-8 crews in the City and the permits are managed up in engineering.

Force thought they were the City's and didn't know.

Robinson questioned if the City was getting advanced notice to where they were planning to go.

Lindman replied they were not getting their detailed work schedule but they have dozens of permits in the City and each permit is for an area of the city.

Robinson asked if the City did an annual planning meeting with all utilities and with others where they give you their work.

Lindman replied it's based on project by project, like WPS would have small projects so they come in and get permits from us but this year has been unusual because TDS is working in the entire City so engineering has been having a weekly call with them for the past 9-12 months as far as what work they're doing and where it's going. We have buckled down on them starting last year with issuing permits so as they close out a permit the city will issue another one. There were issues with not just the original locates but they'll call in locates for blocks and then they won't get to work timely so they'll have to call in a relocate.

Gehin questioned the staffing at the Wastewater Plant as he sees there is going to be the need to re-advertise the position and asked when the last time that position was advertised.

Erickson replied that the plant mechanic position had interviews with four qualified candidates and some initially accepted but then eventually cancelled, so we were not able to retain anyone.

Gehin states we need to get those filled as we are approaching the expected startup of the majority of the Wastewater Plant.

Erickson replied that it is set to be completely done in three years so in 2023 and we have to have guys ready if things start to go online and especially since there will be a lot of new equipment and new things to do so we do need to be staffed up.

Gehin agrees and says he fully concurs so getting this re-advertised is crucial.

Erickson says we got to get it filled, it's been a year since the positions were approved and many things have happened and now a year later, we haven't been able to fill the position.

Robinson questioned if Erickson had done any interviews post turndown as to why they didn't take the job.

Erickson replied stating he was hoping HR would do that as he hasn't felt encouraged to talk to candidates other than through the HR Department.

Robinson questioned it because it would be helpful to know if it's salary or duties because if you had zero for four or two taking and turning down, it would be a good idea to know why.

Erickson replied yes there's a collection of things but personally thinks salary is a big part but would have to defer that to our HR Department.

Robinson asked if salary was an issue, do we do periodic salary surveys for these position.

Lindman replied that we are on the City schedule for the wage studies and have had some discussion about the utilities breaking off and doing their own wage studies and preparing something for the commission at some point on that. We hired one plant mechanic that came for a week or two but he didn't like the environment and we have had people turn down the position because of the salary offer.

Force asked Dave if he was interested in the position, would he interview with the City's HR Department and not face to face with the people he would be working with.

Erikson replied we do the employment interview but HR may be doing the post.

Rosenberg states it's something we can work with Toni on.

Lindman says he is not sure it was something they have been doing but they might have some information that we could bring back.

Robinson suggested that he would prefer us to do that so we don't run into the same situation going forward as it makes sense to evaluate it in today's economy.

Herbst commented that the pictures in the packet were great.

3) Discussion and Possible Action with Updates from Clark Dietz on the Ownership/ Partnership with WPS Related to Solar.

Tonia Westphal from Clark-Dietz presented. Please refer to packet for the presentation slides. The city owns the property now as it's been purchased (1010 Bugbee Ave), so one of the next steps is the geotechnical investigation, then zoning and setbacks. This array spans across two separate properties. Site access is another item we will be looking at. The plant is off to the west of the site, there's an open area west of the array inside of the fence if the city opt to own this array themselves and go forward with that direction that area would have some electrical equipment and the site could be accessed from the west through the plant site. If WPS owns this and the city opts for that option, connection would come from the south or east off of the public roads. The last thing on the list was the landscaping buffer.

Right now there's 60 to 70 feet from the pavement back to the array, the plan is to put something in there as far as the landscaping, there's some very mature pine trees that provide some screening but are not the most attractive because the bottom of the tree does not provide a lot of screening but the underbrush provides the screening. Designing a buffer/screening that would be suitable for this project and the right height to not shade the array is a better option than using the existing vegetation, you'll end up with a more aesthetically pleasing array. Our next step is a public information meeting that has not been scheduled yet but it's to share information with the public and people in this district so it's important in what you decide in this next month or so. A project collaborating with Sunvest on the UW park side was also pictured. Pollinator habitat is also an option. Driven piles for the racking picture was also shown as per previous presentation given in the past. The next step is the racking. A picture of the inverter is shown next which goes on the back side of the panels. The last slide has been updated. The first line didn't change, the 3,000,000kWh is the anticipated demand of the new plant. The next one changed because we've gotten the topographic survey back and some of the limitations on setbacks and where we wanted a little bit of landscaping buffer, the array, and its layout has become a little bit tighter, this is not the final yet but it's pretty close to what you would see in terms of output. This facility based on the layout that's in front of you would produce 59% of your estimated consumption at the new plant as well as the new estimated costs. Cost comparison slide was shared with the parameters.

Lindman continues with the four different options we looked at. The first being that we don't do anything with the 3,000,000kWh annually being used, that over a 20 year period, the present value if we just stayed where we are at considering that there will be no significant changes in the power costs or additional taxes but with the 1.5% annual escalator. The second option being that the water utility constructed/owned the array and using 3,000,000kWh annually along with the capital cost. You'll see the large costs for the first 10 years and then it will drop and this is for 20 years. The third option using the Naturewise program where WPS constructs the facility and we purchase 2,000,000kWh annually from them, so there's a premium on the costs which would be slightly more than if we owned it. I'm 80-85% good with the numbers that we're running right now. If we really move forward and take a dive into how we use power at our current facility, what we expect, I think we can tune these in a little bit more. We don't have any capital costs on this one but we have the premium that we're going to pay for Naturewise with the 2,000,000kWh per year, assuming that we're going to be using 3,000,000kWh. The last option is, rather than purchasing 2,000,000kWh, we purchase 1,500,000 annually from Naturewise. There would be an agreement with WPS which would include the minimum Naturewise power they would require us to purchase. Lindman asked if we put an escalator on the cost to the Naturewise program.

Westphal replied they didn't on this last scenario.

Lindman asked if it was the same premium for 20 years.

Westphal consulted with Lisa Zahrt and replies it was left flat.

Lindman says in talking with WPS, they anticipate that the Naturewise Program premiums will go down overtime.

Klarer replies its 2.4 per kWh.

Lindman says above what we are paying now. The demand is that they generate more because they're building more arrays so there would be more stuff and the premiums would go down but that's not guaranteed, so this is something to consider. This doesn't include additional cost to the power we are using now, so if they could come up with some sort of carbon tax or something to push municipalities or larger users to use alternative energies, we don't know if that would come sooner or later.

Force asked what would happen to the property if we were to do nothing.

Lindman replied we could keep it or sell it for re-development because the utility now owns the property.

Force asked if the cost was \$120k.

Lindman replied \$125k and says we could wait and just hang on to it and do this down the road or see what the different possibilities may be down the road.

Gehin asked what we paid for kWh right now not under the Naturewise program.

Klarer replied right now you're averaging just under 8 cents per kWh.

Gehin asked if the 2.4 is added on to that.

Westphal replies, when we first looked at this with the numbers we used last time, it was 7.7 cents, since then we have gotten some information from WPS in terms of how the power gets used at your plant now, so not everything is on at the same time. In a 24 hour period, things can change but it turns out, it doesn't change a lot for your operations, however, when you use the power or when WPS provides the power, the cost changes. This model takes into effect the variation in your rates across a 24 hour period. It's going to change once you really start up but that brought these numbers down a little in terms of going with Naturewise versus not.

Robinson asked what the life expectancy of the system is in years.

Westphal replied saying the design life is 20 years and the agreement with WPS is 20 years.

Klarer replied to Westphal saying it would be between 20 to 40 years.

Westphal continues saying because there's not a lot of mechanical equipment, the actual life of the system tends to be longer.

Robinson asked if we do the performance based on a 25 to 30 year period where the utility owned system would be much more favorable because your front loading capital investments over the first 10 years. If you don't have costs beyond that 10th year, your costs are significantly lower in the subsequent years beyond the longer the life expectancy of that system, the more favorable the utility ownership is.

Westphal replied that is correct.

Robinson asked if could we see some performance that would be modeled on a 25 to 30 year basis, not only the design expectancy but the expected life is that the period of the time and potentially you may have some incremental capital cost in those 25 to 30 year area but let's look at the life cycle if we're not only in the design cycle. If they are lasting 25, 30, 40 years, let's try to do that comparison.

Westphal replied saying they could do that but there won't be any linear savings, you will have an increased O&M cost and you're going to have some maintenance cost. In terms of designing practical engineering design life, for us to say that it will last 40 years is not a wise move because there isn't data that shows these will last that long and produce what they need to but for the sake of "what if" we put a little bit of our own money into it to maintain it, I think what you are saying is correct and just with the caveat that there's some things we don't know. The longer you put the life out there and how it'll behave.

Force asked if we know of any facilities that have been operating for 20 years and it's a relatively new technology.

Westphal replied they didn't have first-hand data information on that themselves and the other part is that if an array was put in 20 years ago will have very different panels than today. They may still be there but maybe they would've changed out the panels to something much more efficient.

Gehin asked if the model or project reflect if we don't make the investment.

Westphal replied instead of you putting this capital cost, you pay a premium on your use and WPS takes on the capital cost and the risk that goes with it, so essentially, you're kind of

paying them back to some degree for the capital construction and the O&M. Somewhere in your agreement you'll have to look at the decommissioning and the demolition of it and what happens at the end of your time frame. Part of this would be what your interconnection agreement looks like with WPS if you go that route.

Force asked if there was any value with the Naturewise program in that you're dealing with a large electrical provider who has experience and has other installations like this project.

Westphal replied that the biggest value is that you will have a customer to buy the power back but either way you aren't getting paid for that 2.7 cents of bulk rate for power you don't use that goes back to the grid. They take on that risk and use it where it needs to go and predicting how much you really will use and the extra available at any given time is a little more difficult since this is brand new plant. You'll have some that you probably don't use that would get wasted if you didn't interconnect and you'll have some because you'll interconnect that you only get 2.7 cents for at this point.

Force asked because his concern was for O&M, if they own the system, they're operating it versus we owning it and perhaps Sunvest or whoever provided the panels of the mechanism is up to doing the O&M on it but is the risk greater one way or the other.

Westphal replied that it's pretty low as far as the O&M cost, it would be different if we didn't have people experienced in the electrical side of things, you have licensed electricians on staff and I don't know how the equipment agreement would be with WPS in terms of transformers and the bigger equipment, I would assume you guys would want a maintenance piece but that is more highly involved equipment.

Zahrt adds that WPS will take care of all of that. If you own it and you have some sort of failure that would be your responsibility.

Lindman states depending on how the agreement is written, working with WPS, there's an advantage there. If panels get burned out or not operational, they're responsible for those replacements and those types of things rather than us internally trying to figure out if we need to hire out. When you look at the costs, they are very similar over time, I think there's a lot of advantage into doing this because I think that technology is moving in this direction, so there's a better chance than not that those premiums will go down. It does diversify where we're getting our energy and if they do end up doing some sort of tax on general power we are using. There are some unknowns but considering and drafting an agreement with WPS moving forward might be worthwhile for us. We can work with them to know how much they are requiring us to purchase out of the Naturewise program and how much the lease is going to be based on the land and what we are going to get and to try to finalize those numbers.

Force asked if the city is engaged in renewable energy projects anywhere else.

Lindman replied this is the first one.

Erickson states Wastewater is using bio gas.

Westphal states they were surprised because there wasn't a big difference when running the numbers. Because there are some unknowns here you have to really review what the numbers look like and get feedback on if it make sense for you to pursue the Naturewise option. You need to decide if there are some benefits from a city perspective that we are not seeing.

Force asked if we were to go ahead and own this ourselves and spend the two point plus million, would this come out of our rate payers and would that be reflected in the rate increase.

Lindman replies most likely yes, it would have to go through the PSC and we are anticipating another rate study with the PSC this year and this cost would be included in the study.

Robinson asked what the expected outcome today was.

Lindman replies saying he wants us to have some kind of direction to bring this all together and to work with WPS on an agreement over the next month to finalize some of those details

and as far as what the lease would be and the requirements from WEC. How much power we have to purchase in that agreement and the length of the agreement. We could take a look at running out 25 or 30 years but at least continue moving forward with the design and work both options, utility owned or working with WPS so the commission can make a well-informed decision maybe come July on whether it's going to be utility owned or shared with WPS partnership.

Robinson asked if there were any other vendors. There were people looking at windfarm out in Brighton in Green Valley last year that were trying to tap into EDP. Are there other vendors that might be interested that could be the potential developer as long as we're exploring options, we have responsibility to rate the payors to be prudent both in context of the cost and options available. If we were to put out the proposals, are there any other vendors that might be willing to propose a solar array and provide these services to us bringing competitive pressures to play.

Lindman states we've been looking at solar probably going on about four years now. We had some vendors come in and look at third party owned arrays and selling the power back to us, they build it and then sell us the facility after 6, 8, 10 years whenever they get the tax credits but that too did not pencil out because of the fact that we had to buy the power at the rate they would sell it back to us so that's why we ended up moving towards building our own and then that's the direction that we really focused on until WPS approached us about a partnership. The tax credit, the third party owned was looked at. We worked with North Wind, Blue Stem out of Nebraska, then tried another in California and it didn't work out either.

Gehin asked if Public Service had any other sites under Naturewise.

Klarer responded they do not, this will be the first one in the State of Wisconsin.

Gehin asked if other utilities have done something similar to this in other parts of the country.

Schneider responded that he couldn't comment on other utilities. You asked about the old rate you used to be on at the Waste Water plant and that was our Direct Load control program and as of January 1st 2020, that program has been eliminated. We do have a program that's a little bit different that you guys can potentially be eligible for. The CG20 response rewards program. The way that works is we call 300 peak pricing hours a year and you have the option of getting off of using utility power at that time by either running your backup generators or just getting off because the price bumps up to 40 cents kWh during those 300 peak pricing hours, but if you were able to respond during those 300 peak pricing hours, you could potentially see a 30% savings in your annual electrical costs per year so that may be an option going forward. I say maybe because I looked at the tariff and it's limited to I think either 25 or 50 customers company-wide so we'd have to discuss that with upper management to see if that's something that would work for you guys keeping in mind that when the price jumps to 40 cents a kWh, it's pretty expensive.

Westphal also answers and says WE energy also has this program called solar now from the pictures you've seen. The parent company WEC is the parent of WPS so there's some institutional experience doing similar projects that they could rely on some of their internal staff.

Lindman asked if the Commission is supportive with working with WPS and bringing back an agreement along with some additional numbers in July to make a final decision.

Gehin states he is supportive.

Force states he is also supportive in pursuing more information on the Naturewise program.

Rosenberg says she just wants to be clear that the stuff negotiable on the city side is the lease of the land, the premium, is that negotiable.

Schneider replies the premium is not negotiable it is on their tariff.

Rosenberg asked if there were any other questions.

4) Discussion and Possible Action on the LSL Replacement Program.

Lindman states in last month's discussion, he was asked to bring back a couple of different options based on a 15 year program. This was based on conversation with other staff and what is feasible because there are so many lead services still in the ground. To try to get replacement in 15 years is an expensive proposition. We've been contracting out the private side replacements and assuming that we could find enough plumbers to replace as many as we would need, at least 600 annually, it would be about \$4 million a year over 15 years. So it would be about \$60 million dollar price tag in today's dollars and then if we were to hire employees to replace 600 services a year, we would basically hire enough for three crews to work day in and day out during the construction season and that total came up to about \$4.7 million annually with salaries, benefits, as well as costs for replacement, equipment. The program that we are doing right now, relying on the homeowners to take initiative, we're lucky to get a hundred a year, so if we wanted to do something different where the utility would set up contracts with plumbers, the hinge point there is that the homeowner's on the private side are not required to do it. In order for us to get and assure replacement, the commission needs to consider a mandatory replacement ordinance be put in place. So if we replace our side, the private owner would have to replace theirs. We could set up low interest, no interest loans for the homeowner over a certain number of years, just like what we do with the replacements now if they exceed the amount of the grant. We do know there's grant remaining for 2022. We don't know beyond that but these are kind of the options we were looking at. I looked into the Green Bay Program and they had considerable less replacements than we do, so they were able to get through that program and it took them five years.

Robinson asked if Green Bay was able to complete the Public side for \$3100 with their crews and our cost is significantly higher and on top of that you're building in the cost, did Green Bay's estimates include their labor cost.

Lindman says by \$3100 he would assume they did.

Robinson states so we have a million dollars for staffing plus the public side so are we double counting.

Lindman replies, we could be a little bit but on the public side we have the street, curb, sidewalk, everything that has to get replaced. We contract out the pavement and concrete so these are expenses we incur.

Boers adds that our public side numbers vary depending on where the lateral is. If it's in somebody's driveway, it's going to cost probably twice as much as a typical one where we go through the sidewalk. We have costs that vary depending on size of the hole and the kind of material we have that varies from sand to clay, to clay and rock, so all sorts of different materials. We also have the river so this is a variation because we have elevations up higher so we go from sand rock too. We can do some in two hours with a trench box and have a minimal impact at the home, when you get up in the rock, it could take a day and larger hole, larger asphalt. Typically our patches cost more than our labor to do the replacements on our side. We are blessed with a very good crew as they work great together as a team and are doing these just as fast if not faster than any place in the state. If you hire on new people, it's going to take probably 4 to 6 years to get to that kind of cohesiveness within the team and get that kind of production out of them. There were a lot of numbers taken into consideration here and this is our best estimate of what we're going to be able to start working with.

Robinson questioned if we got \$1,000,000 dollars for labor and the cost for public side, so the public side is this inclusive of labor then is there double counting. Are we allocating our labor costs each of the projects of the private/public side?

Lindman replies that the average is still going to be around \$5,000 and could be a little less. Some of them could be coming from across the street and some we have a lot more asphalt and a lot more concrete curb, I think it could be a high average of \$5,000 each.

Robinson states you've got the \$1,000,000 above the line so are those million dollars allocated to each of the projects, each of the line replacements.

Lindman replies from what I'm understanding, your question is if I'm taking into account the million dollars for the labor and then I'm also counting labor for the five thousand dollars each on the public side right now. As mentioned by Boers, some are going to cost more than that and some are going to cost less, it may be on the high average side but I think it's a good budget number to use for our side for what it will cost above our labor.

Robinson asked to help him understand as in option two, we've got staffing at 12 employees at a million dollars and we're adding that into the total cost but is that million dollars also reflected in the public side in the \$500,000, therefore, the cost truly is \$4.7mil or should it be \$3.73mil.

Lindman replies, it shouldn't be \$3.73mil our cost right now on average is going to cost us in materials, replacement concrete work and everything else, a high average of about \$5,000.

Robinson states which is what your \$5,000 times the 250 would be \$1,250,000 correct. So the difference I'm trying to compare option one to option two, for option one you don't have the staff in there and you don't have the equipment and you're at a cost of \$3.9mil. One would think that if the city crews were there we'd be able to realize some economies scale because the profit margin isn't there should our cost be \$3.7mil versus the \$4.7mil.

Lindman replies, if you dove into it, it may drop a little but you're not going to be down another million dollars because we have contracted costs that a private contractor does.

Robinson asked why it would cost us \$800,000 - \$780,000 more to do it ourselves than to have a contractor?

Lindman replied all the blacktop, concrete is being done by contractors and not in house.

Robinson asked if we still contract that out.

Lindman replies yes, the things these guys would do is the dig and replace the line and do the backfill. If we did it in house, the \$5,000 that \$1.2 million annually may come down a little bit because we would be putting in the line and doing the dig. It's really hard because some of those lines may cost us \$12 grand and some \$3k. Just the same as the private side, if we have contractors do it. We've been getting them under the \$3,500 and then we've also been getting some excessively high, \$8, \$10, \$12 thousand.

Force asked if there are either option here for the individual homeowner/ property owner having the opportunity to hire somebody to do it if they qualify for funding or would they then be obligated to use the contracted services or the city workers.

Lindman replied we would have to choose one or the other.

Robinson asked from a perspective, most of these replacements are in the older part of town with the lower income that our census tracks so the financial burden would be much higher in terms of overall household income. Are there opportunities for us to secure additional funding given the fact that their older homes and lower income to assist with this.

Lindman replies that the obstacle is we have to request grant funding from the DNR. We may focus on LMI areas to begin with when requesting funds and it may look more favorable. The current obstacle is that resource wise, we've only been able to replace a hundred a year with the method we are doing now. Right now, we pre-qualify plumbers and hand off the list to the homeowners and we leave it up them to hire their own and that hasn't done real well. When we asked for \$450k for 2021, the DNR questioned us pretty hard on whether we were going to be able to spend that just based on our past history.

Robinson asked how Green Bay got to such a slow and low number. Did they have a

mandatory replacement?

Lindman replied he didn't know if they had a mandatory replacement.

Boers answered they did have one.

Force asked another question regarding the staffing cost under option two, the annual cost of a million, is there any training covered in that expense.

Lindman replied that was just salaries and benefits. As Boers mentioned it would take time to train them up and be efficient, which would be more than just a year.

Ryan introduced herself from 702 Elm, wanted to give perspective on the homeowner's side. Advocating for 8 years for this to get the word out in the West side and encouraged a number of neighbors to do that. She states she was able to do her lead service line replacement last fall as her house is 101 years old. I have a concrete open porch, so the shutoff is at the street, it looked like I'd have to go underneath my porch and I had a number of plumbers come out, some on the lists, the plumbers saying they didn't do it any further or they couldn't get in to excavate, so there were like maybe four or five people or businesses that went ahead and said no. Luckily, I called, Judith Miller over on Kickbusch and Chellis had done research with her street construction and I went by her suggestions and met three different ones. For me being on Elm Street, when Cedar was being done, it was just come by when you're in the neighborhood. I have a two car driveway that's asphalt that started falling apart. The Plumbers I got from Wausau completely filled up my driveway with plywood and then all the dirt so they could dig the trench and go into my stone basement, part of the issue I guess I'd like you to be aware of in regard to looking at the city or plumbers that are contracted is that they did some kind of compacting the dirt, but my dirt dropped over a foot and I plan on doing a French drain so I'm not dealing with it right now, but if you have the city doing this, you could have a lot more concerns, liabilities, and issues if you have the city employees doing it and higher expectations. I was up to par and when I bought the home, I just wanted to make sure I had a 200 amp service and then I had copper plumbing and luckily I did but for some other people, they have a lot more issues or plumbing to deal with. For me, it could have easily, if they didn't put the plywood down, put the dirt on top and then they had a number of staff that were putting dirt back and cleaning off my driveway, picking up the plywood, which I don't think was necessarily all plumbing related, my driveway could've been totaled and then you're talking about another four to seven thousand dollars more depending on how the work was being done. I would like to encourage other people to do it but at this point, I don't know how you're doing things and I'd rather not encourage people and those finding out I can't find people or the city is telling us to back out as now we don't have the funding but I also want you to be aware that there could be a lot more liability issues if it's all done on the city side.

Lindman states we are going to be applying again for grant funding in 2022, during that timeline, I don't know if it's open yet but I think that if we want to change how the program is going to go, we as staff will kind of need to know that because we'll have to start working with contractors and we'll have to try to find two or three different plumbing outfits that are willing to contract with us on an annual or biannual, tri-annual basis with renewable contract every year and maybe try to get many services taken care of on an annual basis. We need to try to take advantage of this available funding while it's here.

Robinson asked if it would be possible to get a presentation from Green Bay on what their steps were and how they went about it. What sort of learning curve, training curve they had.

Lindman replied he can try to get it but that they were driven by some corrosion issues when they tested, it exceeded their 90th percentile on the lead testing. It prompted the corrosion study they went through at the same time and then the removal of the lead. There's an article in one of the journals and I can send that out to anybody who'd like to read it.

Force asked Lindman if he needed direction from the Committee at this point because we

are being asked to come up with a plan in order to qualify for any funds. I'm certainly in favor of option one and I don't know how the others on the panel feel. I would make a motion that we move to adopt option one and instruct the city to move in that direction.

Rosenberg states she doesn't think that precludes us continuing the investigation into option two. Motion was seconded by Herbst. We could still figure out moving forward if it's hard to find plumbers to work with, we could continue to talk to Green Bay.

Lindman replied he'd be happy to do that and to dive into some of the exact costs on some of these facilities that we've been doing.

Rosenberg replied, we want to get rid of the lead.

Lindman states yes, and that one thing hanging out there is an ordinance for mandatory replacement. We can bring some examples back from other municipalities and utilities that have those in place for consideration and with some recommendations and comments on those as well and how they've been working.

Robinson states he would support that but would also suggest we get in front of the issue and develop our talking points as to why from a public health perspective, it is a reasonable thing to do. I would like to have our communication plan in place.

Lindman states ok.

Rosenberg asked if this body at some point make a request of the city, when it comes to American Rescue Funds because these kinds of projects would qualify and help us move a little bit more quickly or just cover at least some of the costs over the next four years. Any more discussion? There being no more discussion. All those in favor of pursuing option one for the contracted services for lead service line replacements can signify by saying Aye.

All Committee members replied Aye.

Robinson asked if there was a separate motion to direct staff to begin working on development of program for low to moderate income individuals utilizing the American Recovery Plan and bring that back within 60 days.

Rosenberg states, we have a motion to start developing a plan. Seconded by Gehin. All those in favor of pursuing a plan for low moderate income using American Rescue Funds in the next 60 days for us to look at. Passes unanimously 5-0.

5) Discussion and Possible Action on the 2022-2026 Capital Budget.

Lindman presents that last year, there was a request to break out the borrowing side versus what we'd use out of the operating budget so that's what you see here. The first sheet on each is what's planned to be borrowed, at least currently. The second page for each would be what's planned to come out of the budget based on some projections that Swanborg and finance. Every year our borrowing on our street projects is significant. A couple items to note on the water side, we had a couple projects for the water main replacement over on 17th Avenue, then we had a 14" water main extension up on Bugbee Campus related to the improvements on the distribution system.

Gehin questioned the Sewer side on the lift stations, if there was anything resolved on the Evergreen lift station force main replacement because there was no number there.

Lindman replies we haven't gotten that investigated yet so I didn't have any specifics. We will be doing investigation and we might be able to repair it out of the operating budget and not having to replace the whole thing.

Gehin moved to accept staff's recommendation and report on the capital project budget.

Rosenberg states we have a motion to accept the CIP. Robinson seconded.

Force questioned the issue of Emergency generators. A few meetings back, Erickson and

Force had a discussion about that and it didn't seem like we were adequately covered in the area. I think you said it would cost about \$35,000 for an Emergency generator and I was wondering if any consideration was put into the equipment side of the budget for perhaps the purchase of one or two more. Again that is in case we get a severe storm of some kind and those are unpredictable and occur anywhere and anytime and could really lay a utility flat on its back.

Erickson replied that he couldn't recall the conversation but states we do have two fairly up to date emergency generators. One can run all of our lift stations individually. The other could run most of them. I want to get another smaller generator that would pick up the smallest loads and those three I think we'd have the generators kind of covered. We've talked about getting a trash pump for bypassing when that's necessary if it's just a matter of electrical power but I think we have that in our operating budget so we've got some money to cover some additional equipment there. If we can get those things in place, we'd be in pretty good shape.

Rosenberg states all those in favor of accepting the CIP plan as presented can signify by saying aye, with no opposition, passes unanimously.

Lindman added that in the past we've been doing this with spreadsheets and the City is moving towards a priority- based budgeting very similar to what the County already has in place, once this is in place it might change what you see moving forward as we get into next year. We are just starting to go through those presentations and ideas and getting to know the software. I'm still looking for a specific definition of what priority based budgeting will mean especially for the utilities, I will keep everybody updated on what will change.

Rosenberg says one of the cool things that we'll see from this is its programmatic. You can analyze based on the program instead of just the line item and it might help us for instance with like the lead service lines replacement program we can see what kind of an effect its making. She states she really enjoyed it at the county and it's a very visual tool. I know not everyone was into the technology of it.

Robinson added there's an old saying garbage in garbage out. So if your data going in doesn't have integrity, you don't have integrity of the product coming out. So spend the time up front developing the data.

Rosenberg states that's why we don't have data for you to look at yet.

6) Update on Rain Barrels.

Lindman states we had an email from Lynn with Rain Barrels Solutions and asked if we got any other updates. 231 rain barrels sold. She is putting a wait list on the website, so if she does get inquiries she's keeping tabs on those for us. There has been a pickup date decided on June 26th from 9:00am-12:00pm. And the website's been updated and Lynn will give an update to everyone who purchased and gave an email address.

Force questioned who was going to load those barrels in the car. Is it the City Staff?

Lindman replies yes, he will try to be there. We want to set up a one-way drive thru in combination over to Wausau Chemical and anybody that wants to come help, absolutely. It's a Saturday.

Force states as an old publicist in this community, he thought we could have gotten a little

more press on this and knows we certainly tried. This pickup day would be a great opportunity for some tv coverage of our rain barrel program so I would hope we could get seven or nine or both out there for some video shoots during that pickup period on the 26th. I don't know how the city does that but I think some local media covering the rain barrels stuff would be nice.

Rosenberg states we can let them know when the pickup will be.

7) Discussion and Possible Action Regarding the Wastewater Compliance Maintenance Annual Report (CMAR).

Erickson starts by saying the CMAR Report is something we have to send in every year with some of it being cut and dry. The major issue here was under the staffing and preventative maintenance section. It's kind of an all or nothing rating for this section, either we say we've done it and then we get full points and get an A or we say we haven't done it and then we take 40 points off and we get an F. In the past we've kind of scraped by some years but we were on the borderline. At this point with our new plant upgrades we've got a lot of new equipment coming and we don't have any software in the project for asset management and maintenance. At this point I'm saying we're not meeting their intent and so we dropped from 100 points to 60 points and scored an F in that section now that the preventive maintenance program is something that we need and that we will get so I'm confident we'll get it up and running along with the new plant so we will have a plan to work our way out of this; but this is acknowledging from staff point of view that this is an essential item we have to do. It also addressed staffing shortages and we've already talked about the hiring needed. Otherwise are there any questions on this report?

Lindman states this does go to the full city council for final acceptance.

Force compliments on getting an A in all the other categories. Dave, being candid about the staffing issue, I think you should be commended on that.

Erickson replied thanks and says there's no point in shooting ourselves in the foot by claiming we're doing better than we're doing. It's supposed to be a planning tool and so facing it openly is the way to do it.

Rosenberg asked if there were any other questions or if anyone has a motion

Gehin moved to approve the compliance maintenance annual report and have city council act on it.

Rosenberg states we have a motion to approve the report, seconded by Herbst. Any more discussion or questions? All those in favor of approving the wastewater compliance maintenance annual report can signify by saying aye, aye, any opposition all right that carries thank you.

Motion approved 5-0.

8) Discussion of PFOS Sampling of Drinking Water, Wastewater Influent, Effluent and Bio Solids.

Lindman states Robinson gave a presentation at the last meeting and there was a request to have a discussion and follow-up on that.

Force states he was just wondering if we had any plans in the works to do anything based on Robinson's excellent presentation with all the discussions we are seeing in the industry about PFOS.

Lindman agrees and appreciates Robinson's Presentation. The DNR did come out and have given some guidelines for testing bio-solids. Some of those questions as far as when to test, we would have to have a conversation with the DNR and how we move forward with that for one, the testing method to make sure we're using the method the majority of people are using and

what the implications are as far as what the results are. They've set some guidelines fairly low in the parts per trillion, anything below 16 parts per trillion you don't have to do anything. From a Staff perspective, I'd like to get the DNR involved to set up a plan on how we're going to find out what their recommendations are. I don't know of any other Wastewater facilities that are doing it right now, there could be others in the state I'm not sure.

Erickson states he thinks Madison is kind of ahead of everybody but part of what the DNR was pushing with this interim strategy was addressing any sources of it, so we may need to look at how we would identify those and approach it.

Lindman says then we'd work with Marathon County landfill because we are taking their leachate and I'm not sure where they are at either as far as any testing that's been going on. The DNR did come in and test our Influent but none of the results have been released.

Force states, there was a bill that's been proposed by two republican senators regarding the coal tower sealants in a reading this week that was discovered, if the commission knew anything about it. This is the issue of toxic material and sealants going onto the asphalt and pavement surfaces and runoff into the streams. I would urge us to keep an eye on that and I would support legislation restricting coal tar sealants at the state level if they were willing to pass that. I'm also aware of some communities, I think Milwaukee that is restricting that or prohibiting that. There are alternatives that are just cost effective and are not toxic, so it's just an issue to be aware of.

Robinson says that bill has been around for a long time and isn't going anywhere since the 80s. It's been introduced in several sessions without much success.

Robinson state the DNR was sampling the wastewater influent but due to a settlement with WMC after a challenge to their authority, it was agreed that they would collect the samples but not release the results because WMC argued there were no standards. Last week the natural resources board approved doing a scoping statement for additional drinking water standards which is a start of a lengthy process. There will be a hearing on that scoping statement this Friday. The drinking groundwater standards had 16 PFOS related compounds so we'll want to take a look at this information. From a liability perspective, the concern is wastewater bio-solids we're spreading on fields, because we may be incurring unintended liability if standards come down in the future regulating PFOS that are in there. I think it's important to know what our influent is coming in so we can work with those industries to make sure we can do some pre-treatment to try to remove those. I think the challenges for us as a utility is to get a better understanding of it. It could be 30 months before we see any rules effectively in place unless the EPA begins to act. I think due to challenges from WMC, a lot of the regulatory framework will be driven by what the feds do going forward so we'll want to pay careful attention to where the EPA is and then develop the process.

9) Discussion and Possible Action on the Date of our Next Water Works Commission Meeting.

Rosenberg states, looks like we are scheduled for the 13th. Do we need action on that or are we set.

Lindman states, it's supposed to be the fifth or so.

Vang states it's always been on the first Tuesday, but for that weekend, it falls on the 4th of July and we are not sure if people will be out of town or not, but we could go back to July 6th.

Robinson states there is a standing metropolitan planning organization meeting on the second Tuesday at two and a Technical Advisory Committee at one which involves Eric and Katie and I at two, so there's a conflict on the second Tuesday.

Force states he's in favor of keeping it the first Tuesday, same day and time.

Rosenberg states on the 5th.

Force states the first Tuesday, it would be the 6th.

Rosenberg states it works for her.

Force says he sees we are observing Monday the fifth even though we could observe it on Sunday the 4th.

Rosenberg asked if there were any opposition on keeping it the 6th.

Lindman states, we could keep that, he is proposed to be out that week but can call in. So we'll get everything prepared and keep it on the 6th.

10) Adjourn.

There being no further business to discuss, the meeting is adjourned with motion by Robinson and Seconded by Force.