



Minutes of October 1, 2024

A meeting of the Wausau Water Works Commission was called to order at 11:00 a.m. in City Hall on Tuesday, October 1, 2024. In compliance with Wisconsin Statutes, this meeting was posted and receipted for by the Wausau Daily Herald on September 27th 2024.

Members Present: President Diny, Commissioners Robinson, Gehin, Force, Watson

Others Present: Eric Lindman, Scott Boers, Ben Brooks, MaryAnne Groat, David

Hagenbucher/Marathon County Solid Waste Director, Lance Leonhard/ Marathon County

Administrator, Joe Kafczynski/ BecherHoppe, Tonia Westphal/Clark-Dietz

1) Approve Minutes of September 3, 2024 Meetings.

Robinson motioned to approve minutes. Seconded by Watson.

Motion carried 5-0.

2) Director's Report on Utility Operations.

Lindman highlighted the first item has been coming up, the county administrator has been speaking with the Mayor and this was an update of where our last discussion was with acceptance of the leachate from Marathon County Landfill. There are other updates here as well if you'd like to review or discuss any other items.

Robinson requested to hear from Hagenbucher and Leonhard as they were present.

Leonhard summarized that it would be beneficial if we could work together with the city.

Leachate is a concern; we are trucking that leachate to another municipality but are hoping to find a way to work together to address some issues. There are some regulations due coming for State of WI relative to innovation fund. Our cost to truck that leachate treated in plover is 2/10th's of a cent per gallon but what rate makes sense to accept that leachate, what needs to be in place.

Hagenbucher mentioned metering this in for large municipalities. My hope is that we could have some prompt discussions to come up with a plan allowing cost savings approach.

Brooks stated in discussion with Hagenbucher, we were thinking about parking a tanker and letting that drizzle/flow in slowly throughout the day to see how it impacts the plant and our ultraviolet disinfection and turbidity level of leachate in summer months. In Winter months, things seem to freeze up but its something we'd have to pilot.

Hagenbucher stated the flow slows down in Winter and we've had many discussions with this leachate and the approach to try to find a solution. We are all serving the public and trying to keep costs low and we are all facing regulations coming down the road and we don't understand what they look like but beginning to look at number and if there are opportunities to work together in this 2-year timeline. The clean water fund that we both applied to is something we could look into, due at the end of this month. Maybe a metering station, if we could offload to a further city limit lift station, the leachate would be diluted before it got to the plant or try to spread this out, the solid waste department would probably want to phase it in instead of a big load all at once.

Robinson recommended a work group look at the issue. We are in the process of getting a new WPDES permit that could be impacted by the leachate and we don't know the impact of the GAC, resin and in reducing influent to the plant but it would be worthwhile to have each party start identifying those issues. If we can't get biosolids, where could we place them, if we can't land spread them to have a disposal option or explore opportunities for cooperation. Neither party is generating the PFAS but both are being asked to address it. There are currently efforts to classify PFAS as hazardous waste but there's been discussion on municipal exemptions for landfills and wastewater treatment plants. We must come forward with an outline where there are opportunities to cooperate and identify provisions in the agreement or how we might deal with potential exceedance of the surface water standards.

Gehin questioned if we might be hurt by getting the leachate. He stated we should try to figure out how we could work together.

Brooks replied it may potentially hurt us but in the grand scheme of things, with issuance of the new discharge permit, there's going to be a 2-year testing period from that data collected in the next 2 years, there's going to be a P99 calculated as far as what we are allowed to discharge for PFOA/PFOS. Do we accept the leachate prior so the data includes that or do we wait till afterwards?

Lindman recapped this would have to be a step process, we'd have to look at an interim or short-term solution as we did with other treatment options with the water and wastewater to look at a long-term solution. I don't see the long-term solution being there for a couple more years but if we had discussions about what happens between now and then, we'll work towards that long term solution that would be beneficial not only for collecting data on our side in determining how this would affect treatment and how we are going to change treatment but determine what the long term solution is, whether it's centrally located or couple different discharge points in the system but those are some solutions we'd have to look at as we move through this. It's a regional issue not just a county issue. We've also talked about the possibility of pipe network of force mains coming directly to the city but economically not sure if that is feasible or just trucking it is a better option. We've had good discussion in the past but opening that dialogue again, we'll have to look for a good solution for long term.

Robinson requested that we come back at the next meeting with potential framework for progressing with the discussion and work on developing.

Force questioned the results of the PFAS in leachate that the county was going to share with the commission and assumed it hasn't taken place.

Lindman replied the county has done the testing but that would be part of those discussions moving forward with this leachate. Other updates provided were Lead Service Line Replacement Program and staffing addition approved by city council, next step is advertising positions, then begin onboarding. Utility finances are up for further discussion in the agenda and construction updates for the GAC project and Wastewater updates with Veolia getting some warranty work done.

Force wanted to see if we could make the equiflow website more prominent on the city's website so the residents could access more easily.

Director's Report Placed on File.

3) Presentation by the Marathon County Health Department Regarding Fluoridation in Drinking Water.

Diny stated Marathon County Health Department couldn't make it but we've enclosed information they provided for review and we'll work rescheduling them at a future meeting but there have been new studies coming out and cities around the country are eliminating fluoridation.

Gehin questioned the reduction for the level of fluoridation as recalled we have natural

fluoridation in some of our wells.

Boers replied levels were 1 -1.5 and now its' .6 to .8mg/Liter. We average .7mg/Liter.

Force questioned if there was a community group pushback regarding fluoridation.

Diny replied Department of Health Services (DHS) subcommittee provided 324 page report to health dept. and the feedback was that they would come provide us feedback. There's a dental association, notice to area dentists that treat/preventive medicine for children who don't have access to fluoridation.

Boers replied the site reference cites 1.5mg/L fluoridation in the water and were drawing links to developmental issues but some speculations or work that was done is not exact of precise but there's two sides to a story, the packet shows there could be a cost savings to the community for removing fluoridation. Fluoridation costs the city about \$20k a year.

Diny stated the report is from DHS so it needs to be presented for better understanding. We'll bring it back once we get the health department in here.

No Action Taken.

4) Discussion and Possible Action Approving the Utility Operational Budgets Proposed for 2025.

Lindman reported Boers, Brooks and Mayor sat together with Groat to go over this budget.

Groat began each budget organized in the same fashion but with new software, we're still struggling with reporting and other issues. 1st page has income summary of budget, capital budget and projects underway for 2025 followed by itemized detail budget that provides adopted of 2024 prior year actuals, budget requests and changes. We are using modified accrual looking at impact of transaction each year to the utility cash revenues, up to 60 days out. In the details, last year's actuals are there. We get reporting enhancements daily but I'll take that back and I can email it. We've gone over line item by line item and feel strongly we have good revenue estimates and up to date debt service. There was a meeting with Ehler's in August and we'll bring it back as part of the budget process but that's council's decision. There's a million-dollar intergovernmental revenue funding for the media exchange. The budget proposes spending the entire million dollars with that Grant which is an eligible cost. We don't know costs for replacement but it made sense to step into operations and budget the media that budgets the grant. We may not need the whole million dollars but it offsets those costs for replacements in 2025 for chemicals and building materials.

Lindman replied that application was made in 2023, its about \$1.67 million, it was the congressionally directed spending received through Baldwin's office. He stated the intent was to offset our granular activated carbon project. We had emerging contaminate funding, principal forgiveness from DNR and loan component. The \$1.67 million was going to go against the loan but after we received that, the DNR said they weren't going to allow it but if used on the project they'll reduce the principal forgiveness. We have been working with Environmental Protection Agency (EPA) to establish another avenue to expend those dollars, no expiration date but we want the funds to be advantageous to the utility and the ratepayer. One of the requirements is that it must be related to PFAS.

Watson questioned what water bulk sale was?

Boers replied those were water fill stations at the old meter shop and a well house that provides water in bulk that contractors could purchase for work.

Force wanted to see summary that showed operating budget for coming year, compared against operating budget prior year, how we performed against budget for prior year, and if our budget was adequate inadequate. It's in the detail but I'd like to see where you could make a quick comparison what we budgeted this year, budgeted last year, spent last year, budget is one thing, spend sheet is another.

Robinson questioned if the council would be addressing Payment in Lieu of Taxes (PILOT) because it's an expense not reflected here and if they decided to keep the Pilot, what happens to the budget?

Diny replied it's in here, and we just invested a million dollars in meters and are looking at replacing the old meters. Our intention is to start picking up the revenue through the water loss.

Groat replied its in the budget, I just can't find it right now but I'll find it for you. Water utility has a cash balance of \$300,000 but at some point it was close to zero and even a negative but in both the capital projects, we are trying to use the ARPA dollars and TID financing when we can. Lead Service Line (LSL) had a budget but we won't be using that for American Rescue Plan Act (ARPA), we'll bring it back to council to replace SCADA equipment budgeted for 2025 that would use those ARPA dollars. I'll get you that summarized report.

Gehin questioned if we were able to approve the operating budget?

Diny replied how we have it agendize we are looking to but have we in the past approved it at this level Groat?

Groat replied we have not in the past.

Lindman replied we've always just updated the commission on the operating but it's always just been the capital budget the Commission approved for borrowing.

Diny replied its worthy of advisory but we need to talk about a few things. One thing we've discussed is lowering the PILOT by \$100,000 from \$1.59 million to \$1.49 million but its something we should talk about.

Groat replied its not the utility's decision, it's the council's decision to forgive the PILOT because we are behind in the budget, this last year was reevaluation. The state completes manufacture assessments, we're still waiting for final numbers on assessed value to analyze impact, we just got our expenditure limitations and are awaiting on transportation aids to feed into the budget. It came across clear that the council wanted to look at the PILOT. The financial advisor said even with the PILOT reduction, it wasn't going to translate into a change in the rate for the consumer. We have no cash and need to build up cash reserves so we could replace mains that cost more and looking at the rate of return and depreciation.

Diny replied so a reduction in the PILOT won't trigger a rate case as discussed. PSC math: we can reduce expenses and look at rate increase to build a reserve. Philosophically the reduction of \$100,000 may not translate because the PSC math but will reduce the long-term upward pressure on rates so its worthy of discussion. We could take an advisory vote or comment. Historically we don't approve it but at this level, your privy to the data so why not.

Lindma replied we could also change that moving forward that the commission sees and accepts the operating budget on annual basis prior to going to finance and council. I think its good this commission sees and discusses the operating budget. The commission has a unique knowledge of the utility throughout the year where expenses are and operations and how things are going.

Robinson agrees as we don't have context for many of our discussions without seeing an operational budget to see what's there. In terms of the PILOT, that's council's decision, one of the factors is the advantage of the PILOT, as we capture revenue from some sources that traditionally don't contribute to the property taxes through nonprofits, churches, schools that all have costs in terms of capital projects. Where are our rates relative to others but is helpful to bring it in. I still don't have a lot of contexts but would be nice to have an operational and capital budget going forward but I appreciate bringing it in and hopefully in the future we could get quarterly reports for and understanding of where we are.

Diny stated it was important we talked about it and you had the proper context and the option but without a motion or a second, we won't vote on this.

No Action Taken.

5) Discussion and Possible Action Approving Special Assessments for Homeowners to Abandon their Private Well.

Boers began we are at renewal term for private wells that require them to be permitted which means they are required to be inspected for plumbing, cross connections and bacteriological safe samples. We have some wells where homeowners don't have the resources to abandon their wells but are not safe, this gives them another tool to get those wells taken care of. The code reads that we could go through a long process and then finally cause the abandonment of the well which would be assessed to the property, this would be a shortcut, gives homeowner an option to assess the work and not have to go through wasting resources to get to that point. There are grant programs through the DNR but they're tied to income and some of these folks don't qualify for that program so this gives them another tool. The average abandonment is around \$1,200 so paid back around five years.

Robinson moved to approve the special assessments for homeowners to abandon their wells. Seconded by Force.

Motion carried 5-0.

6) Discussion and Possible Action Approving Amendment 2 for Engineering Services for Construction Inspection of the Headworks Screening Project.

Lindman stated this adds on to the original project with Donohue that went through planning design and now would oversee construction of the work just bid.

Robinson questioned the 9% construction oversight cost. They are charging \$180-\$190/hr, do we have the right people or any opportunities to ratchet that down, it seems high?

Lindman replied typically the overall engineering for a project is within this range. This project overall is about 16%. We typically go up to 18% but there's some complexity in this project with rehab buildings. It's not for a construction season, the duration of this project is going through end of 2026. We have seen engineering cost go up, but percentage wise for the overall costs of the project would still be within bounds of a typical project. We discussed with Donohue and had one of the project managers swapped out for a lesser cost of an hourly rate.

Force questioned why this Headworks project was not included originally?

Diny replied it was removed as a cost savings effort initially.

Lindman stated it was an add alternate and that was one of the ones that was not selected.

Gehin stated it was updated 15 years ago and not the same age of the plant but we took advantage of the savings at the time.

Brooks added that the Huber step screens in place haven't been maintained properly due to the complexity of taking the screens out of the channels and through the roof. The maintenance would be much easier and user friendly with newer screens and we won't have to lift them through the roof. The screens were through hydro dine center flow, we were going to go with Huber units but it was found later because of the compact space of the headwork's building, they couldn't convey the solids upstairs. There wasn't a manufacturer that would guarantee a conveyance system that would do this, so the whole system was redesigned and hydro dine center flows was chosen, they're able to do that.

Gehin commented it is imperative that we do the best job in the preliminary treatment coming into the plant and motioned to approve the amendment. Seconded by Watson.

Motion carried 5-0.

7) Discussion and Possible Action Approving the Contract with J.F. Ahern for the Construction of the Headworks Screening Project.

Lindman pointed in the packet were three bids that came in with the alternates for the screens, the lowest bid was from JF Ahern and that was the recommendation. The board accepted the bid, this is for accepting the contract that's with legal for review.

Robinson motioned to approve the contract of JF Ahern for the Headworks Screening Project. Seconded by Gehin.

Force questioned if there were good results with Ahern.

Lindman replied they were a subcontractor with Miron at the water treatment facility, the issues with the piping and coating were not with Ahern, it was the supplier of the piping who overcoated the pipes but we dealt with Miron for that complication.

Motion carried 5-0.

8) Discussion and Update from the Consumer Confidence Report Task Force.

Force updated the commission that the tables of the Consumer Confidence Report (CCR) were required and must be included but felt there was a more effective way to communicate. Some recommendations were to include a brief narrative explaining the tables in an understandable language, including a series of little-known facts about water, latest news from water utility and graphics depicting the water treatment distribution system and improving our website in an effective way of communicating with our customers. We didn't come up with any actions, these were recommendations and if we are ok with proceeding, we'll try to get into these tasks and figure who was going to do what, I don't see us hiring outside, its something we could do with staff and members of the commission, overall, the commission has agreed we need to improve what we are putting out there. Rather than throwing columns out there and expecting people to understand, we are looking for format or content that is reader friendly.

Diny questioned if we were needing to improve the City's website or if there was going to be a separate website out there?

Boers replied the discussion was the City's website on the water tab.

Robinson stated Department of Natural Resources (DNR) approved a scoping statement for revisions to NR 809- the administrative code for the Safe Drinking Water Act that governs the CCR report, we would need to pay attention to the requirements that will be revised to that 809 going forward.

No Action Taken.

9) Discussion on a new Date for November 5th Meeting: Council Chambers in Use for Presidential Election- possibly Monday, November 4th or Wednesday, November 6th at 11am.

Diny stated discussion on changing dates or moving the meeting but it had to be broadcasted and requested for thoughts on availability for chosen dates and/or moving location.

Watson replied the 4th works for her. Gehin and Force replied the 4th or 6th works. Force stated we don't get a lot of participation from the public but changing the place is one more change so keeping the same place/time and just changing date is easiest.

Diny stated with no other conflicts we will be meeting November 4th if there's anything

else that comes up let us know.

No formal action taken; Commissioners agreed on date via nod.

10) Adjourn.

Robinson motioned to adjourn. Seconded by Gehin.

Motion carried 5-0.

Link to view meeting in its entirety: <https://tinyurl.com/wausaucitycouncil>

Gina Vang, Recording Secretary

S:\WaterWorks\Common\WaterCommission\2024\November\WWWC_20241001_Minutes.doc.