



Minutes of January 9, 2023

A meeting of the Wausau Water Works Commission was called to order at 1:30 p.m. in City Hall on Monday, January 9, 2023. In compliance with Wisconsin Statutes, this meeting was posted and receipted for by the Wausau Daily Herald on January 6th 2023.

Members Present: President Rosenberg, Commissioners Herbst, Force, Robinson
Others Present: Eric Lindman, Scott Boers, Ben Brooks, Tonia Westphal/ Clark-Dietz, Joe Kafczynski/ Becher-Hoppe, Susan Wojtkiewicz/Donohue, Nick Dragisich/Baker Tilly

1) Approve Minutes of December 6th 2022 Meeting.

Herbst motioned to approve minutes. Seconded by Robinson.
Motion carried 4-0.

2) Director's Report on Utility Operations.

Lindman began the Water Treatment Facility went online December 20th and December 31st was our deadline with the DNR compliance. We've had people comment related to differences in their water; clarity has improved and I feel taste of water improved with the higher quality coming out with the new plant. There are still a few operational issues related to optimizing operations/programming and with subs and contractors related to operations of the chemical feed equipment and filters for manganese removal.

Robinson questioned anion exchange resin if it were 120/150 day breakthrough.

Lindman replied testing took place weekly while plant was running offline and on since September.

Boers reiterated there have not been any Perfluorooctanoic Acid (PFOA), Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS) detects for water putting to waste yet (water that was running through the new system and out the pipe to the storm drain). We have not run one on the finished water coming out of the plant yet because of previous testing. We are waiting for Well 7 to go online with piping Tuesday and Wednesday this week and we'll take the quarterly compliance samples for PFOA/PFAS, as required by WDNR.

Robinson questioned the concentration of PFAS in Well 7 and how we'll track replacement of anion exchange for the other resin? He wanted to encourage staff to look at the volume ran through that bed to make sure product provided is safe as we ran and wasted water over the anion exchange resin bed.

Boers replied the same as others in the 20-30 parts. We are not spending money on testing that won't count towards compliance monitoring. We will track through sampling quarterly with those results, we could step back and judge how we move forward if we want to increase that sampling amount. We ran water but are not on the 2nd regen on those tanks yet, we are just starting in their life cycle and agree with the samples.

Force questioned if the non-detect level of PFAS was inaccurate statement if there was no testing done on the water and if it's the same water going into the distribution system?

Boers replied it is the same water going into the distribution system. The plant was running as it would for the last month and a half, during that time, we were required to sample weekly for PFAS that we were putting out into the river but that water was going into the storm sewer then flowing to the river, as a requirement for our Wastewater Permit, we had to sample for PFOA/PFAS and we had non detect on those samples. It is the same water. Since the 20th of December, we took samples on the day or the day before the plant went online and got non detected levels but in the last 20 days or so, we haven't taken those samples but they will be the same as the other samples. We need to meet our requirements through the DNR. We have 2 entry points that will have the distribution samples, soon as Well 7 goes online, we are going to take those samples. If we don't wait for Well 7 to go online, we will have to retake the samples.

Lindman reiterated that our requirement with the DNR is test quarterly.

Force questioned if there were any plans for the disposition of the old water plant?

Rosenberg stated that would be a good discussion to Agendize but we have no concrete plan at this point.

Robinson questioned the funding relating to the water utility rate increase. We built that 64% with 45% dedicated to the new treatment facility and balance for GAC and others. If we received funding from other units of governments, does the rate increase get adjusted, how do we roll in outside funding sources that may have a positive impact to the rates? Hypothetically, could we have a rate decrease if it were significant? We should look in or have a process to get all things on table and look wholistically on the impacts or what other shoes may fall in the future, water rates in light of lead service lines, corrosion controls, addressing Baker Tilly report, ongoing issues relative to compensation of employees. Can we have a little better scenario development of how we can fit those things to mitigate impact of ratepayers?

Lindman replied that the PSC would not make an adjustment to the 65%, it would reduce mitigate future rate increases but anything is possible. A lot of it has to happen overtime with our operations but I agree with you as we move forward and determine operational costs and GAC moving forward. When you talk about wholistic as we bring things forward, we had talked about the discussion of another 2024 rate case from Ehlers standpoint later this year to see what actual revenue bringing in vs. operational costs, if they are matching or are there adjustments needed and we'll look at flow and usage.

Rosenberg questioned if Ehlers discussion with the rate case would be helpful.

Robinson stated Ehlers was helpful but confusing because we continue to have issues outstanding with no plan development, we have the lead service plan, the Baker Tilly report that calls for additional staff, compensation study all which cost money. Can we look at some scenarios to see where we are going? I'm hearing concerns in the community, if we could be thoughtful with implications in staging within regulatory frameworks with the desire to protect public health.

Force questioned if the city could develop a marketing plan for low-income assistance to promote it more aggressively for our rate payers because he hadn't seen anything related to that. The biosolids dryer has been on the agenda for several meetings, we talked about the data collection and DNR scheduled for January 3rd, can we get an update on status of the dryer?

Brooks replied there were issues with the load out spouts that transferred the sludge into the containers. The automation was not working properly and the issue has been corrected. DNR was onsite and reviewed the 3 weeks data collected and said we were on track. Option number 5 which is moisture in the fecal coliform content criteria is being used and coming back as less than 1 fecal coliform colonies per hundred mil. Certain times, we are falling below the temperature criteria of 170° F, if it's below, then the sludge becomes Class B because it's contaminated. We are making process control changes so it doesn't happen. We ran the dryer last week Tuesday-Friday and are seeing significant volume reduction. Another meeting scheduled for February 6th with the DNR to review data collected with the process control change.

Rosenberg stated that we have shared the information in the newsletter, social media and will continue to share it elsewhere for the low-income assistance.

Force questioned if the city was looking to improve the website anytime in the future.

Rosenberg stated both city and county will have new websites this year.

Director's Report Placed on File.

3) Presentation by Baker Tilly on the Staffing Needs Assessment.

Dragisich began with the presentation in the packet beginning on page 34.

Robinson questioned the inherent differences in how community's set up their structure, water meters, do other communities allocate staff to water side or are there differences, there is no similarity in water and wastewater comparison so no system wide approach but division approach are there different components? Does age of plant provide more efficiency associated with FTE's relationships to other communities? He questioned if some of the recommendations were phased in with implementation with new facility, if there were any issues with the new system. The city and county have a new finance system to get rid of paper timesheets, are those incorporated into your report?

Dragisich replied there are not any two that are identical, there will always be subtle differences between any two. The benchmark provides you with a guideline, we have internal data from other studies done and look at those parameters and comps and American Water works. Some places have water meters located in their finance offices example: Waukesha Water Utility reports to director of administrative services not the water distribution, others have it in distribution. They are good comparisons but not 100%. Everyone does things a little different with different software in better or worse shapes. If it's consistent then they are probably telling you the right thing. If it's inconsistent then that means something is not right but we find them and back them up by reasons found. When the report was written, those new systems were not yet in place, compensation study but not any other systems taking place in the background.

Force questioned the safety training that needed to be improved. We had a thorough analysis of condition of the facility and I supported the project for safety. Where does that information come from, employees or analysis of program in place or how did you determine it was not adequate?

Dragisich replied that we gathered information from both what we were told was in place and interviews. The safety training consists of watching videos on a computer that employees say are boring nor very informative. It felt repetitive and not very effective.

Robinson questioned if we had an annual training plan and what training was available to each employee as part of the performance evaluation?

Lindman replied there are two parts to the training. One is our annual safety training that our employees go through which includes videos and refreshers from blood borne pathogens, fire extinguisher, confined space, etc. Safety training is done. We are looking at training City wide for the Department of Public Works & Utilities to try and get a training program in place that would be comprehensive and maintain continuity with all the divisions within the department and have someone track the training done especially with the amount of turnovers we've had. The other part is the advancement of the employee, improving their skills with those that have the drive to do so. We do not have a program in place for that and need to establish what skills we want people to have once we get them onboard and how to incentivize them to do that.

Robinson stated he shared the concerns with Force and would hope that we can take this as an opportunity. With enhancements being made and with Workday that will give us the opportunity to build that in the new system in terms of tracking, training, moving employees through different positions and successions.

Dragisich reiterated that people have different ways of assimilating information, some people look at videos, others want in person, hands on training and one of the primary ways they have right now are videos.

Force reiterated that the utility and our members of American Waterworks Association and Water Environment Federation have a long history of developing effective safety and training programs and awards plants annually for high achievement in that area which they are proud of. I'm concerned that it's obvious we are not taking advantage of those. He'd like to see a report of what we are doing, what we should be doing or plan to do in this area.

Robinson questioned if inventory control was inventory or asset management for allocation of unused to used equipment or management tool as how we are scheduling replacements. He'd like to request staff to look at this report and look at each flagged area for opportunities to improve and develop an action plan, cost and timeline associated with those for better understanding of the implementations. I know we have the constant concern of the issue of compensation and protecting our assets which are our employees so we don't have that constant turnover, if we could have staff outline an action/timeline and what they perceive as a priority.

Dragisich replied inventory as what we have in stock hydrants, valves, corps, curb stops.

Lindman replied our staff are getting necessary safety training but there could be a lot of improvements on how we are doing and tracking that. We have reached out to an entity Municipal Electric Utilities of Wisconsin (MEUW) who will be coming in February to look at our safety training program for all the divisions, they are a nonprofit that has been doing this for decades so this is a good step and it will be for all divisions. The other is the asset management- the Commission did approve the budget of \$200k for that. During the Workday software implementation, Information Technology (IT) decided that everyone should go with Cartograph- but it did not meet the needs of the utility, so the city stepped back from that. We've begun writing a Request for Proposal (RFP) to go out for asset management proposals and recently I had gotten an email for IT saying the county, city and some other entities want to go together. The thought is that a consultant would be hired to prepare an RFP that would include all of the needs and then go out for proposals this year for asset management. Both of those items are in the works, the asset management may take a full year for the proposals to get back but the safety training will evolve this year as we move forward with decisions of the commission as well as council. Hopefully, after evaluation done by MEUW, those findings will come back to the Commission with a plan for review.

Force questioned if the lack of the maintenance management system be addressed in that activity of asset management and hoped we were not still doing things on a 3x5 card.

Lindman replied it would be addressed and has been difficult. We do have some done on spreadsheets. The other thing that will help too would be the time tracking and job costing that are missing in Workday right now.

Dragisich closed with stating that bringing someone from the outside to say here are things you need to improve on is always difficult, but your staff has been helpful in the meetings accepted by the employees in the organization. They've approached us with open minds and willingness to make the organization better so credit to them as well.

No Action Taken.

4) Discussion and Possible Action on a Pilot Study LSL Replacement Project for 2023.

Lindman began this was follow up from the presentation received from CDM Smith and Clark Dietz on November 1st and one of their suggestions were to implement at pilot program in 2023 based on the Lead Service Line Replacement draft to get a better handle on the process of the way the plan would work out identify if there would be needed revisions. This would be on a small

scale of about 40 service lines. Our best location with the street reconstruction would be Henrietta Street. Currently, there's no budget to replace private side lead service lines. The idea is that we would go to Finance and Council to request ARPA Funds if you are supportive of this project moving forward in 2023. This would not only be for the construction but also include a consultant to work alongside us to implement this plan with our staffing and tight timelines as we would need assistance in setting up this program. The idea behind this program would help us understand how we inventory, track replacements, put them in GIS because that would have to happen when we move forward with the full replacement plans whether it be 15 or 20 years or what it evolves to be.

Robinson questioned if we had a good understanding of the baseline so we can compare if we are using Henrietta hypothetically if we did this on Kickbusch or Plumer in that same neighborhood. Are we looking for compliance on the replacement of the private side? What's our goal at end of day?

Lindman replied the goal is from start to finish that consist of verifying inventory, to communication to the owners, education of owners, city contracting out and meeting compliance with the funding for the work. All the different processes that we are doing, what's working or not and if we should take a different approach. The other thing the commission needs to think about is deciding if the intent of the commission is to recommend funding 100% on the private side whether it's through grant funding, revenue rates, loans. There's a lot wrapped up in this. If we go through the pilot and set precedence of funding 100%, is that what you would like to do for remainder of lead service lines in the City or maintain what we have been doing at set base amount for each replacement?

Robinson questioned if this pilot was mandatory as he was disappointed in the public outreach. What is our benchmark? Are we comparing this if we had 40% and then incentivize 50% and you only had 10% change, what are we looking to measure the outcome with the design of the pilot?

Lindman replied in November, when we looked at the presentation, there were action items with no decisions. We are to a point if we were going to do a pilot, we need to get started now. In the past we received funding from DNR, those parties interested in replacing their own, the city provided up to a certain amount of money and they would go out and hire their own contractor. This would be different in that we would get the homeowner to sign off and the city would do the contracting work and would house the contract. The benchmark of 40% would not be a success rate in my opinion. We are looking at 90-95% to consider it being a success. Anything less than that should be considered unsuccessful and maybe a requirement for a mandatory replacement. After the new lead and copper rule go into place, we can no longer do partial replacements. We are trying to get ahead of this and figure out how to manage this but those replacements would go to set what those successes are and they will need to be a lot higher than 40%. I want to bring this forward to keep it on the forefront and if this is something you would support moving forward if we could get funding on the private side, we've applied for the funding but won't know until later this year.

Boers stated the lead service line funding is no longer going to be an annual program run through the State. All the federal funds will be going through the Safe Drinking Water Loan program for the funding of the private side lead replacements. We've got it prepared for the intent to apply but can't apply until end of Spring and won't know until end of June if we would be receiving funds or not but by then, half of our construction season would be over. We are going to have to decide to move forward with the project or wait until 2024.

Lindman felt this was very important and feels rushed and questioned if this was something that we wait on the pilot to do for 2024 or find out what funding we have for the State fiscal year for 2024 season.

Force stated he was not in favor of moving ahead with the pilot program with no clarity on

the funding because we can't move ahead if we don't have the dollars irrespective of where the funding comes from, we must have money committed before we proceed with the project.

Lindman replied that the only way would be if the council wanted to put some ARPA dollars towards this project and to what level.

Robinson stated that we must go into this with eyes wide open relative to the funding. The State's process for awarding funds has been flawed for 30 years and keep saying operating under EPA's timeline. Maybe as a utility we can suggest the state accelerate their processing of Safe Drinking Water Grant application because the intent to apply (ITA) is too slow.

Westphal presented that Henrietta is on the plan already for capital improvement project, this is not paying for what you've already put in. There's an opportunity to create an avenue for making policy here. We've talked for several months about what the commission desires, what the council wants to do and that's where we are stuck. It's hard to move forward with giving you advice until we get feedback on what you want us to do. Do you want something in place that mandates private side gets replaced? If you have that in place, how are you going to fund it? Those are things we can tell you what to do but you must decide how you intend to pay for that. Getting funding certainly will help you determine how you will put that plan together but because you are already putting this project on your capital improvement plan and paying for it, you could run the project the same as you already do and still opt to not put money toward the private side, you will be out there anyway and still look at best management practices for public relations, knocking on doors, how you communicate internally without paying for private side service lines. You can use those practices in 2024 if you want to put a full-scale pilot together or you can do the non-technical things to ready yourself for when you have money available.

Robinson questioned the ITA and the award date or when the funds would come if they were awarded. Is that for this federal fiscal year? He was averse to running with the pilot study to work on that educational component. Could we look at an educational outreach, is there a funding level if it is mandatory or permissive? If we could move one, evaluate second in context and have those voluntary efforts require that mandatory going forward as a third step, I would be comfortable with that approach.

Boers replied the ITA was due in October- submittals are before June 1st and end of June is when DNR makes their determination. We won't know the funding until July. This is for 2024, their fiscal year runs June 2023 through June 2024.

Lindman questioned the best way to communicate with homeowners and educate them. He doesn't think we would get a lot of buy in if homeowners had to pay 100% on their own, but we could start the outreach process and bring feedback on what works or doesn't and connect with Department of Health Services (DHS) to help with outreach and information put together. We are sending out information for the streets and I think that project would start in May.

Boers stated there probably won't be a lot of buy in without incentives for costs on the homeowner side. ARPA funds would be a good opportunity to request to put towards this project this year.

Rosenberg questioned if we were looking to scale this back and discuss with finance and report back or making a motion on a portion of this?

Robinson stated that he was not sure where the city is relative to ARPA and relative to what the utility needs if this is the best use of ARPA within the utility to advance our goal relative to GAC and other things. I will make a motion we advance the pilot project from an educational perspective and request city's finance committee review allocation of ARPA funds for this pilot purpose. Seconded by Force.

Rosenberg updated that the city has just under \$3 million in ARPA to allocate and depending on how quickly we could put together a proposal we could get it to second finance committee this month or first one next month. We are voting to move forward on educational

component of the pilot study of the lead service line replacement project and requesting the city consider financial use of ARPA for this project.

Motion carried 4-0.

5) Discussion on Status of the Granular Activated Carbon (GAC) Treatment Process and Possible Funding.

Wojtkiewicz began funding is always challenging but wanted to lay the groundwork for the emerging contaminants program that we'd be applying for. We've talked about PFAS treatment and if you would recall, we've intended to add the GAC system at the end of the treatment train. In page 119 of your packet labelled Bipartisan Infrastructure Law (BIL) Funding for Emerging Contaminants (EC). The bill funding is giving the State emerging contaminants program funding for the next 5 years, unfortunately, the State and Fiscal year don't line up well. The State fiscal year 2023- DNR implemented a stand-alone program and had a rush to make use of those funds to get them out to the communities. We have done what we need to do and will put in an application by the July 31st deadline. They are expecting awards by late Spring or early Summer this year. There's \$12.8 million available and up to \$5 million per municipality that could fund up to 70% of your projects. Wausau could potentially receive the full \$5 million expected to be competitive. The State Fiscal year 2024 funding coupled with the Safe Drinking Water Loan Program with DNR expects the operation to be much like the Safe Drinking Water Loan Program but are intending to put more details to it this Spring. Recommendation would be to make application for State Fiscal year 2024 funding by June 30th deadline, so I will make 2 applications. With making applications, there's a hold harmless clause to choose which funding packet gives you the best amount of money. The good news is that they are expecting it would be coupled so there would be more principal forgiveness for 2024. The bad news is the project funding schedule. The time we need to get this project bid and constructed. I tried to lay out various deadlines with the anticipated time for fabrication, treatment system and actual construction. To keep us in line with the construction at the end of 2024, we are looking at going out to bid (there's a 6-month fabrication time) as soon as we could. There's no advantage to waiting on bidding of this project, we recommend bidding in the Spring and essentially the way the Safe Drinking water operates, you have to bid project before you know of your financial award in place to pay for it. There's interim financing in place but the best way to maximize funding is to put in applications for both funding cycles and wait until we know both awards and that will take us to October of this year.

Robinson questioned if fabrication took 6 months or if there was a delay of backlogs or supply site as vessels should be standard engineering or were there connection issues?

Wojtkiewicz replied there would be delays, we are designing the system now but there will be some submittals of things needed to be reviewed. The fabrication has a lead time of 5 to 6 months. The vessels are standard engineering but they are not sitting somewhere on a shelf, they need to be built.

Rosenberg questioned if there were any other sources of funding? Like the \$6 billion that the State has for rainy day funding, are any of that expected to be released for projects like this, everyone is lobbying for everything.

Wojtkiewicz replied not now but as communities start sampling for PFAS, more water systems may be required to sample so that may drive some funding but nothing specific right now.

Robinson interjected that with the federal advisory level due in December, if they go to the 4 parts per quadrillion, many communities will be looking for funding so its advantageous for us to move early as we could.

Force questioned if there were a strategy to position Wausau as a community of greater needs than other communities competing for the same funds?

Wojtkiewicz replied that Donohue puts together an application for the funding and there is

a scoring strategy. The DNR have a scoring system. One place Wausau will score points that other communities won't score points on was having all the source water impacted, so we will try to maximize those points. Once we submit the application, DNR scores it and there's an opportunity to comment on those scores and will try to maximize those scores.

Robinson questioned how we'd score as a disadvantaged population community.

Wojtkiewicz replied Wausau qualifies for regular principal forgiveness as a disadvantaged community even under the new scoring system that DNR introduced for 2023.

No Action Taken.

6) Adjourn.

Robinson motioned to adjourn. Seconded by Herbst.

Motion carried 4-0.

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

Gina Vang, Recording Secretary

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