



Minutes of March 7, 2023

A meeting of the Wausau Water Works Commission was called to order at 1:30 p.m. in City Hall on Tuesday, March 7th, 2023. In compliance with Wisconsin Statutes, this meeting was posted and receipted for by the Wausau Daily Herald on March 3, 2023.

Members Present: President Rosenberg, Commissioners Herbst, Gehin, Robinson, Force
Others Present: Eric Lindman, Scott Boers, Ben Brooks, Anne Jacobson, Valerie Swanborg, Jeff Van Ess & Bob Rickabee/Johnson Controls Inc., Sean Wall/MEUW, Susan Wojtkiewicz/Donohue, Tonia Westphal/ Clark-Dietz, Joe Kafczynski/ BecherHoppe.

Via WebEx: Andrew Dow/Donohue, Matthew Bednarski/CDM Smith, Amrou Atassi/CDM Smith.

1) Approve Minutes of February 7th 2023 Meeting.

Robinson motioned to approve minutes. Seconded by Gehin.

Robinson requested we amend the minutes to reflect the expression of concerns related to third-party lawsuits that drove behavior that should be factored into consideration on sampling at the wastewater treatment plant.

Robinson motioned to amend the minutes to include those comments. Seconded by Herbst.

Gehin requested that the minutes not be lengthy.

Robinson agreed and stated it used to be the only way for the public to get information relative to the minutes but with youtube, we are presenting the minutes in a recorded fashion, they are long, there are other things omitted and it's hard to determine what should be in it and what shouldn't. The county adopted a policy to just capture the motions but doesn't give the public a reflection on what's discussed. Maybe we could not include everything but capture enough for the intent of the conversation and somehow be in the middle.

Rosenberg questioned if the county's expectations on minutes were included in the rules review committee or something staff came up with?

Robinson replied staff came up with it based on the Wisconsin County's Association and presentation to the board based on recommendations of the WCA.

Force stated he didn't object to the minutes.

Rosenberg stated that from this discussion we would be discussing the minutes internally as there are other committees having similar discussions.

Motion carried 4-1.

2) Director's Report on Utility Operations.

Lindman began that the wastewater increase was summarized with an understanding that we would be reevaluating that later this year and bringing something forward for consideration.

Force questioned the odor at the wastewater plant and if there were any updates.

Brooks replied Gehin stopped by as well to verify if there was an odor present. There may have been a time there was difficulty with the boilers and the digesters pressurizing with roof

release going off that caused that odor.

Gehin stated he was impressed with the outside view of the sludge storage shed covers as they are fully enclosed as before it wasn't. He recommended we have a tour for the Commissioners so they could see what was built in to minimize the odors.

Director's Report Placed on File.

3) Presentation by Johnson Controls Inc. (JCI) on Developing Energy Saving Projects with Guaranteed Cost Savings Using WI Performance Contracting and Cooperative Purchasing.

Lindman began as we move forward with the 5 Year Capital plan, some projects have been moved up, some have been pushed and some are large items we'd like to focus on. We are trying to figure out if there's another approach we could take to get some of these larger capital projects completed that may benefit the Utility and City financially.

Van Ess presented slides in Commission Packet pages 23-31.

Robinson questioned if we were undercounting the flow of water not being billed?

Van Ess replied the 5% inaccuracy was less than the acceptable limit. Mechanical meters slow down over time so with water flowing through them it would measure slower but it's an advantage to the customers. Another inaccuracy was in large meters- maybe it was a commercial building with a larger meter and now they've converted its use but kept the same meter size. Leaks also cause inaccuracies.

Gehin questioned how we are getting meters.

Boers replied meters have been hard to obtain the last two years but there is a standing order for about 11,000 meters. We could continue our plan of 2,500/year but if we wanted we could ramp that up. We are probably low on our reading accuracy; the new plant will reduce our loss water considerably- we don't have chlorination being consumed by Total Organic Carbon (TOC). Van Ess pointed out that we could do this on a lease factor for \$11-\$12 million changeover. I've ran numbers and could probably contract it out for \$4 million. There's a big gap between what was proposed before and what we could do it for- if we borrowed the money, we'd be further ahead then going on a lease program.

Gehin stated spreading meter exchanges over the years was not a bad thing but concurred that meters should be exchanged to get less loss and more revenue.

Force questioned the payment of the third party sign up with savings accrued and pay back.

Van Ess replied there were many ways in which the utility could fund the program, utilize capital dollars and third-party financing. You pay the project upon implementation, then you pay the debt service/ lease with the savings over time. Some of our clients use tax exempt leases which is separate from capital budget. We would work with finance for the best way to move forward. We are installing as a contractor; we would do RFP and work with your partners if you got meters separately that would be deducted from the cost. Pricing is transparent and we bid on your behalf competitively.

Robinson questioned if the \$4 million was obtained from the \$420k set aside in the Capital budget for meter replacements at 8-10 years. He questioned if the cost presented of \$10-\$11 million and our cost of \$3.3- \$4.2 million to replace the meters included installation costs?

Boers replied we're about 4 years into it but we would have to start recycling again and could look back into it. In 8-10 years, we would have failures that come through but may be 4-6 years for rotation again, we could pick out the inaccuracies and start on those right away instead of running into it in 20 years and confirmed it included installation. Our meters are \$115, radios are \$125, that's \$240. We've talked with different vendors willing to do installation and cross connection surveys that provided \$110-\$120 mark at \$350/ meter changeout, this puts us at \$3,956,400.

Van Ess stated there was no projected cost yet but could be paid for with capital budget then funding the other half with the savings.

Boers questioned the budgetary number for the changeout?

Van Ess replied no budgetary numbers but the large meters which are unknown. Costs would be comparable but we would work with you. We could look at this like a procurement versus a straight contracting piece.

Gehin requested staff bring back recommendation.

Rosenberg stated after the lead summit from Washington, DC- more concepts and performance contracting should be coming up for discussion later in the future.

No Action Taken.

4) Discussion and Possible Action Approving the Final Pilot Study Results and the Interim Anion Exchange Media Replacement Schedule.

Lindman began this was information in the pilot study compiled with Donohue. He questioned the Commission on their comfort level in changeout of the resin in the anion exchange based on the data as it's not something that happens with a call out and it needs to be scheduled. There's significant planning that would have to happen.

Dow presented slides in Commission Packet pages 32-34.

Force questioned the red dotted line and confirmed effluent at startup was low and build/exceed more frequently in the middle range. He also questioned the time frame and if nanograms /parts per trillion (PPT) were the same thing?

Wojtkiewicz replied that was the hazard index- as time goes on, they do start hovering around the hazard index of 1 where DNR is looking at. The total concentration of PFAS compound of 20 ppt. Nanograms and PPT were the same thing.

Dow replied the chart depends on the flow treated through the anion exchange treated vary monthly. An average of 4.8 million gallons/day (mgd) a little over 400 days. An average production from the facility is around 4 mgd that would be 120 million gallons per month on this graph.

Robinson commented that the proposed health advisory was being reviewed from Environmental Protection Agency (EPA) and should be out in the next two weeks that may be in the single digit of ppt and not the 20 ppt. Department of Health Services (DHS) recommendation of 20 ppt combined in addition to the hazard index and not the same as the hazard index. The hazard index was triggering notification to the public. This commission at a previous meeting established the 20 ppt as a goal. He questioned when the Granular Activated Carbon (GAC) would be operational as it seemed longer to develop and with the public health concern in the community, could we accelerate that and reduce the reliance on the anion exchange resin. He questioned if the cost of the resin changeout was \$800k? If we ran 4 million gallons a day, would more flow result in more concentration of PFAS in influent? He was concerned about making a decision with EPA's revised health advisory may be significantly below this. He questioned if we could we take this up with finance in April for \$1 or \$2 million for replacement?

Lindman replied the timeline on the GAC has not changed. GAC should be up and operational by 2024. In those discussions where interim financing would be moving forward, the project is ready to bid. Vessels would take months to order but once ordered and contracted with materials availability we should be good to go. Unless a year ago emergency funding was in place, that would have been the only way to accelerate that timeline. There is no further data. When you look at the chart, we are reducing PFAS as it comes in and goes through the interim and reducing the hazard index down to around 1. What is your comfort level, should we start planning now for a Fall replacement of the resin and then plan another. We are looking at \$2million in today's dollar. It's \$1 million for the changeout that includes the resin, labor, trucking from Donohue's estimate.

Force stated we would have about 4 changeouts before GAC is up and running that would cost \$3- \$4 million dollars. He questioned if the 70% Grant is what you qualify for but not what you get? If we did only 3 changeouts the annual impact of each ratepayer would be the \$9.22 x 3 and the .77 x 3?

Wojtkiewicz replied that's what you have been deemed to qualify for. There is a cap of \$5 million in principal forgiveness. If your project cost goes up, you would get the \$5 million maximum for the safe drinking water loan state fiscal year 2023 program.

Gehin reiterated the staff recommendation that we start planning the changeout in Fall. He motioned to move in that direction. Seconded by Herbst.

Robinson questioned if that was irrespective of what the concentrations were in the discharge system. He questioned if this were driven by target date and numeric threshold as we are doing quarterly testing. Would we get breakthrough above 20 parts this Fall based on the bench scale testing?

Boers replied there are a lot of moving parts. We don't get the tests back for 3 weeks. If we test in beginning to mid-April, we are looking at middle of May for results. What happens if it's a combined total of 24 and we are at 1.2 on the index. The planning involved with the changeout resin is extensive. It's \$1million worth of work, it's not happening in one month. Is the commission comfortable with 23 for a number or 19? Is \$2-\$3 million resin change out a good number? We are looking for direction in doing what you want us to do. Would it be better to put the \$2 or \$3million towards the GAC? What number are you comfortable with as an effluent number? As a health recommendation, is 18 good, 20 isn't, right now is the question. We are looking for direction at where we want to be.

Robinson replied putting dollars aside, which we can't do, when do you anticipate breakthrough be above 20?

Boers replied maybe another 2 or 3 months.

Dow reiterated that would be correct based on the projected number that we have, it would be in the next couple of months where we would see concentration of 20 parts or above.

Gehin stated that there are a lot of unknowns and would like to proceed with moving forward for this Fall.

Lindman suggested thoughts on starting more frequent sampling along with this motion?

Rosenberg replied that would be good to do more frequent testing so we could get more numbers out to the public.

Robinson replied people are relying on us, whether it's 20 or 23 it doesn't matter but we do have to balance it. If we are doing quarterly, we are looking at breakthrough in June or July, we should begin to prepare, adopt schedule based on breakthrough with costs involved and be prepared to adjust our flow based on what we are seeing. The directive would be to authorize staff to begin process of engaging appropriate parties in resin replacement at the time we are triggering that 20 ppt.

Force questioned if the changeout process takes days, weeks? If we hit the number, would we be over the limit in x amount of time while we change it out?

Boers replied there would be time lapse from when we find out we are over 20 parts recommendation until we get it changed out. It depends on availability of contractor and when we get our test results back, how often we are monitoring, numbers fluctuate on regeneration cycles. If we get 21 today, we could regenerate 2 tanks and be at 17 tomorrow. Depends on water quality, how much PFAS is in the resin and the backwash and regenerating the system. If we are going to shoot for under 20- will have to do major monitoring with a plan in place and have maintenance contracting ready to change out the resin. \$2-\$3million that could be used towards the permanent

solution.

Robinson questioned the GAC replacement cost from the bench scale study for the life of the GAC.

Dow replied that was shared at the September meeting, we prepped the anion exchange interim solution and breakthrough data that showed in the GAC pilot column but there are a lot of other factors and variables.

Lindman stated if we did more frequent sampling, would the commission be ok with continuing the sampling till we get the resin changed out knowing it would be a month or two months before we get that resin changeout coordinated. We want to be ready and make sure we are being proactive in the approach in the interim. We want direction on how we set this up knowing it won't be immediate and likely would do a public notification once we bump up to that 20 or 21. It's something we will be required to do.

Wojtkiewicz replied that it's an imperfect system for monitoring and lag time in getting results. We don't have control over the influent values that fluctuate over time coming in through the wells. Based on ground water flowing, there are so many variables.

Force stated he is in favor of increasing sampling and advocated for preparedness to changeout resin when the time comes.

Rosenberg reiterated that the motion is to move forward with the plan and changeout the resin in the Fall and do more frequent testing so we are ready for that. Let's vote on moving ahead to swap out the resin when we reach that 20 ppt.

Motion carried 5-0.

Rosenberg requested how often the commissioners wanted the sampling, whether it be monthly or every two weeks.

Boers reiterated sampling was required quarterly and was thinking monthly but it would put us in a 7-week window by time we get results. If we do 2 weeks, that would bring us to the 5-6 week window. Sampling costs roughly \$500-\$600 in analysis.

Robinson motioned to trigger more frequent monitoring at June 1st.

Force moved that we do sampling monthly starting June 1st. Seconded by Gehin.

Motion carried 5-0.

5) Discussion on the 5-year Capital Plan and Identifying Other Potential Funding Sources.

Lindman began comments were brought previously about the GAC and potential additional employees costs over time. There's a breakdown of those items included in the rate case and items not included in the rate case. One request was to add potential funding we've applied for which are now included and as we get that information, we will include those and update you moving forward. I wanted to keep this at the forefront on the capital plan as we move forward with rate cases in place based on borrowing all capital project money and anticipation of receiving grant principal forgiveness funding for some projects. The more received over the course of year would eliminate the need for additional rate impacts moving forward. We wanted to put this together for staff as we move forward to use our cash resources because we are not borrowing this year to do capital projects needed to maintain the utility.

Robinson questioned if the resin changeout was reflected in the 5-year capital plan along with GAC and PFAS removal. He questioned the meter replacement for \$420k year. Would we be done in that 5 year versus 8-10 years. If we got \$350 per changeout and 1,100 we'd be covering costs within that 5-year period for all of them? Are we fully funding the meter replacement within 5-year period or extending beyond? Would this be a placeholder versus a budget? We've got some operational costs for tracking purposes. Staff increases and training are operating costs. I don't see corrossions control. We have CCT study, do we have what the capital cost would be for that?

Lindman replied that would be just a 5-year plan but it would go beyond that. We are projecting what we need for the budget. These are projects we need to do to maintain the utility and costs needed in future years. Every year we update this and it changes a little bit. The CCT study is there and anion exchange media. I've got estimates in there, CCT studies, engineering, loops. I'm not looking for action, just wanted to make sure if you need more information or understanding we could talk about it.

Boers replied it could be done in 5 year period if capital budgets are fully executed annually. Sewer pays half of the water meter expense. With meters and radios, we could do that with the \$4million in 5 years.

Force requested if Johnsons controls was included in this 5-Year capital plan.

Lindman replied it has not been included but it would have impact in this capital plan.

Rosenberg reiterated that she wanted to make sure everyone understood this and had no more additional questions and had information they needed.

No Action Taken

6) Discussion and Possible Action to Contract with Municipal Electric Utilities of Wisconsin for Utility Staff Safety Training Requirements and Safety Training Tracking.

Lindman began that Baker-Tilly staff assessment concluded with the need of a safety training that is department wide, not just utility. MEUW tracks and prepares things needed and would ensure we meet all our requirements. We have a representative here if you had additional questions. The total annual cost is about \$15,000 and that would be divided by Water, Sewer, Streets.

Force was happy to see the response to the needs. He questioned how MEUW worked and if the training would be effective as it didn't seem like employees were responding well to the trainings.

Wall replied that in the assessments with some employees from water, wastewater and DPW. A lot of the trainings are currently done through video, we've taught a lot of the same stuff but you have to figure different ways to connect with each employee. Learning to make it enjoyable so that when employees leave the trainings, we know they've learned something by watching their coworkers, carrying themselves differently because of the understanding of day-to-day basis.

Herbst motioned to approve contracting with MEUW for utility safety training requirements and tracking. Seconded by Robinson.

Motion carried 5-0.

7) Discussion on Drinking Water Treatment Facility Construction Completion.

Lindman began this was an update of the drinking water facility construction that is ongoing. The final completion established was February 9th and we passed that date and have been assessing liquidated damages. There will be a meeting tomorrow. We don't have a formal request for time extension from the contractor. We are hoping to work through some of the issues verbally tomorrow and have a plan moving forward.

Robinson questioned if we had leverage?

Lindman replied we have \$1.4 million we are holding from the contractor for completion. We are in communication with legal and engineers to make sure we are following contract requirements as we respond as well.

No Action Taken.

8) Discussion and Possible Action on Approving Amendment #1 with CDM Smith for the Next Phase of the Corrosion Control Treatment Study.

Lindman began this was for the purchasing of lead line loops, implementing, coordination and start up. This is \$177,501 increase to the project. Our estimate for lab and sampling is about \$180,000 in addition, that would be 2023 and 2024 cost. Assuming we use 1/3 in 2023 and remainder in 2024. We need to purchase the lead line loops that would be a chunk of this \$177,000 this would be \$134,000 then the coordination and start up would be that \$19,000. So about \$160,000 is just getting the lead line loops in place, ordered, fabricated, and starting the seasoning of them. We will do some testing as they are getting conditioned. Once loops are conditioned will start doing optimization.

Robinson questioned if that was for the project cost or increase to CDM Smith and if there were additional costs as the city/utility was bearing lab and other costs. He questioned if this was the total costs? We are looking at about \$350,000- so \$125,000 this year. What's the net increase going with CDM?

Boers replied these are not necessarily additional costs, we had planned for the Utility to do a lot of this work ourselves but we are going to be down one tech and we have another tech leaving. Initially the CCT study was supposed to be done March 2023 that's why we are going through with the additional help. We don't know what the DNR is requiring with the loops, we are proposing 3 loops but if they come back with 5 there will be additional costs.

Gehin moved to gratify the amendment for the next phase of the corrosion control study. Seconded by Herbst.

Motion carried 5-0.

9) Discussion on the Private Side Lead Service Line Replacement Plan (LSLRP) in 2023 and 2024 and Future Action Items.

Lindman began at the last commission meeting, we wanted to pursue some sort of action and made a request to go to city council next week for ARPA funds to replace private side lead service line. Staff agreed we want to do everything we could not to have partial replacements. If the City Council approved ARPA funding of ½ million dollars for the private side, we are working with engineers to prepare a communication plan and bring back in April for presentation. There may be some public outreach in general but we will be coordinating direct action with the community as we move forward next month.

Force requested if we were going to involve the community or neighborhood groups to prepare a plan that would be effective with the homeowners. It would be helpful to address questions from neighbors and provide the right answers.

Lindman replied we have been in contact with the department of public health that have been involved in it. We are going to have engaged communication not just sending letters but what helps get the homeowners engaged and their perspective and doing work like identifying lead by taking pictures and social media but some neighborhood groups are more involved and some aren't.

No Action Taken.

10) Discussion and Possible Action on Purchasing a Generator and Automatic Transfer Switch for 2024 Installation.

Boers began the generator would help serve our booster station and radio communications for both water and wastewater. We had money budgeted this year but has been moved to next year due to difficulties getting equipment. We'd like to make the procurement now so that it would be ready to go next year for installation. The recommendation is to go with the lowest bidder which is Generac system that we concur with.

Gehin moved to proceed with this project. Since it's in the budget would we need to act on it?

Lindman replied one of the odd things is that we have had to get projects obligated out that will be in 2024. We had some money in 2023 but with our budget constraints, this was a project we thought we had to put on hold. We could order and secure with a PO now but it won't be delivered until 2024 for when the expenditure would happen.

Rosenberg requested if we could have a second. Seconded by Herbst.

Robinson questioned if we could encumber funds that weren't there. We are making a promise to budget next year. We can't buy into future bodies. If we had it budgeted, are we authorizing the execution of the purchase order to be funded in 2024?

Lindman replied we are authorizing the purchase of this in 2024 with operating funds available. We ran into this with our pipe too, we've had to order it a year early, its unfortunate right now but that's where we are at with materials.

Rosenberg reiterated the action of purchasing a generator and automatic transfer switch for installation in 2024.

Motion carried 5-0.

11) Discussion and Possible Action Filling the Senior Facility Tech Position with a Facility Tech Position and Promoting Within Once All Positions are Filled.

Rosenberg began that this would be discussed at the City's HR committee so we would all roll in the same direction.

Lindman briefed on advertising for an operations' technician and then at some point in the future based on our operation techs promote someone to senior from within based on qualification and competencies. This would be easier and requirements to bring on tech position than a senior tech position.

Rosenberg stated as chair, no action would be required and would like to pull this item to have this discussion at the HR Committee instead.

No Action Taken.

12) Discussion and Possible Action on Approving Sole Source Request for Magnesium Hydroxide Chemical at the Wastewater Treatment Facility.

Brooks began we've used this water-based magnesium hydroxide for a year, you can add water for an easy clean up and it doesn't cause clogs. He stated he solicited pricing from 2-3 other vendors and no one responded back except Midwest Chemical so he filled out the sole source to retain their chemical.

Force moved to accept this bid. Seconded by Gehin.

Motion carried 5-0.

13) Discussion and Possible Action to Standardize Equipment and Approve Sole Source Equipment Purchase for Sewage Lift Stations.

Lindman began we are proposing to upgrade several our lift stations, this commission has approved standardizing equipment such as pumps, we'd like to do it with our control stations and panels with a vendor that is in the area for emergencies and remote log ins.

Gehin moved to approve standardizing equipment and approve sole source equipment purchases for sewage lift stations. Seconded by Herbst.

Gehin questioned if we purchased the equipment or if the vendor supplied it?

Brooks replied the vendor supplied the equipment.

Motion carried 5-0.

14) Adjourn.

Rosenberg stated the next meeting would be joint with Finance and we are still looking at the dates.

Robinson requested that our May 2nd meeting be moved as there would be a PFAS workshop in Wausau on the same date and time.

Gehin motioned to adjourn. Seconded by Herbst

Motion carried 5-0.

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

Gina Vang, Recording Secretary

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