

(Approved)

**WATER AND SEWER UTILITY COMMISSION
Minutes**

August 15, 2016

Brillion Community Center

6:00 pm

CALL TO ORDER:

Chairperson Jeff Wittmann called the meeting to order at 6:00 pm.

ROLL CALL:

Present were Mayor Gary Deiter, Jeff Wittmann, Mary Jo Krueger, Wally Sonnabend, Joe Levash, Leonard Kopidlansky, and Dan Mertens. Also present were Amy Vaclavik from McMahan, Randy Much from MCO, Paul Much from MCO, Pete Litersky from MCO, and City Administrator Clerk/Treasurer Lori Gosz. Absent were Dave Schwahn and Deputy Clerk/Treasurer Joy Buboltz.

GUESTS:

Chad Olson and Ron Wolf from McMahan, and Warren Engel.

APPROVAL OF AGENDA:

Motion – Krueger moved to approve the agenda as printed. Seconded by Levash. Call vote taken. Motion carried unanimously.

APPROVAL OF THE MINUTES OF THE JULY 18, 2016 WATER AND SEWER UTILITY MEETING:

Motion – Sonnabend moved to approve the minutes of the July 18, 2016 Water and Sewer Utility meeting. Seconded by Mertens. Call vote taken. Motion carried unanimously.

APPROVAL OF VOUCHERS:

Motion – Krueger moved to approve the Water and Sewer Utility operating vouchers in the amount of \$106,806.39. Seconded by Kopidlansky. Call vote taken. Motion carried unanimously.

CITIZEN INPUT:

Warren Engel from 202 Cleveland Street was present. He questioned the amount he is being assessed for the mini-storm sewer work on this property. He stated he owns a corner lot and all the work is being done on Cleveland Street, he is being assessed \$2,804.71 for the longer side on E. Water. He questioned why he is being charged for E. Water when all the work is being done on Cleveland. He stated he feels the assessment exceeds the value of the benefit to his property. He explained that his neighbors the Buffington's feel the same way. Mayor Deiter explained the Utility Commission will address his concerns later on the agenda.

2016 SANITARY SEWER TELEVISIONING AND CLEANING – AWARD BIDS:

Motion – Krueger moved to award the 2016 Sanitary Sewer Televisioning and Cleaning bid to PLC Water Jetting Service for \$5,667.30. Seconded by Mertens. Call vote taken. Motion carried unanimously.

(Approved)

CAPITAL IMPROVEMENT PLAN:

Gosz explained based on the priority information provided by MCO she would like the Utility Commission to list their priorities and then be put in the overall Financial Plan worksheet for the City Council to review. She suggested that the Commission determine priorities for capital improvements for the next 2-3 years. She explained that with most borrowing there are limits to project spending of 3 years. By giving the Council priorities for the next 2-3 years the Council can then prioritize City capital improvements and determine the best financing options. Vaclavik explained the Rural Development Loan Program allows 5 years for project spending, however, they encourage a 2 year time frame. Gosz explained that borrowing through the Rural Development program does not count against the City's debt limit.

Vaclavik explained that Rural Development allows communities to combine projects, by combining the necessary engineer reports to help reduce loan costs. She further explained that street and storm sewer projects do not qualify for Rural Development loans, just water and sewer. However, if the street is being replaced due to the water or sewer utility replacement then only the section of street affected is eligible.

Levash questioned the interest rate for the Rural Development loan. Vaclavik stated the current rate is 2.25%, there is no prepayment penalty and the loans are 40 years loans. She also explained there are potential grants available through Rural Development.

Mayor Deiter stressed the importance of getting these capital improvement projects done. The longer we wait the more failure we will have in the system. Randy Much agreed stating there is not much life left on some of the equipment. Levash stated borrowing interest rates are as low as we may see for a long time. He suggested that if we are going to borrow for projects, now is the time.

Discussion followed on the priorities set by MCO. The MCC Replacement Project was questioned. It was explained that the current MCC's are 40 plus years old and not energy efficient. Olson explained the MCC's control the power to the blowers. Litersky stated with the current high heat and humidity they have been experiencing trouble with the blowers. Without the blowers the treatment system fails, this is the heart of the system. Vaclavik suggested to obtain costs for the replacement of the MCC's that are associated with the aerations system.

Litersky explained the grit washer project. He explained it currently costs approximately \$7,500 each time to clean. The grit washer will improve the operations.

Mayor Deiter questioned how we got to this point where there are so many capital improvement items needed. Randy Much explained that by proper maintenance of the equipment they have been able to extend the life of the equipment. However, we need to plan to repairs/replacement before something fails.

(Approved)

The Commission determined the following priorities;

Wastewater Treatment Facility:

1. I & I Reduction Projects for 2017 & 2018 – Sanitary Sewer Replacement, Water Main Replacement, Street Reconstruction, Mini-Storm Sewers. 2017 total cost estimate = \$685,200. 2018 total cost estimate = \$374,000.
2. New Fine Bubble Aeration System and MCC Replacements. Total estimated costs = \$948,750.

The Ferric Tank replacement will be done in 2016 with funding through the Sewer Use Replacement Fund.

Water System:

1. Water Distribution System to Improve Connection of Transmission System. Connecting the West side of the Distribution System with the East side. Total cost estimate = \$534,000.

It was suggested the replacement of water mains will be done in conjunction with I/I projects.

Gosz stated she will include these in the Financial Plan document for the next two years. The Council will review this along with other City capital improvement projects to determine the best options for financing all projects.

INFLOW & INFILTRATION REDUCTION PROJECT:

A. 2016 Inflow & Infiltration Reduction Project – Update:

With regard to the questions of property owner Warren Engel, Gosz explained the City's policy as it relates to storm sewer lateral projects. She explained per City Code the entire cost of the storm sewer and laterals projects is cost shared 50 percent between the City and all the property owners in the project area. She explained for corner lots there is a credit given and the property owners is only assessed for the longer of the two sides. She further explained that with the regard to Mr. Engels comment on his assessment exceeds the value to his property, she checked with the City Attorney and per State Statute, if the assessment represents an exercise of the police power, which this project does, the assessment shall be upon a reasonable basis as determined by the governing body. The City followed the police power per Statute for this project and have assessed per City Code. The City's method of assessing is reasonable and already gives a credit for corner lots. She explained the City Attorney advised that the City cannot change the assessment without changing the Code. Levash stated that the City Code already gives a credit for corner lots, therefore he would not recommend any change. Mertens and Krueger agreed.

Wolf explained the project plans. He explained there is currently storm sewer on the south side of E. Water Street which will be utilized. Storm sewer laterals will be connected to the current storm sewer. This was done on S. Columbus Street in 2015. He explained with this year's project there is no storm sewer on Cleveland Street, therefore the storm sewer will be included on Cleveland Street. Engel's connection to the storm sewer will be on E. Water Street. Wolf stated by utilizing the existing storm sewer on E. Water Street the overall project cost is reduced,

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which benefits all property owners. The rate of assessment per lineal feet is the same for all property owners in the project area.

Engel questioned why the assessment for sanitary sewer lateral replacement is not treated the same as storm sewer. Gosz stated the sanitary sewer lateral is considered private property and is the home owner's responsibility. Wolf explained per City Code the home owner is responsible for total cost of sanitary sewer lateral from the home to the main. Wolf further explained when the current storm sewer code was adopted there weren't many storm sewers in the City system.

Mayor Deiter stressed the City has worked hard to develop these policies and the I & I program and it would not be good practice to change now that we have already completed I & I projects. The consensus of the Utility Commission agreed and no changes to the current Code was recommended.

Wolf gave a brief update on the 2016 I & I project.

B. 2017 Inflow & Infiltration Reduction Project – Engineering Agreement:

Vaclavik explained the proposed project areas for 2017. She explained the project will include complete street reconstruction on Custer Street and Jackson Street and just I & I reduction on Center Street. She reviewed the Agreement for Professional Services for this project.

Vaclavik also explained she included a separate Agreement for Professional Services for the mini-storm project areas which includes the seven (7) streets that were identified to have sump pump discharge problems. She explained this project should be approved by the City Council.

Motion – Sonnabend moved to recommend to City Council to approve the Agreement for Professional Services from McMahon for engineering services for the 2017 Custer and Jackson Street Reconstruction and Center Street I/I Reduction project. Seconded by Levash. Call vote. Motion carried unanimously.

Motion – Sonnabend moved to recommend to City Council to approve the Agreement for Professional Services from McMahon for engineering services for the 2017 Mini-Storm project. Seconded by Mertens. Call vote. Motion carried unanimously.

MCO REPORT:

A. Main Lift Station Operational Issues:

Paul Much stated the Lift has experienced some backup of grease and grit. Litersky stated there is a floating mat of grease and grit that is starting to show up. He will have this pumped out soon.

B. Phosphorus Limit Compliance – Update:

No report.

C. Ryan Street Lift Station – Update:

Paul Much reported the lift station has been working well and have not experience any backup of debris.

(Approved)

D. Monthly Superintendent Report/Update:

Litersky reviewed his report with the Commission and reported on the following:

- The facility sign is up at the WWTP.
- The Main Street Well meter has been replaced.
- The VFD for the Booster Pump at Well #1 failed and has been replaced.
- Commercial Cross Connection inspections are being done.
- All valves south of National Avenue have been exercised.
- Meter replacements are being done and curb stop heads are being checked.
- Lee's Welding will be installing the goose neck on the clarifier soon.

ENGINEER'S REPORT:

A. Ferric Chloride Bulk Storage Tank Replacement – Review Bid Options:

Chad Olson explained he reviewed costs to repair the current tank. The cost to inspect the inside is \$2,200. This is just to inspect the inside of the tank. Costs for repair of the inside is approximately \$16,000. The cost to repair the outside of the tank is \$11,600. Total cost could be \$30,000. Olson explained the cost of a new tank is approximately \$23,000, this is without installation. By repairing the old tank we could see another 20 years but there is no guarantee.

Mertens questioned if we could switch to Alum. Paul Much stated the cost is very expensive to build a new structure for the option to switch to Alum, therefore he would suggest staying with Ferric.

Discussion followed on the options for replacing the current tank. It was recommended to have the inside of the tank painted. Gosz suggested that the replacement of the current tank could be considered maintenance of equipment which would require a Class 1 notice for bids.

Motion – Mertens moved to reject all bids received and to proceed with the replacement of the tank without enclosure with cost not to exceed \$35,000. Seconded by Levash. Call vote. Motion carried unanimously.

Krueger voiced concern that engineering fees may have been incurred that were not approved by the Commission. She thanked those involved with exploring options for the ferric tank but feels this should be discussed with the Commission first. Olson stated he did not charge for his time to meet at the WWTP to review options.

C. Reed Bed Investigation:

Vaclavik reported samples of sludge in Reed Bed #1 will be taken. She reported that she will assist with the sampling which she will charge the Utility for her time. Paul Much stated the bed does not drain and testing is required to determine the cause.

CHAIRMAN:

No report.

(Approved)

ADMINISTRATOR:

Gosz reported on information on the Lead Service Line Replacement Funding program through the DNR. She will review this further to see if the City would qualify for funding for future projects.

CITY CLERK/TREASURER:

No Report.

OLD BUSINESS:

Wittmann voiced concern of property owners blowing grass clipping on the street which causes backup in the City storm sewer system.

NEW BUSINESS:

None.

ADJOURNMENT:

Motion – Sonnabend moved to adjourn the meeting. Seconded by Krueger. Motion carried unanimously. The meeting was adjourned at 8:11 pm.

Lori M. Gosz
Administrator/Clerk-Treasurer