

**City of Stevens Point  
Board of Water and Sewerage Commissioners  
August 8, 2022 - 12:09 PM**

**Stevens Point Public Utilities  
300 Bliss Avenue, Stevens Point, WI**

**OR**

**Zoom Teleconferencing**

**Meeting URL to connect: <https://us02web.zoom.us/j/82026885705>**

**Dial in number: (303) 715-8592**

**Meeting ID: 820 26885705**

**(or immediately following the previously scheduled meeting)**

**MINUTES**

**Discussion and Possible Action on:**

**1. Roll Call.**

**PRESENT:** Paul Adamski, Mae Nachman and Anna Haines

**EXCUSED ABSENCE:** Ray Schmidt and Carl Rasmussen

**ALSO PRESENT:** Joel Lemke, Mary Klesmith, Chris Lefebvre, Craig Czaikowski, Eric Southworth, Jason Draheim, Jaime Zdroik and Jodi Dobson of Baker Tilly

**2. Approval of Minutes**

**Motion** made by Anna Haines, seconded by Mae Nachman to approve the July 11, 2022 meeting minutes of the Board of Water & Sewerage Commission.

***Ayes all. Nays none. Motion carried.***

**3. Approval of Department Claims**

**Motion** made by Mae Nachman, seconded by Anna Haines to approve the department claims for the month of July 2022 as audited and read.

***Ayes all. Nays none. Motion carried.***

**4. 2021 Audit Presentation**

Jodi Dobson of Baker Tilly presented the 2021 audit to the Commission.

The financial statements did receive an unmodified or clean audit opinion, which is the highest level of assurance they can give.

**INTERNAL CONTROLS:** They did assist with the preparation of the year-end financial statements. There were also adjustments made during the audit process.

**WATER UTILITY:**

Our authorized rate of return is 3.5% and our actual rate of return decreased in 2021

to 2.95%. The operating revenues increased slightly and the operating expenses increased as well. The GFOA states there should be a minimum of 3 months cash on hand and the utility has 4.90 months of cash on hand. The cash on hand has decreased but that was planned in order to use it for projects. In regards to debt coverage, the utility is required to have 1.10 and the actual is 3.96 so we are exceeding this. Only 20% of the capital assets are financed by outstanding debt.

**WASTEWATER UTILITY:**

Revenues are exceeding expenses and maintaining consistent margins for the last three years. The WWTP has 4.41 months of cash on hand. The debt coverage is at 1.79 exceeding the 1.25 requirement. The WWTP has 46% debt but given the recent significant projects at the plant this is not unusual.

**STORMWATER UTILITY:**

For the last two years, the revenues have outpaced the expenses. There is 5.19 months of cash on hand. The debt coverage is at 2.24 exceeding the 1.10 requirement.

**FIBER UTILITY:**

This utility is very young and for 2021 the operating revenues were very close to the expenses. Joel said we recently just sent out approximately \$280,000 in bills to cover construction, so we are going to have a lot more operating and revenue in 2022.

Joel explained the 2021 construction year ended and projects weren't complete, so not everything was captured in the 2021 audit results.

**Motion** made by Mae Nachman, seconded by Anna Haines to approve the 2021 audit completed by Baker Tilly for Water, Wastewater, Stormwater and Fiber Utilities.

***Ayes all. Nays none. Motion carried.***

**5. Water Supply and Distribution Reports - Eric Southworth**

Anna questioned if we knew why there has been a consistent increase in pumpage every month this year. Eric explained that the mill used to pump their cooling water out of the river and now they are using water from our distribution system.

**6. Sewage Treatment Operations Report - Chris Lefebvre**

Chris stated the WWTP met all permit requirements for the month of July. We were able to produce 71% of the heat used onsite. He expects that number to settle at 80% once everything is operational for a full month. DNTanks completed the aeration basin rehab. Precision Glass and Door just finished up with final door replacements. Anna questioned if the odor issue was taken care of. We had some testing done by a consultant. They tried to make some changes in-house. We found that if we push the gas from the dryer to the aeration basin it does eliminate a large amount of the odor. At some point we will have to install pipe to do this in the future. Still tweaking things in the plant as well.

## **7. Purchase and installation of grinder pump - *Chris Lefebvre***

Joel explained that in an effort to decrease after-hours calls associated with the biosolids drying process, they piloted the installation of a grinder pump ahead of the belt filter press. This pilot was effective and decreased after-hours calls by 83%. There are increased polymer costs associated with this operational change but the decrease in calls is a benefit that has more than monetary value associated with it.

Quotes have been requested and received from multiple parties that we work with routinely. The project is estimated to cost \$28,000.00. Staff is requesting permission to procure and install a grinder pump in the biosolids building at a cost not to exceed \$28,000. This would result in a modification to the 2022 Capital Operations and Maintenance budget.

**Motion** made by Anna Haines, seconded by Mae Nachman to approve the purchase and installation of a grinder pump in an amount not to exceed \$28,000.00.

***Ayes all. Nays none. Motion carried.***

## **8. Construction and Maintenance Report - *Craig Czaikowski***

Craig stated the crew is still working on lead service line replacement, averaging about 3 a week hoping to continue through September. Then will be down to about 30 left for next year. Craig explained there was some flooding problems with the storms this past weekend. Craig stated the crew had completed a stormwater project that was done to address the previous flooding issues on Wilshire by Washington School. He stated this area, which normally flooded, was completely dry on Saturday after the storm. The Commission congratulated Craig and staff on doing a great job with the work completed that has eliminated some of the flooding issues throughout the City.

## **9. Hiring engineers for annual reconstruction projects - *Joel Lemke***

Joel explained that a consulting engineer is hired every year for our full reconstruction project. This is a coordinated effort between our Department and the Department of Public Works. The reconstruction projects have grown significantly in recent years and the required timeline for hiring the consulting engineer has changed. Typically, engineering efforts begin in October of the year prior to construction and with smaller projects this wasn't a problem but now that they are so large WPS needs the plans earlier so they can have time to plan how they will relocate their utilities. WPS is requesting we have our plans finished by October of the year prior to construction. Starting the engineering earlier in order to get the plans to WPS by October presents some budgeting issues because the City does not approve DPW's capital until October.

Staff is requesting permission to begin engineering services for our annual reconstruction projects any time in the year prior to that project with the intention of holding DPW related expenses incurred on that project until the necessary budgets are approved and a billing can occur related to those services.

**Motion** made by Anna Haines, seconded by Mae Nachman to approve engineering services for the annual reconstruction project any time in the year prior with the

intention of holding DPW related expenses incurred on that project until the necessary budgets are approved and a billing can occur related to the services.

***Ayes all. Nays none. Motion carried.***

**10. Community Area Network Report - Joel Lemke**

Joel stated this year's project is completed. We did a path to Transit which gives everyone on this network a redundant path which will be a secondary point of presence for WISNET. This will provide redundancy, disaster recovery and survivability to most of our partners. We all split the cost of the path. Bills have been sent out to cover costs.

**11. Directors Report - Joel Lemke**

In the CMAR it referenced the last Energy Audit was completed in 2002. Joel had a conversation with Joe from Focus on Energy regarding this. Joe stated they could come in and do a survey/inspection if needed but we should not let the older date bother us because we have been going in the right direction ever since that was completed. Joel stated we have received over \$500,000 from Focus on Energy in the last ten years.

**12. Adjournment.**

**Motion** made by Anna Haines to adjourn the meeting.

***Ayes all. Nays none. Motion carried.***

**Meeting Adjourned: 12:43PM**