City of Stevens Point
Board of Water and Sewerage Commissioners
August 12, 2024 - 12:00 PM
Stevens Point Public Utilities
300 Bliss Avenue, Stevens Point, WI
OR

Zoom Teleconferencing
Meeting ID: | 820 26885705
By Computer: https://us02web.zoom.us/j/82026885705
By Phone: (303) 715-8592

MINUTES

Discussion and Possible Action on:

1. Roll Call.

PRESENT: Paul Adamski, Carl Rasmussen, Anna Haines and Ray Schmidt

ALSO PRESENT: Joel Lemke, Jennifer Schmeiser, Eric Southworth, Chris Lefebvre, Shane Kohnen, Jason Draheim and Jaime Zdroik

EXCUSED ABSENCE: Mae Nachman

2. Approval of Minutes

Motion made by Carl Rasmussen, seconded by Anna Haines to approve the July 8, 2024, meeting minutes of the Board of Water & Sewerage Commission.

Ayes all. Nays none. Motion carried.

3. Approval of Department Claims

Motion made by Anna Haines, seconded by Ray Schmidt to approve the department claims for July as audited and read.

Ayes all. Nays none. Motion carried.

4. 2023 Audit Presentation by Baker Tilly

Jodi Dobson from Baker Tilly presented the 2023 audit to the Commission.

Our financial statements received an unmodified or clean opinion.

Water Utility:
Rate of return is how the Public Service Commission establishes the rates. The authorized rate of return is set at 4.90%. The actual rate of return for 2023 was 4.46%. That's normal to fluctuate from year to year.

Operating revenues continue to have a good margin over the operating expenses and remain relatively consistent.

Unrestricted cash reserves should have a minimum of three months on hand. We had over 10 months of cash on hand for 2023.

Debt Coverage- our existing revenue bonds require 1.10 which means we need revenues to cover operating costs at 110% of debt service. We were at 3.26 in 2023.

The Water Utility has 79% equity and 21% debt.

WASTEWATER UTILITY:

Margins have closed slightly between revenues and expenses and should be monitored.

Unrestricted cash reserves were at 3.05 months on hand, which is the minimum of what they like to see.

Debt cover for 2023 was at 1.43 and the outstanding bonds require 1.25 so meeting the requirment.

The Wastewater Utility had 58% equity and 42% debt at the end of 2023. More debt due to recent projects.

STORMWATER UTILITY:

Revenues increased as the expenses stayed relatively consistent every year.

The Stormwater Utility had 11.84 months of unrestricted cash on hand.

Debt coverage was at 1.51 for 2023 exceeding the 1.10 required.

The Stormwater Utility had 69% equity and 31% debt as of 2023.

FIBER:

This is a relatively new utility so graphs look a little different. 2023 the revenues exceed the expenses.

The Fiber Utility has 52.38 months of cash on hand.

The Fiber Utility has no debt, 100% equity.

Motion made by Anna Haines, seconded by Carl Rasmussen to approve the 2023 Audit completed by Baker Tilly.

Ayes all. Nays none. Motion carried.

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

Eric stated the pumpage totals weren't available to be put into the meeting packet but are available as a handout for the meeting. Pumpage is down due to all of the rain this summer. The servicemen are continuing to work on exchanging meters.

6. Expenses related to pump repair for Well 11-*Eric Southworth*

Eric stated pump #1 at Well 11 started making noises and giving us trouble early this summer. We had Municipal Well & Pump pull out the equipment and take it back to their shop and give us a quote on what the repairs would be. To have them pull the pump out and come back and reinstall comes to $18,480. The cost of repairs is $20,625 for a total project cost of $39,105. Due to the fact we pump Well 11 24/7 we have to wait until fall to get it reinstalled. We also have to get bacti samples back in order to get Well 11 back online after the new equipment is installed.

Motion made by Ray Schmidt, seconded by Anna Haines to approve the quote from Municipal Well & Pump to repair the pump for Well 11 at a cost not to exceed $39,105.00.

Ayes all. Nays none. Motion carried.

7. Sewage Treatment Operations Report - *Chris Lefebvre*

Chris stated formats are different this month due to computer issues. He included the discharge monitoring report in the packets. All permit limits were met for the month of July. The Influent screens were put back together and installed and are now up and running again. We are on week 12 of dryer operations since the last repairs were made, and we see no signs of leaking oil, so he feels the repairs were successful.

8. SCADA computer replacement -*Joel Lemke*

Joel stated our main SCADA server in some capacity died. We have several computers still functioning, so we still have control of our facilities, but we are not sending all of our data points. Our integrator has provided us with a quote, which involves not just replacing that computer but several others. This includes new software, hardware, licenses and labor to do it all. Joel proposes we get a number approved not to exceed so they can look at other integrators as well for pricing.

We are looking at an industrial grade, server environment, so if one computer fails we aren't down. We will come back to the Commission if they find out more money is needed.

The Commission would like to see a break-down of the invoice. Joel said once they start shopping around and getting better figures, they should have that information and can bring it back.

Motion made by Carl Rasmussen, seconded by Ray Schmidt to approve the SCADA computer replacement for an amount not to exceed $184,404.00.

Ayes all. Nays none. Motion carried.

9. Architectural services for an addition to the utility administration office-*Joel Lemke*

Joel explained this facility is beyond capacity now. He explained the need for the office to be able to accommodate more employees. The scope is split up into option and needs first. We have never worked with Somerville, Inc. yet. Phase 1 consists of Space Programming, Site visit by A/E team, meetings with staff, conceptual/preliminary site layout, conceptual floor plants to establish building size and adjacencies, and

conceptual level Opinion of Probable Cost.

Phase 2 consists of a schedule based on construction costs.

We would like to start the planning process.

Motion made by Anna Haines, seconded by Carl Rasmussen to approve the quote for architectural services from Somerville, Inc. for an addition to the utility administration office for an amount not to exceed $8,600.00.

Ayes all. Nays none. Motion carried.

10. Construction and Maintenance Report - *Shane Kohnen*

Shane stated everything construction wise is business as usual. We have four ongoing construction jobs that are bid out. Our televising crew has been keeping up with televising all the new infrastructure on all four jobs as well as the normal cut, jet and flush program. We have internal construction crews installing new storm sewers on Industrial Park Drive to help with flooding issues in that area. They are almost half way completed. We are working on planning some fiber optic extensions that would connect the fiber network to the city parks and new projects.

Joel explained what the term dark fiber meant to the Commissioners.

11. Directors Report - *Joel Lemke*

Joel stated we received the DNR Sanitary Survey late last week from the DNR for the water system. No deficiencies were found. This will be provided to the Commission at next month's meeting.

12. Adjournment.

Motion made by Ray Schmidt to adjourn the meeting.

Ayes all. Nays none. Motion carried.

Meeting Adjourned: 12:46 P.M.