

Thursday, December 11, 2014
5:30PM

City Hall, Council Chambers
23 N 2nd Street

**COMMISSION
MEMBERS**

ADAM WEBSTER
TERM EXP. 2015

SCOTT BORCHARDT
TERM EXP. 2017

DALE ARTHUR
TERM EXP. 2019

BILL ERICKSON
TERM EXP. 2018

BILL PAULSON
TERM EXP. 2016

“WINTER,
SPRING,
SUMMER, FALL...
TOMAHAWK
HAS IT ALL”

AGENDA

1. **CALL TO ORDER**
2. **PUBLIC HEARING**
 - A. Wastewater (Sewer) Rate Increase
3. **PUBLIC COMMENTS** (During this item on the agenda the Commission listens to oral comments from members of the public on non-agenda items. When speaking please state your name and limit your time to five minutes.)
4. **OLD BUSINESS**
 - a. Wastewater (Sewer) Rate Study
5. **NEW BUSINESS**
 - a. Borrowing Resolution – Revenue Obligation Trust Fund Loan in the amount of \$900,000 for Wastewater Projects
6. **NEXT MEETING** – January 27, 2015 at 8:00AM
7. **ADJOURN**

Any additions to this agenda will be added to the original posted at City Hall. Any person who has a qualifying disability as defined by the American’s with Disabilities Act, that requires the meeting or materials at the meeting to be in an accessible location or format must contact the Clerk-Treasurer at City Hall, 453-4040, at least three days prior to the meeting so any necessary arrangements can be made to accommodate each request.

PLEASE TURN CELL PHONES ON SILENT DURING MEETINGS

1 **MINUTES OF THE WATER AND SEWER UTILITY COMMISSION**
2 **City of Tomahawk**
3 **City Council Chambers**
4 **December 11, 2014**
5

6 CALL TO ARTHUR called the meeting of the Water and Sewer Utility Commission to order at
7 ORDER 5:31PM.
8

9 ROLL CALL Commission members present were Adam Webster, Dale Arthur, Scott Borchardt and
10 Bill Paulson. Absent was Bill Erickson. Also present was Director of Public Works Mike
11 Tolvstad, Dave Van De Weerd Wastewater Plant Head Operator, Brandon Streilow
12 Wastewater Operator and Clerk-Treasurer Amanda L. Bartz.
13

14 PUBLIC PAULSON MOVED to enter into the public hearing and WEBSTER seconded. The VOTE
15 HEARING was unanimous. The public hearing was called to order at 5:31PM.
16

17 TOLVSTAD reviewed the function of the Utility Commission. He stated that the
18 Commission is appointed by the City Council to oversee the operation of the water and
19 wastewater departments. He explained that the Commission operates as an
20 independent body approving budgets, hiring staff and overseeing the operation of the
21 utilities. TOLVSTAD stated that the Commission’s monthly financial report is forwarded
22 to the Finance Committee monthly and all Council members receive copies of the
23 Commissions minutes.
24

25 TOLVSTAD stated that the waste water is made up of the treatment plant, 15 lift
26 stations, over 22 miles feet of pipe and approximately 300 manholes worth \$13 million.
27 He stated that the utility is operated 24 hours a day.
28

29 TOLVSTAD also explained that in 2012 the Water and Waste Water rates were increased
30 by 40%. He stated that it was explained at that time that the waste water rates would
31 need to be increased in the near future to account for the principal payments for the
32 “River Crossing” project(s).
33

34 TOLVSTAD stated that in 2013 the roof on the digester cover at the treatment plan
35 started to leak and was beyond repair of patching and needed to be replaced.
36 TOLVSTAD introduced Tom Fitzwilliams with MSA Professional Services.
37

38 Fitzwilliams stated that he is an engineer with MSA Professional Services and is also a
39 wastewater operator. He stated that the original treatment plant was constructed in
40 1954 with completed upgrades in 1971 and 1996 and that most of the equipment has
41 exceeded its life expectancy. He stated that in 2012 the Commission authorized the
42 completion of a wastewater facility plan to evaluate the condition and capacity of the
43 facility and to analyze the amount of clear water entering the collection system.

1
2 Fitzwilliam stated that the evaluation determined that the facility has sufficient capacity
3 however, the equipment at the treatment plan and certain lift stations are in need of
4 replacement to assure the facility maintain adequate treatment and permit compliance.
5

6 Fitzwilliam explained the following identified wastewater treatment plant
7 improvements: Anaerobic digester cover (complete): 61 years old, mechanical fine
8 screen: 19 years old, primary clarifier equipment: 44 years old, aeration system
9 improvements: 44 years old, fine clarifier equipment painting: 19 years old, UV
10 disinfection equipment: 19 years old, chemical feed system: 19 years old, electrical and
11 control equipment 44 years old.
12

13 Fitzwilliam also explained the following lift station improvements: Shuetz lift station #6:
14 45 years old, E Deer Park Lift Station #8: 45 years old, Blohm Lift Station #5: 45 years old,
15 Bliss St lift station #10: 45 years old, Industrial Park lift station controls #12: 39 years old,
16 and Sprotsman’s lift station controls #13: 39 years old. He stated that sewer pipe lining
17 and replacement, lateral connection grouting and manhole rehab and repair has also
18 been identified.
19

20 Fitzwilliam stated that a total rate increase of 25% needs to be adopted to complete all
21 the identified projects. He stated that the proposed treatment projects has qualified for
22 15% principal forgiveness from the Department of Natural Resources.
23

24 Mike Van De Weerd asked what portion of the rate increase was due to the N 4th Street
25 projects. He stated that it is important to note that the treatment plan has a 20 year
26 facilities plan that is designed to take care of itself without a large rate increase.
27 TOLVSTAD agreed and stated that we have been on a 20 year cycle.
28

29 HETZEL asked, if the 25% rate increase was adopted, if the rate payers would be
30 guaranteed that they wouldn’t see a large increase for the next 10 years. TOLVSTAD
31 stated that the only upgrade that he can think of that may be required would be to
32 ensure compliance with future phosphorous regulations.
33

34 Jerry Cole stated that 3 years ago the garbage collection fee was placed on the utility bill
35 and the residents were told that if they did a good job recycling the fee would go down.
36 He stated that the fee has not changed. Discussion followed regarding garbage
37 collection fees.
38

39 Mayor STOCKER referred to the Wisconsin Sewer User Charge Survey Data from 2012.
40 She asked if the higher rates on the chart were the result of system upgrades.
41 Fitzwilliams confirmed that the top 5 utilities had recently completed upgrades to their
42 systems.
43

1 Ken Schulz asked how this increase would affect the City's bond rating. SCHLEGEL
2 stated that it would help the rate by not taking out General Obligation Debt.

3
4 WEBSTER asked about project timetables. TOLVSTAD explained the options. He stated
5 that the Commission could recommend a 2.6% increase to cover the current projects
6 already completed and the principal payments for the N 4th Street projects, 18%
7 increase to only complete the critical projects or a staged rate increase of 10% in 2015
8 and 15% in 2016 (25% total). D. VANDEWEERD explained that the projects listed as
9 alternative projects would still need to be complete in the near future.

10
11 Pat Haskin stated that we are always down to the last minute to make a decision. Steve
12 Bartz agreed and stated that it should have been brought before them sooner.
13 TOLVSTAD stated that this was not a staff decision but rather a decision of the
14 Commission. He stated that this process has been in the works for the last 18 months.

15
16 LOKA stated that if all the projects are not completed now we may regret it later.
17 HETZEL agreed.

18
19 Lee Hamlin stated that she has lived in Tomahawk since 1969 and she has never had to
20 draw her own water. She stated that we need to take care of what we have and that
21 the upgrades will only cost more if postponed until a later date.

22
23 PAULSON MOVED to close the public hearing and BORCHARDT seconded. The VOTE was
24 unanimous. The public hearing was adjourned at 7:06PM.

25
26 PUBLIC There were no public comments.
27 COMMENTS

28
29 **OLD BUSINESS 1.) Wastewater (Sewer) Rate Increase**

30
31 WEBSTER MOVED to recommend a wastewater rate increase of 25% effective January 1,
32 2015 and PAULSON seconded. The roll call VOTE was 3-1 with WEBSTER, ARTHUR AND
33 PAULSON in favor of the motion and BORCHARDT opposed.

34
35 **NEW BUSINESS 1.) A borrowing resolution – Revenue Obligation State Trust Fund Loan in an amount**
36 **not to exceed \$900,000 for wastewater plant upgrades, digester cover replacement**
37 **and collection system upgrades**

38
39 BORCHARDT MOVED to recommend the proposed resolution for adoption and
40 WEBSTER seconded. The VOTE was unanimous.

1 ADJOURN PAULSON MOVED to adjourn the meeting and BORCHARDT seconded. The VOTE was
2 unanimous. The meeting of the Water and Sewer Commission was adjourned at
3 7:12PM.

4
5 Approved: DRAFT