

**CITY OF RHINELANDER
WATER/WASTEWATER COMMITTEE MEETING
TUESDAY, MARCH 8, 2011 – 5:00-6:30 P.M.
CITY HALL MEETING ROOM**

MEMBERS PRESENT: Chairman Mark Pelletier, Sherrie Belliveau, Joe Salzer, Tom Kelly and Sonny Paszak.

OTHERS PRESENT: Mayor Dick Johns, Ald. Bill Freudenberg, City Attorney Phil Parkinson, Assistant Water & Wastewater Superintendent Tim Phelan, Water & Wastewater Superintendent John Zatopa, Frank Brey, Michael Schindhelm and Gene Laschinger of Town and Country Engineering, and Kyle Rogers of the Northwoods River News.

CALL TO ORDER AND ROLL CALL

Chairman Mark Pelletier called the meeting to order at 5:00 p.m. The media was notified, the agenda was posted, and a quorum was present to do business.

NEW BUSINESS

Discuss/Approve Proposed Settlement with A-1 Excavating for the Phillip Street and Barnes Street Projects

The Committee reviewed the settlement proposal prepared by Town & Country Engineering. If approved by Committee, it will be forwarded to A-1 for their consideration. City Attorney Parkinson noted that this settlement would completely close out the Phillip and Barnes Streets projects. No payment would be made until we have lien waivers from all subcontractors.

MOTION BY BELLIVEAU, SECOND BY PASZAK, TO APPROVE SETTLEMENT OFFER TO A-1 EXCAVATING FOR THE PHILLIP AND BARNES STREETS PROJECTS AS PROPOSED BY TOWN & COUNTRY ENGINEERING, IN THE AMOUNT OF \$100,885.62, LESS \$20,000 RETAINER, FOR A NET SETTLEMENT OF \$80,885.62. 4 AYE, 1 NAY (SALZER); MOTION CARRIED.

REVIEW OF MEETING MINUTES

MOTION BY SALZER, SECOND BY BELLIVEAU, TO APPROVE MEETING MINUTES OF FEBRUARY 8, 2011. ALL AYE; MOTION CARRIED.

DEPARTMENTAL ACTIVITY REPORTS

The Committee received copies of the monthly activity reports of Wastewater Superintendent John Zatopa and Assistant Superintendent Tim Phelan.

UNFINISHED BUSINESS - None.

NEW BUSINESS

Discuss/Approve Ratification of Pay Request #15 in the Amount of \$1,497,162.36

MOTION BY SALZER, SECOND BY KELLY, TO APPROVE RATIFICATION OF PAY REQUEST #15 IN THE AMOUNT OF \$1,497,162.36 FOR THE WASTEWATER TREATMENT PLANT PROJECT. ALL AYE; MOTION CARRIED.

Discuss/Approve Work Directives and Change Orders for Contracts A, B and C - None.

Discuss/Approve purchase of a used Godwin CD100 dry-prime diesel pump & suction hose, discharge hoses, and screen for bypass sewer pumping

Tim Phelan noted that we do not currently have a bypass pump. He got proposals from Lincoln Contractors Supply; a new pump with the hoses and screen comes to \$28,157.50; a used pump with hoses and screen is \$18,708. Tim noted that there is a 4-month rental purchase option, which would allow us to test and use the pump before buying it.

MOTION BY KELLY, SECOND BY PASZAK, TO APPROVE PURCHASE OF A USED GODWIN CD100 DRY-PRIME DIESEL PUMP & SUNCTION HOSE, DISCHARGE HOSES, AND SCREEN FOR BYPASS SEWER PUMPING FROM LINCOLN CONTRACTORS SUPPLY, INC., WITH THE 4-MONTH RENTAL PURCHASE OPTION. ALL AYE; MOTION CARRIED.

Discuss/Approve water main proposal, well proposal and alternative analysis and discuss/review financial status of the Sewer Utility

Gene Laschinger noted that at the last meeting, the Committee approved a quote by Nehls & Webster for drilling of test wells. Gene reported that the first well resulted in no water; the second well yielded about 50 gpm, but is located more than 1,000 feet from the site. We also sent out plans and requested quotes for a water main to follow the same route as the forcemain. Gene presented 3 alternatives for a well water supply. Alternative 1 - \$244,800 capital costs and \$9,168 average annual operating and maintenance costs; Alternative 2 – \$366,800 capital and \$9,563 O&M; Alternative 3 - \$466,800 capital and \$10,359 O&M. Alternative 4 is the water main, with \$695,388 in capital costs, and \$2,519 annual O&M.

Sherrie noted that the water main is the only solution that positions us for future development along Highway 17 South; in addition, the O&M costs are significantly lower. It was noted that a well is not necessarily a permanent solution. It was agreed that the water main is the best option from a long-term standpoint. John noted that we would specially assess the main, so any future hookups would pay based on the front footage. Gene advised that after taking some deductions into account for using different materials, etc., the net cost will be around \$660,000.

Gene then reviewed his financial analysis of the project, noting that the water main would add \$15,000-\$20,000 per year to the debt service. We have enough cash on hand to pay for the Barnes Street project, but we'll have to do the interceptor in the future, and loan rates will go up due to the Governor's proposals. Gene recommends borrowing for Barnes Street at the current rates, and saving our cash on hand for the future interceptor project, instead of borrowing for that project at higher future rates. As of 12/31/10, we have \$2,150,000 cash on hand. Gene stated that with the current user rates and the projected debt service, we will have enough money to do the water main without having to increase rates. Gene noted that we will have to increase rates when we do the interceptor, as that's a \$5 million project. This would be a \$5/month increase on an average household. Gene noted that things could change; we could receive some grant funds, etc.

MOTION BY PELLETIER, SECOND BY BELLIVEAU, TO APPROVE THE WATER MAIN PROPOSAL OF JAMES PETERSON & SONS FOR THE WASTE TREATMENT FACILITY WATER SUPPLY AT A COST NOT TO EXCEED \$700,000. ALL AYE; MOTION CARRIED.

MATTERS OF EMERGENCY/INFORMATIONAL NATURE

Sherrie asked about the cross-connection control program; Tim Phelan reported that it's going very well.

Gene noted that the preliminary site plan for the new park is finished. Sherrie advised that the next Parks Committee meeting is on March 28th; Frank Brey will attend that meeting.

CONSIDERATION OF BILLS & CLAIMS

MOTION BY BELLIVEAU, SECOND BY PASZAK, TO APPROVE PAYMENT OF BILLS & CLAIMS IN THE AMOUNT OF \$1,742,545.20. ALL AYE; MOTION CARRIED.

FUTURE AGENDA REQUESTS AND MEETING DATE

Future agenda requests: None.

The next meeting date is Tuesday, April 5, 2011 at 5:00 p.m., at City Hall. The May meeting will be held at the new Wastewater Treatment Plant.

EXECUTIVE SESSION

MOTION BY PASZAK, SECOND BY SALZER, TO ADJOURN INTO EXECUTIVE SESSION PURSUANT TO §19.85(1)(g) TO DISCUSS/APPROVE THE DECEMBER 7, 2010 EXECUTIVE SESSION MINUTES. ALL AYE; MOTION CARRIED.

MOTION BY BELLIVEAU, SECOND BY PASZAK, TO APPROVE THE DECEMBER 7, 2010 EXECUTIVE SESSION MINUTES. ALL AYE; MOTION CARRIED.

MOTION BY SALZER, SECOND BY BELLIVEAU, TO ADJOURN FROM EXECUTIVE SESSION AND RECONVENE IN OPEN SESSION. ALL AYE; MOTION CARRIED.

ADJOURNMENT

MOTION BY BELLIVEAU, SECOND BY PASZAK, TO ADJOURN THE WATER/WASTEWATER COMMITTEE MEETING OF MARCH 8, 2011 AT 6:30 P.M. ALL AYE; MOTION CARRIED.

APPROVED BY _____ RECEIVED BY _____

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