



Watertown City Council
Work Session

Mayor Steve Washburn
Lindsay Guetzkow
Adam Pawelk
Michael Walters
Dan Schuette

11/9/2021 - Minutes

1. Call To Order And Roll Call

Mayor Steve Washburn called the Watertown City Council work session to order at 5:30 p.m. on Tuesday November 9, 2021, in the council chambers of City Hall.

Council Members Present: Washburn, Michael Walters, Dan Schuette, Lindsay Guetzkow and Adam Pawelk.

Staff Present: Administrative Services Director Lynn Tschudi, City Administrator Jake Foster, and City Engineer Andrew Budde.

Guest: Seth Peterson with Bolton & Menk.

2. New Business

2.1. Wastewater Treatment Facility And Water Tower Discussion

Seth Peterson with Bolton & Menk stated the design and specifications for the wastewater treatment facility are ready to move forward as well as the funding through the Public Facilities Authority. The City is also looking for direct appropriations through state bonding committees for up to \$10 million dollars.

Peterson said any funding with the direct appropriation would not come until May of 2022. He explained that any of the special appropriation funds could not be used for expenses already incurred. Peterson said the project needs to start by March of 2022 to meet the April 30, 2024 permit deadline.

The project will bid in January of 2022. Peterson talked about the supply chain problems and construction costs driving the total project up to \$21-23 million. The driving force behind most of the improvements is due to the stringent phosphorus limits required by the new permit.

Pawelk asked what parts of the project are needs and what are wants. Peterson said the additional

garage space is to house the SCADA and chemical feeds. Mayor Washburn said the important fact to stress is that the costs have gone up 25% due to meeting limits along with continuing to keep the environment safe.

Guetzkow asked if any of the pieces of the current facility will be going away after the construction. Peterson said no, most tanks will continue to be used as they have 100-year life span. Some equipment will be replaced if it is old and has no salvageable value.

Walters asked if it would be beneficial to go out for bid now. Peterson said contractors will sometimes hold a price, but others will build in additional costs knowing the start date is later.

Schuette asked when the new phosphorus limits come into play. Peterson said he doesn't have the permit in front of him but currently the City is not meeting the limits. Schuette asked who would be responsible for purchasing the equipment. Mayor Washburn said the contractor because he will not be going after multiple people when the equipment purchase falls through. Schuette asked what role Bolton & Menk plays in the project. Peterson said they assist in the bidding and managing the general contractors.

Washburn said he has seen the disasters that have occurred at the school district when they tried to manage projects themselves. Washburn asked how do we make sure we get a good contractor. Peterson said there are requirements for completion dates, there are equipment guarantees and requirements that are put on the general contractor. There is also a two-year warranty on the project and some pieces of equipment have an even longer warranty.

Schuette asked who is responsible for meeting the phosphorus limit after this project is complete. Peterson said it is a culmination of operating staff, Bolton & Menk and contractors. Schuette said he is not happy with that. Peterson said after all the treatment facility expansions he has been through, he is confident the City will meet the requirements after the construction. Peterson also said that the construction and limits will be monitored by the MPCA as well as Bolton & Menk.

Guetzkow asked if there will be liquidated damages for substantial completion and final completion. Peterson said there are weekly construction meetings so substantial completion is being met, but there are liquidated damages for final completion. Guetzkow asked what will happen if the City is not compliant by April 30, 2024. Peterson said MPCA can fine the City or place the City under another compliance agreement especially if they are working toward progress.

Washburn asked Peterson if he thinks the \$21-23 million price point will hold. Peterson said he is not sure due to all the price increases. Steel prices have increased dramatically.

Pawelk asked about lead times on the equipment. Peterson said once the contractor has the contract in hand, they begin shop drawings and then they can order equipment. That entire process can take six months or more.

Washburn clarified that the MPCA and the PFA have approved everything. Peterson said yes.

Council discussed who would pull the building permit for the expansion at the City. They also discussed waiving the building permit fee being that the City would be charging itself.

Schuette asked how long the bid time will take. Peterson said he would give them about a month to turn it around.

Engineer Andrew Budde said he would like to narrow down the water tower locations to three to four locations so an open house can occur. He asked council what the biggest driver is such as cost or location. Budde reviewed the locations for council. Washburn clarified the current cost estimate of the water tower project is \$4 million.

3. Adjournment

Washburn adjourned the work session at 6:29 pm.

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Washburn, Mayor

ATTEST: _____

Lynn Tschudi, Admin. Services Director

Steve