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To: Chairman Board and members of the Public Works Commission  
From: Peter Hartz – Water Systems Manager

September 18, 2024

Re: September 24, 2024, Public Works Commission agenda items

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### Water Systems:

- 1.) Review and take possible action - 2024 Biosolids Dryer Project update & presentation by Mead–Hunt.

**Background:** In April of 2023, we circled back on our previous biosolids and methane gas evaluation and hired Mead-Hunt to review and study a conceptual biosolids dryer, with a grant from Wisconsin Focus On Energy.

In September of 2023, funds were allocated for the biosolids dryer project and study in the wastewater 2024 budget, project tentatively being planned for 2025.

December 19, 2023, we moved forward with our application for the U.S. Department of Energy (DOE) grant application for a combined heat and power engine to pair with the biosolids dryer project. The DOE awarded Watertown funds to pursue a solar array project to power the dryer.

Tuesday May 14, 2024, this commission approved acceptance of the solar grant funds, to pair along with the sludge dryer project with Mead – Hunt assisting Watertown in the project bidding and award as we move forward with the solar project.

On June 10, 2024, the Finance Committee approved acceptance of the solar grant match funds of up to a maximum of \$300,000 of the project cost.

Separately (and independent) from the DOE grants and solar project, we now have a complete conceptual dryer selection report ready for review and discussion. Discussion will focus on the following: a review of process flow diagrams & mass balances for each alternative, a review of the general arrangement drawings for each alternative, a review of the capital, operating, present worth, and cost of ownership analysis, our conclusions.

**Budget goal:** This aligns with investments and infrastructure planning.

**Financial Impact:** The dryer project was included in the 2025 capital improvement budget, estimated at \$10,000,000 with option to pay in cash from fund balance on hand, or by a clean water fund loan (CWFL).

**Recommendation:** Approve moving forward with Mead – Hunt to provide project engineering design, bidding, and construction related services for the dryer project.

- 2.) Review and take action - approve license agreement between City of Watertown and Verizon Wireless for equipment located on the O'Connell Water Tower (Cellular Site MDG ID: 5000097398)

**Background:** Verizon Wireless is currently operating its equipment at the above site since November 20, 1997, the prior lease final term expired on 12/01/2023. Verizon Wireless and the City's representatives have negotiated a replacement Watertown License Agreement (the "Agreement") between the two parties. Included in the Agreement are construction drawings that have been approved, the project commencement date was pending the agreement to the new lease and terms which has been in negotiations since early 2023, and the new agreement is backdated to 12/01/2023 to include the new rental rates and beginning of term.

**Budget goal:** This aligns with investments and infrastructure planning.

**Financial Impact:** This agreement sets the water utility for additional revenue for the next 20 years by providing space for rent by others outside of water rate revenue; the first-year rent (license fee) is \$36,643.96 payable in monthly installments of \$3,053.66 with increases of 3% each year for a total of four (4), five (5) year renewal terms (20 year total time frame of Initial Term).

**Recommendation:** I recommend approval of the new agreement which includes a new lease term and the new equipment upgrades. The 'draft' resolution for the Common Council included for this item will move forward to the next scheduled meeting; tentatively on October 1, 2024 if approved.

- 3.) Review and take action - Approve planned service agreement from Johnson Controls for the water and wastewater HVAC computerized control system.

**Background:** Johnson Controls has administered and maintained equipment and software support for the entire wastewater facility complex since conception in 2002 with three-year contracts for services. In 2022 we moved to annual contracts, the next contract is up for renewal starting November 1, 2024, to include payment of \$17,250.

**Budget Goal:** This aligns with investments and infrastructure planning.

**Financial Impact:** This is a support contract that was included with the proposed 2024 budget.

**Recommendation:** I recommend approval of the one-year contract as presented for \$17,250.

Thank you for your attention to these matters. Should you have any questions or need further clarification please don't hesitate to reach out to me.

Sincerely,  
*Peter Hartz*  
Water Systems Manager