

## Minutes of the Public Safety Committee Meeting – March 5, 2018

**Members Present:** Phil Wedekind, Tom Kolb, and Mike Plautz. **Others Present:** Tom Pinion, Emily Truman, Wade Peterson, Ed Geick, Mark Schauf, Renee & Brian Bemus, Nancy, Atty Buck Sweeney, Ben Bromley, and Kris Jackson.

**Call to Order** - Committee Chairman Phil Wedekind called the meeting to order at 1:00 P.M. at the City Services Center, 450 Roundhouse Court, Baraboo, Wisconsin. Compliance with the Open Meeting Law was noted. It was moved by Kolb, seconded Plautz to approve the agenda as posted.

### New Business

- a. Discussion with Driftless Glen Distillery, LLC, regarding wastewater discharge from the Driftless Glen Distillery at 300 Water Street and how they propose to comply with the Subchapter III: Baraboo Sewer Utility in Chapter 13 of the City's General Code of Ordinances – Engineer Pinion presented the background regarding this issue. He that staff have had conversations and meetings with Driftless Glen repeatedly over the past couple years regarding this wastewater issue and it hasn't progressed to a point that has been satisfactory to the City. Pinion said that Driftless Glen has had many different offers in the past to try to solve some of the things, but from the City's perspective we need to look at compliance with the Chapter and pre-treatment. Pinion said the Sewer Ordinance, which is sub chapter three of 13, it lays out the regulations and requirements that customers are required to comply with to discharge to the sanitary sewer. He said it is the contention of this City that this is a high strength customer, it includes the general same characteristics as domestic wastewater, but it's at excessive concentrations compared to that of domestic strength. He said that the distillery has asked that they have consideration as an unique user in the past; however, the City didn't feel that they qualified for that. Pinion said that when they are under production and discharging samples are taken of the wastewater from their lateral and the concentration of BOD, suspended solids, pH, and phosphorus exceed the limits that are laid out in the ordinance. He said as this is looked at, not only are they subject to a surcharge, but it also has a detrimental effect on the Wastewater Treatment Plant. He said that it is a small volume compared to the total flow that is processed at the treatment plant, but the concentrations are so high that it has a noticeable effect on the operation of the plant. The City is looking for that wastewater to be treated in a manner that doesn't upset the normal operation of the Wastewater Treatment Plant, not necessarily to get it down to domestic strength sewage, but to at least pre-treat it to a point where it doesn't upset the proverbial apple cart. Wedekind asked how that would be done. Pinion said that it would be up to Driftless Glen to decide how to do that. He said this is not in the ordinance, nor is it up to the City's obligation to design a pre-treatment system for them, just to inform them that they are not complying with the ordinance, ask that they correct it. Kolb asked about the strength of the wastewater being discharged. Pinion stated that domestic strength sewage as defined in the ordinance with 300 parts per million of BOD, and 240 parts of suspended solids. He said over the course of sampling, the distillery's numbers have been substantially higher than that. Wedekind asked if using a centrifuge would make any difference. Pinion said that the distillery has used a couple of versions of centrifuges to our knowledge, it improves it, but doesn't get it to a point that completely complies. He said they have used a centeruge to take some of the pullutants out of the wastewater stream, but them in a tanker and haul them off site, but yet when the wastewater being discharged was sampled at that same event, it is still well in excess of the 300 and 240. Wedekind then asked if sediment tank would have made a difference. Pinion said that the centrifuge should be more efficient in terms of removing suspended solids than simply a settling tank, settling tank is a function of the time of detention and the size of the particulates that have to settle out and then extracting that and trying to do it efficiently. Therefore, the centrifuge tends to be more efficient, and it something that the City will be using when the biosolids treatment is upgraded at the treatment plant. Kolb asked if the centrifuge was original to the operation, or was it something that Driftless Glen acquired. Pinion said that it was not part of the original operation. Kolb asked if this was an attempt to comply and Pinion answered in the affirmative. Pinion said that original operation, back when Mike Weckerly was involved in the project and was the spokesperson for it. Pinion said that the way that he described it is that all of the product from the distilling process would be hauled off-site as feed stock source for area farmers. However, Pinion said as he understood it, the distillery did not have a consistent flow or production, so the quantities varied a little bit, and the quality of that material varied in terms of temperature, and because they are manufacturing different products it wasn't the same feed stock, so it created some challenges, as he understands it, for some of the farmers that was

using it to feed their livestock, and he understands that the temperature was hot enough that it created some problems with the teeth in the animals, so it didn't work out reliably as he understood it. He said that then Weckerly approached the City and said that the distillery's best efforts were not working and asked to discharge to the sewer system. He was stated by the City that under the right circumstances it can be done, but it would have to be tested based on the concentration and the City would be looking at a surcharge, and based on memory, based on the volume that Weckerly determined, the general concentrations, the City was looking at approximately a \$8000, or \$9000 surcharge per month. Peterson then gave the sample results of two weeks ago, which was 4848 BOD, 6,310 suspended solids, 4.35 Ph, and the phosphorus was 105. Brian Bemus said that the City charged a surcharge for the first six months of 2017 and said that Pinion and Peterson was both in the distillery and none of the stillage was going out into the sewer. He said that he was told by Geick that the kitchen was creating that number, and asked if that was true. Pinion said that the wastewater coming out of the distillery's lateral was sampled during that same time period; therefore, concentration was whatever was contributing too it. He said that the City has no way of knowing whether 100% of the discharge from the distilling process was to blame. Bemus said that it wasn't from the distilling process. Pinion said that there are floor drains that are connected, and he know that is what Bemus said was happening, but the concentration of the effluent indicated that it was still a high strength waste. Attorney Sweeney said that there are two different waste streams. He said that there is a restaurant that really isn't any different than any other restaurant in the City, and then the distillery. He said that by combining the two into one lateral, there is no way to tell, and they would like to see two different laterals connecting and having two different waste streams. He doesn't feel that the restaurant shouldn't be any high volume waste. He said that going forward, the distillery is going to try to find a solutions to these issues. He said that the distillery is ready to hire an engineering firm to work with the City. He said that Applied Technology, Jim Smith of Brookfield works with a lot of different municipalities with wastewater. However, he said that in order to do that, the distillery feels that there should be two different waste streams. Sweeney asked for little time to look and work with the City on figuring out the best way to address some of the issues. He said maybe some changes have to be made to the ordinances because it is the uniqueness of the what is being done as a distillery. He said in most cases water comes in and goes out the sewer, but in the case the water is bottled and put it into whiskey, so the water is not being put back down the sewer. Kolb said that it looks like that in 2017, Advanced Chemical Systems did something. Brian Bemus said that they were on-going vendor. Renee Bemus that she doesn't know about the one sample that Peterson gave the Committee, but it was decided, and she didn't realize that they would be breaking any ordinances, but for the last two years the water was hauled off to a digester in Middleton; however, they were getting charged for every drop that came in, and charged for that going out. Therefore, she said because they were being charged anyway they might as well dump it down the drain. She said that they did that for two weeks, and she believes that is the sample being given by Peterson. He said that if he could give the Committee a sample from January, when nothing was going down the drain, which was January 22. She said that she would like to make sure that the sampling that Peterson quoted is actually the sampling that has been going on for the last 18 months where they have been hauling it off and paying the charged. Kolb asked if the Distillery was getting a discount on the effluent. Peterson said that the charged the same as a residence, 1 for 1. Sweeney said that that is where there is a problem with the ordinance, that is not fair. Brian Bemus stated that the distillery also has a tremendous amount of evaporation that can be proven. Pinion said that the City has an ordinance for a deduct meter; therefore, if water is being used that isn't going to be sent to the sanitary sewer and its definable, then that is an option, but typically the amount in sewer fees that is saved is off-set by the extra meter charge, which ends up being a wash for most residential and smaller businesses. He said that in this instance, they City has encouraged them to put in a sampling manhole, that would not only monitor flow, so the City could actually charge them based on what they are contributing to the sewer system, rather than what's going out the door or up the stack, that would also have a sampler in it to take an accurate sample. He said that the City offer to pay in part of that; however, the distillery resisted that, so the City has no means to measure the effluent. Kolb said he thought that at one time the City was going contribute a certain portion of that metering. Beamus said no. Pinion said that it was going to an amended developer's agreement that addressed some financial participation. He said that the TID District was going to contribute a portion. Geick said that they have approximately \$25,000 to \$30,000 left in the development fee that the City was going to pay Driftless Glen, and the City offered to amend the development agreement to allow that money to be used to help solve this problem. Brian Bemus said that the distillery offered to put a flow meter in at no charge, they sent there plumber down to talk to Pinion and Pinion

said not to bother. Renee Beumus said that the sampling meter was approximately \$35,000, and they weren't sure that it would be used so they didn't want to spend the money, they were just going to take the TIF money that the distillery was going to get and put it toward the meter. Geick said that it is the City's money. Renee said that the City was giving that money to Driftless Glen as part of the project. Geick said that it was still City funds. Attorney Sweeney said that they had plans to use that money in a different area, so what they were willing to do was put a flow meter in, because what it trying to be done it to monitor how much water is coming in and how much water is going out. Pinion said as recalls the situation, the distillery was going to try to put a meter mid-stream of they operation that was going to track the water going to the distillery. He said that there was no effluent meter going in. Brian Bemus said that for \$1500 or \$1800 they could put a flow meter in and it would tell every drop that comes in to the sewer out whether it was from the front or the back. Pinion asked which plumber, Bemus could remember, Pinion said that Mark Schadde called to inquire about some things and stated that he was working with Bemus. Sweeny said they should talk about the concept and said that no one disagrees that a lot of the water is coming from product and a lot is being distilled off with the process, but what is trying to be done, whether it's a flow meter, or how the result is gotten, is how much water is actually be used and how much is actually going back into the sewer. He said that this is what the distillery thinks they should be paying for sewage that isn't being sent down. Sweeney feels that the restaurant portion of the distillery isn't being treated the same as every other restaurant in town, and there are two separate operations. Plautz asked if this has been thought about in the past. Sweeney said that he has been working on it for the past three days. Renee Bemus stated that the distillery has talked about it multiple times, trying to separate it, when Pinion and Peterson were at the distillery, they were taken through the process and both agreed that nothing was going down, they could see exactly how the process was changed, what was done to get it off and it was being hauled off, and they were asked at time how many other restaurants does the City test in the City. They answered that no other restaurants were tested. Therefore, they are only testing the distillery, which they claim are high BODs, which they are claiming is high waste. Plautz asked Bemus if they have taken any steps to get estimates of separating the two. Wedekind asked if an extra lateral is feasible. Pinion said that that any feasible, it is function of how much money is wanted to be spent. He said that he hasn't looked at the plumbing design for the building, it should be possible, it all comes under the floor of the building; however, whether it is easy to do is unknown. Bemus said that big picture is how much is being used, what is the cost to process it, whether it is on the City side or distillery side, and how much is really going down the drain. He said separate the two depends on cost, what they want to do is find the best way to separate the solids from the liquids. He doesn't feels that the distillery should be paying the extravagant cost when the water isn't going down the sewer. Renee Bemus said that an engineer was brought in 1½ years ago, and the City was asked if an engineer was brought in if the City would look and see what it would the cost would be to the treatment plant. Kolb asked if it was Advanced Chemicals, and Bemus said that it was Jim Owens, who designed the treatment plan. She said that at a pretty good cost to them, Owens did a study and was dismissed by the City as not being thorough. Plautz asked what was done. Bemus said that a cost analysis was done of what it would cost the City to process the distillery waste. Sweeney said that they didn't want to use the same engineer if they had been dismissed as not being thorough. Renee Bemus said that they has been trying to negotiate and trying to do what they can; however, the costs have gone up so much and what has happened is that they can't be competitive in the craft distillery world. She said that they are considered one of the top five of size in outside of Kentucky, as a craft distillery and what they can produce. Renee Bemus said that they have been hauling everything off, what they are hoping to get is some time of situation where they can separate it, get the grain off and put the water down the drain. Kolb thought that an easier solution would be to change the incoming water supply. Bemus said that they did do that originally, but in 2016 the City came and said that the water was too high, so they have been hauling the grain and the water since 2016, but is still charged for it. Bemus said that it was \$15,000 last month, they can't do it. Peterson said that it is a domestic charge, part of their charge is stomwater, they had absolutely no charge of high strength of nothing, it was the same as any other business in the City of Baraboo. Bemus said that was the last six months, but the first six months of last year the City charged them for high waste, Peterson answered in the affirmative. Bemus stated that everything was being hauled out and nothing was being put down the drain. Pinion said that based on the test results and the total over the six month period was \$5600, so that is not the \$15,000, and he is confused by that. Bemus said that the \$15,000 was the cost of what the City is charging them for sewage. Mr. Beumus said that it is \$1,000 every 1½ days to move the water off the site. Bemus said that when Peterson walked into the restaurant with a zip lock bag full of sewage, at 1:00 p.m. on Valentine's in full

restaurant time, they stopped. Plautz asked when the distillery wasn't putting it in where the levels still high. Peterson said that the levels were still higher than what is allowed in the ordinance; however, nothing to this extent. Mr. Bemus asked if any other restaurant have been tested, because Geick told him that it was because of their grease trap. Peterson said that they didn't have a grease trap and both Mr. and Mrs. Bemus said that there is a grease trap, and it is cleaned out all the time. Pinion said that based on their original plumbing plans there was no grease trap shown. PWedekind asked if it would help measuring the water going into the restaurant. Peterson said no, because when they are talking about the wetness of the water coming off the grain, they stuff that is going up in steam and what's going in the bottle, the water side cannot be accurately measured to determine what is going down the sewer. He said to be accurate, the measure needs to be in the sewage line. Pinion said that the most efficient way to measure it so that they are only billed based that volume of sewage being deposited, the City has no way to determine what their production is, how much is going out in bottles or effectively measure what is going up the stack, so the most accurate way of doing it is the effluent, and they have 50 feet of lateral between the building and the sanitary sewer main, that is the area that was recommended to install the effluent meter and sampling mano. Bemus said that he has shown reports of the evaporation and how much they barrel. He said tha to say that they don't know what not's going down the drain isn't correct. Mrs. Bemus said that they can tell the City that this much isn't going down the drain. Pinion said that with all do respect, it isn't being metered. The City operates under the Public Service Commission and have to count for it on a metered basis and the City doesn't have that. Mr. Bemus said that he offered to put the meter in and Pinion stated that they refused to put it in. Bemus said that he offered to put the meter in for the flow and he didn't ask any financial participation from the City to do so. Pinion said that the meter that was talked about with him was one on the process of the water delivery to the still, nothing about, exclusively, we wouldn't have any objections, we would welcome that and have been begging for that for 2½ years, with the flow proportional sampling, that is going to be the most accurate way to do it. Bemus said that it isn't true, and he understands what he is saying and what Geick said about the sampling, but he offered to put in the flow valve to see what was being discharged and Pinion told his plumber not to waste your time. Pinion said that he doesn't believe that is accurate. Sweeney feels that there is a lack of communication and Wedekind feels that this would be a solution. Pinion said that it's a solution to accurately measure the quantity, but it doesn't address the quality, the concentration of the pollutants. Pinion said that there are floor drains within the process, he doesn't know if it is accurate to say that it is a complete separation between the two. Sweeney said that it is a complete separation between the two, he went there and that place is a clean operation. He believes that if the City were to test any other restaurants within the City similar concentrations would be found. He said that if there are ways to improve anything, they are going to try to improve it, but to treat one restaurant different than another is not fair. Plautz asked if there is anything in the ordinance regarding regular testing and Peterson said no. Mrs. Bemus stated that their restaurant is the only one tested. Pinion said that the City has done periodic sampling in various parts of the collection system just to see what the general concentrations are; it is notany specific lateral, but the resulting flow is not enough for the City to take issue with it. He said things get turned upside at the treatment plant when the distillery is discharging, so there is a correlation. Kolb feels that a pre-filtering system of some type would be cheaper in the long run and feels that it doesn't make sense to surcharge because it is still taking a toll of the treatment plant's equipment. Mrs. Beums said that she has contacted other distilleries in other cities to find out what they are doing, 45<sup>th</sup> Parallel, which is north of the State, in Door County, they bring in 350,000 gallons of water a month. They do not have a closed cooling system like they do, but they are the same and their bill last month was approximately \$1,000. She said that 95 percent of their water goes down a storm drain because its clean, just like theirs is clean. Brian Bemus said that they have been pro-active in this, he has talked to Advanced Chemical and a lot a people about putting their own water treatment plant in, it is about \$1,000,000, and that it silly when the City already does it. He said someone in the City has to look at the big picture and come to a compromise. Renee said that she knows that the distillery isn't as big as thought, but next month they are going to be on National TV with Rob Lowe, and it is going to be all about Driftless Glen and Baraboo. She went on to say that all kinds of programs are going to be happening this year and eventually they would like to add a second and third shift, but it definitely can't sustain that. Plautz like Kolb idea of a pre-filerter system. Sweeney said that is why he suggested hiring Jim Smith from Applied Technologies to look at the different options, come up to evaluate the systems, he is someone who didn't design the plant in Baraboo, but can use that information and do an analysis of the system. He said they don't want to upset the treatment plant, from their point of view, they want to be treated fairly, they donh't think they should pay for the water that goes out as

whiskey, a solution just has to be found. Kolb asked if a pre-filtering system would be viable. Pinion said that he would refrain from calling it pre-filtering, a pre-treatment system of some sort, arguably, the centerfuge is a type of pre-treatment, and is not doing the job as efficient as it could. Mr. Bemus said that they purchased one for \$45,000 had it installed, and it removed the big junks and the fine BOD it did not, so he doesn't feel that the centerfuge is a remedy to clean the water. Peterson said that the ordinance says what can be discharged and fees that go along with what is discharged, it is in black and white. Sweeney said that there is a facility here that everyone spent a lot of money to investment in this community, there are variances, in any of the ordinances that can be worked through a lot of issues legally. There are issues that can be addressed between the City Attorney and himself. He said that the first thing that has to be done is a solution to the problem through an engineer, and then getting down to the fairness issues, that can be addressed through a variance, it isn't black and white, there is no black and white. Kolb has Pinion is would some kind of a pre-treatment in conjunction with the centerfuge be something that would work. Pinion said that he is not a wastewater treatment expert, but would a centerfuge possibly be part of a pre-treatment, possibly, but he would defer to their expert, whoever they would like to hire, that has been a huge missing link. Sweeney said that they have him hired, but he hasn't had a change to get here yet. Renee Bemus said that they did hire someone to come in a do it, and gave the report in December, 2016 on the cost analayis of their distillery and what it would do to the treatment plant. Kolb said that the City found that that to be inadequate. Pinion said that the City replied and pointed out what we thought were some of the weaknesses of that report and that is where it ended, the City didn't get a response. Mrs. Bemus said that she did get a letter from the City Attorney and she dismissed it as being inadequate. Kolb's concern right now is what can be done in the meantime, he doesn't want to see another illegal dump. Brian Bemus said that is not going to happen, they are continuing to haul it off-site. He just doesn't feel that they are getting a fair shake. Mrs. Bemus asked while the City is doing their testing phase that they not charge them for the water, assuming water coming in is the same amount as going out. She said that she asked the City in 2016 that if they brought in an engineer would they look at and they answered yes, and now they are going to do it again, which she has no problem with, but they are going to pay again, and they were dismissed with one letter and that was hard of them, and she would like reassurances that the City is actually not going to thumb their nose at them and waste another \$20,000 or \$30,000 between the attorney and engineer. Kolb said that he felt that the City has been trying to encourage the distillery business, they bartered a little bit with the looks of the rick house, but feels the City has all along been trying to work with them. Mrs. Bemus said that there is still a situation with the rick house, they are still considered in the flood plan, Mr. Pinion needs to send a loan of request, that she has asked for, to FEMA, because the request that he originally sent was singed incorrectly and they have been paying flood insurance and paid a couple times for surveys for supposedly a piece of property that was clean and it was not. Kolb said that the level was raised there. Pinion said that he signed the form the their consultant asked him too, and gave the revised one requested to Bemus. Wedekind asked Attorney Truman if there was a problem with their request. Truman said that ask far as putting a halt on charging them in the meantime, part of the problem quite frankly, and to be quite literal is that this is just marked as a discussion right now, and technically if the Committee wanted to take that into consideration she would suggest having it put on a different agenda and having some time to get some information. She said the more general question of if they agreeing in principal to not dump anything right now, and agreeing in principal to be providing an engineering report, then there is no problem into taking that under consideration at this point, taking it under advisement as a non-action item, and possibly informally directing City staff to follow-up in a week or two, hopefully, by then the Committee would have more information. It is up to the Committee if they would want to reconvene to check the progress, or direct City staff to follow up on that. Wedekind would like to bring it back. Kolb said that Bemus was talking about was relief from the way it is being charged now, he doesn't think they can do that. Sweeney said that the Committee could do it at their next meeting as an agenda item, because it has to be on their agenda as an action item. Therefore, he said that if they could on the next agenda for that, they have given them the information before on the modeling and the amount of water that comes in and goes out of the bottles and the evaporation. He said that it is not a flow meter, by any means, but it is pretty accurate information and has been calculated from an engineer, so what Renee is asking for is for when they come back with that information and share it with everyone can they get some relief, because they only want to pay for the waste that is going out, not all the water that is going out as whiskey. Plautz said that the one thing that Pinion mentioned is that even if the Committee has all that information on the evaporation, and all those things, the City operates under a metered system, and that is how it is calculated. Mrs. Bemus said that the meter

is only coming in, there is no outgoing. Sweeney said that they are going to work on that, and no one disagrees, Bemus is only asking for some temporary relief. Mr. Bemus said that he is not opposed to paying for a flow meter and putting it in tomorrow if that was possible, but that doesn't seem like it is going to satisfy Wade, Tom, and Ed, he thinks they are looking for something a little more than grandeosa than a flow meter. Peterson said that it fills in one unknown variable in the equation, and the other one is still the strength, and until they get a method to sample that flow proportional basis it is not going to be as accurate as it could be. He said that flow is one thing, and if a flow meter that is accurate is gotten, absolutely we will base the sewer change on that. Bemus asked if it was correct that there is no provision in the statute to give a credit to anyone for not putting it down the drain. Sweeney said that this is way the variance would come in, because it doesn't fit it in the ordinance. Sweeney said that the flow meter would help in the temporary and he is sure that he can get that done, if they are designing something on a pre-treatment, he doesn't know if it is feasible from an encomic point of view until they have an engineer look at it a run the numbers and look at what they can do. He said that maybe they can't meet it, but get a lot closer and then come back to City whether that is close enough to get a variance and look at the costs. Renee Bemus said that in the business development there is nothing in there about wastewater or what those ordinance were, and so it wasn't until they were in production that they were told that there was a City ordinance, even though when going through business development, water would have been a definite discussion. She said that there is nothing in any of the minutes, or business development about the water. She is not stating it was the City's issue, it was on both parties, both sides should have said, what is going to happen with the water, is there going to be surcharge, are you going to be able to fit inside the City limits, or do you need to go outside the City, or go somewhere else that can handle, because that would have been a major point in the original development of this site. Kolb said that seems to remember talking to Weckerly about the use of water. Bemus said that it was in one of the minutes, and he said that the City would have to talk with the Master Distiller and it was never stated that there was ordinances. Kolb said it was his understanding that he was going to take the water off-site. Pinion said the he was going to take the by-products from the distilling off-site. Pinion said that it is the topic of discussion for every business enterprise that the City entertains, it was certainly discussed, it was not incorporated to the development agreement because there wasn't going to be any discharge to the sewer system from the distillery, it is the minutes, Mr. Weckerly told the Plan Commission that because they did question it. Gene Robkin specifically questioned what it is going to do, can our water system handle that much demand and can our wastewater. Renee Bemus said that Weckerly said that he had to defer that to his distiller, he wasn't there, and he did not know that. She said that they were blind-sighted and they would have never know about these kind of charges and what they would have been, or they would have changed their business plan, or they would have changed where they were located, had they known about this kind of expense. She said that it is the largest expense that they have, it cost them an extra \$4.50 per bottle by what they have to do by hauling it off. Sweeney said that what Renee's point is in the development agreement, in the future, it should be openly discussed. Bemus said that the ordinance is vague and not very specific on certain things, and that is why they were saying that there would be a way of going around the ordinance and they didn't understand why they weren't part of the special usage fee because they are unique. Kolb said that they are not unique in terms of the ordinance, and Bemus asked what is the ordinance uniqueness. Pinion said the wastewater characteristics has BOD, suspended solids, and Ph, that is the ordinary wastewater stream. Bemus asked what would make a unique user, and why they are not considered a possibility. Pinion said that in his opinion, it would be something out of the ordinary in terms of what is being discharged, in terms of the components within the wastewater, some other chemical, some of product that isn't normally considered as part of domestic strength sewage. He said the distillery still have BOD, suspended solids, Ph and phosphorus, they are at excessive levels, but there is nothing unique about any of those components. Sweeney said that it depends on how unique is defined. He said that unique can be defined under Pinion's defining, but it could also be defined under businesses coming in, or a lot of different ways. Plautz stated that the ordinance states that the City at any time can establish additional rates for any large commercial service. The normal rates of the industrial discharge, domestic strength discharge, so the distillery would have to pay those, and as a unique user would pay additional charges. Sweeney said that variances are allowable, there just has be a rational basis. He said they don't want to set a bad precedence for Baraboo, their goal is to have if the City is going to go this way, then this is the way it should be done. Pinion said that the City's sewer rates are charged in part by the Federal Register and the City is suppose to charge people for that, so the City is bound by a host of regulations, which the attorneys have talked about, and to just arbitrarily pick a number and say that they are

willing to pay this much per month, there is really no sound basis without the variability of the wastewater, not enough history to say it is consistent on a daily basis on flow or quality, so that was looked at and considered, but again, no real basis to say that is what the City is bound to. Renee said that is was so much per gallon. Brian Bemus said that he made an offer saying that he would pay it when he distilled it not when he sold it, because it could sit in the distillery for ten years, that is not fair, and he didn't want the contingent liability, so he thought a dollar amount, and at that time he proposed 50 cents per proof gallon as he produced it. He said that those reports are Federal reports. Sweeney said that can be looked again, but there has to be a plan of action first and then they have to work with the City Attorney to see if that is feasible for a legal point of view. Bemus said that another thing that needs to be discussed if what is acceptable for the City to go down and what is not, as far as what is more important, cleaning up the BOD or the phosphorus, nitrogen, or all of the above. Pinion said as the DNR has been talking about phosphorus removal, that is certainly a hot topic is the industry today, the City is doing very well, but that is based on people discharging something with typical phosphorus levels, and the latest discharge was nowhere close to typical. Sweeney asked if the City does any phosphorus trading and Pinion said that is trying to be avoided, but may be the City's only option. Mrs. Bemus asked what is done with the water after it is treated, and Pinion said it is discharged to the Baraboo River, under the conditions of our Wisconsin Pollution Elimination Permit. He said that is a phosphorus limit on this. Phosphorus may be good as a fertilizer, but if the DNR had their way they would outlaw it, because it promotes algae growth, and hampers water quality of the public waters. He went on to say that they are squeezing the licensed wastewater treatment plants and not addressing the non-point source of phosphorus, which is in the agricultural fields. Wedekind feels the issue has been covered well today and the distillery work with their engineer. Sweeney asked to be put on the next agenda. Pinion said that the City is open to listening to anyone that they employ. It was the consensus to put it on the next agenda as a possible action item.

- b. Set March meeting date – Pinion said that Plautz is gone on the north meeting date of the 26<sup>th</sup>. He said that he has Public Works Projects bids coming in on Friday, March 16<sup>th</sup>. It was moved by Kolb, seconded by Plautz to meeting on Monday, March 19, at 1:00 p.m.

**ADJOURNMENT** – Wedekind moved, Plautz seconded to adjourn at 2:09 p.m. Motion carried.

Respectfully submitted,

Phil Wedekind, Chairman