

Minutes of the Board of Water Commissioners' Meeting

Monday, May 23, 2011

Present: Commissioners G. Van De Kreeke, R. Haen, A. Stewart, and J. Trueblood, Superintendent.

Guest: Mr. David Otte

The meeting was called to order by G. Van De Kreeke, President, at 4:03 P.M.

Minutes of Previous Meeting

Motion by Commissioner Stewart, seconded by Commissioner Van De Kreeke, that the minutes of the April 2011 meeting be approved as presented. Motion carried unanimously.

Financial Reports

Partial financial reports for April 2011 were reviewed; complete reports were not available due to the accounting software transition. Commissioner Van de Kreeke motioned, with a second by Commissioner Stewart, that the financials be approved as presented. Motion carried unanimously.

Superintendent's Report

Operations' Department Report

Superintendent reported that April pumpage was up 2% from 2010. Another intern from Moraine Park Technical College had completed time at the Utility during April. Superintendent briefly discussed polymer trials underway to provide more flexibility with the coagulation process during run-off events; in particular, tannic acids have proven challenging to remove with standard aluminum sulfate. There was some discussion about increased levels of tannic acids during runoff events. Superintendent also reported that he had attended a recent West Shore Water Producers meeting in Gurnee, and the results of a survey on intake icing were presented. Superintendent and staff will continue to evaluate these results. The Commissioners accepted the operations report as presented.

Construction Maintenance Department Report

Superintendent advised the Board of one water main break repaired by the crew, including other routine work. Significant water main installation took place during April and May, with the crew running ahead of schedule. Recently acquired equipment, such as the boring mole, has already been used. The Commissioners accepted the construction maintenance report as presented.

Old Business

Old Business Presented By Commissioners

There was none.

Other Old Business

Update on grievance and appeal procedure

Superintendent presented some additional information regarding the civil service protections required under Wisconsin Act 10.

Update on claim submitted for Martin Ave residence

Superintendent advised Board that Mr. Peter Zoromsky, of Selective Insurance, had reviewed the claim of Mr. Anthony Olson and had been in contact with Mr. Olson. Superintendent has not received any written determination yet, but has the understanding that the claim will be denied in full.

New Business

Business to be presented by Commissioners

There was no new business.

Other New Business

Discuss proposal by U.S. Cellular for work at Georgia standpipe

Superintendent advised of planned work by U.S. Cell to swap antennas at the site. Under the existing agreement, U.S. Cell is allowed up to nine antennas. Superintendent advised U.S. Cellular that no further welding would be permitted, no additional coax load should be placed on the ladder structure, and Dixon Engineering must be on-site to inspect any upcoming work, at the cost of U.S Cellular. No formal plan has been submitted yet.

Discuss and ask Board approval for printing of Utility's 2011 consumer confidence report

Superintendent presented proposals from ULI and Zimmerman printing for 19,000 copies with 3 colors on 60 or 70# paper stock. ULI's proposal was \$1,095 for the 70# paper, while Zimmerman proposed \$1,425 for the same. Motion by Commissioner Van de Kreeke, seconded by Commissioner Haen, to accept the low cost proposal from ULI. Motion passed unanimously.

Discuss private water service issue at 1121 Los Angeles Avenue

Superintendent presented background information about the private water service at this residence. On 8/26/09, Utility staff had informed the owner of an unmetered water leak on the private water service, at the basement floor, on an old lead water pipe. The owner was facing numerous financial issues. The Utility formally learned on 1/26/2011 that the property had been foreclosed on. On April 15, 2011, the Utility provided account information to Port Abstract; normally either a buyer or realtor contact Utility staff beforehand, and thus learn about any private water service deficiencies. In this case, neither the buyer or realtor followed up in contacting the Utility. Mr. David Otte then purchased the property and contacted the Utility on May 4, 2011 to have the meter installed and water turned on; at this point, he was informed of the water leak on the private water service.

Commissioner Van de Kreeke asked if Mr. Otte had paid for a home inspection prior to purchasing the property; it appeared that he had not. Mr. Otte stated he had inspected the home himself and found no signs of a water leak in the basement. According to the meter shop foreman, the prior owner had made a temporary repair using tire inner tube material and hose clamps. The meter was removed on 8/25/ 2010 and the curb stop shut off at that time because the owner called in and informed us of the pending foreclosure. It would have been impossible to inspect the home's plumbing condition after that date without turning the curb stop back on and installing either a meter or cheater bar.

Mr. Otte referred to the title company history request form. This form was submitted to the Utility on 4/14/2011 by Port Abstract & Title. The Utility responded in writing and stated the account had been terminated on 8/25/2010, and there was no outstanding bill. Mr. Otte stated the form should have indicated any problem with the water service itself. Mr. Otte stated that he had overheard the meter foreman discussing to that effect (in the background) when he called to inquire about turning the water back on. Mr. Otte stated the Utility should have informed the title company of this deficiency prior to the property transfer. Mr. Otte then presented several proposals from area plumbers for addressing the deficiency, ranging from \$1,960 to \$2,619.74, for running a new copper water service and installing a new curb stop. This would replace the

existing lead water service to the curb stop. Mr. Otte felt the Utility should be financially responsible for the private water service repairs.

Superintendent advised the Board of the typical communication among the title company, realtors, buyers, and the Utility during property transfers. Realtors and buyers vary in the level of involvement and communication. While the Utility certainly has a role in the process, the legal requirements are not clear, particularly as the Utility does not own the private water services, nor maintain them. The Utility makes every effort to provide accurate and complete information.

Commissioner Haen motioned to submit the matter as a claim to the Utility's insurance carrier for further review. Commissioner Stewart seconded, and the motion passed unanimously.

Discuss and ask approval for purchase of 36" pipeline intake actuator

Superintendent presented a proposal from Dorner Company along with an explanation from Operations Supervisor regarding the need to add a modulating electric valve actuator on the 36" intake pipeline at an estimated total cost of \$12,000. Superintendent explained the need to more actively control the intake pipelines due to run-off and icing events, as the 36" intake is in very shallow water and not very far offshore. By having active control inside of the water treatment plant, staff will have more flexibility to draw water from the deeper 30" intake pipeline. Although this item was not included in the capital budget, Superintendent explained that \$50,000 budgeted for land acquisition at Taylor Hill will not be needed. Motion by Commissioner Haen, seconded by Commissioner Stewart, to approve the proposal. Motion passed unanimously.

Discuss development of long term plan including large capital investments

Superintendent informed Board of ongoing work on a draft long term plan for the next ten years at the Utility. This will include various financial forecasts and a schedule of capital projects. Superintendent plans to present the draft report to the Board very soon.

Discuss and ask Board approval for renewal of health insurance administration plan

Superintendent presented quotes from Prairie States for renewing the health insurance plan currently in place at the Utility, including necessary legal changes for 2011. Superintendent had reviewed the quotes in detail with Ms. Julie Meyer, broker, from Maritime Insurance. Total fixed costs under the proposal remained flat for the coming renewal year. Total annual maximum liability increased by 3.72%. Four vendors provided quotes for the stop loss coverage at a specific deductible of \$50,000. Motion by Commissioner Van de Kreeke, seconded by Commissioner Stewart, to accept the low cost proposal for renewal with Prairie States and American National/Bardon insurance group as the stop loss carrier. Motion passed unanimously.

Discuss and ask Board approval for R.O. communicating the Utility's first quarter report to Council

Motion by Commissioner Stewart, seconded by Commissioner Haen, to submit the R.O. to Council. Motion passed unanimously.

Discuss communication from Mr. Lester Pierce

Superintendent presented a letter from Mr. Pierce that had been referred to the Board by the Common Council. Mr. Pierce had received a private water service assessment due to water main construction for replacement of an old lead water service from the residence to the curb stop. Superintendent had directed the Utility Engineer to contact Mr. Pierce directly and discuss the matter. The Commissioners discussed the payment plans available through the City in lieu of making a lump sum payment. Motion by Commissioner Van de Kreeke, seconded by Commissioner Stewart, to file the document.

Correspondence

There was no additional correspondence.

Approve Vouchers

Motion by Commissioner Van De Kreeke, seconded by Commissioner Stewart, that the gross payroll of \$141,721.23 be allowed and approved. The general vouchers will be available next month. Motion passed unanimously.

Personnel

Governor's bill on collective bargaining

Superintendent distributed a summary article by attorney Lawrie Kobza that had appeared in a recent Wisconsin Water Association publication. The article covered changes under the proposed Wisconsin Act 10. Superintendent also made the article available to all Utility employees for general information.

Inform Board of longevity step for engineer technician

Superintendent advised the Board that Mr. Nick Ellifson had reached six months of employment and had qualified for the step.

Other Matters

There were no other matters discussed.

March Board Meeting

The next Board Meeting will be on Monday, June 27, 2011, at 4:00 p.m. in the Utility conference room.

There being no further business, the meeting adjourned at 5:20 PM on a motion by Commissioner Stewart, seconded by Commissioner Haen. Motion carried unanimously.

Minutes taken by:
Superintendent
Joe R. Trueblood

Raymond W. Haen, Secretary