

Minutes of the Board of Water Commissioners' Meeting

Monday, April 23, 2012

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

The meeting was called to order by G. Van De Kreeke, President, at 4:02 P.M. All present recited the Pledge of Allegiance. Mr. Don Gerber, realtor, and Ms. Terry Scherer, Water Utility, joined the meeting at 4:15 P.M.

Minutes of Previous Meeting

Motion by Commissioner Stewart, seconded by Commissioner Haen, that the minutes of the March 19, 2012 meeting be approved as presented. Motion carried unanimously.

Financial Reports

The financial reports for January and February were discussed. Commissioner Van De Kreeke noted that the rate of return was less than in 2011 for those months. Superintendent mentioned that accounting issues made the return figures somewhat lower, but he expects them to increase going forward. The Commissioners accepted the report as presented.

Superintendent's Report

Operations' Department Report

Superintendent reported that March pumpage was down by 9%, a significant decrease, at least partly due to a decrease in water delivered to the industrial park. Superintendent reported that staff had cleaned all basins and made extended a wooden wall, at the basin's north end, in hopes of improving performance. Staff had also added anthracite to filters #5 and #8, inspected RPZ's in the plant, and done some control room remodeling. CVMIC had conducted a walk-through safety survey, resulting in some good recommendations for the Utility to implement. Staff had attended various training sessions including arc flash safety, ladder safety, along with attending a WI Water Association meeting in Oak Creek. Several staff members had also visited the North Shore Water Commission's treatment plant to review their UV transmittance testing. The Commissioners accepted the operations report as presented.

Construction Maintenance Department Report

The C-M report was not available. Superintendent reported that the crew had been involved in cleaning basins and other routine spring work.

Old Business

Old Business Presented By Commissioners

Commissioner Stewart asked about the status of the Utility's meter setting specifications. Superintendent reported that he and the meter foreman had done an initial review of the documents. Superintendent had also requested that the City Plumbing Inspector offer comments, as well. The new version will be discussed at the May Board meeting.

Other Old Business

Discuss Saturday meter change-outs

Superintendent reported that staff had considered the idea of offering Saturday meter change-outs. Presently a residential customer experiences a meter change once every 15 years. The Utility schedules an hour for the appointment, but normally the work takes 15-30 minutes. The Utility normally spends a lot of time soliciting a customer response to schedule the meter change-out. This often involves multiple phone calls and even door tags. On rare occasions, a customer will request a Saturday appointment. Normally, however, the

Utility is very flexible in scheduling weeks and months into the future. More commonly, customers would prefer a somewhat earlier or later appointment, or, especially, a phone call when the service tech is on their way to the residence. Overall, although staff could be assigned on Saturdays, Superintendent does not see any cost savings and only marginal improvements in customer service; offering such service would probably actually increase labor costs and require additional communication time. Given the few complaints about the issue, Superintendent is recommending no change at this time. The Commissioners appreciated the feedback and felt comfortable with the Superintendent's recommendation.

Proposed Utility Easement at Horace Mann School

Superintendent reported that he and Distribution Supervisor Rich Dale had met with Gretchen Thomes and Dave Albright of Sheboygan Area School District to discuss the proposed easement. During that meeting, Superintendent had proposed a package including a cash payment along with Utility staff providing and performing necessary work to connect the Horace Mann School to the boosted pressure zone established by the Georgia booster station. This offer was formally communicated then to Ms. Thomes and Mr. Albright for submittal to the School Board at their April 24, 2012 meeting.

Discuss Assessment Issues raised by City Administrator

Superintendent described that he and City Administrator Jim Amodeo had some follow-up discussion regarding the City's commitment to pay certain costs for water main installation on South Business Drive along properties in the Industrial Park and outside of the City limits. This had been also discussed by the Finance Committee of the Common Council. In the end, Superintendent requested a joint meeting between the Board of Water Commissioners and the Finance Committee to discuss the issue. This meeting is scheduled to occur on May 14, 2012.

New Business

Business to be presented by Commissioners

Concern of Local Realtors

Commissioner Stewart presented a document provided by the Utility to a title company on a recent property transaction. Apparently the title company had questioned information indicating the need for an inspection of the water meter and the curb stop. Realtor Don Gerber had brought the issue to Commissioner Stewart's attention. The Board asked Mr. Gerber to speak on the issue, and he relayed that the requirement for an inspection had come so close to the closing date that the property transaction had been delayed. Mr. Gerber stated that the Utility had changed its document, resulting in confusion, and, he feared, more delay to property transactions. Mr. Gerber wanted the Superintendent and Board to understand his concerns, which were shared by other realtors. Ms. Scherer stated that the Utility had changed the document a few months ago; it had not caused problems, but, in this instance, the phrase, "Needs inspection," apparently caused a red flag to the title company. Superintendent explained that the actual communication should have been that the Utility had no information available on potential problems with the water meter setting or curb stop, primarily because the Utility had not been notified early enough to review the facilities. The Utility's goal is to provide information early during a potential property transaction so that problems can be addressed; not to raise red flags a day or two before closing. The Utility is actually in the process of developing a more complete document that would be available to any interested parties; this will list requirements and recommendations. The Utility often has information about potential problems and needs a mechanism for communicating its information to buyers, sellers, and realtors. Requirements are generally very specific, such as the in-valve is not functional, or the water meter is located in a pit. Recommendations generally involve issues with the curb stop. Customers have often complained that they weren't notified of these problems when they purchased a

residence. Mr. Gerber felt that such a document would be beneficial. Ms. Scherer described how the increase in foreclosures has resulted in a lot of new problems, and the Utility is trying to work proactively to reduce the problems. This has included extensive conversation with HUD, the WI PSC, and numerous realtors. Mr. Gerber felt it was important for the Utility to communicate information to the Sheboygan County Board of Realtors for improved communication among all realtors. He appreciated the opportunity to discuss these issues. The Board members thanked Mr. Gerber and Ms. Scherer for their discussion.

Other New Business

Discuss and ask Board approval to purchase water main pipe, fittings, valves, and parts

Superintendent presented proposals for 2580 feet of 24" PVC pipe, 1660 feet of 24" ductile iron pipe, various large water main valves, fittings & misc items, and valve box parts. After discussion, Commissioner Haen made a motion, seconded by Commissioner Stewart, to accept the low cost proposal for each; HD Supply for \$161,250; HD Supply for \$127,768; HD Supply for \$25,770; Davies/Ferguson for \$69,915.40; and First Supply for \$7,084. The motion passed unanimously.

Discuss Preliminary Proposal for Health Insurance Renewal

Superintendent presented initial figures for the Utility's renewal in June, indicating that fixed costs would increase by less than 1%. Final figures will be available in May.

Discuss and ask Board approval for 2012 lawn care

Superintendent presented proposals from Four Seasons Property Care and Cutting Edge Lawn Care; Scotty's Lawn Service had not provided a proposal. Superintendent indicated that the staff member who did most of the lawn care work would be retiring in May and his position would not be filled. Rather than take other staff members away from more critical work, Superintendent would prefer to try a lawn service this year on a trial basis. After discussion about other alternatives, Commissioner Stewart made a motion to accept the low cost proposal estimated at \$8,343 annually for lawn care at all seven Utility sites, seconded by Commissioner Haen. Commissioner Stewart added that Cutting Edge must supply the necessary insurance certificate. Motion passed unanimously.

Inform Board of Recent WDNR Sanitary Survey

Superintendent informed Board that Mr. Larry Landsness, of WDNR in Madison, had been here along with Ms. Petwara Toyngtrakoon, of WDNR in Plymouth, to conduct the sanitary inspection. Two other WDNR staff members also participated as trainees. Superintendent and foreman Bill Swearingen conducted WDNR on the inspection. Overall WDNR found the water treatment facilities in good condition. They will issue a written report addressing various concerns including proper cover over the 1929 clear well, high and low lift pump elevations, 1929 clear well overflow, and some other issues common with aging facilities.

Discuss 2011 Annual PSC Report

Superintendent distributed the annual report prepared by Accounts Manager Terry Scherer.

Discuss 2011 Audited Financial Statements

Superintendent distributed the audited statements prepared by Baker Tilly. Commissioner Haen made a motion, seconded by Commissioner Stewart, to approve the R.O. transmitting the financial statements to Council. Motion passed unanimously.

Discuss Proposal from Badger Environmental on various Lead Paint Removal Projects

Superintendent had meet with Badger Environmental to discuss removal and remediation of flaking lead paint in the high lift station, filter gallery ceiling, and on the rapid mix tank. Badger provided budgetary figures of \$7,600; \$14,320; and \$5,500 respectively. Superintendent felt that none of these projects is urgent but should be in the 2013 budget.

Discuss Comprehensive Cross Connection Control Proposal

Superintendent presented a preliminary proposal from HydroDesigns for implementing the Utility's cross connection control program. Superintendent had met with representatives from this firm earlier in the year. The annual cost ranged considerably depending on how many of the commercial and industrial properties could be handled by Utility staff.

Correspondence

There was no additional correspondence.

Approve Vouchers

Motion by Commissioner Haen, seconded by Commissioner Stewart, that gross payroll of \$135,131.72, and the general vouchers of \$316,637.10 for March be allowed and approved. Motion passed unanimously.

Personnel

Update Board on upcoming retirement

Superintendent reminded the Board members of the retirement, in June, of Russell Donovan, who has worked at the Utility since 1983. The Commissioners commended Mr. Donovan on his long-standing service to the Utility.

Discuss ICMA retirement program

Superintendent advised the Board members that, for many years, the Utility has continued to offer both the ICMA and Wisconsin Deferred Compensation voluntary retirement savings plans to employees. Currently only one employee continues to participate in the ICMA program. In an effort to streamline various administrative functions, Superintendent felt it was not necessary to maintain both programs. Commissioner Van De Kreeke made a motion, seconded by Commissioner Stewart, to discontinue the Utility's participation in the ICMA program. Motion passed unanimously.

Other Matters

There were none.

May Board Meeting

The next Board Meeting will be on Monday, May 14, 2012, at 4:00 P.M. in the Utility conference room, prior to a joint meeting with the City Finance Committee at 5:30 P.M.

With no further business, the meeting adjourned at 5:50 PM on a motion by Commissioner Haen, seconded by Commissioner Van De Kreeke. Motion carried unanimously.

Minutes taken by:
Superintendent
Joe R. Trueblood

Raymond W. Haen, Secretary

