

MINUTES
City of New Berlin
Utility Committee Meeting
Tuesday July 24, 2007

Members Present: Alderman Harenda, Alderman Ament, Alderman Seidl, Commissioner Bob Dude and Commissioner Jim Morrissey

Others Present: Rick Johnson (Utility Manager), Jim Hart (Utility Supervisor), Mayor Jack Chiovatero, Greg Kessler (Director of Community Development), Nikki Jones (Planning Services Manager), J.P. Walker (City Engineer), City Attorney Mark Blum, Bill Mielke (Ruekert & Mielke) and Sue Hanley (Office Coordinator Utilities & Streets)

Alderman Harenda called the meeting to order at 5:04 p.m. roll call with all members present.

UT D-07 Approval of Minutes from the May 22nd meeting

Motion by Alderman Ament to approve the minutes from the May 22nd meeting. Seconded by Commissioner Dude and upon voting the motion passed unanimously with Commissioner Morrissey voting present.

UT E-07 Approval of Minutes from the July 6th meeting

Commissioner Morrissey said he would like to amend the word *picocuries* that was misspelled on page 2. Motion by Alderman Seidl to approve the amended minutes from the July 6th meeting. Seconded by Commissioner Morrissey and upon voting the motion passed unanimously.

UT 06-07 Water Utility Rate Structures – Current & Future Rate Structures/Levels (Ralph Chipman)

Ralph Chipman: The letter from the PSC relating to a rate increase to the Water Utility bill is for the increased charges for Milwaukee water. There is no per gallon change. There is an increase of \$51,420 to the City for hydrant rental due to the change by Milwaukee for added public and fire protection and our rates were increased to cover that. The only customer increase is the connection charge which for a typical residential customer will increase \$1.13 per quarter to \$18.75 to \$19.88 or a 1.6% increase. This is just to cover the increased cost of Milwaukee water.

Commissioner Dude: This is just the pass along piece that we can get since Milwaukee raised our rate. We have nothing at this point in time for the radium issue. That is another day.

Mr. Chipman: Correct. This is to cover our increased cost from Milwaukee to pass along exactly what our charges are. The Radium issue will require a full rate case by the PSC.

UT 05-07 Water Conservation Measures – Current & Future Objectives

Alderman Harenda: Alderman Moore has been talking about a tier rate structure similar to what the City of Waukesha has implemented a few months ago. I want some feedback from the Committee on whether or not we should go forward with that or not. My suggestion is to form a small ad-hoc Committee and I would volunteer to be on it. He suggested Commissioner Dude also be on the committee and Alderman Moore who was initiating the conservation measures.

Commissioner Dude: I would be happy to be involved with that. Currently our water structure rewards customers for using more water. Presumably if we are trying to get Milwaukee water we have a problem and we don't want to encourage more water usage. The question is if these rate changes are practical and if they are real or just an image. Waukesha recently initiated a new rate schedule. If we want to have credibility with the City of Milwaukee and the Great Lake Governors it is worthwhile taking a look at.

Alderman Harenda: Asked for a consensus and feedback from the Committee.

Mayor Chiovatero: There have been a couple of meetings between Alderman Moore, Rick Johnson and Ralph Chipman and they have done a lot of homework on it already. Alderman Moore is trying to set up a meeting with me to work on this issue before bringing it to the Utility Committee and said he would appreciate any help from the members.

Alderman Harenda: That is why I brought it to the Committee. We appreciate his help and if he wants to meet with myself and Commissioner Dude, let us know.

Mr. Chipman left the meeting at this time.

UT 03-07 Award Construction Contract for Sanitary Sewer Rehabilitation Ryerson Rd

Mr. Johnson: The construction contract is for Sanitary Sewer relining, replacement, manhole grouting, testing and sealing on Ryerson Road. There is approximately 300 feet of relay sewer main on Calhoun Road in conjunction with some Stormwater and Engineering projects. Lowest Responsive and responsible bidder is Visu-Sewer Clean & Seal of Pewaukee, Wisconsin for \$455,155 for a total project cost not to exceed \$578,649.500. This was approved in our operational budget for I & I

Alderman Harenda: Asked that a breakdown the contingencies of \$133,434.50 since it is more than 25%to be sent to the Committee members by Rick Johnson. This is just a rehab project correct?

Mr. Johnson: It is all relining, we won't have to dig up Ryerson Road, and 300 feet of Calhoun Road need to be relayed. The rest of it is relining and grouting manholes and laterals.

Motion by Commissioner Morrisey to recommend to Common Council to approve the award of Construction contract for Sanitary Sewer re-lining, replacement, manhole grouting, testing and sealing on Ryerson Road to the lowest responsive and responsible bidder, Visu-Sewer Clean & Seal of Pewaukee, Wisconsin in the amount of \$455,155.00 for a total project cost not to exceed \$578,649.50. Source of Funds: Wastewater Account 81001131.52030. Seconded by Commissioner Dude and upon voting the motion passed unanimously.

CLOSED SESSION

The basis for the items to be discussed in Closed Session is as enumerated in Wisconsin Statute Section 19.85(1) (e)

Discussion and possible action to enter into closed session pursuant to Wis. Stat Sec. 19.85(1)(e) Deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session.

More specifically:

- ◆ Discussion concerning Bargaining for the Purchase of water from the City of Milwaukee

Motion to go into Closed Session at 5:16 p.m. by Alderman Seidl. Seconded by Commissioner Morrisey. Roll call vote: Alderman Ament yes, Commissioner Dude yes, Alderman Seidl yes, Commissioner Morrisey yes, Alderman Harenda yes.

Jim Hart left the meeting at 5:55 p.m.

Motion to go into Open Session at 6:13 p.m. by Alderman Ament. Seconded by Commissioner Dude and upon voting the motion passed unanimously.

Reconvene to Open Session

- UT 12-04**
- Status on Milwaukee Water Negotiations
 - Status on Governor's Office & WDNR approval on Lake Michigan Water for remaining half of Water Utility Service Area
 - Status of Infrastructure and Distribution of Lake Michigan Water to Utility customers east of the Subcontinental divide

Mayor Chiovero: I sent out a Press Release July 13th after receiving a letter from the DNR authorizing the City of New Berlin to negotiate for Lake Michigan water for residents in the western part of the Water Utility Service area. It was not a full OK to divert the water at this time, but in the meantime they will be working on the Compact with the Great Lakes Governors and the Legislative Committee, we can start negotiations with Milwaukee to get water to the western part of the Water Utility.

Alderman Seidl: This won't include any new Utility Customers correct?

Mayor Chiovero: No it will not.

Alderman Harena: That takes care of the 2nd item. Is there any information from Carrie Lewis on the deficiencies in the infrastructure regarding the issues that we dealt with in July?

Mayor Chiovero. The Sprinkling ban was set in motion on Sunday evening (July 1st) when Rick Johnson, myself and Utility staff consulted because we had trouble getting the water pressure up and supplying water. We were concerned about the dry conditions and 4th of July holiday and providing adequate fire protection so I took Rick and staff's 20+ years of experience to issue the sprinkling ban. Immediately the following day we started working with Carrie Lewis and Milwaukee Water to figure out what the issue was. What changed, because we never had an issue previously? They looked at their infrastructure and we looked at ours and made some minor adjustments that were off of the original design and the water supply returned to normal so the ban was lifted on Friday July 6th. Milwaukee has come back to tell us that they will be able to supply the water according to the contract limits and some of their concerns were that they would put some pressure and stress on their systems and will work with us to make adjustments.

Alderman Harena: Can we get the status on Milwaukee water from Carrie Lewis at the next meeting and what they intend to do so that this doesn't occur again.

Mayor Chiovero: The situation has been corrected. There was a valve that was not supposed to be open on the Milwaukee Water side and our side a SCADA system had a limit as far as the amount of water pressure coming in that would turn the pumps off that was higher limit than it should have been. Since we lowered it down to what it should be, it has not been a problem. She will be glad to come and talk to you and was willing to be here at the last Utility meeting.

Alderman Harena: I just want the assurance that it won't occur in the future.

Commissioner Morrissey: The last time we talked we said that Milwaukee Water was planning some infrastructure work to the south part of our service area scheduled for 2008-2009. Is it possible that they can start earlier? Can we get a brief report of what those infrastructure updates are and their schedule, as I am concerned that this will happen again if there is a dry summer.

Mayor Chiovero: I will ask Carrie Lewis to give a brief report on the infrastructure and why they are waiting.

UT 08-06 Radium Compliance Wells 3, 5, and 7

Alderman Harena: The deadline coming up for the execution of contracts for the construction contract for the buildings is August 31st. Can staff extend this if it is OK with the committee to have that option available and report back to us at the next meeting?

The Committee members all agreed this was OK.

UT 04-07 Update & Status on MMSD 2020 Plan – Impact to City of New Berlin

Alderman Harena: I requested this be placed on the agenda because I have had questions regarding what MMSD is doing with the 2020 Facilities Plan and how it impacts the City of New Berlin and potentially expanding sewer to areas of the City that do not have sewer at this present time.

Greg Kessler: This process started in 2002 -2003 and at the time the former Utility Director Ray Grzys was in charge of this project, along with Bill Mielke who has worked in New Berlin since 1968 and is our TAT (Technical Advisory Team) representative. Our involvement has been limited over the past 3-5 years. Mr. Kessler gave a PowerPoint presentation and discussed the sewer service area established in the mid 1960's, the current sewer area established in 1998 through the 2010 Facilities Plan, the Master Plan that supports sewer expansions up to Calhoun Road, and the area West of Calhoun Road.

Back in 2003 the City was approached by MMSD and SEWRPC for data to develop population density models for the 2020 Facility Planning: Population density was based on Future Land Use, Future Zoning and Current Zoning. He showed maps of the City of New Berlin's ultimate plan for Sewer Service. The only request that our department is aware that was ever made that was part of the 2020 process was New Berlin West, and we received notification from the school board today that they no longer wish to receive capacity. The 2020 MMSD Facilities Draft Plan is available at www.mmsd.com/wqi.

He also showed a map that showed a discrepancy in the lines which he said he did a tremendous amount of research on for the origin and history of the lines. Back in August 1973 we found an agreement with a legal description between the Common Council and MMSD that identifies the outer line as the City's ultimate sewer service area. My understanding from Bill is that this line has been in every ultimate facilities plan prepared by MMSD since 1973. Every map that SEWRPC has ever published and our department has every published even since I was employed in 1999 shows a different line as being the City's ultimate sewer service area. I contacted former staff and researched this line since it does not follow any property lines. When you have a property that is bisected by this line, is the property in or out, how do you deal with it when you consider future planning and development? Based on my understanding back in the 1990's the City developed the inner line by pulling the line back, looking at the lay of the land, the environmental constraints, contours, grades and this follows street center lines, topography, environmental corridors, etc. Much of this area is primarily environmental corridor or flood plain and the likelihood of this area being developed is small. JP and I did not know this line existed until it was brought to our attention by Alderman Ament yesterday so we did the research and that is what we found to be the case. By no way shape or form are we amending the plan or requesting to amend the boundaries at all.

Bill Mielke: The 2020 Facilities Plan came about as a result of a late 1990's lawsuit between the Attorney General and MMSD. MMSD had in 2000 signed a stipulation with the Attorney General that they would spend and commit around \$900 million of the sewer system and facilities to abate some of the overflows that were taking place in the system. They also agree to prepare 20 year plan so that is why it is called a 2020 plan. At the same time SEWRPC was asked to look at the overall region prepare a Water Quality Management Plan as of 2008. The district came up with a draft plan this spring and they held a big regional conference where SEWRPC and MMSD presented their plans and scheduled public hearings for MMSD plan because the Sewer plan wasn't quite finished. They had 2 public hearings and the Facilities Plan will then be open for written comments. New Berlin passed a resolution as part of your comments to MMSD in March and I appeared as part of the contract communities and presented testimony at the hearings on your behalf and submitted written comments.

He discussed the key point of findings, and said that 85%of the problem came from nonpoint source pollution – agricultural run off, urban runoff from your roof, catch basins, dog liter and that was the major contributor as far as pollution goes. Currently under state law the only thing that is regulated is the SSO's. The CSO's by the regulations are allowed to take place up to 6 times per year and the Wastewater treatment plants that have WPDES permits.

He went with Kevin Schaefer, Executive Director of MMSD and talked to the EPA. We need to petition the DNR and EPA to obtain a water quality watershed permit for the region and start to spend our taxpayer money where it will give us the biggest bang for the buck, working on non point source pollution first, but it has never been done in Wisconsin. We are trying to change the regulators to a difference focus. Since they do not have a Water Quality Based Permit, MMSD's hands were tied as part of a facilities plan and they couldn't do even things that would get them more improvement for water quality by spending almost no taxpayer dollars.

The MMSD 2020 Facilities Plan and emphasized the Walk Away Messages.

- ◆ Polluted stormwater runoff is the biggest threat to water quality
- ◆ Continue to repair and replace our aging infrastructure
- ◆ Don't overspend on wastewater improvements

Bill Mielke: New Berlin abides by the flow monitoring system and peak wet weather flow management program the district has proposed and follows the MMSD Chapter 3 rules and is involved with the CMOM Program (Capacity Management Operations and Maintenance) through the I & I process. He said that not one of New Berlin's basins were non compliant and that New Berlin is on the right track.

Alderman Harenda: Questioned why the Council did not have a chance to review the MMSD 2020 Plan and make suggestions prior to MMSD implementing the plan and asked what the process was if we have a concern or issue.

Mr. Mielke: MMSD posted the drafted chapters on their website, the 5,000+ page document was in community libraries, information was published in newspapers, and they held symposiums and conclaves, as well as public hearings and a written comment period for people to review the plan which was approved in June and is now up to the DNR. The DNR will be publishing a notice in the paper for comments on their Facilities Plan later this year. He said the service area is the ultimate planning area and that New Berlin has control of the area and can't put sewer outside the current sewer service map area until there is a plan amendment, public hearings, and approval from SEWRPC, MMSD and the DNR. He stated this is a long standing boundary over 30 years and protects New Berlin's rights and opportunity for future years in case there are problems with failing wells, spills, and groundwater pollution, as some cities move to sewer to protect private wells. If you get off the bus, you lose the rights, planning doesn't cost you anything, the map only preserves the City's rights.

Alderman Ament: Had questions regarding the ultimate area becoming the current area and said he wanted this discussion in public. He said the first time he saw this map was now and he had a concern about it since Council made the decision in 1997 not to include this area.

Alderman Harenda: Asked if there should be a Special Utility Committee meeting?

Alderman Seidl: Preferred a brief special meeting.

Alderman Ament: The MMSD website listed the page as cannot be displayed the last few times he looked.

Alderman Harenda: Will try to schedule a special meeting about what has happened, where are we going and what are the implications down the road?

Due to lack of time, the following item was not addressed and will be put on the next agenda.

*Committee vote to allow for privilege of the floor

*Privilege of the floor

Motion to adjourn by Alderman Seidl at 7:04 p.m. Seconded by Alderman Ament. Upon voting the motion passed unanimously.

Please Note: Minutes are not official until approved by the Committee

*Respectfully submitted,
Suzette Hanley - Office Coordinator, Utilities & Streets*