

MINUTES
City of New Berlin
Utility Committee Meeting
Tuesday August 23, 2005

Members Present: Alderman Gallagher, Alderman Ament, Alderman Harenda,
Commissioner Jim Morrissey

Excused: Commissioner Bob Dude

Others Present: Ray Grzys (Director of Utilities & Streets), Larry Wilms (Division Engineer), Mark Blum (City Attorney), Steve Schultz (Ruekert & Mielke), Mark Wimmer (Wimmer Brothers), and Sue Hanley (Office Coordinator Utilities & Streets)

Alderman Gallagher called the meeting to order at 5:00 pm declaring a quorum with 4 members present. Commissioner Dude was excused. He noted that the Committee would be taking the agenda out of order.

Alderman Gallagher read the following:

Closed Session

ITEM 12-05 Discussion of Acquiring City of Milwaukee water for the west side of the Water Service Area (Steve Schultz – Ruekert & Mielke)

"The basis for the items to be discussed in Closed Session are as enumerated in Section 19.85(1)(d) of the Wisconsin State Statutes.

(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 negotiation for the acquisition of City of Milwaukee water for the west side of the service area.

Motion by Jim Morrissey to go into Closed Session at 5:02 p.m. Seconded by Alderman Harenda. Role Call vote: Alderman Gallagher voted yes, Alderman Harenda voted yes, Alderman Ament voted yes, Jim Morrissey voted yes.

Motion to move into Open Session at 5:33 p.m. Seconded by Alderman Ament and upon voting the motion passed unanimously.

Open Session

Item UT 13-04 Direct City Attorney to research & advise Utility Committee on Legal Rights concerning MMSD issues (remains tabled)

Motion to remove this item from the agenda by Alderman Gallagher. Seconded by Commissioner Jim Morrissey and upon voting the motion passed unanimously.

ITEM UT 05-05 Approval of Year 2020 Upgrade Study for Regal Manor West Liftstation

Alderman Ament said that he was not sure that this study should be done at all, and said that if a developer comes in, why not have him pay for this? Alderman Gallagher asked Mr. Wilms if a new study had to be done? Mr. Wilms said yes that the station design is under capacity for the proposed Ronald Reagan School. He added that a consultant for the school determined the liftstation is undersized even before constructing the school. Mr. Wilms said that the design life is 10-20 years to forecast for growth horizon of the treatment plant and the mechanicals. He said that canned package liftstations of this variety, the lifespan is 20-40 years, and the average life of a sewer is 80-100 years.

Alderman Harenda asked if the school district already did the study, why don't we make them pay for the upgrade of the liftstation? Mr. Wilms responded that the City will make them pay for their percentage; however, the proposed study needs to be done in order to spend the money wisely to upgrade the station.

Alderman Gallagher read the first paragraph of the rationale and asked Mr. Wilms if there was a risk of possible basement flooding if the upgrade was not done? Mr. Wilms answered yes. Mr. Morrissey asked what a ballpark cost was to replace a liftstation? Mr. Wilms said that the Jacob's Ridge liftstation, wet well and station was approximately \$625,000 plus an additional \$100,00 for the size needed for a new one.

Alderman Gallagher asked how many customers were served by this liftstation? Mr. Wilms responded hundreds of customers. Jim Morrissey asked if there had been any flooding of basements? Mr. Wilms said that in 95-96 when there were power failures, they had some flooding and upgraded the pumps. He added that recently new flow monitors were installed as well.

Alderman Ament said that the Ronald Reagan School should be charged for the upgrades to get it up and running for their development, and not charge current customers for future development. Alderman Gallagher asked if the current liftstation was deficient for current customers? Mr. Wilms said yes, but that upgrading the pumps would help. Alderman Gallagher said that the point of the study is to find out the condition of the liftstation, then determine our options.

Mr. Wilms said that we did not know for a fact that the liftstation was deficient until the mini-study was done by the school to ensure the liftstation could handle the extra capacity. The study showed the liftstation was deficient for current flows, not including the schools, but that upgrading the pumps, switch gear and motors can be done. Mr. Morrissey asked if the upgrade can be done without doing the study, and have proposed development pay for the upgraded study in the future? Mr. Wilms said that the cost for this upgrade would be approximately \$100,000 with the schools paying for 40,000 and the City paying for \$60,000. Mr. Wilms said that the study will tie a price tag to additional growth and charge back to the developer.

Motion by Alderman Gallagher to recommend to Council to approve a Professional Services Agreement with Earth Tech, Consulting Engineers, for Year 2020 Upgrade Study for Regal Manor West Liftstation for a fee not to exceed \$9,500, funded by Wastewater Utility Account #81001131-52030 Collect Systems Contracted. Seconded by Jim Morrissey. The motion failed with a vote of 2 to 2 with Alderman Harenda and Alderman Ament voting no.

ITEM UT 06-05 Discuss Need for Looping Main – National, Calhoun & Observatory

Larry Wilms stated that the new Ronald Reagan school does not have a water main on front of the property but the school district will be spending \$60,000 to 70,000 to boost the water pressure based on the current system, plus the price of a water main. He said that if the City expands the booster pressure zone, it would benefit the residents in this area with a better standard of service and they would have a looping main. Mr. Wilms said that the school is looking for direction as to what way they should budget and construct the water main.

Mr. Morrissey asked if there were any safety issues, such as fire? Mr. Wilms stated that the Funeral home on National was forced by their insurance company to install a boosted pressure zone. Mr. Morrissey asked if there was a survey of the residents affected? Mr. Wilms said not yet. Mr. Morrissey said that it was his opinion that the City should allow the school to develop the water main for themselves, but not force people to hook-up and pay for this. Alderman Ament said that the survey would have to be targeted to ask the 3 properties on Observatory if they want water and sewer, if the properties on Horizon want water, and if the people currently on water would want the system boosted. Alderman Gallagher said that he agreed that a survey should be done. Alderman Ament told Mr. Wilms to make sure people understand all of the costs and have it set up so that they do not have to pay until they hook-up to the system.

Alderman Ament asks if the school does construct their own water main, can the City construct a looping main later? Mr. Wilms stated that there would be some redundant work and expenses, including road

restoration, but that this needs to be decided soon. He stated that a survey would be sent out per Committee instructions.

ITEM UT 07-05 Review & Action on special consideration request for metering the water supply system at the Residences of City Center

Mark Wimmer from Wimmer Brother provided a survey from other communities, including Milwaukee, Brookfield, Waukesha and Oak Creek showing that their meter requirements of multi-unit structures give the developer the option to install 1 meter per building or one meter per unit. He noted that he also included documentation of how the condo association is empowered to collect fees. Mr. Wimmer said that the trend is to utilize less meters, to reduce customer maintenance, billing and accounting services and that it is a practicality issue. Mr. Wimmer stated that when the ordinance was written in 1995, it did not contemplate condo units with 20, 40, or more units, and if there were 56 meters, then 56 softeners would have to be installed. Mr. Wimmer asked that the Committee make a revision to the ordinance.

City Attorney Mark Blum said that section 267.10 provides that the entire plumbing system for all new condominium units and multi-tenant units are to be treated as individual metered units. In section 2 of 267-10(A) provides that where there is an existing multi-tenant building, a prerequisite to condominium conversion is the establishment of individual metered connections to treat each unit as a separate Utility customer. The code will need to be revised in both of the sections to allow for a single meter in each building. Attorney Blum said that he had researched state statutes and codes and could not find this issue. He added that the City would have to make a lien against the entire project if invoices are not paid if this change is made.

Alderman Gallagher said that if there are fewer meters to read, this saves money and encourages condo development as opposed to apartment development. Alderman Ament said that he is comfortable with the requested action statement and the City receiving payment. Director Grzys added that the agreement would read that the association is responsible for the bill, and if penalties and past due bills are not paid by November of each year, these will be transferred to the tax bill. Attorney Blum said that the preference is that the bills go to the association as a common expense and shared by the residents. This will prevent situations such as the Utility is dealing with now where the condo association assigned 1 person in each building responsible for collecting and submitting payment for the invoice. Director Grzys added that the Utility is not a collection agency. Attorney Blum said that the Committee cannot do anything with the way this item is on the agenda, so he would draft paperwork to amend the ordinance.

At this point, Chairman Gallagher asked Director Grzys if any of the other items needed to be discussed at this time, since the Council Meeting was close to being started. Director Grzys stated that everything else could remain on the agenda.

ITEM UT 09-05 Discussion of Borrowing from Wastewater or Water Utility to help finance C.I.P. Projects

This item will remain on the agenda, since it was not discussed due to time constraints.

ITEM 10-05 Discussion on Liquidation of Damages from Mainline on Milwaukee Water Project

This item will remain on the agenda, since it was not discussed due to time constraints.

ITEM 11-05 Request by T-Mobile to reconsider revising term of their original Communication Contract

This item will remain on the agenda, since it was not discussed due to time constraints.

Motion to adjourn at 6:48 by Alderman Gallagher. Seconded by Alderman Harenda and upon voting the motion passed unanimously.

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