

**MINUTES**  
**City of New Berlin**  
**Utility Committee Meeting**  
**Tuesday January 26, 2010**

Members Present: Alderman Harenda, Alderman Ament, Alderman Wysocki, Commissioner Bob Dude and Commissioner Jim Morrisey

Others Present: Rick Johnson (Utility Manager), Jim Hart (Utility Supervisor), JP Walker (City Engineer), Ralph Chipman (Accounting Manager), Mayor Jack Chiovatero, City Attorney Mark Blum, and Sue Hanley (Administrative Supervisor Utilities & Streets)

Alderman Harenda called the meeting to order at 5:03 p.m. with roll call and declared a quorum with all members present.

Call meeting to order. Roll Call and Declaration of quorum and public notice

**UT 01-10 Approval of Minutes from the November 17, 2009 Meeting**

Motion by Alderman Wysocki to approve the minutes from the November 17, 2009 meeting. Seconded by Commissioner Morrisey and upon voting the motion passed unanimously

**UT 03-10 Request to Defer Sanitary Connection at 14200 Howard Avenue**

Harenda: The Utility received a request for a deferment of a sanitary sewer connection from the property owners at 14200 Howard Avenue due to a medical condition of one of the property owners. No fiscal impact is involved.

Dude: Have the fees been paid and is there a time limit on the deferment?

Harenda: The fees were paid.

Shari Bosman 14200 Howard Avenue said they were looking at hooking up in the non-heating season, depending on the health of her husband.

The Committee recommended September 30<sup>th</sup> as the deadline.

Attorney Blum: There is an ordinance on the books that has a timeline for completion and doesn't provide the ability to modify it. The Council would have to go back to modify the ordinance to change the deadline. I understand the Councils and Committee's view to allow some time. I would suggest that you still leave the deadline be of record, but with respect to any enforcement by the City. I would be cognizant of the fact that it is your desire to give them an extension of time and we would not take any action with respect to any enforcement in light of that. To change the ordinance and modify the deadline for this one instance, trying to deal with a situational issue may complicate your life in future issues. If you are comfortable with this not being connected, I will not take any action until after that date since this is the consensus of the committee. No action would be needed for that.

Bosman: We are negotiating with the contractor to bring our sewer from the curb to our house and stub it off at that point, so we are complying from the road to the house issue. Our issue is the interior.

Blum: I would recommend that you don't take any action except for what you have done.

Wysocki: Please remove any medical information out of your binder and destroy it.

**UT 12-04 Milwaukee Water Expansion- update**

Johnson: All bills are paid.

Motion by Alderman Ament to drop this item from the agenda. Seconded by Commissioner Morrisey and upon voting the motion passed unanimously.

Alderman Wysocki thanked Rick, Jim and the Utility department for all of their work on this long project.

**UT 07-09 Discussion regarding the procedures used to authorize the payments of costs and fees for utility consultants and contractors**

Harenda: This is a letter from City Attorney Blum regarding who are the point people with respect to interaction between our consultants and governmental agencies. To eliminate potential conflicts or miscommunications between governmental agencies we would probably set up a general policy. I would recommend doing this for the Utility, Stormwater and Board of Public Works. The Utility point of contact would be Rick and probably the Mayor who is the CEO of the City. When we know something is being discussed with a governmental agency and hire a professional to represent us, we need to be in the loop as part of that process. I will write something up with Rick and the City Attorney to develop some type of policy.

**UT 19-09 Milwaukee Water Rate Increase & possible Purchased Water Adjustment Clause Application**

**UT 25-09 Update on funding for MOU: Wholesale Milwaukee water customers review of Milwaukee's Rate Case**

Harenda: In conjunction with other municipalities we have hired a consultant to assist us.

Johnson: The email that I sent out yesterday was an update from the engineering firm the wholesale group hired. The PSC had some issues with the Milwaukee water rate case, but it is on hold because they are working on the Madison water rate case. The next time we will hear something will probably be March.

Harenda: In future discussion, do we want to discuss this in closed session?

Blum: At present, reports have not been generated, but it could very well end up there.

Wysocki: You communicated to us in the very beginning that we have to be technically a party of concern. By this action we are going to be able to provide our viewpoint on this issue?

Blum: We submitted our request originally to be a party to this matter, which was the step we needed to take to have a seat at the table. The Committee will have to decide if we want to go with the group or go out on our own statements of record. We still have that option.

Harenda: The concern I had originally is that we aren't missing any deadlines.

Blum: We filed that. The analysis will generate the information to make an informed response.

Wysocki: Should we combine 19-09 and 25-09?

Harenda: Are we done with the water rate increase adjustment clause application?

Chipman: When they increase their rates we will increase ours.

Harenda: Sue can wrap that this into one item.

**UT 20-09 Parkland Green Design/Inspection costs for water main replacement: Possible action**

Johnson: The engineering firm is working on the design for the project and we should be able to get the project completed by July. The road repairs will go in after that. We will be replacing water mains,

service lines, valves and hydrants just like we did in the Forest View subdivision. We will notify the residents. The survey work is being done so they can start the design phase. Then the bids will go out and will be brought to the Committee and Council for approval. Work starts May 10<sup>th</sup>.

Morrisey: Who is doing the design work and inspection?

Johnson: S.E.H. will do the survey work, design and inspection.

Harenda: They will follow right away for the design work?

Johnson: I talked to JP and he is starting to work on the design for the roads.

**UT 22-09 Request to Add 60 Acres of the Property Located at Approximately 19000 W. Lincoln Avenue into the New Berlin Urban Service Area**

No action taken

**UT 23-09 Request to Add 60 Acres of the Property Located at Approximately 19000 W. Lincoln Avenue into the MMSD Current Sewer Service Area**

No action taken

Harenda: There were 2 items on the agenda under closed session, but we don't have any information to discuss on them.

**UT 08-06 Possible action and discussion on DNR enforcement of the radium consent order**

Nothing to report on this item.

**UT 05-08 Possible action and discussion on offer for Westward Manor liftstation property acquisition from Geipel Certified Sod**

Discussion on offer for Westward Manor liftstation property acquisition from Geipel Certified Sod

Harenda: Mr. Geipel requested an extension from the city to allow for a 2<sup>nd</sup> appraisal. This was granted and the information should be brought back next month.

**Information Utility Payables, Monthly Financials**

No questions.

**UT 02-10 SEWRPC Planning Report Water Quality Management Plan update – Comments**

Harenda: I asked Greg Kessler and staff to look at the document for the impact to the Utility and the Stormwater Utility and hopefully they will provide their comments at the next meeting and also at the Stormwater Utility meeting. SEWRPC is looking for Council to endorse a Water Quality Management Plan update and take some action in a resolution form. Prior to doing that I am sure Council would like recommendations from staff and the Utility and WRM Committees.

**UT 04-10 Milwaukee Water Per Capita Calculations**

Harenda: Common Council did approve the Water Conservation Plan for the Water Utility which was forwarded along with a letter to the DNR (UT 07-09). Within the letter itself and the plan, we discussed developing a methodology to track water consumption rates to show we are reducing per capita use of water going forward to 2020. Ralph and Rick worked on this calculation. I want to congratulate Ralph on becoming the new Finance Director.

Chipman: It is difficult to calculate these numbers since no one had to do this in the past. If you look at West Allis you could look at the consumption and divide it by the number of residents, but we have 3 sections: Milwaukee Basin, Mississippi Basin and the west side of the city that is not hooked up to water. We have always tracked pumpage so we took that out of our billing system. The number of people related to the gallons pumped had to be calculated. MMSD has an annual cost recovery manual when they bill us for MMSD as far as number of people per unit and number of people per residence and we took those numbers and did the math. When you look at the final numbers for 2007, 2008 and 2009, it shows overall pumpage has gone down in residential and in the Utility total and the per capita gallons have decreased. I believe as long as we are consistently using this method and the total amount of water continues to decrease it will reflect we are conserving water and our ultimate goal. Our numbers are in line with the national average and the City of Madison.

Dude: 2008 are the target numbers are 64.73 gallons per day, so we have to reduce about 6 gallons. Where do we get the benefits of flushing only once instead of twice? By looking at this you don't see that. Water is water. How much is a hydrant flush?

Johnson: With a hydrant flush you are saving most of it on electricity charges. Since July to now we saved \$51,000 since we don't have to run the pumps as much. For hydrant flushing we take the hydrant flushing amount and use it as a lost gallon number.

Hart: Hydrant flushing is between 15-17 million gallons.

Johnson: We pump over a billion gallons each year.

Dude: You are still talking about 2%. How do we get that back. Why can't you look at the total amount?

Chipman: We don't get credit for that. Focusing just on per capita gallons per day, if we became way more efficient in Commercial, Industrial and Public, it would save significant amounts of water, but it doesn't come into this at all. The DNR is focusing strictly on residential consumption.

Dude: Can we ask that question? We are doing some things that are saving a lot of water. Looking just at residential water is just scratching the surface. Just another note, if you bring water in to fill pools, you aren't counting that up or down or taking that into consideration. Some communities have a higher number of commercial or industrial accounts. What percentage is the residential usage? We just have a small piece of the action.

Chiovatero: I will talk to Eric Ebersberger to see if we can get some credit.

Harenda: I do agree with Mr. Dude's concern. Report back to us. This is what we will be utilizing tracking this forward.

Chipman: If you look at overall pumpage instead of just residential, that has steadily declined also. We aren't receiving any credit for that at all.

**UT 05-10      Approve High Efficiency Toilet Report Program guidelines, application form, start date**

Harenda: We approved \$15,000 in each of our Utility budgets for a toilet rebate program. I asked Rick and Ralph to prepare some guidelines and application form.

Chipman: This is a draft similar to the one that Madison and Marshfield uses. The details need to be filled out and the public will need to be informed of the program.

Harenda: The utility will need to develop procedures to approve the requests and process refunds. The program will also need to be advertised to the public, through the website, newsletter, and press releases. Do you have something in place with generic procedures?

Chipman: As far as paying the check once it is approved, that is just a normal payable process. Who is going to make sure the form is properly filled out and the toilet meets the specifications. Those are the details we have to work out and then let the public know this is available. I did discuss this with Madison. One of the problems they had was making sure people are filling out the paperwork properly and making sure the toilet is from the list of what is allowable.

Dude: I would like to quantify the savings for PR. You have a 1.6, a 3.5 and a 5 gallon per flush toilet versus a 1.28. I want a dollar amount. Someone has to do a website on this thing.

Harenda: That is Sue right.

Chipman: In the cover sheet, this was taken out of Madison's program; it says you can save up to 11,000 gallons per year. From that point we can multiply out what you are saving in water and in sewer.

Morrissey: Is there going to be a database that lists what type of toilets are eligible, something you can print out and take to the store?

Johnson: They have to be a water sense toilet and are available at almost any hardware or home improvement store.

Chipman: If you look at the eligible information, there is a link to the website information.

Harenda: As we move forward we will make a flyer or handout that can be placed on the website and cable and in the billing statement with more information. When will you be able to implement this?

Wysocki: I read a recent article that there is a concern from the sewer utilities that the flows are getting so low that they aren't moving the roughage as well and is clogging the pipes.

Johnson: It's possible; you are dropping your flow rates down a substantial amount.

Ament: The savings is 11,000 gallons per year?

Chipman: Yes, that is the EPA estimate, taken from the Madison website.

Ament: If the program goes up to 300 toilets, it will save approximately 3.3 million gallons per year. Do we also get credit from MMSD for improvements?

Dude: It all depends on what size of toilet you have now, whether it is 5, 3.5 or 1.6 gallons.

Harenda: From the database, is there any way to flag these homes or keep track of it?

Chipman: We need to track it to make sure we are not giving more than one rebate or two to an address. We will have the address, account number and information available if we need to look back in the future.

Harenda: What is the timetable to start this?

Chipman: I am a little busy, when do you want this?

Harenda: Some time in the next few months. I will leave it on the agenda.

#### **UT 06-10      Approve \$500,000, 9 Year Loan to Water Resource Management Utility**

Harenda: This is a loan \$500,000 to the WRM Utility from the Sewer Utility cash reserves. This CIP item has been approved by the WRM Committee. We have done this before with the Water Utility borrowing from the Sewer Utility. It saves money for the WRM Utility and the Sewer utility makes money.

Chipman: We set up the interest rate and payment the same as the City's latest borrowing which was in September. I talked to Nicole Hewitt the Division Engineer to discuss the start date and repayment timeframe. Both Utilities benefit.

Morrissey: What project is it funding?

Harenda: Various projects. That utility has not done any capital improvement projects for a few years. When the utility was formed they spent their money and are paying debt service on that. In the coming years, money will become available. We are taking on small projects now.

Wysocki: We took 1.5 million out of our utility cash reserves from the sewer utility for the water utility loan. Are you comfortable with this additional loan and do we have enough cash reserves?

Chipman: Yes, we have cash reserves on hand to comfortably do this loan and the water utility loan. From what I understand there is nothing major coming up in this timeframe.

Motion by Commissioner Morrissey to recommend approving a 9 year loan to the Water Resource Management Utility, interest rates from 2 to 3.5%. Seconded by Commissioner Dude and upon voting the motion passed unanimously.

#### **UT 07-10 Water Conservation Plan / DNR Correspondence**

Harenda: The Water Conservation Plan was approved by us and a letter was drafted by the Mayor's office in conjunction with discussion he had with a number of conservation groups and the DNR. I reviewed the letter and relayed my comments. Changes were made and the final copy was sent out to you. The letter has been submitted to the state. My question, in your email to the Utility Committee, you believe everything has been submitted and they are happy. When it comes to the DNR, I want absolutes.

Chiovero: This is why I worked with Ed Glatfelter from the Alliance of Great Lakes and the DNR to make sure we covered all our points. Since it was submitted I heard nothing. Eric Ebersberger had seen a draft of this letter and I said this completes everything right? He sent it back with a couple of comments which were included in the letter. I am assuming this completes our obligations. The 2 things that were left to submit was the Water Conservation Plan and the per capita calculations.

Harenda: I would like either Rick office or you to submit a letter to the DNR stating that per the water diversion approvals that everything has been submitted and approved so that they can send us something back in writing so that we have it in the file.

Chiovero: I will call Eric about this and about how we can receive credit for reduction of water in other areas as we discussed earlier.

Wysocki: I got the impression in the letter that there were some things discussed here that we were committing to and have some concerns. It says the City has a program that flags significant quarterly changes in individual water meter readings with follow up to determine a cause to take or suggest remedial action. I don't know how staff is going to do this.

Chiovero: We have been doing this.

Wysocki: I don't want to be a dictator with how much water people can use. I know if there is a leakage in the system we can assist them, although they can see this on their individual water bills. I don't recall having an in depth discussion on this. I don't want to become the water police. In the report it says that we will continue monitoring the rate structure and block rates. This sounds like we will be charging more for greater use and rates will go up.

Harenda: I will forward you my email that expressed my concerns and the Mayor did make adjustments. I said I didn't want to do anything with the block rates, but we will always be looking at the rate structure. The mayor changed it to continue monitoring it.

Chiovero: Rick and I told the environmental groups that sat down with us including Peter McAvoy with 11<sup>th</sup> Street and Jody Habush Sinykin with Midwest Environmentalists, what we were doing on a daily basis during our operation, they said we need to take credit for this. If we get a water bill and a customer that normally uses 24,000 gallons per quarter is all of a sudden using 70,000, it gets flags. It is probably

a toilet or faucet leak, and the Utility checks it out and asks if the customer changed anything, otherwise they check for a leak. The proactive approach lets the resident know because most of the time it is on the resident's side of the meter. It is the same thing as if we find a water leak or soggy yard, we investigate. It is something we currently do. It is not a commitment to anything we are not doing.

Wysocki: I know what we have been doing and has been successful. I didn't read it that way and have a concern. To this whole attitude of what other people say that we should do when they ignore what Milwaukee is doing with their water system just bothers me. To offer reduced water rates, to increase the competitiveness for businesses to relocate to Milwaukee on our dime flies in the face of what conservation should be regionally I am disappointed that the chief of water use at the DNR ignores another municipality that literally gives water away. It's not fair.

Ament: It says the City has an adopted an ordinance limiting lawn sprinkling year-round to no more than every other day based on odd/even addresses. It says the city commits to further limit lawn sprinkling to a significant portion of midday hours when evaporation rates are high, an ordinance to add possible fines will be considered before the 2010 sprinkling season. What are we talking about doing?

Harenda: We have a voluntary program in place at this time and last year I brought forth an ordinance to make that mandatory, but concern was the hours. I don't know about possible fines, I don't know how we would police it.

Ament: It says the city commits to further limit lawn sprinkling.

Harenda: I viewed it as taking the voluntary ordinance and making it a mandatory ordinance.

Chiovatero: That is how I understood it. To continue to do what we are doing with the odd/even. They fully understand that we don't have the personnel to police this. This is our policy and if we come to an issue like we did several years ago and had to have the Utility out because of a drought or water shortage situation, this would come into play.

Harenda: At the next meeting I will bring forth the ordinance that is in your packet. It is in the Water Conservation Plan to implement an actual ordinance. We are trying to control when people sprinkle.

Ament: What we are committing to is changing from voluntary to mandatory.

Dude: I was at every subcommittee meeting and this came up and there was some strong pushing to put in hours, but I think there may be some strong consequences. If you tell me I can only do it in the evening hours, I will put it on at 9:00 and leave it on all night.

Harenda: At the next meeting we will look at it and discuss it.

Wysocki: There is a provision in our ordinance for the Director of the Utility to declare an emergency when needed.

Harenda: Mayor, please do a follow up to see if you can get a letter from them saying we have completed everything.

Ament: Does UT 06-10 need to be approved by Council and do we need to amend the motion?

Blum: It still requires Council approval; you couldn't approve it on your own. I don't think you need to revise it.

Motion by Alderman Wysocki to adjourn at 6:08 p.m. Seconded by Commissioner Morrisey and upon voting the motion passed unanimously.

*Please Note: Minutes are not official until approved by the Committee  
Respectfully submitted,  
Suzette Hanley – Administrative Supervisor, Utilities & Streets*