

City of Sheboygan
2020-06-15

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BOARD OF WATERWORKS COMMISSIONERS - 4: 00 PM - (Monday, June 15, 2020)Generated
by Joe Trueblood on Tuesday, June 16, 2020

Members present:

President Gerald Van De Kreeke, Secretary Mark Smith, Member Tom Howe (all
remote)

Staff present:

Superintendent Joe Trueblood

(remote)

1. OPENING OF MEETINGPresident Van De Kreeke called the meeting to order at 4:
00 pm.

1.1 Pledge of AllegianceAll present honored the flag.

2. MINUTES

2.1 Approval of minutes from the May 26, 2020 meetingCommissioner Howe made a
motion, seconded by Commissioner Smith, to approve the minutes of the May 26,
2020 Board meeting.

Motion passed unanimously.

3. REPORTS

3.1 Financial reportsSuperintendent reviewed the reports prepared by Accountant
Gottsacker.

Revenues for May were down due to reduced industrial water demands during the
pandemic slow-down.

Superintendent noted the receipt of funds from the Bond Anticipation Note to
be used for design and engineering on the raw water improvements project.

We are still waiting on a rate application submitted to WI PSC late in 2019.

3.2 Superintendent's report including operations, construction-maintenance, and customer relations/fiscal Superintendent noted that water demands for May had declined 30 % from May of 2019.

Commissioner Smith inquired if any expenses could be reduced due to the decrease.

Superintendent noted that, other than expendibles such as chemicals and electricity, most of the plant operating cost is fixed, and efficiency declines as water demand declines.

Many capital projects, however, have been delayed.

Superintendent noted that the construction crew had been installing auto hydrant flushers and conducting other routine maintenance throughout the distribution system, including replacement of a short length deteriorated water main on Kansas Avenue.

Superintendent noted that the payment window reopened on May 26 and has been in steady usage, with increased safety measures in place.

Fewer payments were received in May 2020 compared to May 2019, probably due to lack of a disconnection program and/or late fees.

Calls and field activity were also reduced.

Looking forward, large meter change-outs will start later in June, along with some cross connection inspections.

Commissioner Smith made a motion, seconded by Commissioner Howe, to accept the financial and superintendent's reports as presented.

Motion passed unanimously.

4. ITEMS PREVIOUSLY HELD OVER FOR DISCUSSION AND POSSIBLE ACTION

4.1 Lead service line replacement program Superintendent advised the Board that WI PSC indicated the LSL proposal will likely be addressed by the Commission during June.

Superintendent reviewed that WI PSC had requested the Utility to switch its proposal from use of grants with municipal assessments to grants with utility loans in order to avoid legal issues.

This occurred after information had gone out to customers on Geele Avenue regarding municipal assessments.

At this point, rather than add more confusion, Superintendent hopes the matter is considered by the WI PSC before the end of June so that we have clarity and authorization on our program.

With that authorization, the Utility would then request that the Public Works Committee approve new ordinance language in conformance with the modified LSL program.

Timing is problematic, because work on Geele Avenue is anticipated to begin soon.

If all goes according to plan, we should have everything approved and in order by mid July, with work on laterals not expected to begin until later in July or early in August.

Superintendent advised there isn't much to be done except to keep moving forward, but certainly our customers will feel some confusion at the modification of the program mid-stream.

4.2 Raw water improvements project Superintendent reported that detailed work has been completed on the project, including pump and genset analysis.

A site survey is underway.

Details on shoreline protection measures are under consideration.

A favorable building location was discussed at staff level with city DPW, development, and planning.

Later this week, CDM Smith and the Utility will have a follow up teleconference with WI PSC to update them on the project.

Otherwise, status is favorable for completion of preliminary engineering in August 2020.

Commissioner Smith asked if economic downturn might affect WI PSC's construction authorization on the project.

Superintendent responded there is a possibility it might enter into their financial calculations and size of the project, but the technical need for the project is so significant that WI PSC will likely lean toward approval.

5. ITEMS FOR DISCUSSION AND POSSIBLE ACTION

5.1 Request approval of change order on Maryland/S. 11 th St. water main project Superintendent advised that DPW and the Utility have a joint project for street, sewer, and water main repairs in the vicinity of Rockline Industries.

Due to concerns over construction work impacting the old water main currently serving Rockline, and Rockline's role in disinfectant production, the project was delayed for several months but DPW is now ready to move forward with it.

The Utility had discussed a plan to minimize risk of sudden water loss by installing a temporary 6 " HDPE water main to serve Rockline.

This would be installed ahead of the overall project.

The pipe would extend about 560 LF and be buried 2 feet in the ground.

Once in service, then the old water main would be disconnected, and no longer vulnerable to construction impacts.

Rockline agreed to pay 1 / 3 of the construction costs for installing the temporary water main.

The Utility then requested a change order from Vinton Construction for the temporary water main, and the total cost was \$62,000, including all necessary taps and tie-in parts.

Commissioner Smith made a motion, seconded by Commissioner Howe, to approve the change order and the agreement with Rockline Industries.

Motion carried unanimously.

5.2 Request approval of proposal for purchase of replacement actuator Superintendent reported that a 13 year od actuator on high lift pump # 5 had failed.

Operations Supervisor Swearingen considered rebuilding the actuator, but the cost was nearly the same as the purchase price of a new unit.

Commissioner Smith made a motion, seconded by Commissioner Van De Kreeke, to approve the purchase of a replacement actuator from Dorner Co. at a cost of \$4,895.

Motion carried unanimously.

5.3 Request approval to restrict funds for potential health insurance laser liability At the Utility's annual health insurance renewal, the inclusion of two laser deductibles was discussed;

this had increased from one laser deductible in the prior year.

As such, Superintendent and Accountant Gottsacker felt it would be good practice to restrict a cash amount to cover the possible liability, which is a total increase of \$380,000 over the two separate individual deductibles.

Commissioner Van De Kreeke made a motion, seconded by Commissioner Smith, to authorize the restriction.

Motion carried unanimously.

5.4 Request approval of commercial insurance package Superintendent reminded the Board of the Utility's switch from Selective Insurance to the League of WI Municipalities three years ago for its commercial insurance line including property, crime, inland marine, general liability, public officials, automobile, umbrella, and cyber/data coverage.

The League's renewal quote, provided by McClone, for the coming year came in at a total premium of \$78,273.

This included a blanket building contents and property in the open total of \$62,953,455, which was based on a new appraisal done approximately 2.5 years ago by the League.

Selective Insurance, represented by Hub International, provided a quote with a total premium of \$71,405.

Both Superintendent and Accountant Gottsacker reviewed the proposals and felt they were equivalent in terms of coverage, though an exact comparison of all element details is difficult.

Superintendent noted that working with Hub/Selective and McClone/League were

both good experiences.

Commissioner Howe made a motion, seconded by Commissioner Smith, to accept the lower cost renewal proposal from Hub/Selective Insurance.

Motion carried unanimously.

5.5 Request approval of R.O. transmitting WI PSC annual report to Council
Superintendent requested the Board's approval to transmit the 2019 WI PSC annual report to the Common Council.

The report contains a wealth of information about operations and financials of the Utility.

Commissioner Smith made a motion, seconded by Commissioner Howe, to approve the R.O.

Motion carried unanimously.

WI PSC Code changes None were noted

5.7 Approval of vouchers
Commissioner Smith made a motion, seconded by Commissioner Van De Kreeke, to approve the general vouchers of \$316,888.21 and gross payroll of \$239,471.04 for May.

Motion carried unanimously.

6. PERSONNEL

6.1 Covid- 19 update
Superintendent noted that customers have been using the payment window, and additional steps were taken to provide safe service.

In-house residential work continues to be on hold, but industrial meter replacements will start soon.

Commissioner

Van De Kreeke

asked if face shields were available for some of the work, and Superintendent noted that a supply is available to staff upon request.

This can provide an additional barrier to a face covering.

Otherwise the Utility continues to practice physical distancing, disinfection measures, some staff working remotely to reduce overlap, and weekly assessment of the situation.

7. NEXT MEETING

7.1 Next meeting will take place on Monday, July
20. 2020 at 4: 00 pm.

8. ADJOURN

8.1 Motion to Adjourn Commissioner Smith made a motion to adjourn at 4: 45 pm,
seconded by Commissioner Howe.

Motion carried unanimously.