

BOARD OF WATERWORKS COMMISSIONERS - 4: 00 PM (Monday, December 17, 2018)Generated by Joe Trueblood on Tuesday, December 18, 2018

Members present:

Gerald Van De Kreeke, Ray Haen, Mark Smith

Staff/officials:

Superintendent Joe Trueblood

1. OPENING OF MEETING

1.1 Pledge of AllegianceAll present honored the flag.

1.2 Election of officersElection was held at previous meeting

2. MINUTES

2.1 Approval of minutes from the November 19, 2018 meetingCommissioner Haen made a motion, seconded by Commissioner Van De Kreeke, to approve the minutes.

Motion passed unanimously.

3. REPORTS

3.1 Financial reportsSuperintendent reviewed the reports for November.

Motion by Commissioner Haen, seconded by Commissioner Van De Kreeke, to accept the reports.

Motion passed unanimously.

3.2 Superintendent's report including operations and construction-maintenanceSuperintendent reviewed the operations report for November, which included information on poor incoming water quality due to run-off.

The construction-maintenance report was not available.

Motion by Commissioner Van De Kreeke, seconded by Commissioner Smith, to accept the reports.

Motion passed unanimously.

4. ITEMS PREVIOUSLY HELD OVER FOR DISCUSSION AND POSSIBLE ACTION

4.1 Lead water service replacement program Superintendent advised that the draft ordinance on the lead service line replacement program should be available next month for Board review.

Superintendent provided summary figures from Ms. Gottsacker on WDNR grant monies expended to date.

4.2 Intake feasibility project No update

4.3 South water tower project Superintendent advised that the interior primer has been applied and is curing under temperature-controlled conditions.

Electrical service to the site, by Alliant, is anticipated to be installed later in December.

Otherwise the project remains on schedule to start-up in January.

4.4 Clear well sluice gate and clear well bypass project Superintendent reported that an update meeting took place among Utility staff and CDM Smith.

The project is expected to bid for construction later in 2019.

PSC construction authorization is not required due to cost estimates below PSC limits.

4.5 Georgia Avenue pump station project Superintendent advised that removal of pumps 2 and 3 will take place later this week.

This will leave space for the new pump
6.

Other work will continue, though the delivery time on the pump is not until

mid-spring of 2019.

Once completed, the station will have a new pump 6, which will work in conjunction with pumps 4 and 5, and the older pump, 1, will remain in service for very low demand days.

5. ITEMS FOR DISCUSSION AND POSSIBLE ACTION

5.1 PSC code changesNone

5.2 Review proposal for emergency roof repairsSuperintendent reviewed information on the emergency replacement of the roof at the Wilgus Avenue pump station.

Commissioner Haen made a motion, seconded by Commissioner Smith, to approve a proposal from Crafts, Inc., for all labor, material, and equipment to install a new membrane roof system at a total cost not to exceed \$14,250.

Motion passed unanimously.

5.3 Review proposal from Excel Engineering for design services on Maryland, S.11 th, and Illinois Ave.Superintendent advised that City DPW intends to make improvements in the Maryland Ave and S. 11 th Street vicinity, and had requested that the Utility consider using Excel Engineering, Inc. to do water main design on the project.

Excel provided a proposal to the Utility for design work for 12 " water main relay on Illinois Ave from Advance to S. 10 th Street, in S. 11 th Street from Indiana Avenue to Maryland, and in Maryland Avenue from S. 11 th Street to Commerce Street at a total cost of \$10,500.

5.4 Review proposals on actuarial valuation of other post-employment benefitsUtility Accountant Gottsacker had identified the need for an actuarial study of any post-employment benefits, including life and health insurance.

Although any such benefits are funded by the retiree, there is still an actuarial valuation requirement.

A proposal from Key Benefit Concepts, LLC, and from Milliman and from Actuarial & Health Care Solutions were considered at a cost of \$3,250 and \$9,000 and \$3,500 respectively.

Commissioner Haen made a motion, seconded by Commissioner Smith, to accept the low cost proposal from Key Benefit Concepts at \$3,250.

Motion passed unanimously.

5.5 Review proposal on water rate study in 2019 Superintendent reminded the Board members of the upcoming raw water improvements project, which includes the new intake pipeline.

This is a very large and expensive project that will serve the communities for decades.

In order to provide sufficient revenue to offset new costs due to the project, the Utility needs to seek rate increases in the coming years.

Superintendent relayed that PSC reports a typical period of 6 - 8 months for review and implementation of new rates.

Superintendent then reviewed a proposal for a water rate study by Baker Tilly including submittal to PSC at an estimated cost of \$18,000 - \$19,500.

Commissioner Van De Kreeke noted that Baker Tilly is familiar with the Utility's rate structure and would not need to do much background work in order to get started.

Motion by Commissioner Van De Kreeke, seconded by Commissioner Haen, to accept the proposal from Baker Tilly.

Motion passed unanimously.

5.6 Review proposal for water demand study Superintendent reminded Board members of an earlier meeting among WDNR, WIPSC, CDM Smith, and Utility staff to discuss the raw water improvements project.

Although the regulators expressed support for the project, there was some discussion from WIPSC about the sizing of the intake pipeline itself.

WIPSC suggested that, given the large size of the project, a water system capacity/demand study would be a valuable tool to determine a justified sizing.

The study would ideally include information from area comprehensive growth plans.

Following the meeting, superintendent Trueblood then discussed the matter with

AECOM, who had recently performed studies for location of the Horizon Drive water tower and have also completed an extensive hydraulic model for the Utility.

After ongoing discussion, AECOM provided a proposal for the study, including data review and kick-off, historical data analysis, WI PSC meeting, forecast of future demand and risk analysis, and water demand projects reporting.

An optional task included a statistical regression analysis.

The estimated cost is \$56,700, and a breakdown of rates was reviewed.

The cost of the optional regression analysis came in at \$25,900.

Superintendent stated that the regression analysis is optional and could be completed at a later date if required by WIPSC.

Commissioner Smith made a motion, seconded by Commissioner Van De Kreeke, to accept AECOM's base proposal with no regression analysis.

Motion carried unanimously.

5.7 Approve vouchers Commissioner Van De Kreeke made a motion, seconded by Commissioner Smith, that gross payroll for November of \$220,149.12 and general vouchers of \$517,219.90 be allowed and accepted.

Motion passed unanimously.

6. PERSONNEL

6.1 Update on positions Superintendent summarized the status of recruitment for the water distribution supervisor position.

Superintendent also advised that he would like to move forward with hiring an additional water distribution technician, and the Commissioners were in agreement.

6.2 Review upcoming wage increases for 2019 Superintendent explained that the performance evaluation process is nearly complete for 2018.

The Utility continues to base annual wage increases on the midwest region cpi trailing 12 month figure for November, which is

1.4 %.

Under the system, increases can be 0,
0.4 %,
1.4 %,
2.4 %, or
3.4 % depending on performance results.

7. NEXT MEETING

7.1 Next meeting will take place on Monday, January 21, 2019.

8. ADJOURN

8.1 Motion to Adjourn Commissioner Smith made a motion to adjourn at 5: 10 pm, with a second by Commissioner Haen.

Motion carried unanimously.