

City of Sheboygan  
2018-04-24

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BOARD OF WATERWORKS COMMISSIONERS - 4: 00 PM (Tuesday, April 24, 2018)Generated  
by Joe Trueblood on Wednesday, April 25, 2018

Members present:

Gerald Van De Kreeke, Ray Haen, Mark Smith

Staff/Officials:

Superintendent Joe Trueblood

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 March 26, 2018 and April 13, 2018  
meetingsMotion by Commissioner Haen, seconded by Commissioner Van De Kreeke, to  
approve the minutes.

Motion carried unanimously.

3. REPORTS

3.1 Financial reportsSuperintendent reviewed the reports for March.

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

Motion carried unanimously.

3.2 Superintendent's report including operations and  
construction-maintenanceSuperintendent reviewed the operations and  
construction-maintenance work for March.

Superintendent noted unusual work due to the failure of filter #  
10.

One water main break occurred.

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

Motion carried unanimously.

#### 4. ITEMS PREVIOUSLY HELD OVER FOR DISCUSSION AND POSSIBLE ACTION

4.1 Lead water service replacement program Superintendent reported on a recent informational meeting for the public on the S. 13 th/Henry Street water main and water lateral project.

Approximately 30 people attended and received information about the project.

All lead water laterals are slated to be replaced using a mixture of WDNR grant money and assessments against the benefitting properties.

The water main has also exceeded its working lifetime of 100 years and will be replaced at no cost to residents.

Edgewater Plumbing was also in attendance and provided further information about the work that must be completed within each home receiving a new water lateral.

Superintendent Trueblood, Distribution Supervisor Dale, and Customer Relations/Fiscal Supervisor Scheuren made the presentation.

Intake feasibility study No activity on this project.

South water tower project Superintendent noted that the pre-construction meeting with the Utility, AECOM, and Chicago Bridge and Iron had taken place earlier in the day, along with other shareholders.

The project is underway but facing potential delays due to the tariff on foreign steel, which has caused delays in obtaining American steel for the water tower.

Superintendent emphasized the need to get the tower up and in service in 2018 if at all feasible.

However, one limitation is the need for warmer temperatures (> 40 night and day) for the coating process.

The latest possible start-up is July 2019.

Georgia Avenue pump station project Superintendent stated that the PSC had requested additional information before granting construction authorization.

This information has been provided by the Utility.

Rate case submission to WI PSC Superintendent noted that the rate hearing took place and WI PSC has now authorized the Utility to implement new rates effective May 1, 2018.

The case was first submitted to WI PSC in September 2017.

## 5. ITEMS FOR DISCUSSION AND POSSIBLE ACTION

### 5.1

PSC code changes None

5.2 Proposal for printing costs of 2018 Consumer Confidence Report (CCR) Superintendent reviewed printing proposals for 19,000 reports of \$1,516.39 from Boneck Printing;

\$1,240 from Zimmermann Printing;

and \$1,250 from Franzen Graphics.

Commissioner Van De Kreeke made a motion, seconded by Commissioner Haen, to accept the low cost proposal from Zimmermann Printing.

Motion carried unanimously.

5.3 Review refund issue at N. 13 th Street and Eisner Ave Superintendent reviewed a billing error uncovered by Utility Support Specialists involving a facility at N. 13 th Street and Eisner Avenue.

Due to a property transaction in 2008, billing should have been shared with another owner;

an additional fire protection connection was also discovered.

The Utility contacted WI PSC for guidance, which determined that the error must be corrected back to 2008, resulting in a refund of \$10,931.90 to Terrace Place.

An additional bill will be sent for the new fire connection to Morningside Health Center, but bankruptcy might render that bill uncollectible.

Update on Georgia Ave pump station # 5 motor replacement Superintendent reviewed a summary provided by Supervisor Swearingen regarding the status of pump # 5 and its motor.

This 200 hp unit runs nearly all the time in order to supply water to the industrial park.

However, it has recently shown early signs of wear.

The Utility would like to replace the motor with a new Marathon motor at \$10,716.00, with installation charges of \$3,686.00, from L&S Electric.

Then the existing motor would be sent back to L&S for complete reconditioning.

This would provide for a new motor and a reliable back up in the event of failure, at a total cost of \$18,547.00.

Commissioner Van De Kreeke made a motion, seconded by Commissioner Smith, to accept the proposal from L&S Electric.

Motion carried unanimously.

5.5 Review and request R.O. submitting 2017 audited financial reports, independent auditor's report, and 2017 Annual Report to WI PSC Commissioner Van De Kreeke made a motion, seconded by Commissioner Haen, transmitting the reports via R.O. to Council.

Motion carried unanimously.

Request R.O. sending 1 st Quarter Water Utility report to the Common Council Commissioner Van De Kreeke made a motion, seconded by Commissioner Haen, transmitting the report via R.O. to Council.

Motion carried unanimously.

5.7 Review health insurance renewal proposal Superintendent reviewed proposals solicited by the Utility's insurance broker, Ms. Meyer, for renewal of the Utility's health insurance coverage.

The renewals include a \$150,000 laser on a covered individual due to a large potential claim in the coming year.

7 different renewal options were considered.

Superintendent and Accountant Gottsacker reviewed the proposals and determined that minimizing the increase in fixed costs was the most controllable approach.

The range in fixed cost increases was  
5.4 % to  
11.1 % with the \$150,000 laser in place.

Although Montgomery Management/Companion Life provided the lowest increase in fixed costs at  
5.4 %, maintaining coverage with Orient Risk had advantages of ongoing service at  
7.0 % increase.

In both cases, Superintendent recommends increasing the stop loss specific deductible to \$55,000.

Commissioner Haen made a motion, seconded by Commissioner Smith, to accept the renewal proposal from Orient Risk/FAIRCO at the \$55,000 stop loss with the \$150,000 laser applied to a covered member.

Motion carried unanimously.

Review preliminary 2019 capital improvement projects Superintendent reviewed a list of preliminary capital improvement projects for 2019 exceeding \$25,000.

Superintendent reviewed the City of Sheboygan's intention to prepare its capital improvement program earlier in the year than previously.

Superintendent noted that normally the Utility has included its capital projects in its budget prepared later in the year.

The Commissioners had some discussion on the best mechanism to inform the Common Council of the Board's capital improvement program.

The Commissioners felt that the preliminary items for the following calendar year could be transmitted to Council by R.O. in May along with a five year capital improvement program.

The Utility's final budget could be

transmitted in August, with final capital projects, as an R.O. as in the past.

Superintendent noted that an R.O. is a report of officer

intended to be accepted and filed.

Commissioner Van De Kreeke made a motion, seconded by Commissioner Haen,

that the preliminary CIP be transmitted to Council in May and that the final budget with final CIP be transmitted to Council in August.

Motion carried unanimously.

Proposal for skidsteer attachments Superintendent reviewed a proposal from Bobcat for a Tilt-tatch accessory and 80 " low profile bucket at a total cost of \$3,310.00.

Superintendent explained this will give the C-M crew an additional bucket with greater flexibility on the much-used skidsteer.

The existing bucket will be used with teeth for soil/pavement removal.

Commissioner Haen made a motion, seconded by Commissioner Smith, to accept the proposal.

Motion carried unanimously.

Review Utility's involvement in Wyland water conservation challenge Superintendent stated that Sheboygan is currently in 6<sup>th</sup> place in the national contest.

The Utility assisted the Mayor's office with minor costs involved in printing flyers advertising the challenge.

Approve vouchers Commissioner Van De Kreeke made a motion, seconded by Commissioner Smith, that gross payroll for March of \$143,996.12 and general vouchers of \$526,883.72 be allowed and accepted.

Motion carried unanimously.

#### 6. PERSONNEL

6.1 Utility Engineer status Superintendent summarized recent meetings with a candidate for the position.

This candidate has been invited to meet with the Board members on April 26, 2018.

6.2 Review upcoming retirement in Service Department Superintendent advised that Mr. Jeff Wolfert intends to retire effective September 4, 2018.

Mr. Wolfert has been with the Utility since June of 1980.

Due to Mr. Wolfert's retirement, Mr. Wosen Gizaw will be moving into the Service Technician position, leaving a vacancy for a Distribution Technician.

Superintendent is unaware of any internal candidates and intends to begin advertising for the vacancy in the near future.

7. NEXT MEETING Next meeting will take place on May 14, 2018 at 4: 00 pm.

#### 8. ADJOURN

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

Motion carried unanimously.