

**MINUTES OF THE
NORTH SHORE WATER COMMISSION
MEETING OF WEDNESDAY, MARCH 13, 2019**

A meeting of the North Shore Water Commission was held at the Filtration Plant, 400 West Bender Road, Glendale, Wisconsin on Wednesday, March 13, 2019.

Meeting was called to order at 8:00 A.M. by Mrs. Safstrom.

Present: Rachel Safstrom, Chair (Glendale); John Edlebeck, Secretary (Whitefish Bay);
Scott Botcher, Member (Fox Point)

Also present: Eric Kiefer, Plant Manager & Recording Secretary; Charlie Imig, Alternate
(Glendale); Dan Steinhardt, Arch Electric; Brooks Angell, Technician Mechanic

MINUTES

Mr. Kiefer announced there was a typo in the adjournment section of the minutes. "Mrs. Edlebeck" should be replaced with "Mr. Edlebeck." It was moved by Mr. Botcher, seconded by Mr. Edlebeck, and unanimously carried to approve the minutes as amended during discussion for the meeting held February 13, 2019.

MONTHLY REPORT OF PLANT OPERATIONS

Mr. Kiefer provided the Commission with a report regarding plant operations. During discussion, he mentioned that pumpage in February is up from last February; this implies main breaks were up. The report was placed on file without any motion.

ANNUAL OPERATING BUDGET

Mr. Kiefer presented the monthly financial reports, and they were put on file without motion.

MONTHLY BILLS

It was moved by Mr. Edlebeck, seconded by Mr. Botcher, and unanimously carried that the following payments be approved and authorization was given to the Fiscal Agent to make such payments.

<u>Vendor</u>	<u>Amount</u>
Amazon (hardware, cordless impact wrench, utility cart, custodial supplies, and lamp)	\$534.27
ChemTrade (treatment chemical: aluminum sulfate)	\$3,194.22
Cintas (uniform)	\$161.61
Clark Dietz (engineering services)	\$300.00
Diversified Benefit Services (Section 125 Plan administration)	\$99.50
Fuchs & Boyle (legal services)	\$302.25
G&S Landscape (snow removal)	\$500.00
Grainger (first aid supplies, oil, sponges, Dewalt batteries, vacuum cleaners, microfiber mop kit, and custodial supplies)	\$566.91

Great America (lease payment for copier/printer)	\$100.00
Hawkins (treatment chemicals: aqueous ammonia and phosphate)	\$2,541.90
Home Depot (folding table)	\$39.98
Idexx (colilert growth media)	\$2,461.64
Northern Lake Service (compliance monitoring)	\$213.00
Office Copying Equipment (maintenance payment for copier/printer)	\$25.71
Revere Electric Supply (Rockwell product support)	\$814.00
Rotroff Jeanson (accounting services and section 125 discrimination testing)	\$1,607.50
Securian / Minnesota Life (employee life insurance)	\$116.39
SEH (services pertaining to change in corrosion control chemical)	\$376.50
Spectrum Business (internet services, Bender phone, and Klode phone)	\$571.16
Superior Chemical (wipes)	\$96.00
T-Mobile (mobile internet)	\$43.37
US Cellular (cell phone)	\$1.09
USA Bluebook (chlorine reagents and hoses for chemical feed pump)	\$697.97
Vacuum Pump and Compressor (air compressor supplies)	\$704.72
Village Ace Hardware (hardware)	\$17.47
Village of Fox Point (gasoline)	\$47.80
Water Research Foundation (membership renewal)	\$3,150.84
WaterStone Bank (credit card - General Fund)	\$353.77
-- AT&T (monthly internet charge): \$61.77	
-- eBay discountgrab (Dyson vacuum cleaner): \$136.95	
-- Google (google apps for work): \$54.15	
-- StraightTalk (cell phone): \$45.90	
-- USPS (stamps): \$55.00	
We Energies (Bender Electric)	\$13,150.17
We Energies (Bender Gas)	\$1,924.77
We Energies (Green Tree Electric)	\$16.24
We Energies (Henry Clay Electric)	\$16.92
We Energies (Klode Electric)	\$3,939.24
We Energies (Klode Gas)	\$34.27
Wisconsin State Lab of Hygiene (fluoride analysis)	\$26.00
 SUB-TOTAL	 \$38,747.18
Capital Fund	
 SUB-TOTAL	 \$0.00
 TOTAL	 \$38,747.18

SOLAR PANELS

Dan Steinhardt from Arch Electric gave a brief overview of how solar panels might look at the North Shore Water Commission. Free of charge, Mr. Steinhardt reviewed utility data provided by Mr. Kiefer as well as other information about facility. After a number of visits, phone calls, and emails, he was able to develop a proforma showing projected costs and avoided costs associated.

Mr. Steinhardt explained that his preliminary report makes a number of assumptions. He went

through various assumptions, placement of solar arrays, recommended size of arrays, and so on.

Mr. Botcher asked a number of questions to Mr. Steinhardt regarding the assumptions made. The first and most important was related to the tax sponsor discount listed in the report. Mr. Steinhardt explained a mechanism Arch Electric is recommending for monetizing a 30% tax break that is offered to for-profit entities installing solar equipment. It would involve a complicated co-ownership / leasing agreement with a third party. Essentially, the third party would own (or co-own) the solar equipment and lease it to the Commission over a period of 7 years.

Mr. Botcher asked a number of related questions. In the end, there was an understanding that the \$63,792 proposed tax sponsor discount may not be applicable to the Commission.

Mr. Edlebeck described his experience working with Arch Electric on a solar project at the Village of Whitefish Bay. He also talked about the RECIP grant listed in the report. Mr. Edlebeck explained that the rules for this grant program will likely change over time. He reported that there were a number of recent changes to the program.

Mr. Steinhardt mentioned a lot can happen between now and 2021--the year the Commission might install solar panels.

Mr. Botcher asked about the durability and longevity of the equipment. Mr. Steinhardt explained that his company installed systems 15 years ago that are still in operation. He anticipates equipment will likely be in good operating condition for the next 20 to 30 years.

Mr. Botcher stated there could be substantial value in this solar installation; however, he does not believe the Commission should count on receiving the RECIP grant or the tax sponsor discount. Consequently, he suggested that the return on investment will be longer than shown on in the report. Mr. Botcher believes that the assumptions and proforma need to be reviewed and possibly revised in a more detailed study before making any substantial commitments.

All Commissioners agreed that further investigation and study of a solar installation at the Commission is worthwhile. Mr. Kiefer stated that he intends on authorizing Arch Electric to complete an interconnection agreement with We Energies to see if they will even allow this project to go forward.

Mrs. Safstrom asked if Arch Electric is the only firm that could do the work. Mr. Kiefer explained that there are other firms, but he does not think it is necessary to solicit other proposals at this time. For approximately \$2,000, Arch Electric can help with the application, and the decision from We Energies will remain valid for an indefinite period of time. Since Arch Electric has invested a number of hours to generate the proposal and to understand the Commission's system, he feels it would be appropriate to use them.

No action was taken at this time.

HIGH SERVICE PUMP 4 PROJECT

Mr. Kiefer explained that he authorized CTW Corporation to remove and inspect high service pump #4. Since the proposal was under his \$10,000 spending authority, he was able to approve it. After

the inspection, Mr. Kiefer was informed that \$5,100 of repairs are necessary to repair the pump. He would like to authorize the repairs, but doing so would put him over his limit. Consequently, he is asking the Commission to authorize the repairs.

The Commission asked about the damage, and if it can be avoided. Mr. Kiefer explained that the pump was installed over 15 years ago. In his opinion, the cost of the repair is understandable given its use. With that said, he believes the pump will be subject to the same kind of wear in the future. Hopefully, the pump will be inspected and repaired much sooner next time.

With high service pump #5 being removed as part of the 2020 Reservoir Upgrade Project, Mr. Kiefer believes this will allow the Commission to install another pump in the near future that would be sized for current demand and would be more efficient.

It was moved by Mr. Edlebeck, seconded by Mr. Botcher, and unanimously carried to authorize the repairs identified in the report from CTW Corporation dated 3/8/2019 in the amount of \$5,100.

FINANCIAL STATEMENTS

Mr. Botcher and Mrs. Safstrom noted that the financial statements were already approved by the Commission. Mr. Kiefer explained that the Commission has historically put "acceptance" of the final documents on the agenda to ensure changes were satisfactorily made--as discussed during the meeting.

It was moved by Mr. Botcher, seconded by Mr. Edlebeck, and unanimously carried to accept the 2018 Financial Statements and Communication to Those Charged with Governance and Management prepared by Baker Tilly.

APPROVE CHECK AND INVOICES RELATED TO YEAR-END ACCOUNTING

It was moved by Mr. Botcher, seconded by Mr. Edlebeck, and unanimously carried to authorize the check to the City of Glendale and invoices to the Village of Fox Point and Whitefish Bay as per Mr. Kiefer's memos dated 3/13/2018 and the accepted 2018 Financial Statements.

PROPOSAL TO SUPPORT COMMISSION WITH RAW WATER TRANSMISSION LINE LOCATION

Mr. Kiefer provided the Commission with a proposal from Paul Pasko from SEH for supporting the Commission in its effort to locate and possibly perform a condition assessment of the raw water transmission main.

All of the commissioners stated they were impressed with Mr. Pasko's credentials. The Commission appreciated his visit last month and agree he has more than enough experience to do the work being proposed.

Mr. Kiefer noted that he had discussions with Mr. Edlebeck and Mustafa Emir regarding the technique of hydro-excavation. It is well understood that the drawings are not completely accurate--but are likely good enough to start with. By using potholes, the Commission can verify the location of the raw water main. If the main is discovered to be within feet of the location indicated by the drawing, the drawings can be corrected--the pipe run can be shifted in a particular dimension.

Otherwise, if the pipe is not found, it would be necessary to retain Mr. Pasko from SEH to then investigate the other techniques for locating the main.

Mr. Kiefer and Mr. Edlebeck confirmed that the cost to do this work would be around \$12,000 to \$15,000, which is comparable to Mr. Pasko's proposal to investigate different methodologies. If the Commission wanted to pursue this option, Mr. Kiefer will bring back proposals to the next meeting.

It was the consensus of the Commission to not sign the agreement with Mr. Pasko of SEH and to review any proposals solicited by Mr. Kiefer at the next meeting.

RESERVOIR IMPROVEMENT PROJECT IMPACTS

Mr. Kiefer explained that its member utilities should avoid any kind of tank or tower maintenance in 2020. He explained that during the project, the Commission will have to use its smallest reservoir during the project. Since the reservoir acts as a clearwell and allows chlorine to disinfect filtered water, the Commission cannot allow the water level in this particular reservoir to drop too far. If a member utility takes a standpipe or tower out of service, the system will lose some of its ability to buffer demand. Consequently, the Commission will have to respond to large changes in demand which will spike its electrical demand. If allowed, this would significantly cost of electricity to increase.

There was consensus that member storage facilities should be in operation during the reservoir upgrade project in 2020.

No action was taken at this time.

CORROSION CHEMICAL CHANGE UPDATE

Mr. Kiefer distributed a letter to the Commission from the Wisconsin Department of Natural Resources (WDNR). Mr. Kiefer explained that WDNR is requiring very specific tests to be collected at very specific locations, at very specific times.

Mr. Kiefer explained that compliance depends on the ability to find willing residents that will allow the Commission into their homes to inspect premise plumbing and then collect 3 rounds of samples at very specific dates. The sites must be single family residences served by a lead service: 1 in Fox Point, 1 in Glendale, and 2 in Whitefish Bay.

Based on his 2018 lead and copper monitoring experience, Mr. Kiefer is somewhat nervous about finding a Glendale participant. There are a limited number of single family residences in Glendale that are served by a lead service. Mr. Imig and Mrs. Safstrom expressed the same concern.

Mr. Edlebeck suggested that the Commission offer participants a payment in exchange for access. Mr. Kiefer agreed and said he would work with legal counsel to develop the necessary paperwork.

Mrs. Safstrom asked for that information to be shared with all of the member utilities.

No action was taken at this time.

ANNUAL WATER QUALITY REPORT

Mr. Kiefer provided the Commission with a draft annual water quality report for 2018. Mr. Kiefer explained that one reason the report is growing in size, year after year, is the result of WDNR changing monitoring requirements. Some monitoring results are outdated; they are shown on the report because the Commission was responsible for some testing in the past which is now done by the member communities. Since data for the past 5 years need to be included in the report--for each public water system--the Commission needs to show the outdated results alongside the current results.

Mr. Kiefer also stated that results from both the 3rd and 4th Unregulated Contaminants Monitoring Rule (UCMR) are on the report. That greatly increased the length of the report. The 3rd UCMR was completed a number of years ago; the 4th UCMR started in 2018 and will end in 2019.

Mr. Kiefer noted that he needs to verify some of the UCMR data; the report cannot be finalized until he gets more information from Pace Analytical.

Mr. Edlebeck asked if the Commission should be concerned with anything in particular. Mr. Kiefer explained that the Commission and its member utilities are in compliance with all water quality regulations.

Mrs. Safstrom noted that her phone number needs to be correct. Mr. Botcher noted that an email address is missing for the Fox Point alternate. Mr. Kiefer said he would make those corrections.

It was moved by Mr. Botcher, seconded by Mr. Edlebeck, and unanimously carried to accept the 2018 Annual Water Quality Report with corrections made during discussion pending Mr. Kiefer's update of the UCMR data.

MANAGER'S REPORT

1. The intake clogged with frazil ice on Monday, February 25. Plant staff responded by alternating the draining of the raw water transmission main back into the shorewell and the running of a raw water pump. Unlike previous events, this process took 10 hours to clear the intake.
2. Plant staff removed the old VFD cabinet for high service pump #4 and is preparing for the installation of a new VFD cabinet; a local metal fabrication shop has been contracted to make a mounting plate for the cabinet that plant staff will install prior to L&S Electric installing the new cabinet.
3. During the removal of the high service pump #4 by CTW Corporation, plant staff discovered the original 20" gate valve on the discharge side of the pump does not close properly. Plant staff is preparing to replace that valve before the pump is reinstalled.
4. Plant staff is continuing to clean and prepare metal pipes and equipment associated with the high service pumps. Some of the piping has been primed.
5. Plant staff evaluated a new Bobcat T450 Compact Track Loader and equivalent equipment. After receiving competitive quotes, it is clear that a new unit will cost more than the budget.

allows. Consequently, plant staff is now looking into used equipment.

6. Maintenance employees received training on firewall appliances and basic ethernet network troubleshooting.
7. Amber Gerdman completed basic operations training and started working a normal rotation on March 11.

NEXT MEETING

The next regular meeting was scheduled for Wednesday, April 10, 2019 at 8:00 AM.

ADJOURNMENT

It was moved by Mr. Botcher, seconded by Mr. Edlebeck, and unanimously carried to adjourn at 9:10 A.M.

Submitted by:



3/15/2019

Eric Kiefer, Plant Manager and Recording Secretary

Date