

**MINUTES OF THE
NORTH SHORE WATER COMMISSION
MEETING OF Wednesday, September 14, 2016**

A meeting of the North Shore Water Commission was held at the Filtration Plant, 400 West Bender Road, Glendale, Wisconsin on Wednesday, September 14, 2016.

Meeting was called to order at 8:00 A.M. by Mr. Edlebeck.

Present: John Edlebeck, Chair; Mike West, Secretary; Dave Eastman, Member.

Also present: Eric Kiefer, Plant Manager & Recording Secretary

Absent: Paul Boening, Alternate for Whitefish Bay; Scott Botcher, Alternate for Fox Point; Rachel Reiss, Alternate for Glendale

MINUTES

It was moved by Mr. West, seconded by Mr. Eastman, and unanimously carried to approve the minutes for the meeting held August 11, 2016.

MONTHLY REPORT OF PLANT OPERATIONS

Mr. Kiefer started by announcing that Richard Maslowski is no longer on the Commission. The new Alternate for the City of Glendale is Rachel Reiss.

Mr. Kiefer provided the Commission with the monthly report of operations. He mentioned that pumpage was slightly higher than last year. Without the significant increase in pumpage to the City of Mequon, pumpage would have been lower than last year. He also noted chemical costs are up from last year because raw water turbidity, on average, has been higher. The report of operations was placed on file without any motion.

ANNUAL OPERATING BUDGET

Mr. Kiefer presented the monthly financial reports. The reports were put on file without motion.

MONTHLY BILLS

It was moved by Mr. Eastman, seconded by Mr. West, and unanimously carried that the following bills and estimated invoices be approved and authorization was given to the Fiscal Agent to make such payments:

<u>Vendor</u>	<u>Amount</u>
Batteries Plus (lithium coin batteries and lead acid batteries)	53.84
BMO Harris Bank (credit card)	478.11
-- Google (monthly charge for apps): \$54.16	
-- Maintenance Assistant (online app): \$29.00	
-- Straight Talk (monthly phone plan - Foreman): \$45.99	

-- Trello (online app): \$244.42	
-- Walmart (phone - Foreman): \$104.54	
Cintas (direct purchase uniform shirts with emblems)	148.51
Clark Dietz (Hydraulic model update and pump recommendations - NSWC/Glendale)	7,000.00
Diversified Benefit Services (Section 125 Plan administration)	95.93
Earthlink (Bender phone)	148.69
Fuchs & Boyle (legal service)	97.50
Grainger (cable ties, lubricants, signal conditioners, electrical supplies, plumbing supplies, steel angles, janitorial supplies, lab reagents, HVAC supplies, and light bulbs)	1,361.88
Great America (lease payment for copier/printer)	100.00
Hawkins (treatment chemicals: aqueous ammonia and phosphate)	1,021.25
Home Depot (pressure washer)	144.36
Hydrite (treatment chemical: sodium hypochlorite)	2,776.43
Idexx (colilert growth media)	2,216.01
Liquid Asset Diving Service (intake inspection)	3,555.00
McMaster-Carr (aluminum sheets)	276.76
Minnesota Life (employee life insurance)	121.00
MMSD (sample collection and analysis fee)	686.00
Nalco (treatment chemical: polymer)	1,367.24
Northern Lake Service (analysis of water samples for compliance monitoring)	67.00
Office Copying Equipment (maintenance payment for copier/printer)	16.01
R&R Insurance (insurance policies for 2016 - 2017 term)	54,835.00
Rotroff Jeanson (accounting services)	950.00
T-Mobile (mobile internet)	31.05
T.E. Brennan (risk management consultant)	2,817.70
Time Warner Cable (internet services and Klode phone)	391.08
UPS Store (shipping to lab)	39.90
US Cellular (cellular phone)	5.33
USA Bluebook (hoses, stormwater test supplies, chlorine reagent)	657.53
Vacuum, Pump, and Compressor (hoses, temperature sensor, and cable)	435.40
Village Ace Hardware (herbicide, cleaner, plumbing supplies, and pesticide)	76.81
Village of Fox Point (gasoline)	105.36
Wallace Tree & Landscaping (tree removal)	2,800.00
We Energies (Bender Electric)	18,253.85
We Energies (Bender Gas)	101.90
We Energies (Green Tree Electric)	15.99
We Energies (Henry Clay Electric)	16.93
We Energies (Klode Electric)	4,594.37
We Energies (Klode Gas)	10.23
Wilkens-Anderson (caps, vials, and cuvette)	255.89
Wisconsin State Lab of Hygiene (fluoride analysis)	25.00

SUB-TOTAL \$108,150.84

Maintenance Reserve

Programmable hot plate replacement

BMO Harris Bank (credit card)	1,305.90
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-- Amazon (programmable hot plate, temperature probe, and kit): \$1,305.90

SUB-TOTAL \$1,305.90

TOTAL \$109,456.74

STATUS OF CAPITAL IMPROVEMENT PROJECTS AND APPROVAL OF PAYMENTS

Mr. Kiefer provided the Commission with an update of the valve replacement project for high service 3 and 5. He mentioned that the check valves from Val-Matic arrived. Plant staff has not yet started any work on the project but will likely start in October.

Mr. Kiefer provided the Commission with an update of the Chemical Feed Project. The DNR approved the plans and specifications for the project. Plant staff has developed a plan for finishing the project by the end of the year.

It was moved by Mr. West, seconded by Mr. Eastman, and unanimously carried to approve the payment request as presented in Mr. Kiefer's memoranda dated September 14, 2016 in the amount of \$5,289.96 for the Chemical Feed Project and \$19,782.00 for the Valve Replacement Project for High Service 3 and 5 using the current capital allocation rates.

HIGH SERVICE PUMP 5 REPLACEMENT PROPOSAL

Mr. Kiefer reminded the Commission that it authorized the replacement of high service pump 5 using the Maintenance Reserve Fund. Prior to completing any work, Glendale and NSWC retained Clark Dietz to update the hydraulic model and make pump recommendations. That effort is complete.

Considering Clark Dietz is working with the City of Glendale on their pumping station upgrade, Mr. Kiefer solicited a proposal from them to provide engineering services related to the replacement of high service pump 5.

Mr. West asked about the level of effort table in the proposal and how it would be used in the administration of the project. Mr. Kiefer agreed with Mr. Edlebeck who said the total number of hours charged to the project should be less than or equal to the number of hours billed.

It was moved by Mr. West, seconded by Mr. Eastman, and unanimously carried to accept the proposal from Clark Dietz dated August 22, 2016 for an amount not to exceed \$15,200 and authorize the Plant Manager to sign the agreement. Funding to come from the Maintenance Reserve Fund.

GLENDALE'S REQUEST TO INSTALL A REMOTE METER BETWEEN GLENDALE AND FOX POINT WATER UTILITIES

Mr. Kiefer explained that Clark Dietz was given the opportunity to explore different means to reduce or mitigate the effects of main breaks on large diameter transmission mains. In doing so, Clark Dietz looked at opening an interconnection between Fox Point and Glendale. According to their modeling, the entire system would benefit from keeping that interconnection open. Glendale is asking for the Commission to install and maintain a meter to allow for that possibility.

Mr. Kiefer mentioned that he is willing to support such an improvement; however, all municipalities have to agree on the expense, as are all capital expenditures.

Furthermore, he mentioned that the cost of this project is unknown since the details of the proposed interconnection have not yet been determined. Mr. Kiefer thought the cost of a new structure with all recommended features listed in the engineering report could cost between \$100,000 to \$200,000, which is roughly half to all of a typical annual capital budget.

The cheapest alternative would be to install a buried magmeter with telemetry for approximately \$35,283. Not knowing where this project was heading, Mr. Kiefer included a placeholder in the budget for this bare-minimum alternative.

Mr. Edlebeck commented that he was in favor of looping these systems and would support it as a Commission project. Mr. West and Mr. Eastman also commented that the improvement should be a Commission project. Mr. West pointed out that other interconnections are operated and maintained by the Commission.

Mr. Kiefer noted that he is concerned about how to pay for the interconnection; he mentioned that he has tried to maintain a consistent capital budget of approximately \$200,000 per year to assist member utilities with budgeting. Adding the project to the 2017 capital improvement budget could result in a large increase to members.

After discussing the matter, it was moved by Mr. West, seconded by Mr. Edlebeck, and unanimously carried to conceptually approve the request by the City of Glendale for the Commission to install a metering facility between the City of Glendale and the Village of Fox Point.

BUDGETS

Mr. Kiefer provided the Commission with copies of the proposed budgets for 2017. He noted that while there are 2 budgets, labor is split between them. Consequently, the budgets should be considered together.

Mr. Kiefer went on to explain the proposed Operation and Maintenance budget. He pointed out that revenues from wholesale water sales will likely increase by \$20,000.

He further explained that the budget was put together assuming a 2% wage increase for all employees; the Commission is not obligated to provide such wage increase; however, the budget would support an increase up to that level.

Mr. Kiefer mentioned that an employee currently not receiving health insurance from the Commission will start receiving that benefit in January. This individual will go from a single plan to a family plan around June 2017. Since 2017 health insurance rates are down from this year's rates, there will only be a small increase in health insurance cost.

Mr. Kiefer went on to explain that property and liability insurance is budgeted to be higher.

Moving on to the capital improvement budget, Mr. Kiefer explained the projects he is proposing for

2017. Mr. Edlebeck asked if he could prioritize them. Mr. Kiefer went through the list again explaining which items are the most important.

There was a great deal of discussion about how to alter the capital budget to include the proposed interconnection metering facility between Glendale and Fox Point. Alternatives that were discussed include: (a) deferring some of the 2017 projects to 2018, (b) keeping all 2017 projects with the inclusion of the new metering facility, (c) spreading projects over multiple years, and (d) using the Maintenance Reserve Fund to offset capital expenditures.

Mr. Kiefer was asked to investigate alternative means of using the Maintenance Reserve Fund to assist in the 2017 capital improvement budget. Mr. Eastman said he would help Mr. Kiefer research alternative locations for the new metering facility.

Consequently, since the budgets are intertwined, the Commission took no action on this matter. The budgets would be discussed at the next meeting after Mr. Kiefer has more information regarding the project and funding options.

MANAGER'S REPORT

1. Basin #5 was cleaned, repaired, and put back in service.
2. Basin #3 was cleaned and repairs are being made to a broken flocculator. Staff anticipates flocculator will be fixed by the end of the month.
3. Plant staff and Starnet Technologies worked on a project together to connect the reservoir level sensors to a new SCADA controller. Sensors now update levels continuously instead of every 15 minutes.
4. Plant staff completed annual filter maintenance.
5. Plant staff inspected the folded roof section over the motor room and the office area and noted areas of concern. The contractor that applied the roof coating has been contacted; they are going to inspect the roof in the near future and will make repairs under warranty, if necessary.
6. Plant staff applied labels to all of the filter pipes as well as the UV pipes.
7. Intern Art Fink's last day of employment was on 8/26/2016.
8. Candidates for the upcoming Intern position are being interviewed. Intern will likely be hired before the end of September.
9. Plant staff is evaluating SCADA software by Inductive Automation.

NEXT MEETING

The next regular meeting was scheduled for Wednesday, October 12, 2016 at 8:00 AM.

ADJOURNMENT

It was moved by Mr. West, seconded by Mr. Eastman, and unanimously carried to adjourn at 9:15

A.M.

Submitted by:



9/15/2016

Eric Kiefer, Plant Manager and Recording Secretary

Date