



City of Madison

City of Madison
Madison, WI 53703
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Meeting Minutes - Approved WATER UTILITY BOARD

Tuesday, November 25, 2008

4:30 PM

110 S. Paterson Street (Lunch Room)

Present: 8 -

Bruce Mayer; Dan Melton; Lauren Chare; George E. Meyer; Jonathan H. Standridge; Gregory W. Harrington; Thomas Schlenker and Michael Schumacher

CALL TO ORDER / ROLL CALL

President Standridge introduced and welcomed new board member, Bruce Mayer. Bruce is skilled in financial issues and works with Wagner & Associates as an accountant.

1. Tour of Paterson Street Facilities.

2. APPROVAL OF MINUTES

Minutes were approved with the addition of two sentences that were inadvertently omitted; addition suggested by Dan Melton.

PUBLIC COMMENT

ADMINISTRATION REPORT

3. [12824](#) General Manager's Report

Tom said that we are taking concrete steps toward automatic meter reading. They have begun the process of applying for an FCC license due to the long lead-time involved. Tom said the estimate in the capital budget for this is about \$5.3 million in two years. We are going to go to a fixed network system versus the drive-by type of system. This will work for leak detection as they can get a daily read with this system.

Black & Veatch will be preparing a detailed presentation of our Master Plan for the Water Board.

Regarding Strategic Planning for 2009, Tom would like to have the Board, management and the steering team get together and have a facilitator at the meeting. Tom has discussed this with Human Resources, and would like to do

this around February.

STAFF REPORTS

4. [12825](#) Water Quality Monitoring Report

Jon thanked Joe Grande for a job well done in doing the in-depth report on chlorine monitoring. It is well presented and helps the board to understand what has been done for improving our disinfection. Joe said we are trying to maintain a minimum of .3 milligrams per liter; the limit was established was between .2 to .45. Our goal is to try to minimize the number of times where the chlorine residual is below a trace level or .1 mg/L; and there was only one example of that, and that was where there was no water use in January and February. Historically, chlorine levels are higher today than three years ago. The transition to higher chlorine levels in the distribution system followed the Board's adoption of a higher target level in June 2007. This was partly to prepare for requirements of a federal groundwater rule that will be implemented by the end of 2009.

Joe said customer complaints about chlorine are down about 20% this year compared to last year. One potential consequence of increasing the chlorine dose is an increase in the concentration of disinfection by-products. These by-products are chemicals that form when chlorine interacts with organic impurities that are naturally present in source water. Because Madison Water Utility relies exclusively on groundwater that has little organic material, the amounts of disinfection by-products that form are low.

5. [12826](#) Water Supply Report

Joe DeMorett reported on the rehab of Well 18. The reservoir has been drained and the unit well taken out of service on October 31 for scheduled rehab. Well data indicated that drawdown levels have increased and specific capacities decreased over the last 10 years. Staff is reviewing possible rehab methods/techniques such as air bursting, acidization, etc. Al explained with air bursting the use a chamber that they pressurize, they open the valve and air drives the chemicals into the formation. They usually use chlorine with an enhancement chemical. This releases bacteria off the walls. Jon said so it cleans the pores of the formation out.

Dan Melton asked if what we've learned at Well 18 affects the Arbor Hills Project. Al replied it does not. There is excess capacity in Well 18 so we can transfer into Arbor Hills and beyond.

120 Sphere repair—sphere was drained and taken off line November 10 to repair a leak. It was repaired and placed back online November 15.

Solar PV Systems—City Engineering has approached the Water Utility with a proposition to install solar photovoltaic (PV) systems on the office and vehicle storage buildings at Olin Avenue. There would be not cost to the Utility as funding for this would come from the City's Landfill Utility. Electricity generated at the nearby Olin Landfill would be sold to MG&E. It is anticipated the systems would pay for themselves in approximately 20 years. Jon asked if the solar panels would have an architectural impact. Joe said people who are into renewable energy like them and those who aren't think they are ugly. They will be on the backsides of the building roofs so won't be visible from the

street. Greg asked is Urban Design has approved it and Dan Rodefled said they are checking on it.

Sam's Well Drilling was awarded the contract for drilling associated with the installation of groundwater monitoring (Sentry) well, Well 29/Sycamore Landfill.

Nakoosa Trail Property—At Porchlight Inc.'s request, the Utility has retained the services of Midwest Environics to conduct a study of the site. Plans to convert Unit Wells 26, 28 and 16 over to the new SCADA system are progressing. to convert Unit Wells 26, 28 and 16 over to the new SCADA system are progressing.

Eric Cooper has been selected to fill the Waterworks Maintenance Worker position vacated by Tom Arneson when he was promoted to Operator 2. Eric Cooper has been selected to fill the Waterworks Maintenance Worker position vacated by Tom Arneson when he was promoted to Operator 2.

6. [12828](#) Operations Report

Dan Rodefled reported that December really starts the leak season. At the Operations Center, they take one day and do a complete inventory of the buildings and trucks, and the supervisors buy lunch for the staff on that day.

7. [12830](#) Staffing Report

George said there is a discrepancy in totals and Tom said he'd have staff correct it. Tom said two hourly employees will be done December 30 and those positions won't be filled.

8. [12831](#) Engineering Report

Al Larson reported flushing has been completed for 2008 and thanked the office and field staff for a job well done. He said 476 miles were flushed unidirectionally and the remainder of the total 850 miles were flushed conventionally.

To evaluate the need for an iron and manganese filter at Well 8, we are developing a public participation plan, communication plan and scoping document. The project will be presented to the board at December's meeting. Jon asked if would be possible to do a disinfection for iron bacteria and manganese mitigation. Al said he thinks that is the plan we've been looking at. Al said the problem is they want to sample in January and Well 8 isn't in operation so we might have to reevaluate that. It will be one we'll look at next summer. Jon said so if the possibility that disinfection would solve the manganese issue, where would that leave us next summer? Al said if it works, it would be an excellent opportunity to investigate the hypothesis so we'd run it next summer and take frequent iron and manganese samples to see where we were at. Jon asked if we'd have already expended money toward the filter at that point. Al said we'd be doing a pilot study on filtering in 2009, a 5 to 6-week effort. We could hold off until fall for piloting for that. Al said the only thing we have in the budget is a pilot study for \$50,000; this would be a two-month effort at max. Jon asked if this research project would be part of the neighborhood planning. Al said sure, they will be part of the alternatives

we look at. Greg Harrington asked if in research project discussion, you use standard methods for measurements instead of test kit methods. Al said sure, it will be reviewed. Jon asked about Zone 7 and 8 supply augmentation and Zone 9 storage capacity, and if we've been briefed on this before. Al said it's because we changed the names. Zone 7 and 8 is the Whitney Way test well and that would be the alternative to the Larkin Street well. Well 29 storage is the Raymond Road reservoir, an elevated tank we've been discussing with Parks.

George stated to Tom that that on the federal level, there has been great discussion about an economic stimulus plan and about infrastructure being done. Greg asked if Tom could explore with the Mayor's Office the issue of water supply infrastructure. The idea is to get money into the economy and get people working. This might be an opportunity to take advantage of, to deal with economic and water supply at the same time. Tom said he'll check into it and if something is in the works, get something for Madison as well. Janet Piraino said they are working with our federal lobbyists, not directly with the stimulus package, but we are watching it closely.

Michael Schumacher said the League of WI Municipalities adopted a resolution that would support this and wrote a letter to the state delegation, Russ Feingold, Herb Kohl, as well as two in the governor's office. Instead of a stimulus package that would go into individual's pockets, they want it to go to municipalities for infrastructure development.

George said at the beginning of this meeting, we toured the Operations Center facility and he remains convinced that there are some parts of the facility that really need some work such as the mechanics bay. He said the employees are doing good work in substandard conditions. These are not ideal working conditions for employees. George asked if possible at future meeting to bring back a set of alternative plans that might be used to bring the facility up to where it should be.

Tom said one option might be to break it into smaller phases. Currently it's on the out years of the capital budget. Michael said one of the tour staff said maybe we don't have to tear down all the buildings but re-do the mechanics area and rebuild, or add on. He doesn't know if that's always cheaper but it's a thought. Tom said the concept as it currently sets doesn't tear down everything. The taller structure would stay and be renovated internally. Mechanics bays and those areas would be torn down. Al said we've met with neighborhood association and Alders and they are concerned about what it looks like when done. They want it to look nice as it is the gateway to the Central Park that is nearby.

Lauren Cnare said this should be part of the East Washington Avenue plan so there are significant plans for that area. We won't be able to do it cheap. Tom said that is right, and it's something that needs to last structurally and aesthetically. Jon said we have drawings close to two-three years old and he hope we can review and rethink this.

9. [12832](#)

Customer Service Report

Ken Key said they are working on the AMR/AMI system, although they are not working solely with Badger Meter, it's just convenient as we do a lot of business with them. They are doing this at no cost to us and Ken has provided them with heights of elevated tanks, Larkin tower, etc. so they can get a better idea of how many antennas/repeaters would be needed. This would be a ballpark figure. We are just doing the groundwork at this point.

10. [12833](#) Pubic Information Report

Gail reported she came into the office in the evening to work on noticing two main breaks. Gail said she and Tom want to thank the Capital Times editorial board. They didn't understand how a rate case works and Tom did a good job of explaining the rate case, construction and infrastructure needs to them. Michael Schumacher mentioned as we move into water conservation, the cost goes up and we need to connect this. Jon said one thing described before Gail was hired was being proactive with the media so we're headed in the right direction and thanked Gail for this.

11. [12834](#) Fund Balance Report

Robin reported the Special Redemption Fund is fully funded now so we will see an increase.

12. [12835](#) Cash Flow Statement

Robin Piper reported a reduction in billing revenues of 5% due to reduced pumpage. He said there was an increase on the amount placed on the tax rolls, \$100,000 more than last year, or about 14%. Ken said they wrote more in deferred payment plans this year also, to keep them off the tax rolls. Lauren asked if there was any commonality in those unable to pay and Ken said he reviews that in February. Michael asked if the deferred payment plan is available to anyone. Ken said yes, the PSC provides for that—anyone can enter into a deferred payment plan/agreement, with standards set by the PSC.

OLD BUSINESS

13. Update on 2008 Rate Case.

NEW BUSINESS

14. [12286](#) Authorizing participation in the WisWarn Mutual Aid and Assistance Program and further authorizing the Mayor and City Clerk to sign the WisWarn Agreement (City-wide).

A motion was made by Cnare, seconded by Schumacher, to RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER. The motion passed by voice vote/other.

Tom said these mutual aid agreements are highly encouraged by the federal government, EPA and Homeland Security, especially in wake of the emergency planning since 9/11. Wisconsin has worked out a mutual aid agreement and this is the City of Madison signing on to that plan. This has been through the City Attorney's Office and had a complete review. George

asked who pays for what, reimbursement, damaged equipment, etc. Tom said he understands specific rules are to be developed by the WI Warn Steering Committee as yet to be established. Tom said sometimes large agencies are able to provide services without being reimbursed. He doesn't know specific answers to the problem yet.

15. [12836](#)

Independent Auditors Report

Jon said he and Bruce Mayer met with the auditors and came away feeling much more comfortable with our situation. Robin said we found a deficiency that we don't prepare all of our year-end reports—the City doesn't even do that, saying we don't have the staff expertise to do that. Jon learned from Virchow-Krause that most water utilities average 100 to 150 discrepancies and we only had two, so that was good news.

Bruce said he audits non-profits and co-ops every day, and this report has nothing remarkable on it. Vickie Hellenbrand of Virchow-Krause basically complimented Robin and staff for a very clean set of books that she only made two journal entries in. So Bruce thought she was giving the Water Utility high marks. Bruce said Vickie is a valuable resource also. Next year he'd like to have a pre-meeting with the auditors before they start their work, and again have an exit interview with them. Robin said he hopes to get this out in May or June next year.

Greg said he is happy to have Bruce on board as he has provided something the board desperately needed. He asked what it means to have this material we knew every year or do we expose ourselves to legal issues. Bruce said two years ago the standard setting group for how you need to perform an audit changed. You don't have the staff to put this audit together picture-perfect. He doesn't believe it exposes us to any additional risks. Boards of all organizations should have knowledge of what internal controls are so he wanted to go in with another board member and go through what some of the controls are. He doesn't think that comment is a problem.

16. [12837](#)

Introduction and Referral of Arbor Hills Supplemental Fire Flow Supply Project

Jon asked what will happen between now and the January meeting because this starts the public participation plan. There was a meeting with the alders and the next step is to have a public meeting and bring all of those comments back in January to the board meeting. There will be a public hearing before the board in January and the board will decide whether to establish the project. Jon said any meeting that is going to happen, make sure board members know so they can attend to be part of the learning process.

Michael asked if there isn't supposed to be a group of people coming together on this. Al said that is what the SPPP (Standard Procedure for Public Participation) says. Al said the SPPP says there is an invitation that goes out to form a CAP (Citizen Advisory Panel). The Arbor Hills alder is Tim Bruer. He didn't want us to send the invitation out yet as he wanted to further develop the project, the he'd do a letter and get it out. Michael Schumacher said this is against what we and the City Council approved. Jon asked if Alder Bruer can supersede the SPPP. Michael said isn't the Water Utility ultimately the shepherd (owner) of the process and since the Board and Common Council approved this, it would be like me saying "I don't agree with certain

operational procedures of the City; I disagree with them," so he is curious why we aren't following the public participation plan. Al said he and Tom discussed this and we brought it to the Board tonight as requested by Alder Bruer. You can proceed as he suggested or we can go back to Alder Bruer and talk to him again. Lauren Cnare said she thinks the most prudent way to deal with this is to ask the City Attorney, who has the ultimate authority over this, for an opinion. Then we don't have to worry about who is in charge. Al said that is fine with him. Michael said he's not hearing blatant issues here and he agrees to have the City Attorney look at this. Jon said Michael has a good point; we need to be careful about this project. He asked if Glen Christians said anything about this. Tom said no. Prior to our meeting with Alder Bruer, Tom said he'll check with the City Attorney on this. Al said there needs to be four phases and the first two had to be separated out because we need to have time to look at alternatives.

The first phase, A, says here's the project, the need for the project, and the justification for it. Then you, as a board, can say yes or no. Phase 1B is okay, we have a definite problem. Here's five, six or seven alternatives that would solve these problems. We've taken a few months to analyze the problem and there are the reasons, numbers, costs, the advantages and disadvantages. We recommend alternative #4 for instance, and what do you think? If you go with that recommendation, that's the end of Phase 1 as defined within the SOP. Phase 2 is site selection. Phase 3 is what it's going to look like, the architectural portion—so that is how it is laid out in the SOP.

Jon said, with respect to Lauren's comment about the City Attorney, he thinks we should also ask Glenn Christians and others from his group as well as citizen advocates at some point what their view is of how this is going to work.

A motion was made to move this discussion to the January 2009 meeting.

17. [12838](#)

Introduction and Referral of Pressure Zone 4 Water Supply Augmentation Project

Pressure Zone 4 is what was called Femrite Drive. Michael asked if we are going to have a citizen group right up front. Tom said if there are volunteers; the invitation has been made. Dan Melton asked Al and Dennis Cawley about the Ohio Medical DNR remediation situation. Dennis said we'll continue to evaluate sites. This has been called Femrite because we own the property. WE have to identify if there is a problem with it first, then come up with a solution if there is. The impact of Ohio Medical on this site will also be evaluated.

Al said we just got a report from them on the groundwater study. Joe DeMorett said they are proposing remediation at the site. They'll inject some kind of vegetable oil into the ground at the site to speed the process along. They have installed a number of wells off site and have yet to detect contaminants off the borders. They recently installed a well at the Femrite property and we have access to the results from that. Dan said so this is at the direction of the DNR, including the test well at our property? So GE Health Care is doing this at the direction of the DNR? Joe said yes.

Greg said we had done a test well there. Joe said we did one in 2004, sampled the water, and abandoned the well from 2004. The well they put in last was a 2" monitoring well at 700 to 800 feet.

A motion was made and passed to refer this item to the January 2009 meeting.

18. [12839](#) Surplus Property Report

Tom said this item is to raise awareness of the properties we own and their status. 523 E Main Street was planned for sale now or in the near future, but with the market the way it is right now, we decided to defer appraisal until there are more favorable market conditions. The most valuable property is a 17-acre site on the far west side that was purchased for an elevated storage tank, but we won't need all 17 acres. The sale of both properties would be a positive for us. Michael suggested sending the property information to the alders as just today, someone just today contacted him about needing land.

19. [12840](#) Private Well Program Report

Joe Grande was asked to prepare a report when Larry Nelson was Interim General Manager. Theresa Peters does well inspections and is present at this meeting for questions. Joe Stein also inspect wells. They get a lot of assistance from Dave Davis of the city. There are about 200 permitted wells in the city and we are working to identify other wells in the city. In the past, it has been mostly a passive program and we want to make it a more active program, identifying wells that aren't in use but aren't abandoned.

Joe then did a presentation showing wells and possible unused wells, abandoned wells, and known wells in the DNR database. He said they have mapped locations to try to find these wells, concentrating on two areas—the recently annexed areas to the city, working with the Assessor's Office where they'll tell us if they see or suspect a well. Secondly we're going into areas that were annexed back in the 40s and 50s with no documentation, so this is a challenge.

Greg asked why 14, 9 and 7 are the first three areas. Joe said that has the highest potential of wells. George Meyer asked the strategy for finding inactive but unabandoned wells. Joe said we'll send residents an informational letter about what they might see or look for. There is a survey they can complete and sign off on. George said what if they don't respond. Joe said that is the biggest challenge we face as there is no benefit to the homeowner, just to the committee.

Jon asked if meter shop personnel know what to look for when in a house changing a meter. Joe said not at this point, that we could do some training on that. George asked the ballpark cost to properly abandon one of these wells. Theresa Peters said the average is between \$500 and \$1200. Joe said the rules have changed and the homeowners have no choice in this, that they do not have the option of abandoning wells themselves. George asked if there is some way to analyze the risk and if it is high enough, to protect our water supply, would it pay to subsidize the cost of abandonment.

Joe said he would focus on the wellhead protection areas of the city because they are the most likely to be impacted. Sometimes it is just a hole in the basement or the garage floor that solvents can be dumped down. That's the risk associated with this. He thinks this discussion is to educate the board on this. DNR does have some well abandonment grants that are subject to income thresholds and fairly low. He said the County offers county assistance. Joe said there is really no incentive for people to do this.

Michael asked about the north Madison/Troy Drive area, saying as an alder,

how can he assist in this and who can he direct people to. Joe said Theresa Peters or Joe Stein, or himself. Joe said areas targeted are areas where Theresa and other staff have noticed they spend a lot of their time on. It would be nice if the county could find a way to subsidize this as well, as we're all taxpayers in the county. George said on the same bill as water, there's a subsidy for landfill clean up—if we all paid a little extra, we could pay for abandonment of these wells. Michael agreed, saying these are not actions of individuals.

20. Election of Water Utility Board Officers

Michael Schumacher made a motion to leave the slate of officers as it is. Lauren Cnare seconded; unanimously passed with Standridge, Harrington and Meyer abstaining. Officers will remain as follows: President – Jon Standridge, Vice President – Greg Harrington, and Secretary – George Meyer.

CORRESPONDENCE AND SPECIAL INTEREST ITEMS

NEXT MEETING DATE

21. Next meeting date: December 15, 2008

Correction – next meeting date is Tuesday, December 16, 2008.

ADJOURNMENT

Michael Schumacher made a motion to adjourn the meeting. Lauren Cnare seconded; unanimously passed. Meeting adjourned at 6:55 p.m.

FUTURE AGENDA ITEMS

- * Well Maintenance Plan
- * Regional Collaboration with area Water Utilities
- * Water Loss and Leak Detection