



City of Madison

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

Tuesday, September 23, 2008

4:30 PM

119 E. Olin Avenue

CALL TO ORDER / ROLL CALL

Present: 7 -

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

1. APPROVAL OF MINUTES

Minutes were approved with the addition of two words on page 8 requested by
Dan Melton.

PUBLIC COMMENT

ADMINISTRATION REPORT

2. [12037](#) General Manager's Report

Strategic Focus Areas:

A. Master Planning and Infrastructure

B. Community Group Involvement and Communications

Public Participation Process Update

[12038](#) Key Customer Interactions

C. Water Conservation and Sustainability

Plan Implementation

[12039](#) Madison Water Utility Recycling

D. Water Quality and Public Health

[12040](#) Annual Water Quality Monitoring Results

E. Culture Change and Internal Communications

Rehabilitation/Relocation of Maintenance Facility - Discussion

Tom Heikkinen said he planned to go to the Nine Springs Treatment Plant for the open house in September, but he was unable to. Gail did attend, found it very educational and came back with the idea that they have this great video that talks about how they operate and what they do, and maybe we should develop something similar.

Tom thanked Dave DeLoof and Don Smith for organizing the potluck held at the Operations Center.

Tom said he had an excellent meeting with Ken Bradbury and his colleagues at the Geological Survey, and he looks forward to a good working partnership with them.

Lauren asked Tom if he is coming to the Nakoosa meeting on October 2. Tom said he is planning on it.

Dan asked what the east side meeting is. Tom said we were invited to attend and update the neighborhood on the Well 3 replacement. Joe DeMorett, project manager, he and Joe Grande and whoever else can make it, plan to attend.

Jon asked about the zoo visit. Tom said he went there to meet with our crews and he also talked to Jim Hubing, Director of the Zoo. Gail Gawenda also had a follow-up meeting with him to discuss what we might do differently in the future. Tom said this was an unusual situation in that the particular valve that was broken required a complete outage—most times it won't. Unfortunately it was the hottest day of the year, and it was scheduled to be done after school was back in session. Tom said our employees did everything they said they would do but there was some miscommunication, and that has been addressed.

Regarding rehabilitation/relocation of the Maintenance Facility (Operations Center), at the last capital improvement budget meeting, it was deferred out several years for funding consideration. Tom thinks it's a priority for the Utility and we'll have to figure out what solution we want to go for and when we want to do this. George mentioned touring the facility, and it was decided to start the October meeting here, then go to the Operations Center for a tour and come back here to Olin to finish the meeting. Jon said there are several issues, one being the back lot that isn't paved and often has standing water, and the office spaces are antiquated. The bays where trucks are worked on need improvement. Mechanics have to lie on the floor to work on trucks and equipment. There are a lot of differing opinions about what is and is not important so he thinks discussion on this is good. Lauren asked if he is serious about relocation. Tom said he was just opening things up in case someone

knows of a good place. Jon said when we built this building, there was discussion that the garbage facility and chipper might move at some point, so that is a potential. He said this land was reclaimed from the landfill and we could potentially do that again. Tom said location is important – this Olin area would be central enough too.

3. Steering Team Update

Joe Stein displayed two trophies won at Meter Madness at the WWA Conference in Stevens Point. Glenn Puntney placed 2nd and Rick Marx 3rd. Jon commented that he watched the meter madness event in Stevens Point and it was quite amazing, a great competition. He said our second place winner was 5 seconds away from an all-expense paid trip to San Diego.

Joe said a recent potluck at the Operations Center was a success.

As a result of recommendations from the Workforce Flexibility Team, it was decided a new design team is needed for coverage/cross-training back up. If someone goes on vacation or is sick, we need to have someone trained in that position. John Weaver will represent the Steering Committee on it, and members will be Karl Van Lith, Joe Stein, Amy Jones, Troy Coogan, Tony Butler and Kara Jafferis. Employees will be surveyed to see if they've changed their priorities as far as the six strategies for the Water Utility that were established 1.5 years ago. Gail Gawenda asked for the design team to help with the proposed rebate program and with forming a design team. Gail has been looking at ways other utilities are doing this.

STAFF REPORTS

4. [12041](#) Water Quality Monitoring Report

Lauren said we've always gone above and beyond in sampling. In Joe's report, he talked about sampling. The minimum requirement is about 120 per month and we do 200 to 250. She said she is curious how we came up with that. Joe said we have one staff person out Monday through Thursday so how samples get collected depends on the day of the week. Lauren said it seems to be driven by the uniqueness of our system.

5. [12051](#) Water Supply Report

Lauren said we talked about some fixes for the future for the Reservoir 26 overflow. She asked if this is the only one that overflows. Al said we've seldom had an overflow. This one was a failure to turn a pump on. Tom said we're going to focus on the controls and update them one at a time, and that will get better information to the control center. It is still manual so the operator will have to recognize what is going on but there will be a better indication of that. Dan Melton asked if there is an alarm, and Al said there is a flashing light, but there are other lights on the screen flashing also. There will be an improvement to that along with the SCADA update. Jon said we used to get a chart showing water usage over a seven-year period and asked if Joe DeMorett is putting that together now. Tom said he'd make sure Joe does that.

6. [12042](#) Operations Report

7. [12043](#) Staffing Report

8. [11720](#) Engineering Report

Dan said he is concerned with the east side Well 3 area. Lauren asked for clarification. Dan said he thinks the Gruber SOP now requires us to sit down with interested citizens, ask if there is a problem and what it is, and if we agree there is a problem, we need to look at various solutions. We have a proposed site, Truax. It is not in compliance with Gruber SOP. If we didn't think the Gruber SOP was workable, why did we let it proceed? Tom said you shouldn't be hearing that from us. Dan said with Mr. Nelson going out and finding a site, that is so totally 180 degrees from the Gruber SOP. Maybe that's a good way to go, but why have the Gruber SOP. Michael asked what the Gruber SOP is. Jon said it's the Public Participation Process for siting wells. Dan said if we're going to follow that SOP, then we're not ready to choose a site. Al said we discussed this as we already have projects started. He said this happened since P3 was approved. Al said we had purchased the property. Jon said the properties we own are logical places to put wells, but he doesn't think we've had that discussion yet. Every opportunity we have to be open with the public, we have to take. Dan asked if we're comfortable we have enough money to do these five things. Tom said we raise the money from bond sales. Robin said these five projects listed in the memo have various amounts of money budgeted in 2009 for them. We know that we're not going to do them all but we need to get started on the projects. Al said for example, the Well 8 filter will probably be \$50,000. Raymond Road reservoir might be \$150,000. The Whitney Way pilot well is \$100,000. Booster Pump Station 118 is site selection and purchase.

There was discussion on the SOP for public participation, that it has been called the Gruber Plan, P3 etc. Tom suggested and it was agreed upon that it should be officially called "Public Participation Process."

Tom said, regarding the near east side, and he spoke with Joe DeMorett, project manager and with Adam Wiederhoeft, we can gather the work that has been done and put it into a document and get it before the board and go through that process without adding a significant amount of time. It's really just following the process with some work having been done on these. Lauren said so you're saying you'll look back and see if there is a gaping hole that you need to go back and fix, and then go forward. Tom said he hasn't seen any reason we can't do that. Most of this is just good engineering process anyway. It does add time to the projects, time well spent. Jon said if you look at stopping new construction in Madison, time is on our side. Dan said if Mr. Nelson were here, he thinks he'd argue that this is a more efficient way to find a well site, by picking up the phone and talking to people. George said we have to apply judgment here too.

Al said there are five projects mentioned in the memo. All five projects are in the approved capital budget. We did drill a test well in 2004 on Femrite so we're committed to that site. We are committed to drilling a test well a Whitney Way. He said there is still ample opportunity for public comment and input on all of these things.

9. [12044](#) Customer Service Report

10. [12045](#) Public Information Officer Report

Gail reported she just attended the Sustainable Design and Energy Committee meeting and they approved the Resolution 11480, Accepting the Conservation and Sustainability Plan.

11. [12046](#) Fund Balance Report

Michael asked about the short-term loan from the City. He asked how the figure of \$400,000 for Nakoosa Trail was determined. Robin said there was an appraisal done of the site and that is the amount per square foot based on how much Porchlight would need. Michael asked if that was fair market value, and Robin said yes. There would be no actual cash exchanging hands, but would be a reduction in the amount we owe the City.

12. [12047](#) Cash Flow Statement

Jon asked about the deficit of nearly \$2.5 million and said on our operating budget we're going to come in \$1 million under budget. If we spent that million, would we be \$2.5 million in the hole? Do those lines directly relate to each other? Jon said if we had been on budget and spent the whole amount, would the predicted amount for the end of the year be more like \$3.6 million then? Jon said we are under budget about \$1 million. Jon noted Total Expenditures of \$5 million vs. \$14 million. Robin said we're over the estimated 2/3rds of the year expenditures. Jon said so those figures don't relate; Robin said that is correct.

OLD BUSINESS

13. Update on 2008 Rate Case

Robin said he, Tom, Ken and Gail met with PSC staff in a sort of meet and greet to introduce Tom and explain what the PSC is all about and how we relate with them. We did talk about the rate case and what our expectations are and what they are looking at. That same day Robin submitted to the Electronic Regulatory Filing System, the ERF system, a letter saying that we accepted their revenue requirements so they could transfer the case to the Cost of Service Rate Analyst. The analyst can then start working on our cost of servicing and we can start putting together the rates that we'll need to get the money. Robin said in Stevens Point last week, he spoke with the rate analyst. He has two other cases on his desk that he has to deal with before ours. In talking with staff on September 8, they wanted to know when we wanted a hearing. We wanted it in October but November sounds more realistic.

Because of the toilet rebate issue, we do have to have a public hearing before the entire commission. They're going to see what they can work out on the schedule to get us in November. December is a bad month for water cases to be heard with electric utilities trying to get all of theirs finished up for next year. In talking with them, Robin said it sounds like the earliest we'll get a hearing is sometime in November, which means we won't get a decision until late November. We won't be able to implement the rates until December. We can start reading with some of the new water having been sold with the January 12 readings, which will be for the March 1st bills. So we're out a couple of months from when we thought we would be.

There are other utilities in the state interested in the rebate program, so they are lining up behind us and we'll be the test case. One of the ideas Dave Sheard offered was that we could leave the toilet rebate out of our rate request this year because, by the time the PSC hears it and using a 2008 test year, the year will be over and we won't have been able to do any rebates in 2008. We'll go back in 2009 for another increase. They might delay it until 2009, but it will be the same next year so we'll continue with this.

Dan asked about Jeff Ripp's letter, if we have responded to the 14 questions. Robin said no, Jeff said that wasn't necessary to have it to the Commission until our public hearing date because staff is already in favor of this—they don't need any additional information, but it's the PSC commissioners who will use that information to make their decision.

NEW BUSINESS

14. [11780](#) Authorizing the Water Utility General Manager to certify water and sewer bills, assessments and charges to the 2008 tax rolls of other governmental units for delinquent accounts in those jurisdictions.

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

15. [11480](#) Accepting the Conservation and Sustainability Plan of the Madison Water Utility and its recommendations.

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

16. [11955](#) Creating Section 13.205 and amending Section 1.08(3)(a) of the Madison General Ordinances to prohibit tampering with Water Utility mains and to establish a bail deposit for a violation.

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

Joe Stein worked with the City Attorney on this resolution. There was a contractor who operated one of our valves, which resulted in a high chlorine

event in our system because they had super chlorinated. There have been several other events. Jon asked if there is a fine associated with this, and the answer was yes, not less than \$200 or more than \$2,000.

17. [11701](#) Authorizing the Mayor and the City Clerk to enter into a Memorandum of Agreement with the Board of Regents of the University of Wisconsin for the purpose of continuing to promote drinking water research that will help to improve water quality within the Madison water system, protect public health, and improve system operations. (City-wide).

A motion was made by Schumacher, seconded by Cnare, to RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER. The motion passed by the following vote: All aye with Harrington abstaining.

Jon said this is a continuation of a research program with the School of Engineering overseen by Greg Harrington.

Ayes: 4 -

Dan Melton; Lauren Cnare; George E. Meyer and Michael Schumacher

Abstentions: 1 -

Gregory W. Harrington

18. [12048](#) 2009 Meeting Schedule

Lauren Cnare made a motion to approve the schedule with revisions to February 17 and December 15, 2009. Michael Schumacher seconded; unanimously passed.

The 2009 schedule was approved with meetings scheduled for the fourth Tuesday of the month, with the exception of February and December, which will be held on the third Tuesdays.

CORRESPONDENCE AND SPECIAL INTEREST ITEMS

19. [12049](#) 2008 DNR Sanitary Survey Report

Tom said he would finalize the letter and get it in by the deadline. Lauren asked why painting a water tower has anything to do with protecting the public health. Al said the inside of the tank is also painted. He said painting the inside is more important than painting the outside. We will receive this letter every three years after this. Jon and Dan wanted to thank Tom Stunkard as he has always been a friend of the Water Utility.

20. [12050](#) Letter to CCOC re WQTAC - public meeting requirements

In a letter from Joe Grande to the Common Council Organizational Committee regarding comments about the Water Quality Technical Advisory Committee being subject to public meeting requirements, Joe said this is to better understand the organization and role of Madison Water Utility's Water Quality

Technical Advisory Committee (WQTAC). It is also to make the case that the WQTAC should not be considered a governmental body subject to public meeting requirements.

Joe stated the WQTAC was designed to give Utility staff advice that is both expert and candid on technical water quality issues. It was not intended to be a public forum for the discussion of such issues; the city provides a number of other avenues for such discussion.

Joe said he thinks the WQTAC best meets its goal in the current arrangement where it is considered an outside technical source for staff, not a formal city committee that has some policy role.

Michael Schumacher said he is on that subcommittee and he hopes this means we'll continue with the way we've been doing this. He said the City Attorney would weigh in on this. Jon said we do have to be careful that we don't give the appearance that we are running open meetings. Jon thinks it is an issue. Michael said you have to balance openness with allowing staff to do their work. Jon said minutes and sharing the agenda might take care of this. He said he sees both sides of this as when we were a board of five members, he couldn't sit down and talk to Greg about issues,. Joe said when we assemble experts, we want their unbiased opinion on what we're looking at. They might have an opinion that could be swayed by public opinion, so we want it on a basis of their technical expertise. Sometimes it is an opinion they will share with us in a candid way, but they don't want that made public.

Jon said there is no action required here, that it is just an airing of this with the board. Lauren said she was one of the people who wanted this Technical Advisory Committee as she thought it important that we're not an island of Water Utility people. We have other people we should be talking to regularly, and she'd hate to see that go away. As long as they continue to do minutes and use that advice to give us advice on how to make decisions, she feels comfortable with this not being an open meeting. She thinks it is important as a board to support these meetings to continue in a somewhat informal fashion provided that information that would be important to be returned to the board for use.

Jon said the City Attorney would weigh in on this, that we'll get a legal opinion. Tom said we talked to the City Attorney and Tom supports this for this type of committee, mainly because they don't take any action.

NEXT MEETING DATE

21. October 21, 2008.

ADJOURNMENT

FUTURE AGENDA ITEMS

- * Acceptance of Water Conservation and Sustainability Plan.
- * 2007 Audit Report.