



**City of Madison**  
**Proceedings - Final**  
**BOARD OF WATER**  
**COMMISSIONERS**

City of Madison  
Madison, WI 53703  
www.cityofmadison.com

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Tuesday, June 14, 2005

4:35 PM

119 E. Olin Avenue

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**CALL TO ORDER**

**ROLL CALL**

**Present:** Ald. Lauren Chare, Priscilla B. Mather, Jonathan H. Standridge and Gregory W. Harrington

**Absent:** Larry L. Stutesville

**PUBLIC COMMENT**

**APPROVAL OF MINUTES**

1. Approval of the minutes of the May 17, 2005 meeting.

**Jon Standridge made a motion to approve the minutes of the May 17 meeting. Greg Harrington seconded; unanimously passed.**

**INFORMATIONAL REPORTING**

2. May 2005 Water Quality Report.

**AI reported everything is normal. Inorganics were sampled and quarterly VOCs were also sampled during May.**

3. June Staffing Report.

**Dave stated the Water Quality and Supply Supervisor was hired; John Marchewka will begin work on June 20. Mr. Marchewka is an engineer so we will reclassify this position back to an engineering position. This is a Range 9 position and the engineering position is a Range 10, so this will move him up the pay scale. Jon asked how much that is and AI said \$50,000 to \$55,000. Mr. Marchewka has two college degrees, one from UW Stevens Point in Water Resources, and one from UW Madison in Civil Engineering. He has been working for MWH and is Certified in Cross Connection Control Survey and inspection. Dave said we have the certs now for Water Services Inspector and testing has been scheduled. Priscilla asked if there is an unusual number of vacancies, and Dave said he thinks it is quite normal.**

4. Operations Report.

**Doug said pumpage is up over last month and last year. Hydrant painting has begun, and there were a few more main leaks than normal. The leaks were not related to flushing of water mains.**

5. Engineering Report.

AI reported that we have a lot of design and construction work going on at the present time. We have two seasonal construction inspectors.

Unit Well 29 pump station is nearing completion. It is anticipated that the well will go on-line by the end of June. AI said we are waiting for the contract to be executed for UW 30 construction and plan to break ground in July.

Work continues on E. Washington Avenue. It is a challenge working with old lines that were inherited from other utilities. UW 10 work continues--air bursting and chemical treatment is complete and the hole is being cleaned out prior to test pumping. Jon Standridge said he believes the more information we can give the Nakoma neighborhood, the better it is. AI said he and Dave are looking at running UW 10 for approximately 40 days per year as opposed to the 360 days it was previously run.

AI said Black & Veatch continues work on the Infrastructure Management Plan and the Master Plan.

Dennis Cawley is attending the AWWA National Conference in San Francisco this week.

AI stated there was a public meeting attended by approximately 35 people on June 2 in the Nakoma area. Dave, AI and Christi Bachman from City Engineering made a presentation on the project, primarily on the 2006 main replacement. AI said we are in the process of setting up a sampling plan, sampling 18 or 20 households in the Well 10 service area. We will be looking at water age from UW 10--one hour, two hours and eight hours. We will randomly select households to do sampling. AI said Abigail Cantor wants to do a stagnation period prior to sampling, so we'll take samples from the kitchen sink with and without stagnation. He would like to get the sampling done before UW 10 comes back on line. Alder Golden was at the meeting and he said people want information as soon as possible. Dave said he is working with Tommye Schneider and John Hasback from the City Health Department to sketch out a health statement. Dave said he will be putting out a letter to everyone who attended the meeting, describing the sampling program, and giving some updates. He said we plan to put a copy of the whole sampling program on the website. Dave is also putting together a section for the annual Water Quality Report. Priscilla said she thought it was a good idea to talk with Henry Anderson of the State Division of Health regarding this.

6. New Building Report.

AI said Change Order 10 was approved by the Board of Public Works on June 8. We are having an Open House on Thursday, June 16. We're hoping that the Operators/Scada System will move into the new building next week. Their area is on the second floor.

7. Customer Service/Billing Report.

Ken Key commented that moving the Meter Shop to this new location has really improved communications between Meter Shop personnel and the Billing Section. Ken said we hope to have Customer View on line in the near future so customers can view their account on line. Ken said he and several employees have gotten together to discuss rerouting some of the meter readers because of growth on the west side of the city. In August we are going to move ahead with radio readings in some locations.

## FINANCE

### 8. Fund Balance Report.

Robin said that he and Dave had a meeting with Dean Brassler, City Comptroller, last week concerning a short-term loan until we can borrow some more money. We will work on a \$6 million maximum line of credit from the City until our next bond issue in late fall. He said there is a reimbursement resolution being drafted by the City Attorney's Office, which will go to the Council and then be referred to the Water Board. Robin said we don't expect to borrow from the City until some time in July. He pointed out the PILOT Fund balance at the end of April was \$800,000 and at the end of May, \$400,000. We have used some of that money that we have set aside. It is not a fund that has to have a reserve balance. Dean suggested we quit funding it and use some of that money to continue our daily operations. Robin said we'll probably be asking the Board to transfer \$250,000 out of the Depreciation Fund at next month's meeting. He said we are required, by Ordinance, to have \$750,000 in that fund. We will need additional funds to pay for the balance of our construction items going on right now. We think with the Depreciation Fund and the PILOT Fund, we can make it the next couple of months without borrowing from the City. Jon asked when the rate case will go. Robin said we need to file by August 1 so we use 2005 as a test year. The PSC usually turns that around in 90 days, so by November 1 we should have a decision as to what the rate increase will be. He said 45 days after the decision is published the increase could go into effect and would begin with the February or March billing. Robin said the \$6 million that we can borrow from the City to fund our capital project spending, is what we'd have to borrow for 2005 spending, unless we sell some property.

### 9. Capital Project Report.

Robin said we spent \$1 million in April. We are almost done with the payments on the building. Priscilla asked if the interim 3% rate increase request went through. Robin replied yes, it did and will show up on the September 1st billing.

Jon Standridge made a motion to accept the informational reporting. Greg Harrington seconded; unanimously passed.

10. Approval of Capital Budget request.

Robin said we continue to work on the budget request. He said there is nothing new on this budget that didn't show up last year. There is an increase of about 8.5% and that is due in part to the higher costs reflected in bids that we opened for UW 30. The management team has not sat down and dissected the budget yet. Lauren asked what the line, Funding Sources, is. Robin said we fund part of our capital improvements through our depreciation expense. We anticipate \$2 million in depreciation expense and we roll that back into our plant. It is an allowable expense recoverable through the PSC rate process. Regarding CIAC, Contributions in Aid of Construction, we used to have about \$2.8 million in that expense, and PSC is disallowing the depreciation expense that is charged to contributed plant (\$900,000) so we're losing some depreciation. PSC realized by taking that away, we would be forced to borrow more, and they said they would give us additional rate of return.

Dave noted that we have two properties for sale, the Main Street building and the Vondron Road property. Don Marx of City Real Estate is going to put the properties for sale on the open market. We had a good prospect for the Vondron Road property but they decided they weren't going to make the investment. The Main Street property is valued at about \$1 million, and the Vondron Road property at about \$1.6 million. Priscilla asked about the expense of maintaining these properties. Dave said the carrying costs on Vondron is significant. He doesn't think we will break even on the Vondron property. We are still paying on the money we borrowed to buy Vondron.

Greg mentioned seeing new unit wells in 2007, 2009 and 2011. The one in 2007 looks like it's half the cost of the other two. Al said that is the West Campus well on Glenway that does not require a reservoir. Dave noted that the submittal date for the Capital Budget is June 28 or 29.

Greg Harrington made a motion to approve the Capital Budget request. Lauren Cnare seconded; unanimously passed.

## ADMINISTRATION

11. General Manager's Report.

Dave said the annual Water Quality Report will be going out soon. There is a new graphic artist working on the design this year, and we are pleased with the appearance of the report. Dave also then showed the Board a picture of the public art feature that will be installed in the front of the building, hopefully by this fall.

## NEW BUSINESS

12. [00976](#) Authorizing the execution of a Quit Claim Deed to Norman C. Herro; Stuart C. Herro; and Stuart C. Herro and Carol A. Valley, as Co-Trustees of Wingra Park Trust for property commonly known as Unit Well No. 22, located at 1109 Pflaum Road. 16th Ald. Dist.

Sponsors: Judy Compton

Attachments: 7370 Disposal-1109 Pflaum Road - Exhibit.pdf

A motion was made by Standridge, seconded by Harrington, to RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER Approved the resolution authorizing the execution of a Quit Claim Deed to Norman C. Herro; Stuart C. Herro; and Stuart C. Herro and Carol A. Valley, as Co-Trustees of Wingra Park Trust for property commonly known as Unit Well No. 22, located at 1109 Pflaum Road. 16th Alder Dist.

Dave said this was Unit Well 22 on Pflaum Road that was not in use in our system. There was a note on the deed that said if this land was no longer needed for Water Utility use, the property was to revert back to the original owner or developer of the property. Lauren asked if it is big enough to do anything with and Al said it's the size of an average city lot. The well has been abandoned, and there was no reservoir there as the water was pumped right into the water line. Greg asked if we inherited this from the Town of Blooming Grove and Doug Grueneberg said yes. He said it hasn't been used for many years.

Jon Standridge made a motion to approve the resolution. Greg Harrington seconded; unanimously passed.

The motion passed by acclamation.

RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER Approved the resolution authorizing the execution of a Quit Claim Deed to Norman C. Herro; Stuart C. Herro; and Stuart C. Herro and Carol A. Valley, as Co-Trustees of Wingra Park Trust for property commonly known as Unit Well No. 22, located at 1109 Pflaum Road. 16th Alder Dist.

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Jon Standridge made a motion to approve the resolution. Greg Harrington seconded; unanimously passed.

## CORRESPONDENCE AND SPECIAL INTEREST

13. Confirmation of the next regular meeting date of July 19, 2005.

**ADJOURNMENT**

Jon Standridge made a motion to adjourn at 5:35 p.m. Greg Harrington seconded; unanimously passed.