

**MINUTES
City of New Berlin
Utility Committee Meeting
Tuesday November 17, 2009**

Members Present: Alderman Harenda, Alderman Ament, Alderman Wysocki, Commissioner Bob Dude and Commissioner Jim Morrisey

Others Present: Rick Johnson (Utility Manager), Jim Hart (Utility Supervisor), JP Walker (City Engineer), Ralph Chipman (Accounting Manager), Mayor Jack Chiovatero, City Attorney Mark Blum, Alderman Bill Moore and Sue Hanley (Administrative Supervisor Utilities & Streets)

Alderman Harenda called the meeting to order at 5:01 p.m. with roll call and declared a quorum with all members present.

Call meeting to order. Roll Call and Declaration of quorum and public notice

OLD BUSINESS

L-09 Approval of Minutes from the October 27, 2009 Meeting

Motion by Alderman Ament to approve the minutes from the October 27, 2009 meeting. Seconded by Alderman Wysocki and upon voting the motion passed unanimously with Commissioner Dude and Morrisey voting present.

CLOSED SESSION

The basis for the items to be discussed in Closed Session is as enumerated in Wisconsin Statute Section 19.85(1) (g) Conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved. More specifically:

Discussion regarding DNR enforcement of the radium consent order

Motion by Alderman Wysocki to go into closed session at 5:02 p.m. Seconded by Commissioner Morrisey. Roll call vote: Ament – yes, Dude – yes, Wysocki – yes, Morrisey – yes, Harenda – yes.

Motion by Alderman Ament to go into open session at 5:41 p.m. Seconded by Alderman Wysocki and upon voting the motion passed unanimously.

Reconvene to Open Session

UT 17-09 Discussion and Possible Action on the 2009 & 2010 Utility budgets

Commissioner Dude explained the 2010 Wastewater Utility budget and read the assumptions.

MMSD capital and disposal charges make up 73% of the total Wastewater budget. These numbers come directly from MMSD and are to a great extent out of our control. Any change in these charges will have a significant impact on the utilities budget. Required inflow and infiltration (I/I) control costs accounted for an addition 8% of the budget, bringing the total non controllable costs to 81%. Costs that are directly controllable by the utility have increased only 1.47%, for an average increase of 1.21% over the last three years.

Revenues: Rates have been budgeted to increase 4% (1% equals \$87,800). The last time rates were adjusted was January 1, 1996. The rates need to be adjusted to give the utility a positive operating income after showing a loss the previous two years. Sewer rates are controlled by local ordinance and need only Common Council approval to be adjusted. The budget for interest income was reduced to

reflect current market conditions. The interest rate on the Local Government Investment Pool (LGIP), the place where the majority of the utilities idle funds are invested, was .35% in July. The rate has been at 1% or lower the entire year. The LGIP interest rates are projected to increase some time next year but not significantly. Interest income has been increased to reflect both the existing & proposed loans to the water utility. The inter-utility borrowing benefits both utilities; the sewer utility receives slightly higher than market interest income & the water utility pays lower than market interest rates and saves on borrowing costs.

MMSD Capital: Decreased \$82,648 (1.7%) from 2009 based on their latest estimate. The increase in equalized value and tax rate was offset by the watercourse credit and prior year adjustments. These credits will decrease in the future as projects related to the city are completed. MMSD projects the capital charge to increase 4% annually in 2011-2017.

MMSD Operating: Increased \$72,450 from 2009, this is a 4.2% increase. The disposal charge to the City of New Berlin had increased an average of 11.76% per year since 2006.

Labor: Utility workers are a mix of Teamster, AFSCME, and Civil service employees. Rates included in the budget have been adjusted for next years projected amounts. The union contracts were settled for a 3.25% increase. Based on the latest numbers from the city human resources department, health insurance was increased 8% with civil service premium co pay going up to 12.5%. This budget reflects the elimination of one full time dispatcher/clerk position, to be replaced by a part time clerk. This reorganization produces savings of \$22,360 to both the water & sewer utilities.

I&I Expenses: Account 81001131-52030 Collection System-Contracted (inflow and infiltration work and monitoring) decreased \$275,000 to \$725,000. This number will continue to decrease in the future as the older sections of the city are completed. Included in this budgeted amount is \$20,000 for new MMSD mandated testing.

Other Expenses: Chemical costs have increased 30% over the previous year.

Conservation expense includes \$15,000 for a toilet rebate program. This program is new and would be modeled on Madison & Marshfield's programs. The program is part of the utilities overall conservation effort & would be co-funded by the water utility. Note that without this conservation expense the controllable expense increase from 2009 to 2010 decreases from 1.47% (page 13) to .58%

Capital Projects: There are no projected capital projects for 2010.

Wysocki: With the recently adopted new policy with regard to investment will this open other opportunities for the Utility.

Chipman: Yes and Mike has looked at other options and getting away from the LGIP which is safe, but the interest rates have been terrible.

Dude: One other thing that helps the utilities is that the water utility has borrowed money from the wastewater utility and we are doing that again this year for CIP projects. The Wastewater Utility earns a higher interest rate and the Water Utility pays a lower interest rate and saves the \$40,000 that they would have to pay for fees if they had to go out to the market. We will continue recommending doing that.

Wysocki: How much percentage over the years have we accomplished over the years?

Johnson: About 50% of the projects have been completed. All of big relining projects are done but there are just smaller projects and manhole repairs to be completed.

Wysocki: We have invested millions of dollars and the estimated life is at least 20 years on some of these projects.

Johnson: Now the relining projects will last 30-40 years. We will still televise and clean it, but they should last that long and if we need to go in there, it will just be repairs on a section.

Morrissey: Why has the disposal fee from MMSD gone up so much?

Chipman: The controller comes over each year to give us information. When they were under the previous contract with Veolia, the outside firm took on the risk as far as increases in natural gas prices. When the contract was changed out, MMSD is taking more of the cost increases so that is a major factor.

Morrissey: So that \$1.2 was artificially low because the contractor was paying the energy costs.

Dude: Controllable costs only went up 1.21% if you average the 3 years, including healthcare, labor, etc. If you take out the \$15,000 for conservation, it is .58% increase from 2009 to 2010. Labor union contracts 3.25% increase, health insurance increased 8%, although we don't have the exact figure yet. I don't know why we don't have this number earlier. There is a position of Clerk Dispatcher FTE that is funded half in each utility. This position will be eliminated and a part-time. The bottom line \$315,287 does not reflect any increased interest income. This is with a 4% rate increase.

Harenda: Why did you settle on a 4% increase, not a 1 or 2% increase? We are seeing an increase with water rates and you will have an increase in sewer too.

Dude: I put 4% in as the proposal. Without any increase you will be at a -35,913 loss.

Harenda: We spent a lot of money on I & I over the past 5 years. Can we decrease it further?

Johnson: I believe the budget amount is what we need to do to stay on track for the rest of the system. The following budgets will be the same amount of decreases to finish up within the next 2-3 years.

Harenda: This year is \$725,000. What is 2011?

Johnson: Less than \$500,000.

Dude: Does this equate to a certain area or basin?

Johnson: It is based on the areas we are doing the surveys, televising and cleaning. It is hard to give an estimate before you go into the area and clean and televise it. We have done the older systems and now are going into the newer systems where there isn't as much damage.

Dude: If we raised the rates less and spend less I & I for this year and put it off, does it hurt it?

Johnson: It just stretches out the timeframe for doing the I & I work in the system.

Harenda: I would prefer to do that than raise the rates. What is a 4% increase to an average customer?

Chipman: Approximately \$6.50 per quarter.

Morrissey: If we can reduce the I & I by the rate increase, we would basically have the same budget.

Dude: You could cut back the I & I \$350,000.

Morrissey: If we reduced the I & I budget to \$300,000-\$400,000 would that give you enough for a project?

Johnson: We would just do minor repairs on manholes. If you drop it down that low we would have to put an extra 3 years of I & I work.

Dude: If you take out the rate increase and drop the I & I to \$500,000 it would still leave a \$189,000 profit. It isn't as much profit as on the proposed budget, but it is still positive. Is that enough to do a reasonable project?

Johnson: It will not do a big relining project. We can do lateral work and manhole repairs. It is hard to answer because we are doing newer areas. You don't know how bad it is until you clean and televise it.

Wysocki: Because of the economy will we get better bids?

Johnson: Now is probably the best time to get good pricing.

Ament: Back in 2006 we eliminated the Director position, how can I see the savings. I don't see any big deductions from 2005/2006. Did the Director go to the conferences?

Johnson: Most of the conferences are for the operators to keep current on their licenses. I believe some of the conferences for the Director were shared by Water and Sewer and Streets.

Motion by Commissioner Dude to adjust the I & I expenditure account number 81001131.52030 from \$725,000 to \$500,000. Seconded by Commissioner Morrissey and upon voting the motion passed unanimously.

Motion by Commissioner Dude to reduce accounts 8100000.46110, 8100000.46120, 8100000.46130 and 8100000.46140 of the 4% rate increase allocated for the particular accounts for a total of \$351,200 reduction. Seconded by Alderman Wysocki and upon voting the motion passed unanimously.

Motion by Commissioner Dude to recommend to Council to approve the 2010 Wastewater Operating budget. Seconded by Alderman Ament and upon voting the motion passed unanimously.

Commissioner Dude explained the Water Utility budget and read the assumptions.

The Water Utility budget was prepared assuming the utility is fully on Milwaukee water the entire year. In addition to the change in rates, the switch to Milwaukee water impacts three expense accounts: purchased water (increase), chemicals (decrease) and power (decrease). This is a transition year.

Revenues: The revenues track what Milwaukee has done and what they are trying to do. Rates have been adjusted assuming the utility will request a purchase water adjustment (PWAC) from the PSC to keep pace with Milwaukee water rate increases. The PWAC allows the utility to automatically increase rates to cover the increased cost of purchased water. The Milwaukee water increases are expected to increase New Berlin rates 1% September 2009 and an additional 8% January 2010. Because the PWAC allows the recovery of the increased cost of purchased water only and these cost are just a part of the utilities overall rate structure, New Berlin's increase in rates is approximately only ¼ of Milwaukee Water's announced rate increase. If the rate increase doesn't go in, the expense doesn't go in. We can only replace increased cost with increased revenue. If we want more than that we have to do a rate case.

The budget for interest income was decreased to reflect current market conditions. The interest rate on the Local Government Investment Pool (LGIP), the place where the majority of the utilities idle funds are invested, was .35% in July. The rate has been at 1% or lower the entire year. The LGIP rates are projected to increase some time next year but not significantly.

Purchased Water: We have estimated total purchased water to be 1.075 billion gallons in 2010. The utility is continuing to see a modest reduction of water use. Milwaukee Water increased rates 3.8% effective September 1st 2009 and is currently petitioning the PSC to increase rates 36% effective January 1st, 2010. The budget has been adjusted for these projected changes.

Labor: Utility workers are a mix of Teamster, AFSCME, and Civil service employees. Rates included in the budget have been adjusted for next years projected amounts. The union contracts were settled for a 3.25% increase. Based on the latest numbers from the city human resources department, health insurance was increased 8% with civil service premium co pay going up to 12.5%. Overall there was only a slight increase in health insurance expense, 2009 was the final year of paying premiums for two employees who were given early retirement packages. This budget reflects the elimination of one full time dispatcher/clerk position, to be replaced by a part time clerk. This reorganization produces savings of \$22,360 to both the water & sewer utilities.

Expenses: Outside services other includes \$43,344 for a cross connection program. 2010 is the first year of a four year State mandated program (NR 811.09). Information on the specifics of the program is attached. Conservation expense includes \$15,000 for a toilet rebate program. This program is new and

would be modeled on Madison & Marshfield's programs. The program is part of the utilities overall conservation effort & is an important part of the utilities goal of reducing per capita use 10% by 2020. The rebates would be co-funded by the sewer utility. Note that without this conservation expense the controllable expense increase from 2009 to 2010 decreases from 2.8% (page 19) to 1.87%

Capital funding: The water system in Parkland Green subdivision will be replaced at a cost of \$2.5 million. There have been numerous main breaks in this subdivision & the mains need to be replaced. The project is timed to be completed before the roads are redone in this subdivision in late 2010. The funding source is a loan from the sewer utility. The inter-utility borrowing benefits both utilities; the sewer utility receives slightly higher than market interest income & the water utility pays lower than market interest rates and saves approximately \$50,000 on borrowing costs. Interest rates used are the same as the latest City of New Berlin borrowing. Interest on advance has been increased \$32,873 to reflect a half years' interest payment.

Dude: If you look at all other expenses, the annual increase is 2.8%. If you take the \$15,000 for the conservation it is 1.87%. The average annual increase for 3 years is 1.9%. The items we can control we do control. The new cross connection program is going to cost \$43,344. We don't have any choice. Our total expenses are up but it has been driven by the purchased water cost.

Wysocki: When people hear about the increased rates of Milwaukee water, it is important for people to know that the we did an analysis on the cost to get the radium out and it would have been at least as expensive as getting Milwaukee water. There would have been a rate increase and I think the Milwaukee contract gave us a lower cost and at a longer term than what we would have had to charge for building the facilities to take the radium out and the disposal of the material.

Dude: The radium would have been a \$4 million dollar expenditure at minimum in year one. If we had done the radium removal now from 5 picocuries, what stops the DNR from making that 3 picocuries in a few years? By doing the Milwaukee water, we will save money our energy, chemicals and there may be other savings. It was the right decision and will save money in the long run.

Ament: We are saving money even now and well into the future. Not only could the DNR lower the standards, as the aquifer is going down the problems get worse, more radium and more saline. We are also helping regionally by pulling our straw out and not drawing the water out and improving the water quality in the lake by not dumping tons of salt from water softeners. I think we made the right decision.

Dude: The interest costs for the capital improvement projects are in this budget.

Morrisey: Is the cross-connection program going to be ongoing?

Johnson: The way the DNR set up this program, yes. This will start out with the industrial users. This company will train our staff to do the residential inspections at the time of meter pulls and installations. We will doing this on a 10 year rotation and current staff will do it at the same time they are doing a meter pull with no additional personnel required.

Motion by Commissioner Dude to approve the 2010 Water Operating budget. Seconded by Alderman Wysocki and upon voting the motion passed unanimously.

Johnson: The 2010 CIP budget includes:

- Water Meters for new construction and pulls for DNR requirements \$135,000
- Well #5 Abandonment- radium well has not been in service for the last 3 years. \$41,000
- Well #5 building demo and underground tank removal (tank not used in 30 years) \$93,000
- Parkland Green water main replacement – loan from the Wastewater Utility \$2.5 million
We have had 28 water main breaks in the last few years. This will be done in conjunction with a road project so that it does not have to be torn up twice.

Ament: What happens with the property for Well #5? There may be some revenue for the sale.

Johnson: We will look at it. It is a pie shaped lot on Moorland Road.

Ament: Can all of the Parkland Green project be completed in 2010?

Johnson: Yes. We will be starting the design work and bid and out on the street before March.

Ament: Is staff doing the design work?

Johnson: No, it will be bid out.

Chipman: We used the same rate for the inter-utility loan as the last issue we had. The debt service repayment interest rates go from 1.2% to 3.9% over 10 years.

Dude: The advantage is that the wastewater gets a better rate than the market and the water utility gets a lower rate to borrow the money and they don't pay the \$43,000 for bonding.

Harenda: I know the well closures are mandated and you are working on a compliance plan for the entire well system for the DNR but can't we do the demolition and closure in house?

Johnson: No. We don't work on the deep wells now, we subcontract those out for any type of services. The wells have to be pulled out because there is mercury in the pumps. We don't have the equipment and manpower to do this specialty work. It has to be done to meet DNR specifications. Instead of pulling a well out and filling it in with gravel and concrete, there is a week period where you have to fill it so many feet, televise the well itself, fill it in more. We aren't qualified and don't have the equipment.

Harenda: I am talking about the \$93,000 for building demolition. We are spending \$21,000 for engineering. I think we can do this in house.

Johnson: There is an underground tank 25 feet below the ground that has to be removed, plus the building and the piping that goes back in between two houses in Regal Manor.

Harenda: Do we need to pay someone \$21,000 to design this?

Johnson: That is the whole bidding process, designing it, sending out the contracts. That was just an estimate that we did awhile ago and we should get better prices this time.

Harenda: The City Engineer's pay is supplemented by the Utility. Why aren't we doing this in house? This is basic demolition.

Johnson: We did the same process for Well 11.

Harenda: I had an issue with that too. I can get general specifications on these things. The City engineer and our engineering staff can do this. I understand about the mercury and the well closure, but I am talking about the block well structure and mechanicals and similar to a residential structure when you have to crush an old septic system you have to disconnect from the utility.

Johnson: We can check with our engineering department to see if they can do the same for the project.

Harenda: Or they can show me why they can't do it. I would rather do it internally than pay a consultant.

Motion by Commissioner Dude to recommend to Council to approve the 2010 Water Utility Operating budget. Seconded by Alderman Wysocki and upon voting the motion passed unanimously.

Motion by Commissioner Dude to recommend to Council to approve the 2010 Water Utility Capital Improvement budget. Seconded by Alderman Wysocki and upon voting the motion passed unanimously.

All of the committee members thanked staff and Commissioner Dude for their work on the budgets.

UT 12-04 Milwaukee Water Expansion- update

Johnson: The SCADA upgrade should be completed in 3-4 days.

Harenda: Rick please give us an update on the overall cost at the next meeting.

UT 05-08 Westward Manor Lift Station Acquisition of easement for Reconstruction

No new information

UT 07-09 Discussion regarding the procedures used to authorize the payments of costs and fees for utility consultants and contractors

No new information

UT 19-09 Milwaukee Water Rate Increase & possible Purchased Water Adjustment Clause Application

No new information

UT 22-09 Request to Add 60 Acres of the Property Located at Approximately 19000 W. Lincoln Avenue into the New Berlin Urban Service Area

No new information

UT 23-09 Request to Add 60 Acres of the Property Located at Approximately 19000 W. Lincoln Avenue into the MMSD Current Sewer Service Area

No new information

UT 25-09 Update on funding for MOU

No new information

Information Utility Payables, Monthly Financials

No discussion on this item

UT 21-09 Discussion and possible action to make a recommendation to Council concerning the New Berlin Comprehensive Plan Discussion

Harenda: We will be discussing the Comprehensive Plan recommendations at Council in December. What does the committee want to do?

Wysocki: We are on a tight timeline because the Comp Plan has to be adopted at the end of December. There are commitments in the Comp Plan that will put utility needs beyond what our current service is. When the Comp Plan is adopted, at the very least it should come back to us for some long range planning, knowing what those impacts may be for additional costs especially capital structures. We are fortunate that we had the input from Alderman Ament and Commissioner Dude at the subcommittee level. We can drop this, but once it is adopted we can put it back on the agenda to discuss it.

Ament: I talked about this at the last meeting; I intend to bring it up depending what the urban service area map looks like in the final version when we get the CD later this week. The map was changed and we never made any recommendations to change the map here or at the Plan Commission. At Council we set the policy on what changes could be made and what the procedures were for an applicant to go through the process of amending both the MMSD and the urban service area maps. There were some changes made to the map and there was no discussion about it at the Comp Plan meetings.

Harenda: Alderman Ament, the Mayor and I met with staff regarding this issue and I agree it should be addressed at Council and whatever actions are taken will trickle back to this utility. If the urban service area is adjusted, it has to be referred back to this committee for recommendation like we did for the New Berlin West issue.

Ament: We can't address the changes when we don't know the rationale and what affects it could have on the conveyance system by this being unilaterally changed because someone asked for it. The process is that they put in a formal application; it goes to the Plan Commission to make sure it meets the Master Plan and zoning codes and it comes to the Utility Committee to ensure it is a feasible option for the utility. Without that, I don't know how that map can be changed. We need to go back to the map before the process began including what we approved for New Berlin West and a few small areas around Westridge.

Dude: There are significant areas in the long range plan that would require infrastructure from both the water and sewer. Section 35 east of Moorland, which is a significant area of about 400 residences, including some commercial development along Moorland and the new industrial park. The City engineer showed me one area that is very complicated because of gravity feeds. We did a lot of things with dollars and sense with the city, but we should do something similar with the utility. If you have homes out there that are within the service area, we will have to see how we will finance that.

Harenda: The southern part of Westridge and Section 35 is the area that is not part of the current service area that would have to be adjusted but it is part of the future land use plan and the comp plan for potential sewer service. We were addressing this under the Water Resource Management committee as far as impacts to the systems as we try to plan things going forward any new development that occurs in the city the developer picks up the stormwater improvements. The same thing goes for the sewer and water utility.

Motion by Alderman Wysocki to drop this item from the agenda to be brought back at a later date when the Comp Plan has been passed. Seconded by Alderman Ament and upon voting the motion passed unanimously.

UT 05-07 Discussion and Possible Action to recommend to Council New Berlin Water Conservation Plan

Harenda: The most recent draft is October 21, 2009, which was updated with respects to utility staff, reviewed by the City attorney and additions that Alderman Moore had made. We just had a discussion in closed session about our radium consent order and what is communicated between us and the DNR. I was assured via emails between myself, the city attorney and staff that everything with respect to the diversion approval with the DNR back in July was submitted to the DNR and approved. At the last meeting the Mayor said that we are not in compliance with the diversion request. My concern is that statements are being made that it is not a big issue, the DNR just wants to make sure that we are moving along and that we will get things to them in a timely manner. The other concern I have is when we are communicating we are getting the true story. I am going to ask for certified letters on some of things since I was told everything was OK and find out a few months later that it is not OK. That has to be dealt with internally with our staff, the DNR and the documentation that is kept with any governmental agencies specifically the DNR. The DNR has not finalized their water conservation rules and regulations yet, but we want to bring forth what we have to bring ourselves into compliance with the diversion request. This is a living document that will change over time and can be revised. On page 6 the main criteria for the diversion request is that we had to reduce our water consumption rate per capita by 10% by 2020. Per our recent conversations, we are exceeding that goal but to track that we have to come up with some methodology and put a mechanism in place. It says on page 6 "there currently is no mechanism in place to track water consumption by water utility customers. Estimates show that the average residential water use per residential customer in New Berlin is approximately 70 gallons per customer per day." Whatever we utilize going forth is going to be the foundation for our tracking method.

Chipman: I don't think that we can't or don't is totally accurate. We do know the number of connections that we have and the gallons that we pump by residential, public, commercial and industrial. The residential figures takes the number of connections multiplied by what MMSD says is the number of people per resident and divide into the residential use. It will never be possible to get an exact count with people coming and going but we do have a close estimates on the residents based on a calculated amount. When we did the preliminary check, we did come close to 70 which is what Madison had when they did their analysis. We have been tracking this quarterly and it has been steadily dropping on a per capita basis.

Harenda: Is this a viable methodology or do we need to wait until the DNR has something more formalized in their rules?

Chipman: It is hard to imagine any other option. If we were a city where everyone was on the utility, you could take the total population and divide it into the residential use. We have half of the city on water. A lot of the information we have been tracking forever since the PSC requires an annual report and it has statistical information in there.

Harenda: Can you put that on a short email and copy that to the committee?

Chipman: I can send you the calculations also.

Harenda: We have a voluntary sprinkling ordinance and we also talked about making this more mandatory to reduce our consumption. This is the City of New Berlin water conservation plan but a lot of the issues are specifically addressed to utility customers but we try to convey a recommendation to the western half of the community on the shallow wells to look at the options available to reduce consumption and protect our natural resources. This document will change over time.

Wysocki: I think this conservation Plan is an important component in getting through the issues with the DNR and possibly the DOJ. I believe almost all of the points have been handled by Rick in a formal report. The last part is the conservation plan and you, the Mayor and Alderman Moore were on a subcommittee that gave us a lot of the guts of this plan. I believe it is important to nail it down ASAP.

Harenda: We brought it forth because we have everything that needed to be in the plan. The only component that was not brought because of a consensus was incorporating conservation rates which will be looked at later. Alderman Moore presented some of his ideas in the last meeting, some of which are in the voluntary recommendations. I think what we have is sufficient to approve and go to Council.

Wysocki: Water conservation doesn't mean we won't grow as a community. It will grow. The target is to reduce individual use of water.

Harenda: The pumpage rates on the well systems shows we have gone down dramatically, but we have had growth spurts in the community, but you are right. Commissioner Dude and I support trying the rebate initiative. If it accomplishes the goal we can continue it into the future. There is \$15,000 each budget for this program and can evaluate it on a yearly basis.

Dude: Our goal is to reduce per capita usage by 10% by the year 2020. The few mandatory issues we have in here and the rebate will get us there and then some. There is a different conservation issue out there too. If you go 20% you will end up paying more. I support the rebate program. Madison does it. Once you do it, you will keep saving water whether you think of it or not.

Wysocki: The rebate program costs the utility. Good judgment will show customers if they install low flow toilets and shower heads they will save water. I am not comfortable with it and don't see the logic.

Ament: I am uncomfortable doing it and spending the money. If there is going to be some type of rebate, I don't know why we have to write a check, why don't we credit the customer? How can we monitor the shower head program? It is also limited because of cost. Part of the program is to conserve water, we can put all of the regulations in place and people will get around it unless they buy into the program. If we put things in here that in my opinion are idiotic like outdoor use of any water play apparatus connected to a water source is limited to 1 hour. How will you enforce this?

Dude: It is voluntary. There is also one in there about where you buy your water.

Ament: I see in the plan that we will be reducing hydrant flushing to once a year. There must be some reason why we do hydrant flushing twice a year now. What are the potential problems?

Johnson: The biggest reason we do it twice a year is because of the iron content that we are getting from the wells and it settles in the pipes. We will not have that issue with Milwaukee water.

Dude: That is water we never billed for and the savings there is not only conservation but it also doesn't come as an expense to the utility customers.

Johnson: We used to claim it as lost water. In addition it will reduce manpower needed to flush hydrants.

Morrisey: I am in favor of the rebate program. Dave makes a good point of maybe crediting the customer instead of writing a check and there needs to be a way to monitor the shower head program so that we aren't passing them out to all of southeast Wisconsin. This will be one way to achieve our 10% goal.

Dude: The writing of the check is easier than doing a credit on a bill since every time you do a credit it is a general journal entry. Regarding shower heads, someone has to bring in a utility bill in order to get a shower head. Someone could get one and give it to their uncle in Cleveland, but I don't think most people will do that. This shows the DNR that we can reach our goal and we need to send it to Council.

Alderman Ament made a friendly amendment to remove Appendix C for interesting facts and all of the committee members agreed.

Motion by Commissioner Dude to recommend to Council to approve the Water Conservation Plan. Seconded by Commissioner Morrisey and upon voting the motion passed 4 to 1 with Alderman Wysocki voting no.

Alderman Harenda said that he would let the Committee members know if there was any need to schedule a meeting in December because of the Christmas holiday.

Motion by Commissioner Morrisey to adjourn at 7:26 p.m. Seconded by Commissioner Dude and upon voting the motion passed unanimously.

*Please Note: Minutes are not official until approved by the Committee
Respectfully submitted,
Suzette Hanley – Administrative Supervisor, Utilities & Streets*