

MINUTES
City of New Berlin
Utility Committee Meeting
Tuesday February 26, 2008

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

Others Present: Rick Johnson (Utility Manager), Mayor Jack Chiovatero, City Attorney Mark Blum, Evan Zeppos (Zeppos and Associates), Bill Mielke (Ruekert & Mielke), and Sue Hanley (Office Coordinator Utilities & Streets)

Alderman Harenda called the meeting to order at 5:02 p.m. with roll call and declared a quorum with all members present.

UT A-08 Approval of Minutes from the January 22nd meeting

Motion by Alderman Ament to approve the minutes from the January 22nd meeting. Seconded by Commissioner Dude and upon voting the motion passed unanimously.

CLOSED SESSION

The basis for the items to be discussed in Closed Session is as enumerated in Wisconsin Statute Section 19.85(1) (e)

Discussion and possible action to enter into closed session pursuant to Wis. Stat Sec. 19.85(1)(e) Deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session.

More specifically:

- ◆ Discussion concerning Bargaining for the Purchase of water from the City of Milwaukee, City of Oak Creek and City of Racine.
- ◆ Review of Negotiation Strategy for extension of contract with Ruekert & Mielke for Lake Michigan water Public Relations Consultants Proposals & Discussion of Negotiation Strategy.

Motion to go into Closed Session at 5:04 p.m. by Alderman Seidl. Seconded by Commissioner Morrisey. Roll call vote: Alderman Ament yes, Commissioner Morrisey yes, Alderman Harenda yes, Alderman Seidl yes, Commissioner Dude yes.

Motion to go into Open Session at 6:32 p.m. by Alderman Seidl. Seconded by Alderman Ament and upon voting the motion passed unanimously.

Reconvene to Open Session

- ◆ Possible action concerning Bargaining for the Purchase of water from the City of Milwaukee City of Racine and City of Oak Creek.
- ◆ Review and Approve extension of contract with R & M to provide services relative to negotiations for the purchase of water from Milwaukee, Racine or Oak Creek

Motion by Commissioner Morrisey to approve an additional \$25,000 to the extension of the contract with Ruekert & Mielke to provide services relative to the negotiations for the purchase of water from Milwaukee, Racine and Oak Creek. Seconded by Commissioner Dude and upon voting the motion passed unanimously.

UT 12-04 -Status on Milwaukee Water Negotiations

Nothing new to report.

-Status on Governor's Office & WDNR approval on Lake Michigan Water for remaining half of Water Utility Service Area

Nothing new to report.

-Status of Infrastructure and Distribution of Lake Michigan Water to Utility customers west of the Subcontinental divide

Motion by Commissioner Morrisey to drop this item regarding the infrastructure and distribution of Lake Michigan Water to Utility customers west of the subcontinental divide from the agenda. Seconded by Alderman Seidl and upon voting the motion passed unanimously.

UT 08-06 Award Construction contract for Filter building additions to pump stations 3 and 7

Alderman Harenda said that the contract has expired and this will be rebid. Please remove this item from the agenda.

UT 04-07 Update & Status on MMSD 2020 Plan – Impact to City of New Berlin

Alderman Harenda indicated he had not heard anything new from the DNR with respect to approval of the 2020 Plan so I will leave it on the agenda for now as we submit the minutes to them for their review.

UT 05-07 Water Conservation Measures – Current & Future Objectives

Alderman Harenda said that he was working with Commissioner Dude and Alderman Moore with respect to some ideas regarding rate adjustments and conservation methods and hopefully bring something to the Utility in the next month or two for discussion.

Mayor Chiovatero added that this could come up in negotiations and it will be tied into it.

Information Direct Pay Option for Utility Billing

Sue Hanley said that the Utility was working with the IT Department, Finance Director Mike Holzinger, City Attorney Mark Blum and Chase bank to offer this option for Utility customer payment. Chase bank charges a \$40 per month maintenance fee and the first 100 transactions are free. Additional transactions are 25 cents each.

Alderman Ament: Will the Utility pay the 25 cent transaction fee or are we looking at possibly charging the Utility customers that use this.

Sue Hanley: Indicated in discussion with Rick Johnson the Utility Manager that the Utility would probably pay for this service.

Ament: If I have to send in a physical check, by the time I pay for the check, the envelope and stamp that is more than 25 cents, so I don't think it would be unreasonable to charge people.

Dude: It is the customer friendly thing to do to have the Utility pay for this. You say by having fewer bills coming in by mail, there is some money to be saved by staff. Whose staff?

Hanley: The Finance Department staff that processes the bills.

Dude: Does the Utility pay for that staff or does the City pay for that staff.

Johnson: The Utility pays for part of their salary.

Dude: So I presume if we are going to save those people some money, then we should get some money back. Part of the proposal that I don't understand is why the Utility is paying \$40 per month, not the City.

Johnson: That was one of the main goals, to save on the wage part of that, the Utility would have to finance that extra money.

Dude: So if we pay \$40 per month bank charge, we would pay less to the City. Would you suggest to Mike Holzinger that I would like to see that in the proposal?

Morrisey: I would like to see sometime in the future how much we are saving and how many customers have signed up. We can come back and review this to make sure we are covering our costs.

Dude: I don't want to charge the customers; I want to make this consumer friendly. The bank doesn't charge me to do that.

Mayor Chiovero: Several residents questioned if there was a way to be invoiced once a year especially for stormwater only customers. Some people do pay for the entire year of stormwater charges, but they still receive a bill each quarter saying they have a credit or zero due. Those bills still cost postage and the price of the envelope, is there any way to do those once a year?

Commissioner Dude said that we could not do this for the water and sewer utility bills as these are variable rates based on water usage.

Mayor Chiovero replied that he was just talking about the stormwater utility.

Hanley: It is a software issue at this point. All of the bills are generated on the same bill run.

Mayor Chiovero said that he receives a call from snowbirds that go to Florida each year whose mail sits in their mailbox and they get late charges. Most of them have the bill forwarded now and they would like to use the direct pay or automatic withdrawal for the same reason that they don't have to deal with the bill.

Motion by Commissioner Dude to adjourn at 6:39 p.m. Seconded by Alderman Ament and upon voting the motion passed unanimously.

Privilege of the Floor – There was no one in the audience who wished to speak.

Please Note: Minutes are not official until approved by the Committee

Respectfully submitted,

Suzette Hanley - Office Coordinator, Utilities & Streets