

MINUTES
City of New Berlin
Utility Committee Meeting
October 1, 2003

Please note: Minutes are unofficial until approved by the Utility Committee at their next regularly scheduled meeting.

Members Present: Aldermen Gallagher, and Harenda, Ray Grzys (Director of Utilities and Streets).
Alderman Ament arrived at 4:45 pm

Members Excused: Bob Dude (Citizen Member)

Others Present: City Attorney Mark Blum, Larry Wilms (Division Engineer), Mayor Wysocki, Steve Schultz (Ruekert & Mielke), Tracey Munster (Wireless Connections), Michael Majewski (Air Wireless Internet)

Alderman Gallagher declared a quorum and called the meeting to order at 4:35 p.m.

Item 30-02 Milwaukee Water Design

Steve Schultz from Ruekert & Mielke presented his third update on the Milwaukee Water project design. He stated that completed items include: Grange Avenue pumping station preliminary design, Greenridge pumping station preliminary design (Howard Avenue), Water main location recommendations and pressure zone adjustments.

Alderman Ament arrived at 4:45 pm.

Mr. Schultz showed the designs for the two pump stations and related the next steps that were needed, including approval from planning on or before November 3rd, final DNR floodplains approval, final design for the pump stations and the establishments of main routes.

Director Grzys stated that he received the application form today for the DNR expenditure Chapter 30 permit and will return that to R & M this week. He said that design changes may need to be made for security issues, and that Water Utility should receive a copy of the design for the building. In addition, upon talking to Water Utility, it was decided that liquid chlorine be used for the two pumphouses. Steve Schultz responded that the City of Milwaukee adds chloramines, which is a more stable means of chlorination. We must ensure that the chemicals that we add are compatible to those that are used by the City of Milwaukee.

ITEM I-03 Approval of minutes for September 3, 2003 meeting
Approval of minutes for September 24, 2003 meeting

Motion by Alderman Harenda to approve the minutes of the September 3, 2003 meeting. Second by Director Grzys. Upon voting, the motion passed unanimously.

Motion by Alderman Ament to approve the minutes of the September 24, 2003 meeting. Second by Alderman Harenda. Upon voting, the motion passed unanimously.

Motion to go to Closed session for Items 33-02A and 18-03 at 5:02 pm by Alderman Ament. Second by Alderman Harenda. Upon voting, the motion passed unanimously.

Item 33-02A Discussion & Action on Notice of Claim for Radionuclide Compliance

CLOSED SESSION

The basis for the items to be discussed in Closed Session are as enumerated in Section 19.85(1)(g) of the Wisconsin State Statutes.

(g) Consultation with legal counsel for the municipality who is providing oral or written advice concerning a legal action, which the City is or may become involved in.

- Discussion on Notice of Claim for Radionuclide Compliance

and

Item 18-03 Issuance of a Jurisdictional Offer for the Tesch Property

The basis for the items to be discussed in Closed Session are as enumerated in Section 19.85(1)(e) of the Wisconsin State Statutes.

(e) Deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified business whenever competitive or bargaining require a Closed Session.

- Discussion of Jurisdictional Offer for the Tesch Property

Motion by Alderman Harenda to go to open session at 6:02 pm. Second by Alderman Ament. Upon voting, the motion passed unanimously.

Item 14-03 AT& T/Telecorp Cellular Tower Lease Renegotiations

Tracey Munster of Wireless Capital discussed the changing trend in the communication market. She provided the committee with an updated offer from AT&T for a lump sum program from \$112,436 to \$131,278. She also provided a list of the "Projected Top Ten Highest Annual Rental Payments" in the state of Wisconsin. Utility Committee consensus was to send a copy of the information to Mike Holzinger, Director of Finance & Administration, and wait for Utility Committee member Mr. Dude to return from vacation before making a decision.

Item 21-03 Air Wireless Internet Presentation

Mike Majewski of Air Wireless Internet asked the committee what path or protocol was needed for their company to install an antenna on Westridge Tower. Currently they are serving the western side of New Berlin, but would like to also serve the southern and eastern parts.

Alderman Gallagher asked whether or not the City wants to place antennas on the towers, since there was damage done previously. Director Grzys asked what type of lease agreement was necessary and what benefit the City receives from this? Mr. Majewski said that a greater portion of the community could get DSL and wireless internet. He also stated that he demonstrated the system for Sue Schaefer in IT and said that this could be a backup to our system, or provide mobile internet access in fire and police vehicles.

Director Grzys responded that he had discussed this with Utility staff and they do not want to put extra items on our tower. He suggested that possibly they could put another tower and building next to it. Brief discussion among committee members. Alderman Gallagher stated that they did not want any more antennas on the towers.

Item 19-03 Town of Brookfield's Acceptance of New Berlin's Final Price for Purchase of Sewer Capacity

Director Grzys read the requested action to recommend Council approve the Town of Brookfield's Sanitary District #4 offer of \$213,134 to purchase the remaining 43,320 gallons of sewer capacity from the City of New Berlin. The City of New Berlin Wastewater Utility has owned the 45,000 gallons of capacity for over 15 years. The financial records show that the Utility has spent \$221,583 over the course for this capacity. The City has an Intermunicipal Agreement with the Town of Brookfield Sanitary District #4 to hook up to water and sewer for 2 properties on Copenhill Drive for 1,680 gallons of the original 45,000 gallons. The negotiating committee felt that

the City should not lose money already invested in the capacity. Therefore using our investments of \$221,583 and dividing it by the capacity of 45,000 we came up with \$4.92/gallon. Using this per gallon price, we multiplied this by the remaining capacity of 43,320 gallons to come up with the \$213,134 proposed. The negotiating committee recommends to the Utility Committee to accept the offer from the Town of Brookfield Sanitary District #4 in the amount of \$213,134.

Alderman Gallagher said that he was surprised to see the letter from Alderman Ament to the Town of Brookfield and that he would have liked to know that we were negotiating with another community (besides Menomonee Falls). He stated that originally the capacity was reserved for Westbrook subdivision, and that he recently had contact with some residents, and some would like water and sewer, others would not. He would like one more letter sent out detailing the costs and options. If there are not 55% of the responses that want utilities, then we can sell the capacity.

Alderman Ament said that he had listened to the September 4, 2002 committee tape and that Larry Wilms stated that the Council had directed the Utility committee to sell it. He said in conversations with Mr. Dude, the expected amount was \$182,814. The Village of Menomonee Falls had offered \$174,000, but during the negotiating process had backed out. In the meantime, the Town of Brookfield sent a letter to the City of New Berlin, but did not want to get into a bidding war. Alderman Ament stated that there were surveys and a public hearing in the past, and the majority of the residents who responded did not want sewer and water because of the cost. He said that another survey would only show the same results and that the people have to fish or cut bait. No developers have asked for water and sewer, and unless there has been a big demand since September 2002, we are going down the same road and delaying the sale even further.

Alderman Gallagher asked for one more poll since there are some new residents in the area, and several residents have said their septic systems have failed. He would like a letter stating the real costs, including closing of wells, closing systems, increases to property taxes, utility costs, etc. He would like to do this as fairly as possible and extend the most liberal terms to pay for this if they decide to go with City sewer and water.

Larry Wilms stated that the Engineering Department does not normally work in the private property area, so it would be difficult to come up with a range of costs because there are so many variables. Mr. Wilms said that they can ask the consultant to do an update, recreate the assessment roles, send out notices and set a public hearing, but that it will probably end up in the same loop.

Alderman Harenda asked how many homes are in the area? Larry Wilms stated approximately 66-70, but the capacity is available for 98-100.

Alderman Ament said that by tabling this item, it adds one more month to the delay. He stated that he would rather it was sent to Council to debate, since the job they gave us was to negotiate for a sale of the remaining capacity. Alderman Gallagher made a motion to table Item 19-03, but there was no second.

Motion to defer Item 19-03 by Alderman Harenda to the next meeting, to provide time for Larry Wilms to find what the directive was from the Council and give additional information. Second by Alderman Gallagher. Upon voting, the motion carries 3 to 1, with Alderman Ament opposed. Alderman Gallagher stated that a letter should be sent to the Town of Brookfield Sanitary District. Director Grzys stated that he would draft one and send it to Alderman Ament for review.

Item 17-03 2004 Wastewater Budget

Director Grzys stated that the 2004 Wastewater budget was reviewed and adjusted. He stated that the revenues were lower due in part to successful conservation measures, as well as a depressed economy. Mr. Grzys said that expenditures for 2004 listed were \$700,000 higher than 2003. This was primarily due to the change in MMSD capital charges, which went from \$2.9 million in 2003 to \$3.8 million in 2004.

Discussion of the capitals was made with a short discussion on the shop addition. Director Grzys stated that the total design cost and construction could be picked up on the Wastewater Budget, and the correct figures should be \$70,000 for the design and \$365,000 for the construction in 2005.

Alderman Gallagher said that he did not see a cost benefit in storing the vehicles inside, and would like to see other options such as leased space, the use of the Johnson Quarry buildings in a few years, etc. Director Grzys stated that they had inspected the sheds at the quarry and these would possibly be used to store Street Department plows and mowers. The shop addition would be valuable for the Utility Department to store pumps and generators that must be moved from Cold Storage up to the garage in the winter. Currently, vehicles are double parked, and in the event of an emergency, personnel have to move vehicles into the center to gain access to the equipment. He stated that vehicles that contain water, such as the Vac-All and monitoring equipment must be kept inside or it will not function properly.

Alderman Ament asked about the Stormwater issues that resulted in the last addition from the people east of the building. Mr. Grzys stated that they have discussed this issue with the Stormwater engineers and this project has been included in the Malone Park runoff project and would not affect the property to the east. During the last construction, crews found a hole on the property, then filled the hole, regraded and installed a storm sewer near the lot line.

Motion by Alderman Ament to approve the 2004 Wastewater Operating budget. Second by Alderman Harenda. Upon voting, the motion passed unanimously.

Motion by Alderman Gallagher to amend the 2004 Wastewater CIP budget by removing the item of the building addition. Second by Alderman Harenda, and upon voting the motion passed 2 to 1, with Alderman Ament opposing, and Director Grzys abstaining.

Alderman Harenda asked Director Grzys if the budget shows a reduction by purchasing the Jetter and not using contractors. Director Grzys stated that it did.

Motion by Alderman Harenda to approved the amended 2004 Wastewater Capital budget. Second by Director Grzys. Upon voting, the motion passed 3 to 1 with Alderman Ament opposed.

Item 20-03 Possible change to Special Assessment Policy

A brief comment about the special assessment policy. Larry Wilms said that the City Clerk, Ray Grzys, Attorney Blum and himself created the policy as a flow sheet. He asked Alderman Gallagher to meet with him to discuss what changes he would like to make and save time for the Utility Committee.

Item 01-03A Proposed Ordinance Citywide Private I & I Draft

Not discussed.

Motion to adjourn at 7:35 pm by Alderman Ament. Second by Alderman Harenda. Upon voting, the motion passed unanimously.