

MINUTES
City of New Berlin
Utility Committee Meeting
Tuesday March 23, 2010

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

Others Present: Rick Johnson (Utility Manager), JP Walker (City Engineer), Mayor Jack Chiovatero, City Attorney Mark Blum, and Sue Hanley (Administrative Supervisor Utilities & Streets)

Alderman Harenda called the meeting to order at 5:05 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

UT 01-10 Approval of Minutes from the February 23, 2010 Meeting

Motion by Alderman Wysocki to approve the minutes from the February 23, 2010 meeting. Seconded by Alderman Ament and upon voting the motion passed unanimously with Commissioner Dude and Alderman Harenda voting present.

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

No discussion or action.

UT 20-09 Parkland Green Design/Inspection costs for water main replacement: Possible action

Johnson: The design drawings were received and it will go out for bids in the next 2-3 weeks and will be up for approval on the April agenda.

Walker: Roadway bids are on the Council agenda for approval tonight.

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

Walker: The ball is in their court. The Committee had a number of questions. I provided a copy of the minutes to their engineer and the developer and I have heard nothing back from them.

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 discussion or action.

UT 02-10 SEWPRC Planning Report Water Quality Management Plan update – Comments

Harenda: We received updates the last meeting. Does this need to be referred to Common Council?

Johnson: When we receive a full report back the Committee can make a recommendation to Council.

UT 04-10 Milwaukee Water Per Capita Calculations

Dude: In the DNR letter dated February 2nd, as part of our goals for 10% reduction they mention that they want copies of educational material including billing inserts encouraging residents to conserve by such things as discontinuing use of water softeners and an update on compliance with the ordinance limiting lawn sprinkling year round based on odd/even. My wife is a landscaper and pointed out to me that you can over-water quite easily and by doing that roots will not go down as far as they should and

ultimately they require more water. I asked Sue to give her a call and get some information from MATC and other sources and put in to water billing, on the website or newsletter. Automatic sprinklers can be programmed to run on odd or even days. We also talked about voluntary things like watering certain times of day. We want to get the information out in an educational way. That is a mandatory piece of the compliance on our 10% per capita shrinkage.

Harenda: Sue is working on different ideas for the inserts, newsletter and website.

Johnson: We currently have a link to the Water Sense organization that we belong to.

Harenda: This item was originally on the agenda to determine the water per capita calculations that staff developed and how we are going to present where we are with our percentages.

Johnson: I am tracking water usage and electricity monthly. So far it is 9 ½ less from last year to this year during this time period and will report on the usage at the end of the year.

UT 05-10 Approve High Efficiency Toilet Report Program – permit and tech fee discussion

Harenda: We are instituting a toilet report program to promote conserving water. There were some questions that came up including the fact that to install a toilet in the City of New Berlin you have to pull a permit which adds a cost to the incentive.

Chiovero: The Inspection Department requires a \$50 permit to be pulled with a \$2 Technology Fee. Since we need to expend personnel to go out to the home to inspect the toilet and see if it was properly installed and meets the criteria of the rebate, we decided to reduce the charge to \$25 for the permit and \$2 for the technology fee. Some people may not be aware of this and if they come back after the fact, they will still be charged only the \$27. We are trying to encourage people to replace their toilets. There were some concern in an email exchange between Alderman Ament and myself that maybe the Utility should help fund this, but we felt the \$27 was fair for us to inspect the toilet. This will also result in \$8100 of revenue for the City (based on 300 toilets).

Ament: If customers replace the maximum of 2 toilets, do they still only pay the \$27 fee?

Chiovero: Correct. You only have to pay one fee of \$27 if they replace 1 or 2 toilets.

Ament: How far back will the toilet rebate go?

Chiovero: I was under the impression that it is January 1st, but that is up to the Utility. The way we are tracking the rebates is by the permits pulled. There may be some people that pull the permit and don't come in right away. Utility customers must pull the permit to be eligible for the rebate. If people come in next year, and pulled the permit in the summer, they are still eligible for the rebate.

Wysocki: I did not support the rebate and I still don't. My concern is that the Utility is a separate entity from the City. Not all of the citizens of New Berlin are Water or Sewer Utility customers. By lowering the fee for permits it puts a burden on the entire city. People not on the Utility who want to replace their toilet don't receive any benefit in terms of a rebate. If we are going to do the \$100 rebate, the Utility perhaps should be responsible for the entire permit fee. If people are on the Sewer utility and not the Water Utility, they are still eligible for this rebate correct? Anybody that is not on either Utility is not eligible.

Johnson: Correct.

Wysocki: I was hoping that we would reconsider the idea of reducing the permit fee and it costs the entire city that lost revenue as opposed to looking at the people on the Utility saying, you get a \$100 rebate and the Utility pays for the permit.

Dude: Looking at the memo from Ralph, I think we should accept any toilets installed since January 1st if they want to apply for the rebate. On the permit fee I think the Utility took the initiative and we have spent a lot of money to get where we are. If some of the investment comes from the total City taxpayers, that reimburses us for some of the money we spent to keep their aquifers full because we don't have our

straw in there any more. I think reducing the permit fee is not too much to reimburse the Utility customers.

Chiovero: We looked at that in our discussion and said what is the minimum that we could charge. An inspector will check the toilets and \$27 is a fair amount for the taxpayer to be reimbursed.

Johnson: I called the PSC today to see how other cities have done their rebate. They said that in Madison and Marshfield you don't have to take out a permit or get an inspection. The PSC said that if you charge people to get a permit, it is counter productive for this rebate program. You are using money for the conservation plan and putting back revenue to the City for the permit.

Chiovero: Both of those cities are fully on the Utility, but our City is split between Utility and non-Utility so that is why we decided on charging half for the permit.

Harenda: We don't have to use the money by the end of the year do we? If just sits in the fund until we use it up.

Johnson: Yes.

Harenda: I was in favor of trying this program and we can evaluate it at the end of the year.

Ament: We want to make sure that people are actually replacing the toilet in that home, but to do that it does require some City time and getting at least half of the permit money to cover that is a good check to make sure the money is going for the right purpose.

Harenda: The Public Service Commission can't bar us for charging a permit within our city boundary.

Chiovero: As a licensed home inspector, one major defect in homes is an improperly installed toilet. This is a sanitary line that they are connected to and there can be rotted floors, no wax rings installed, etc. I think we need to inspect it.

Dude: The majority of the inspector's cost is fixed. The Utility is giving an increased contribution margin to the City that otherwise they wouldn't get and thus we give the City more contribution margin than they would receive from the normal inspection fee, therefore I can rationalize paying only \$27 instead of \$52.

Harenda: I am comfortable going forth, but at the end of the year I would like to evaluate the impact on the Utility and the rest of the City.

After a brief discussion it was decided that even though there have not been any permits pulled to date, any toilets purchased in 2010 would qualify for the rebate program. This information will be placed on the website and information on the Utility bill and on cable.

NEW BUSINESS

Information Utility Payables, Monthly Financials

UT 08-10 Discussion and update on Design Work for Westward Manor Liftstation

Harenda: There are still some location issues. The City Attorney and our consultant Single Source are working on this issue. We are moving forward with the design work on the project because we would like to get things in place before potentially the storms. Jim Hart will update us at the next meeting.

Motion by Alderman Ament to adjourn at 5:38 p.m. Seconded by Commissioner Morrissey 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*