

Tuesday , May 9, 2023

**MINUTES OF THE MEETING OF THE BROWN DEER WATER UTILITY
HELD AT THE BROWN DEER PUBLIC WORKS FACILITY – 8950 N ARBON DR**

The meeting was called to order at 5:33 pm.

I. Roll Call

<u>Commissioner</u>	<u>Present</u>	<u>Absent</u>
Gerald Anderson - President	X	
Ken Harmon - Secretary		X
Zach Beanland		X
Gloria Robertson	X	
Christy Poniewaz	X	
	3	2
Also Present: City Water Staff		
Tom Nennig, Utility Superintendent		
Eric Fulsaa, Engineer		

II. Persons Desiring to be Heard - none

III. Consideration of Minutes

A) November 15, 2022, Commission Meeting

Commissioner Anderson moved to ratify the minutes from the November 15, 2022, Commission Meeting as previously distributed. Commissioner Poniewaz seconded the motion. **Motion passed.**

IV. Old Business: None

V. New Business:

A) 2023 Water Main Relay Project

Superintendent Nennig reviewed the public bid results for the 2023 Water Main Relay Project. While more bids were received than in prior years, the apparent low bid (MJ Construction) was almost \$100,000 over the 2023 approved budget and 18.7% over the engineer's estimate. Staff inquired on the increased costs to contractors and determined the cost of materials has continued to increase more than anticipated at budgeting time.

Superintendent Nennig then reviewed the original 2023 budget and funding for capital projects and compared the updated numbers for both the relay and tower painting project. Even with the increase in cost for the relay, the Utility is still projected to have over \$200,000 in capital fund reserves at the end of 2023.

Commissioner Poniewaz moved to approve the low bid of \$498,504.00 from MJ Construction for the 2023 Water Main Relay Project. Commissioner Robertson seconded the motion. **Motion passed.**

B) Meter Purchase

Superintendent Nennig reviewed the meter and radio endpoint quote from Badger Meter for the 2023 meter replacements. The quote of \$70,571.71 was over \$40,000 higher than the 2023 capital budget had allocated. The increase in cost was attributed to increased infrastructure replacement – both meter and endpoints. In prior years, the Utility was able to replace mostly meters and did not replace endpoints that were less than 15 years old. However, the system inventory has aged sufficiently that almost every meter replacement now requires an endpoint replacement. Included in the quote was increased 1.5-inch and 2-inch meters, to meet meter testing and replacement requirements.

Commissioners discussed how the larger meter testing works. Staff indicated that the current larger meter inventory still contains meters with lead products. This restricts the Utility to where the meters that are pulled for testing can be replaced. Replacing all larger meters with non-lead meters will offer increased flexibility for required testing and will minimize customer inconveniences.

Commissioner Anderson moved to increase the 2023 capital expense for meter and endpoint purchases from \$30,000 to \$72,000 and approve the price proposal from Badger Meter for meter and endpoint purchase of \$70,571.71. Commissioner Robertson seconded the motion. **Motion passed.**

C) Milwaukee Rate Case

Superintendent Nennig reviewed the recently approved Milwaukee Water Works (MWW) rate case. As discussed during the October 18, 2022 commission meeting, the final decision did result in a decrease in purchased water rates of 3.08%. Communities who purchase water wholesale from MWW have 90 days from the date the rates went into effect to file a Purchase Water Adjustment Clause (PWAC) in order to revise the Utility's rate structure and account for new purchase water rates. If the Utility filed a PWAC with the PSC before the end of June, the quarterly water rate for an average residential customer using 15,000 gallons per quarter would be reduced by approximately \$0.78 or \$3.12 per year.

Commissioners noted that lowering rates when the long-term plan to meet the PSC benchmark rate of return was through simplified rate increases was counterproductive.

Commissioner Poniewaz moved to keep the Utility's current water rates and not file a PWAC. Commissioner Anderson seconded the motion. **Motion passed.**

VI. **Staff Report**

A) Tower painting and improvement project update

Staff updated commissioners on the 2023 tower painting project. Dixon Engineering conducted adhesion testing on the existing paint surface and recommended the paint project should be an overcoat and not a full sand blast and repainting project. The cost of the overcoat project is significantly less than the full sand blast and repaint. The current schedule is to bid the project in June or July of 2023 and begin work in fall of 2023. The overcoat should last 10-15 years, a full sand blast and repaint would last approximately 20 years.

Discussion ensued about the long-term outlook for the tower and if it was worth saving money on an overcoat if the lifespan is decreased. Staff indicated the overcoat would be the best alternative at this time because of the lower cost and staff is looking to develop a long-range plan for the standpipe in 2028-2029. The plan would analyze potential alternatives to continued operation and maintenance of the standpipe.

B) **Pressure Relief Valve Project**

Staff updated commissioners on the Pressure Relief Valve (PRV) project. The Utility plans to replace unused and unnecessary pumps in the 60th Street booster station with a PRV. The PRV will better regulate pressure into the Brown Deer distribution system during periods when the tower is out of service for painting or inspection. The last time the tower was out of service, the Utility experienced eight water main breaks over the course of a week. Maintaining a system pressure that is similar to existing pressure through the PRV will greatly reduce the probability of a main break while the storage facility is out of service (for approximately 2 months).

Discussion ensued regarding the pumps currently at the booster station. Staff indicated the pumps have not been run or tested at least the last decade, and have never been required to operate. The installation of the PRV and its operation during the 2023 tower painting project will also offer a test scenario of abandoning the tower and running solely off the MWW as discussed in item A.

C) **Winter Operations**

Staff updated commissioners winter operations. Overall it was a mild winter for snowfall and temperature changes, which related to a reduced number of main breaks. Updates on the system chlorine residuals were presented and staff discussed the difference in sampling locations between summer and winter. Staff is curious to see how the system residuals respond when the tower is out of service for painting and the chloramine booster station is in operation.


VII. **Treasurer's Report**

- A) Commission reviewed the monthly voucher reports from October 2022 through March 2023 for approval.

Commissioner Anderson moved to approve the Voucher reports for October 2022 through March 2023. Commissioner Poniewaz seconded the motion. **Motion passed.**

VIII. **Adjournment**

Motion: Commissioner Poniewaz moved to adjourn the meeting. Commissioner Anderson seconded the motion. **Motion Passed.** Meeting was adjourned at 6:18 pm.



Thomas Nennig, Water Superintendent