

**THE NORTH SHORE WATER COMMISSION  
MEETING OF OCTOBER 7, 2009**

A meeting of the North Shore Water Commission was held at the Filtration Plant, 400 West Bender Road, Glendale, Wisconsin on Wednesday, October 7, 2009.

Meeting was called to order at 7:30 A.M.

Present: Richard Maslowski, Chairman, Michael West and Dan Naze

Also present: Eric Kiefer, Plant Manager, Duane Ziege, plant staff, Bill Huegel, Glendale Alternate, Shawn Lanser, Glendale Comptroller and John Knepel, auditor from Baker Tilly Virchow Krause, LLP.

Absent: Alternates Susan Robertson, Fox Point and Richard Foster, Whitefish Bay

It was moved by Mr. West and seconded by Mr. Naze that the minutes of the meeting held September 9, 2009 be approved as presented.

The motion carried unanimously.

MAINTENANCE RESERVE FUND BALANCE

A discussion of a report prepared by John Knepel related to current allocation percentages for the General Fund, Emergency Fund and Capital Funds for the North Shore Water Commission.

Mr. Knepel said that each community pays for current year budget based on the prior year's apportionment of water delivery and the approved operating budget; one twelfth of the operating budget is due each month. This process reoccurs and budget payments are adjusted every January or thereafter depending on the final audit.

On December 31, all operating revenues and expenses are apportioned to each community based on actual water delivery throughout the year. To maintain the appropriate operating fund balance, money is transferred between the General Fund and the Maintenance Reserve Fund. This transfer of funds does affect the process for setting budget payments.

Often there is an operating surplus and it gets transferred into the Maintenance Reserve Fund; however, it gets transferred without regard to neither the General Fund allocation percentage nor the Capital Funds allocation percentage. When capital projects are financed from the Maintenance Reserve Fund, each community is charged according to the Capital Funds allocation. As a result of this process, the fund balances in each community's reserve account is unstable even though the sum of all of the accounts is predictable.

The Emergency Fund and the Maintenance Reserve Fund are designed to finance certain projects and to fund operating expenses in the event the operating fund is

inadequately funded. Currently, there is no requirement for how to fund the Maintenance Reserve Fund per community. There is an agreement, however, requiring the total Emergency Fund and Maintenance Reserve Fund for all three communities to be kept at 15 to 30% of the prior year's operating expenses.

It was the consensus of the members that any surplus or deficits would be "squared up" between communities post audit.

AUDIT SERVICES

It was moved by Mr. West, seconded by Mr. Naze and unanimously carried that the Commission approve the proposal from Baker Tilly Virchow Krause, LLP for audit services for 2009-2013 and authorize the Plant Manager to execute the engagement letter.

The monthly report of plant operations was placed on file without motion.

MONTHLY BILLS

It was moved by Mr. West, seconded by Mr. Naze and unanimously carried that the following bills for the month of October, 2009 be approved and authorization was given to the Fiscal Agent to make such payments:

American Water Works Association (membership renewal)	1,777.00
Appleby Décor Center (paint for outdoor hatch covers)	923.28
AT&T (local & long dist at Klode)	53.44
Barbara Patin (secretarial services)	90.00
Brenntag Great Lakes (treatment chemical: aqua ammonia)	1,204.20
Cintas (uniform & janitorial supply)	613.83
Citgo (fuel for truck)	70.35
Diversified Benefit Services (section 125 plan admin)	80.00
Eric Kiefer (reimbursement: postage, ice for sample collection)	91.38
Fuchs & Boyle (legal service)	58.50
Glendale Water Utility (Bender environmental charge)	377.45
Grainger (plant supplies: backflow preventers, cart, lighting, batteries, plumbing)	921.43
Graybar (tool replacement: electrical)	130.90
Hach Company (lab supplies)	538.82
Holt Electric (control switch for actuator)	190.93
Industrial Towel and Uniform (towel and matt service)	68.24
KA Steel (treatment chemical: sodium hypochlorite)	5,818.17
Kaul Oil Company (fuel for tractor)	166.30
LL Johnson (wood to repair basins)	869.23
Metal Samples Company (copper plates)	339.66
Modular Piping Supply (plumbing supplies)	150.82
Pristine Water Solutions (treatment chemical: phosphate)	2,052.60
Rotroff Jeanson (accounting services)	875.00
Superior Lamp Inc (lighting supplies)	475.41
Test America (water analysis at Klode Park to investigate wet spots)	336.00

Time Warner Cable (internet service)	792.76
Underwriters Labs (water analysis - routine and IDSE testing for EPA compliance)	4,153.00
UPS Store (shipping)	100.85
US Cellular (plant cell phones)	111.45
Village Ace Hardware (outdoor supplies, paint, light fixture)	67.91
Village of Whitefish Bay (Bender phone)	242.33
Waste Management (waste disposal)	314.03
We Energies - Bender (electric)	14,095.95
We Energies - Bender (gas)	25.48
We Energies - Klode (electric)	4,962.13
We Energies - Klode (gas)	14.48
Wilkens Anderson (lab supplies)	185.79
Wisconsin State Lab of Hygiene (fluoride analysis)	20.00
	SUB-TOTAL \$43,359.10
<u>Maintenance Reserve</u>	
B&B Electronics (SCADA upgrade project: hardware)	583.80
Badger Meter (return of strainers)	(1,037.34)
Butters-Fetting (backflow preventer installation)	8,452.00
McMaster Carr (SCADA upgrade project: hardware)	71.69
Strand Associates (engineering for boiler replacement project)	600.00
Water Research Foundation (research project: co-funding responsibility)	44,000.00
We Energies (Installation of electric service at Green Tree)	262.00
	TOTAL \$96,291.25

### RESERVOIR OVERFLOW ALTERNATIVES

The North Shore Water Plant has four interconnected finished water reservoirs. In 2008 the DNR noted that the water reservoirs did not meet their code because there are no overflows installed in any of the reservoirs as required. The DNR is requesting that the plant install overflow piping in the reservoirs as soon as possible.

Bonestroo provided the Commission with a report summarizing the findings from a reservoir overflow alternatives analysis and cost estimates to correct this problem.

It was moved by Mr. West, seconded by Mr. Naze and unanimously carried that the Plant Manager be authorized to forward a copy of the engineering report to the DNR and indicated that the Commission has chosen Option 1 as a remedy for the reservoirs.

### MANAGER'S REPORT OF OPERATIONAL PROJECTS

1. Raw pump #2 at Klode Park Pumping Station is out of service. At this time, plant staff believes there is a problem with the VFD or the motor. Service technicians have been scheduled to troubleshoot problem.

2. Pump controls have been updated at Klode Park Pumping Station. Old SCADA equipment for raw pumps #2 and #4 has been replaced and programmed with new Bristol equipment.
3. The control cabinet and meter pedestal for the Green Tree Meter Pit has been installed. Project is anticipated to be completed by November.
4. Plant Staff completed all IDSE sampling in the distribution system to comply with EPA regulations. Paperwork and results should be completed and sent to EPA by next week.
5. Backflow preventers were installed by Butters-Fetting to comply with cross-connection code.
6. The Commission is in compliance with the Lead and Copper Rule. The 90<sup>th</sup> percentile level of lead detected was 6.9 ppb (action level of 15 ppb) and the 90<sup>th</sup> percentile level of copper detected was 65.0 ppb (action level of 1300 ppb).
7. Gardner is in the process of painting hatch covers on finished water reservoirs. Plant staff is also working on painting the filter wing pipe gallery.
8. Foreman conducted inspection and maintenance of UV reactor #2. Other reactor is scheduled for maintenance later this year.
9. Manager has entered into the following agreements in accordance to the purchasing policy:
  - Butters-Fetting: inspection and testing of all backflow preventers, \$600 for 2010.
  - Diversified Benefit Services: Section 125 plan administration in 2010, \$90/mo.
  - Liquid Engineering: video inspection and written report of NE and SE reservoirs in 2010, \$3,640.

There was no further regular business and the meeting adjourned at 9:40 A.M. The next scheduled meeting is set for November 11, 2009.

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Barbara C. Patin, Recording Secretary