

MINUTES OF A MEETING OF THE WATER UTILITY COMMISSION OF THE CITY OF CUDAHY, WISCONSIN HELD AT CITY HALL CONFERENCE ROOM A, 5050 SOUTH LAKE DRIVE ON THURSDAY APRIL 22, 2010

The meeting was called to order at 4:00 P.M. by Chairman Kober with the following members in attendance: Mr. Heidenreich, Mr. Kramer and Mr. Miller. Superintendent Miller and Director of Public Works Lange also present. Mr. Marsh was absent and excused.

APPROVE MINUTES OF THE FEBRUARY 18, 2010 MEETING

Moved by Mr. Miller, second by Mr. Heidenreich to approve the minutes of the February 18, 2010 meeting.

All voting in favor.

PACKARD AVENUE WATERMAIN REPLACEMENT

The Superintendent and Public Works Director Lange discussed the scheduled street work for Packard Ave from Plankinton south to Holmes Ave. A review of utility records shows that the water main in that section was installed in 1906. Superintendent Miller recommended that the main be replaced at a estimated cost of \$350,000. Both Director Lange and Superintendent Miller felt it would be inadvisable for the utility to leave the old main under a new street. However the Superintendent noted that the utility does not have the cash on hand to pay for the water main replacement. The 2009 audit has not been released at this time but discussions with the auditors indicate that the utility lost money in 2009 even after the 2009 rate increase.

Moved by Mr. Heidenreich and second by Mr. Kramer to direct the utility to do all design and planning to replace the Packard Ave water main from Plankinton Ave. to Holmes Ave and for staff to bring financing options back to the Water Commission.

All voting in favor.

COLLEGE AVENUE RECONSTRUCTION AND EMERGENCY WATER CONNECTION

Public Works Director Lange gave the Commission an update on the College Ave reconstruction project. The utility has discussed installing a pipe under College Ave. for a future emergency connection with Oak Creek Water Utility. Director Lange noted that at this time there is a lot of uncertainty about the postal facility that is supposed to be built at College Ave and Pennsylvania Ave. There are also easement issues and questions about how soon Oak Creek Water Utility will extend mains into the area. Based on all of the unanswered questions staff is recommending that the utility expend no funds at this time on the inter-connect.

CAPITAL NEEDS AND RATE STUDY

Superintendent Miller and Director Lange discussed utility finances. Current revenues do not generate enough cash flow to allow the utility to replace water mains in conjunction with street reconstruction. The 2010 budget included funding for a long term capital needs study to help develop a rate structure that will allow the utility to fund capital replacement projects. Superintendent Miller and Public Works Director Lange have met with Mike Harrigan of Ehlers and Assoc. the City's financial advisors, to discuss the study. The study will look at the water, sewer and storm water utilities and will meet 3 to 4 times. It was suggested that a Water Commissioner sit on the study team. After some discussion Mr. Heidenreich volunteered to represent the utility on the study team.

SUPERINTENDENT UPDATES

The Superintendent gave the Commission information on several operational issues:

- The raw water pumping station was broken into by several youths, the door required repair but there was no other damage. Cudahy PD has a copy of the security tape and is investigating. This appears to be an act of vandalism.
- The distribution crew has started annual valve exercising which is resulting in a lengthy work list of valves to be replaced.
- The plant operator who was out on long term disability has returned to work and the contract with the temporary worker has been terminated.

ADJOURNMENT

There being no further business, it was moved by Mr. Heidenreich, second by Mr. Miller to adjourn.

All voting in favor (4:30 PM)

John Heidenreich, Secretary

Attest: Henry Kober