

**CITY OF MEQUON
WISCONSIN

**MUNICIPAL WATER UTILITY COMMISSION
MINUTES
March 24, 2015**

1. The meeting was called to order at 6:03 p.m. with Mayor Abendroth, Alderman Strzelczyk, Alderman Pukaite, Alderman Leszczynski, Alderman Hawkins, Alderman Nerbun and Alderman Adams present. Alderman Mayr and Alderman Gierl were excused.

Also present was City Administrator Jones, Finance Director Watson, Director of Public Works/City Engineer Lundeen, Deputy Director of Public Works/Assistant City Engineer Jahncke, Water Utility Manager/President of City Water LLC Mike Rau, Water Utility/City Water LLC Director of Operations Jim Voigt and Administrative Secretary Kress.

2. The minutes of the January 20, 2015 Municipal Water Utility Commission meeting were moved for approval by Ald. Strzelczyk, seconded by Ald. Pukaite, and unanimously approved by the Commission as written.
3. Director of Public Works/City Engineer Lundeen presented the US Cellular Antenna Agreement for the Water Tower. She noted that the rental market for cell antennae has changed in the last 2 years, and a tentative agreement has been reached with US Cellular for a rent of \$33,000 per year versus 2014's agreement of \$22,464 per year.

Following discussion, it was moved by Ald. Hawkins, seconded by Ald. Nerbun, and unanimously approved by the Municipal Water Utility Commission to authorize staff to execute the agreement.

4. Director of Public Works/City Engineer Lundeen presented the T-Mobile Antenna Agreement for the Water Tower, which also reflects the change in the rental market for cell antennae. A tentative agreement has been reached with T-Mobile for a rent of \$33,000 per year versus 2014's \$15,870 per year agreement.

Following discussion, it was moved by Ald. Strzelczyk, seconded by Ald. Nerbun, and unanimously approved by the Municipal Water Utility Commission to authorize staff to execute the agreement.

5. Water Utility Manager/President of City Water LLC Mike Rau provided an overview of the Bayside Municipal Water Project Association Agreement, and staff and the Commission discussed the benefits of the project to the Utility. The 530 new residential customers will bring additional annual revenue estimated at \$318,000. Ald. Hawkins noted that there is a lot of interest in City water in Bayside, and he expects that more residents will want to connect to municipal water. Ald. Adams agreed that this project is good for the Utility, but

she requested records of staff time and administration costs to be sure that Mequon is not paying Bayside's expenses. The estimated construction, inspection and administration costs are approximately \$6.1 million which will be paid by the Village of Bayside/Bayside Municipal Water Project Association.

Following discussion, it was moved by Ald. Pukaite, seconded by Ald. Nerbun, and unanimously approved by the Municipal Water Utility Commission to authorize staff to execute the agreement.

6. As part of the agreement with the Bayside Municipal Water Project Association and Village of Bayside, the Mequon Water Utility will oversee the construction of about 10 miles of water main to serve 530 new customers. Director of Public Works/City Engineer Lundeen presented the construction bids for the Committee's review and explained that the low bids of \$2,269,692.00 for the north project and \$2,582,522.00 for the south project were both from Dorner Construction, who performed well on the 2013 Bayside project.

Following discussion, it was moved by Ald. Adams, seconded by Ald. Hawkins, and unanimously approved by the Municipal Water Utility Commission to authorize staff to execute the contract.

7. Water Utility Manager/President of City Water LLC presented the Water Manager's Report. He explained that the North Shore Water Commission has notified the Utility that their new wholesale rate will have a 1.67% increase, which will have an annual impact on the Utility of approximately \$8,000. Staff and the Commission discussed the fact that the last rate increase the Utility imposed on its customers was at the end of 2014 due to the Milwaukee Water Works rate increase, and the Utility will not raise its customers' rates at this time.
8. There being no further business to conduct, the meeting was unanimously adjourned at 6:14 p.m.