

REGULAR MEETING OF THE WATER AND LIGHT COMMISSION

September 23, 2009

**Draft**

Commission President Allwardt called the Regular Meeting of the Water and Light Commission to order at 7:35 A.M., with Commissioners Bob Fahrback and Don Merkes present on roll call. Also present were Melanie Krause, Manager of Business Operations; Dick Sturm, Manager of Engineering and Operations; Steve Grenell, Project Engineer; Kristin Hubertus, Business Operations Accountant; Lonnie Pichler, Electric and Water Distribution Supervisor; Dave Rodriguez, Customer and Utility Services Manager; John Teale, Technical Services Engineer; and the Press.

In the absence of Commission Secretary Watson, Commission President Allwardt appointed Comm. Merkes as Acting Secretary for this meeting.

Item II. No one from the Gallery was heard on any topic of public concern to the Utility.

Item III. Motion made by Comm. Fahrback, seconded by Comm. Merkes, was unanimous on roll call to approve the following:

- A. Minutes of the Regular Meeting of August 26, 2009, and minutes of the Special Meeting of September 14, 2009.
- B. Minutes of the Closed Session of August 26, 2009 (Bargaining Contract Negotiations & Personnel Issues).
- C. Approve and warrant payments summarized by checks dated August 27, and Sept. 3 - 23, 2009, which includes Net Payroll Voucher Checks, Void O & M Check #038373, and Operation and Maintenance Voucher Checks for a total of \$879,376.43, and Operation and Maintenance Vouchers and Rebates to be paid prior to the next Regular Meeting.
- D. Correspondence, as listed.
  - Copy of minutes from May 15, 2009 MEUW Board of Directors meeting
  - Copy of letter dated August 20 to Mayor Don Merkes, from WI DNR Section Chief, Steven Sisbach, re: Referral to Department of Justice
  - Copy of Notice to Bondholders dated August 24, 2009
  - Copy of Material Event Notice dated August 24, 2009
  - Copy of letter dated August 25 to Menasha Utilities, from Diane Bishop, Community Clothes Closet, re: Being Cool for School donation.
  - Copy of Certificate and Authorization Regarding Material Event Notice dated Sept. 1, 2009
  - Copy of Notice to Bondholders dated September 16, 2009
  - Copy of letter received Sept. 16 to Menasha Utilities, from Peter Pfundtner and Carol Sturm, Menasha Joint School District, re: Contribution
  - Copy of Project Share Fund bill insert for October, 2009

Item IV. August Financial and Operations Statement – Manager of Business Operations  
Krause reported consumption was down 9% on the electric income statement compared to the prior year. Again on the water income statement we are under the three year average in sales driven by the economy, and less water consumption by the Steam Plant. The water treatment costs are under budget for the month although the actual chemical portion was \$4,000 more than budget. The steam financial statement reflects less steam purchased than budgeted, and there were no MISO sales again this month. Additional time was charged to Telco than budgeted due to work on rates and the strategic plan.

After discussion, the Commission accepted the August Financial and Operations Statement as presented.

Item V. Claims Against The Utility – Mrs. Krause reviewed the claim filed by Jeremy and Jamie Olszewski, 1238 Darlene Drive, regarding damage to their driveway.

Mayor Merkes requested this item be tabled until the next meeting due to the Olszewskis being out of town and not able to attend this meeting.

The motion by Comm. Merkes, seconded by Comm. Fahrbach, was unanimously approved to table this item until the next regular meeting.

Item VI. There were no Purchase Orders over \$10,000.00 issued since the last Commission meeting.

Item VII. Unfinished Business, Proposed Steam Utility Closing Schedule Essential Items and Costs – Mrs. Krause stated the cost sheet was presented at the Joint Council and Commission meeting held September 14. Manager of Engineering and Operations Sturm added there have not been any revisions since that time.

Mayor Merkes added the City is working to accommodate those numbers within the 2009 and 2010 budgets.

Mr. Sturm reported Project Engineer Grenell is working on a staff timeline schedule for the next Council meeting on October 5.

Item VIII. New Business, Manitowoc Tower Inspection Report – Mr. Grenell gave a verbal update on the inspection. Deterioration of the tower is what was expected, and a formal report will be coming from McMahon Associates.

Mr. Sturm added Phase 2 of this project was the maintenance of the existing tower and now has its need identified. Phase 3 of the study will review a long-range plan that will also determine whether or not it is in the optimum location in the City along with other needs relating to the age of the tower. This will be added to the 2011 or 2012 budget.

Job Title Change – Comm. President Allwardt requested a title change for the Manager of Business Operations and the Manager of Engineering and Operations in order to better reflect their current dual leadership responsibilities.

The motion by Comm. Merkes, seconded by Comm. Fahrbach, was unanimously approved to change the job descriptions and organizational chart to Co-General Manager/Business Operations and Co-General Manager/Engineering and Operations.

ATC Notice of Voluntary Additional Capital Contribution – Mrs. Krause reported on the additional contribution request and the past practice of allowing WPPI Energy to make the contribution on our behalf.

The motion by Comm. Merkes, seconded by Comm. Fahrbach, was unanimously approved on roll call not to participate on the voluntary call and to authorize WPPI Energy to make the contribution if they so choose.

Item IX. Project Reports – there were no project reports for this meeting.

Item X. Staff Reports, Manager of Engineering and Operations/Steam Utility - Mr. Sturm reported the #3 boiler was taken off line on Monday due to an economizer leak, which was an item on the deferred maintenance list. Cost estimates will be obtained to make the minimum repair.

Electric and Water Distribution/Safety Report – Electric and Water Distribution Supervisor Pichler gave an update on the progress of the City’s street lighting project. Mrs. Krause added stimulus funds were released and applications are due by the middle of November. Mr. Pichler stated nine lights have been added on Third Street corridor.

Water Plant – Mr. Grenell reported work is continuing on the soda ash pumps; the system appears to be working well.

Comm. Allwardt asked about the progress of the UV certification. Mr. Grenell stated all the information has been submitted and the DNR is still evaluating the certification process.

Project Engineer – Comm. Fahrbach question the PLCs shutting down at the Water Plant during a power outage and whether there was a battery back-up. Mr. Grenell stated each of the PLCs contains only a small battery UPS system, and a centralized UPS system would be ideal. This is an item that needs further investigation.

Telecommunications & Substations – Technical Services Engineer Teale reported ATC has completed the first round of switching and through the end of October they will be doing more switching and upgrading of their relay panels.

Business Operations – Mrs. Krause added the Department of Workforce Development was brought in to meet with Steam Plant employees to give an overview of their services.

In response to Comm. Fahrbach's question, Mrs. Krause gave an update on a meeting held in August to discuss electrical costs and the PCAC with Whiting Paper.

Customer and Utility Services/Key Accounts – Manager of Customer and Utility Services Rodriguez gave an update on the status of the rental property on Broad Street.

After discussion of potential future needs, the Commission recommended consideration of selling or demolishing the Broad Street property before any further capital expenditures are made.

Item XI. No one from the Gallery to be heard on any items discussed at this Meeting.

Item XII. The motion by Comm. Fahrbach, seconded by Comm. Merkes, was unanimously approved on roll call at 8:35 a.m. to convene into Closed Session pursuant to Section 19.85 (1) (e) of the Wisconsin Statutes for the purpose of deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session, and (c) of the Wisconsin Statutes for the purpose of considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility. RE: Bargaining Contract Negotiations & Personnel Issues

And pursuant to Section 19.85 (1) (g) of the Wisconsin Statutes for the purpose of conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved. Re: Potential Litigation

The motion by Comm. Fahrbach, seconded by Comm. Merkes was unanimously approved to adjourn from Closed Session (Potential Litigation) and to reconvene into Open Session of the Water and Light Commission meeting at 9:39 a.m. There was no discussion on the Closed Session regarding Bargaining Contract Negotiations and Personnel Issues.

There being no further business, the motion by Comm. Fahrbach, seconded by Comm. Allwardt, was unanimously approved to adjourn at 9:40 a.m.

By: MARK L. ALLWARDT  
President

DONALD MERKES  
Acting Secretary

NOTE: THESE MINUTES ARE NOT TO BE CONSIDERED OFFICIAL UNTIL ACTED UPON AT THE NEXT REGULAR MEETING, THEREFORE, ARE SUBJECT TO REVISION.