

SPECIAL MEETING OF THE WATER AND LIGHT COMMISSION

October 28, 2009

Draft

Commission President Allwardt called the Special Meeting of the Water and Light Commission to order at 7:35 A.M., with Commissioners Bob Fahrbach and Joe Guidote present on roll call. Also present were Melanie Krause, Co-General Manager/Business Operations; Dick Sturm, Co-General Manager/Engineering and Operations; Steve Grenell, Project Engineer; Kristin Hubertus, Business Operations Accountant; Lonnie Pichler, Electric and Water Distribution Supervisor; Jerry Sturm, Water Plant Supervisor; and John Teale, Technical Services Engineer.

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

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

Comm. Merkes arrived at 7:36 a.m.

Item III. Claims Against The Utility – Co-General Manager/Business Operations Krause reviewed the claim filed by Jeremy and Jamie Olszewski, 1238 Darlene Drive. This claim was held from the September Commission meeting. After investigation of the incident, the Utility is requesting formal disallowance of this claim because there was no negligence on the part of Menasha Utilities.

Mr. & Mrs. Olszewski discussed the claim and responded to questions from the Commission; they were very pleased with the temporary patch that was done, but expressed concern with the response time. Electric and Water Distribution Supervisor Pichler also reviewed the incident that occurred on the weekend of Labor Day, staff response time, and stated contractors were not available to respond.

There was further discussion regarding appropriate response time, possible breach of duty when not responding in a timely manner, and making sure there is coverage during vacations.

The motion by Comm. Guidote, seconded by Comm. Merkes, was unanimously approved on roll call to settle the claim for a portion of the driveway damage in the amount of \$1,600.00.

Co-General Manager/Engineering and Operations Sturm indicated the PSC guidelines need to be reviewed and a determination made as to the responsibility of response time. It is his opinion that Menasha Utilities response time far exceeds the PSC statute and guidelines. Comm. Guidote recommended obtaining a legal opinion from the City Attorney.

Item VI. New Business, 2010 Budget Review and Approval – Co-General Manager/Business Operations stated the strategic plan was updated based on the Commission meeting in September and on input from staff.

The electric budget makes the assumption of a 2% increase in consumption over 2009, and the PCAC is also projected to increase based on WPPI Energy's purchased power costs.

After review of the capital projects, the Commission requested a fleet list with the age of the vehicle, and hours utilized for the next regular meeting. Mrs. Krause reported on the usage of the administrative van and meter reading vehicle discussed at the October 27 meeting in addition to usage of employee personal vehicles. Because this was a 2009 budgeted item, a purchase order will be included in the November Commission meeting packet for action.

The motion by Comm. Merkes, seconded by Comm. Allwardt, was unanimously approved to move the Phase I electronic storage data system from 2010 to 2011.

The water budget was based on a three year average of consumption and is a 10% reduction in usage from the last rate case. The rate case calculation included 1% for a conservation plan and 2% for a chemical stabilization fund. The chemical stabilization funding also includes the GAC replacement anticipated to happen every five years. When all the information was calculated it is estimated it will result in an 18% water rate increase.

After discussion of the capital projects, the Commission requested information on the buy-out of the Genie Aerial Work Platform for the November meeting and also on quotes for doing the next phase of the water tower study.

The Telecommunications budget includes the addition of a \$20,000 loan to cover the 2009 shortfall. Distances have been corrected for the fiber system and corrections were made for services not previously billed. There were no additional capital items other than a line to the fire station if needed, until the business plan is developed.

The Energy Services budget reflects the Koslo and Jefferson Park lighting. Two of the debts borrowed from the Electric Utility to fund those projects will be completed this year. Lamp replacements will need to be investigated under the ten year replacement schedule.

Comm. Allwardt discussed the impact to the electric budget of adding two operator and two EMT positions versus the use of outside services. Mrs. Krause stated additional justification would be needed for the rate case. The Commission concurred the budget should be revised to add the dollars equivalent to the fourth person, and they would make a decision on whether the position would be filled at a later date.

In the water budget, the Commission approved the 2% Chemical Stabilization Fund contribution, but requested to delay the 1% water conservation program funding until the next rate case.

The motion by Comm. Guidote, seconded by Comm. Fahrbach, was unanimous on roll call to approve the 2010 budget with the amendments discussed.

Comm. President Allwardt thanked staff for providing a viable budget for review; Comm. Vice President Fahrbach also thanked the staff. Co-General Manager/Engineering and Operations

thanked Mrs. Krause and Business Operations Accountant Hubertus for their efforts in meeting the schedule and putting the budget together.

Mayor Merkes requested a contribution toward the services of the City Attorney. After discussion of potential services and time to be utilized, the Commission agreed to contribute \$1,000 per month towards the salary of the City Attorney with the issue being reviewed after the first quarter of 2010. This contribution will be taken from the current amount included in outside legal services.

The motion by Comm. Fahrbach, seconded by Comm. Guidote, was unanimous on roll call to amend the previous motion for approving the 2010 budget to include the services of the City Attorney.

Item V. No one from the Gallery was heard on any items discussed at this Meeting

Item VI. The motion by Comm. Merkes, seconded by Comm. Guidote, was unanimously approved on roll call to adjourn at 11:15 a.m.

By: JOSEPH P GUIDOTE
Acting Secretary

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