

SPECIAL MEETING OF THE WATER AND LIGHT COMMISSION

June 9, 2009

Draft

Commission President Allwardt called the Regular Meeting of the Water and Light Commission to order at 11:05 A.M., with Commissioners Bob Fahrbach, Don Merkes, and Carla Watson present on roll call. Also present were Carl Verhagen, Interim General Manager; Melanie Krause, Manager of Business Operations; Steve Grenell, Project Engineer; Dick Sturm, Manager of Steam Production; Jerry Sturm, Water Plant Supervisor; and the Press.

Item II. People from the Gallery to be heard on any topic of public concern to the Utility:

Mary Nebel, 713 First Street, spoke regarding customer overcharges, accountability of the Commission, the proposed organizational chart, the proposed severance packages, and claims against the Utility.

Mary Ann Mulvey, 274 Misty Meadows Lane, asked about the accountability of the Steam Plant project contracts and who signed them.

Comm. President Allwardt stated the Commission voted on proceeding with the Steam Plant project. Interim General Manager Verhagen added the Commission authorized the General Manager to sign steam contracts.

Item III. Claims Against The Utility – Manager of Business Operations Krause reported the Utility was served by the Sierra Club and DeWitt Ross & Stevens, SC, is working with the attorneys for the Sierra Club on negotiations. This will be included in the correspondence for the next Commission meeting.

Item IV. Unfinished Business, Personnel and Employee Transition Plan – Mrs. Krause stated the personnel plan was included in the packet, and the revised organizational chart had been approved at the May Commission meeting. The revised job descriptions for Manager of Engineering and Operations, Manager of Business Operations, and Project Engineer were also included in the packet, and the role of General Manager has been incorporated into the first two manager descriptions. Responsibilities for the Steam Plant were not included in the descriptions although there is a large role each person would play along that path.

After discussion about the job descriptions, the shared responsibilities, and accountabilities, Comm. Fahrbach suggested reviewing each position after a 3 month and a 6 month period of time.

Comm. Merkes stated the Commission needed to take a greater role in the strategic planning and operations of the Utility. He felt having a team management structure provides more transparency to the Commission, and provides more accountability to the Commission. The Commission needs to take on more control of the Utility and have a better understanding of the impacts of operations. It is his opinion that the transition plan will be very positive, and once the final organization is put together, a different route may be decided.

Comm. Allwardt asked to have the general responsibilities in the first paragraph of the two manager job descriptions worded similar, other than the departments reporting to it. He also suggested goals and objectives should be added to the responsibilities.

Comm. Fahrbach mentioned succession planning and long-term growth career development should also be reviewed and discussed. Mrs. Krause stated short-term and long-term succession planning was discussed as part of the last strategic planning session, and it needs to be reviewed again in all departments of the Utility.

After a discussion regarding salary surveys and comparisons, Mayor Merkes volunteered to work with staff to develop salary structures and personnel recommendations for the next Commission meeting. Comm. Allwardt requested the updated job descriptions also be included for the next meeting.

On the proposed transition plan, Comm. Allwardt asked about the bumping rights and how that would affect Customer Service. There was also a discussion regarding the two operators and one EMT that would be relocated to the Electric Distribution Department.

A discussion ensued regarding the decommission team and associated costs. Manager of Steam Production Dick Sturm reported the plan selected would be a dry lay-up stand-by status that best preserves the value of the plant for future use. Comm. Allwardt requested a timeline and schedule for the next Commission meeting.

Comm. Allwardt stated anything that is done regarding a severance or early retirement package is a concern because it would have to come from the Steam Utility and the burden could potentially fall back onto the City.

Comm. Fahrbach questioned whether there was any recommendation on a severance package and the associated costs. Mrs. Krause replied there have been discussions, but nothing has been formally assembled. A call has been placed to the Dept of Workforce Development office locally to discuss the services they might be able to provide.

Mayor Merkes expressed concern about being able to find funding at the City level for any type of severance package when they are already faced with shared revenue cuts, levy limits, increased insurance costs, and other budget constraints. He also felt they would be willing to entertain severance options but those options would also have to identify a source of funding.

Comm. Allwardt said no decisions were made at this meeting, but salary and personnel for the Manager of Business Operations and Manager of Engineering and Operations positions will be discussed at the next meeting in addition to the timing for closing the Steam Utility.

A discussion ensued regarding the method of layoffs; Mr. Sturm stated seniority is the method described by the union contract.

Item V. People from the Gallery to be heard on any items discussed at this Meeting:

Mary Nebel, 713 First Street, commented on the discussion regarding setting goals and felt they should be set by staff and not the unpaid, volunteer members of the Commission. She also commented on the labor costs associated with decommissioning the plant, and unemployment compensation benefits.

Chris Morrison, President, Local 1269, spoke on unemployment compensation, severance packages, and the personal/financial aspects of potential layoffs. He also stated there is no funding for displaced workers through the union.

Joanne Roush, 409 Cleveland Street, commented on the transition plan, the 2006 business plan, the team management plan, and the cost impact. She questioned where the money is coming from and whether anything is being done to aggressively sell off the assets. Ms. Roush also felt there should not be any negotiations with bondholders, the taxpayers and workers need to be taken care of first along with the ability of the City to function. Finally, she questioned when the Steam Plant will actually be shut down.

Mary Ann Mulvey, 274 Misty Meadows Lane, questioned why there was not a contingency plan as part of the original Steam Plant project. She added everyone needs to work together to get Menasha back to where it needs to be.

Item VI. The motion by Comm. Watson, seconded by Comm. Fahrback, was unanimously approved on roll call at 12:30 p.m. to convene into Closed Session 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, and (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. RE: Steam Customer Contracts and Potential Litigation

By: CARLA R. WATSON
Secretary

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