

REGULAR MEETING OF THE WATER AND LIGHT COMMISSION
May 26, 2010

Draft

Commission President Allwardt called the Regular Meeting of the Water and Light Commission to order at 7:30 A.M., with Commissioners Bob Fahrbach, Joe Guidote, Don Merkes, and Carla Watson 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; Dave Rodriguez, Customer and Utility Services Manager; Jerry Sturm, Water Plant Supervisor; and John Teale, Technical Services Engineer.

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

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

- A. Minutes of the Regular Meeting of April 28, 2010.
- B. Approve and warrant payments summarized by checks dated May 6 - 26, 2010, which includes Net Payroll Voucher Checks, and Operation and Maintenance Voucher Checks for a total of \$501,345.22, and Operation and Maintenance Vouchers and Rebates to be paid prior to the next Regular Meeting. Motion approved unanimously on roll call.
- C. Correspondence, as listed.
 - Copy of minutes from December 11, 2009, WPPI Energy Board of Directors meeting
 - Copy of January – February, March – April, and May-June 2010 PSC Water Currents Newsletter
 - Copy of letter dated April 19, 2010 to Co-General Manager Krause from Robert Garvin, ATC Vice President, General Counsel and Corporate Secretary, re: Notice of Proposed Transfer of Member Units
 - Copy of proposed minutes from April 22, 2010, WPPI Energy Executive Committee meeting
 - Copy of memorandum dated April 29 to Kristin Hubertus, from David Benforado, MEUW Executive Director, re: MEUW Management Certification Program Completion
 - Copy of April 29 PSC Notice of Telephonic Hearing to be held on June 2
 - Copy of memorandum dated April 30 to WPPI Energy Directors, Alternates, Representatives and Managers, from Roy Thilly, re: Developments
 - Copy of notice dated April 30 to Co-General Manager Dick Sturm, from Karen Morgan, Dept. of Workforce Development, re: Chris Morrison – Completion of Apprenticeship
 - Copy of letter dated May 12 to Co-General Manager Sturm from Larry Landsness, WI DNR, re: Sedimentation Basin Scraper Engineering Report Review, Project No. W-2010-0220
 - Copy of letter dated May 12 to Co-General Manager Sturm from Larry Landsness, WI DNR, re: Sedimentation Basin Scraper Engineering Report Review, Project No. W-2010-0233
 - Copy of note dated May 12 to Menasha Utilities from Menasha High School Post Prom Committee, re: Thank You
 - Copy of letter dated May 13 to Menasha Utilities from Christopher Schell, Anchor Bank, re: FDIC Insurance Increased Coverage
 - Copy of memorandum dated May 17 to WPPI Energy Member Managers, Directors and

Alternates, from Tim Ament, re: Member Power Bills

Comm. President Allwardt congratulated Kristin Hubertus on the completion of the MEUW Management Certification Program, and Chris Morrison on the completion of his apprenticeship.

Comm. Allwardt questioned whether the sedimentation basin scraper project was included in the budget. Water Plant Supervisor Jerry Sturm commented there was money included for working on the scrapers and they would like to start the project this fall.

Co-General Manager/Engineering and Operations Dick Sturm added these projects are contingent upon accessing funds through the Safe Drinking Water Fund Loan program. There is also an internal meeting next week to address the DNR perceived commitment by the Utilities for a deep water intake. Certification has not been received on Phase 1 and the DNR is looking for a completion date on Phase 2. Co-General Manager/Business Operations Krause added the last project report stated we would evaluate Phase 2 and 3 after Phase 1 was completed, it did not say we were committing to Phase 2 and 3.

Item IV. April Financial and Operations Report – there were no additional questions to the report presented and the Commission indicated the summary memorandum is very beneficial.

After discussion, the Commission accepted the April Financial and Operations Report as presented.

Item V. Claims Against The Utility – there were no claims discussed at this meeting.

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

Item VII. Unfinished Business, Taxroll/Landlord Ad Hoc Committee – Manager of Customer and Utility Services Rodriguez reported letters were sent to committee applicants. An informational packet was being sent to members of the committee in addition to requesting available meeting dates for June.

Update on Menasha Utilities Email System – Technical Services Engineer Teale reviewed the information discussed at previous meetings which included a summary of costs and pay-back for the options. We are currently purchasing additional tapes for back-up purposes and will review the options during the budget process.

After discussion of the options, Mayor Merkes commented the strategic plan for IT included an item to develop cooperative IT services, and this is an item that should be done before budget time this year so an informed decision can be made on which method is the most cost effective for the ratepayers and the City; as a Commission we have a responsibility to do that.

Comm. Merkes made the motion to direct the MU IT staff and the City IT staff, and others as appropriate, to provide a report to both the Commission and the City on the feasibility of a joint

IT Department by August 15. That way information would be available in time for budget to determine what the best method is to move forward on both IT and server issues.

Comm. Guidote seconded the motion.

Mr. Dick Sturm commented on the email archiver stating it has been on the agenda for quite some time. A lot of time and energy has been put into this issue attempting to put it into dollars and cents issue and a dollars and cents decision. Each time this issue is discussed and we try to make the best decision moving forward for the Utility on the issues that were raised, there have been a lot of politics attached. Today this is an attempt to hang a larger issue on a very small piece of office equipment that has been subject to political pressures on how we were handling email and how we were meeting open records requirements. With this motion on the floor, the Commission is requested to make the decision on the archiver and again at another time, when it is on the agenda, discuss the issue of combining departments. This has been a trying issue for all involved and to come up with a combined departmental proposal by August 15, in addition to everything else on the schedule that needs to be settled before the end of summer, is an impossible task to do a thorough job.

Comm. Allwardt echoed some of Mr. Sturm's comments, understanding a lot of it is political. He is concerned about the timing as well, and questioned whether it could be done by August 15.

Project Engineer Grenell agreed the issue should be fairly and honestly evaluated for all parties, and stated the definition of what is included as part of the IT Department needs to be defined.

Mayor Merkes added the best solution needs to be found for everyone, and the best solution may be exactly what we are currently doing which is why the evaluation needs to be done. Spending even a small amount of money isn't practical if next year the decision is made to go a different direction and equipment is not needed. We have a responsibility to make sure we are not buying equipment that will be obsolete in six months because of a change in direction.

Comm. Allwardt said the topic of combining two departments is not on the agenda, and as such is not for discussion.

Comm. Guidote withdrew his second to the motion, and requested the issue be added to the next agenda.

The motion by Comm. Guidote, seconded by Comm. Merkes, was unanimously approved to proceed with the purchase of tape back-ups as an interim solution pending something more permanent such as a study between the Utilities and City is completed.

Update on Telecommunications – Mr. Teale gave an update on a meeting held with members of the FoxNet group to discuss future visions. A follow-up meeting will be held within a month.

Update on Winz Park – Mr. Jerry Sturm reported we are moving forward with having an engineering firm review the documentation for repairs to ensure they will be permanent repairs rather than temporary.

Mayor Merkes requested Mr. Jerry Sturm discuss the future uses of the park and potential coordination of repairs with the Park Superintendent.

In response to Comm. Fahrback's questions about the timing of repairs, Mr. Jerry Sturm stated there is not urgency due to it being more of an esthetics problem and not a structural one. Mr. Dick Sturm added time and repairs will be contingent upon funds becoming available and the priority of all Water Plant projects.

Update on Water Rate Case – Mrs. Krause reviewed the simplified version of the cost of service study included with the packet, and this information will be presented by the PSC at the telephonic June 2 public hearing. There are no formal rate interveners in this rate case, and it is expected the rate order will be prepared after the hearing determining the effective date.

Item VIII. New Business, MEUW 2010 Annual Conference – Mr. Dick Sturm reviewed the schedule for the June 9 – 11 conference; registration deadline is June 2.

Item IX. Project Reports, UV Certification – Mr. Jerry Sturm reported staff is working with vendors to make programming changes, and the unit is performing very well.

WPPI Energy Transaction and Referendum – Mrs. Krause stated there are less than 20 easements left to finalize, and the railroad crossing.

Item X. Staff Reports, Co-General Manager/Engineering and Operations – Mr. Dick Sturm noted Menasha Utilities has received the RP₃ recognition award. He also offered congratulations to Kristin Hubertus on the completion of the MEUW Management Certification Program, and Chris Morrison on the completion of his apprenticeship.

Electric and Water Distribution/Safety Report – Electric and Water Distribution Supervisor Pichler added bids will be included on next month's agenda for a bucket truck. He also gave an update on an eye injury that was not an OSHA reportable injury.

Water Plant – Mr. Jerry Sturm stated the Lake Winnebago water temperature is currently warmer than the five year average, and turbidity is still low.

Project Engineer, Telecommunications & Substations, and Co-General Manager/Business Operations – there were no additional questions to the reports presented.

Customer and Utility Services – Mr. Rodriguez reported he is obtaining quotes on updating the fire alarm system which is not a budgeted item for this year. He will also have quotes for upgrading the chiller at the next meeting.

Energy Services Representative/Key Accounts – there were no additional questions to the report presented.

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

Item XII. The motion by Comm. Watson, seconded by Comm. Fahrbach, was unanimously approved on roll call at 8:40 a.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. RE: Litigation

B. And pursuant to Section 19.85 (1) (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: Personnel Issues

By: MARK L. ALLWARDT
President

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.