

REGULAR MEETING OF THE WATER AND LIGHT COMMISSION

August 24, 2011

Draft

Commission President Allwardt called the Regular Meeting of the Water and Light Commission to order at 5:05 P.M., with Commissioners Bob Fahrbach, Joe Guidote, and Joanne Roush present on roll call. Also present were 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.

Those absent were: Melanie Krause, Co-General Manager/Business Operations

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

Corey Gordon, 809 Sixth Street, Dan Zelinski, 647 Paris Street, Travis McDonald, 1249 Deerfield, and John Quella, 1365 Lakeview Lane, all spoke regarding the Act 10 impact.

Kurt Lingnowski, 870 First Street, spoke regarding the claim which will be discussed later in the meeting.

Comm. Merkes arrived at 5:10 pm, and Mike King from the Post Crescent arrived at 5:15 pm.

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

- A. Minutes of the Regular Meeting of July 27, 2011.
- B. Approve and warrant payments summarized by checks dated August 4 - 24, 2011, which includes Net Payroll Voucher Checks, and Operation and Maintenance Voucher Checks for a total of \$669,470.81, 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 letter dated July 22, 2011, to Melanie Krause, Menasha Utilities, from Mike DeMoss & Ken Horner, CVMIC, re: 2011 Liability Dividend Report

Copy of letter dated July 25, 2011, to Richard Sturm, Menasha Utilities, from Larry Landsness, WI DNR, re: Plan and Specification Approval Tank Demo, High Lift Modifications and Water Main

Copy of letter dated July 26, 2011, to Melanie Krause, Menasha Utilities, from State Senator Michael Ellis, re: Resolution Regarding Assembly Bill 182

Copy of letter dated August 1, 2011, to Melanie Krause, Menasha Utilities, from State Representative Dean Kaufert, re: Resolution Regarding Assembly Bill 182

Copy of letter dated August 4, 2011, to Melanie Krause, Menasha Utilities, from Governor Scott Walker, re: Resolution Regarding Assembly Bill 182

Item IV. July Financial and Operations Statement – Business Operations Accountant Hubertus reported the consumption of electricity decreased by less than 1% overall compared to budget. Revenue is down for the month mainly in industrial sales because the cost of power was budgeted at \$69.76/MWh and the actual cost was \$63.38/MWh.

There are continued revenue shortfalls in water, and the overall usage for all customers was down 15% compared to budget. Water losses are in line with previous years.

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

Item V. Claims Against The Utility – After discussion, the motion by Comm. Guidote seconded by Comm. Roush was unanimous to issue a formal notice of disallowance for the claim of Kurt Lingnowski, 870 First Street, because there was no negligence on the part of Menasha Utilities, and that he be advised of his statutory rights pursuant to Wis. Stats. 893.80.

Item VI. Purchase Orders over \$10,000.00 issued since the last Commission meeting were presented for informational purposes; both were budgeted items.

Item VII. Unfinished Business, Impact of Act 10 – Comm. President Allwardt stated the analysis included in the packet again this month showed different impacts on both the employer and the employees, and proposals that would keep the employer and employees whole. The memorandum also included a survey of MEUW municipalities on how Act 10 is being implemented as it relates to wage and benefit packages for non-represented employees.

After further discussion, the motion was made by Comm. Merkes to take no action to mitigate the impact of Act 10; Comm. Roush seconded the motion. The motion passed 3 – 2 with Commissioners Guidote, Merkes and Roush voting yes; Commissioners Allwardt and Fahrback voted no.

Staff was urged to bring individual disparity, competitive, compression issues to the September 7 or 14 special meeting for budget preparation purposes.

Comm. Fahrback indicated he would not be available for the September 7 meeting.

Item VIII. New Business, CVMIC Liability Renewal Package – Mrs. Hubertus reviewed the information included in the packet. The City did also renew with CVMIC, and staff's recommendation is to stay with the higher deductible as there have been no claims since 1990.

The motion by Comm. Fahrback, seconded by Comm. Merkes, was unanimous to approve the two year liability renewal package as outlined in Option 2.

Mike King, Post Crescent, departed at approximately 6:20 pm.

McMahon Engineering Agreements, High Lift Pump Station Modifications & Abandonment of Manitowoc Street Elevated Tank and New Transmission Main connecting Broad Street Main to Washington Street Bridge Main in vicinity of Tayco Street – Jennifer Schaff and Amy Vaclavik reviewed the agreements and timing of the various projects. All of the projects would be eligible for Safe Drinking Water funding except for Paris Street, and will be cause for a rate increase. Co-General Manager Dick Sturm added the rate increase application process has been started.

After discussion, the motion by Comm. Fahrback, seconded by Comm. Guidote was unanimous on roll call to approve both the agreements for professional services with McMahon Engineers/ Architects.

Ms. Schaff and Ms. Vaclavik departed.

WPPI Annual Meeting – Mr. Dick Sturm added Individual Achievement Awards will be presented to Melanie Krause and Lonnie Pichler at the September 15 Annual Meeting; the deadline to RSVP is September 1.

Item IX. Project Reports, Bondholder Settlement and WPPI Energy Transaction and Telecommunications Update – there was nothing new to report on either item.

Water Projects – Mrs. Hubertus stated the water budget, including proposed rate increase, will be discussed at the regular September meeting in order to meet Safe Drinking Water deadlines.

Item X. Staff Reports, Co-General Manager/Engineering and Operations, Project Engineer – there were no additional questions to the reports presented.

Electric and Water Distribution/Safety Report – Electric and Water Distribution Supervisor Pichler reported on a possible induction lighting project grant for the City.

Telecommunications & Substations– there were no additional questions to the report presented.

Water Plant – Water Plant Supervisor Jerry Sturm stated Lake Winnebago water quality has been good this year and this is helping with the cost of chemicals.

Co-General Manager/Business Operations, Customer and Utility Services, and Energy Services Representative/Key Accounts – there were no additional questions to the reports presented.

Item XI. People from the Gallery to be heard on any items discussed at this Meeting. (five minute time limit for each person)

Tim Jacobson, 732 Paris Street, also commented on the impact of Act 10, and the Water Plant expansion.

Item XII. The motion by Comm. Guidote, seconded by Comm. Roush, was unanimously approved on roll call to adjourn at 7:00 p.m.

By: MARK L. ALLWARDT
President

JOSEPH P. GUIDOTE
Secretary

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