

REGULAR MEETING OF THE WATER AND LIGHT COMMISSION

December 15, 2010

**Draft**

Commission President Allwardt called the Regular Meeting of the Water and Light Commission to order at 7:35 A.M., with Commissioners Bob Fahrbach, Joe Guidote, Don Merkes, and Joanne Roush 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; John Teale, Technical Services Engineer; 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 the transition of email systems, generating revenue, cutting costs, and potential future updates to the water system.

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

- A. Minutes of the Regular Meeting of November 17, 2010.
- B. Approve and warrant payments summarized by checks dated Nov. 18 – Dec. 15, 2010, which includes Net Payroll Voucher Checks, Void O & M Checks #040692, 040830, and 040763, and Operation and Maintenance Voucher Checks for a total of \$664,606.76, 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 Proposed Minutes from Sept. 17 & Oct. 14-15 WPPI Energy Board of Directors Meetings and Oct. 22 & Nov. 4 Executive Committee Meetings
  - Copy of memorandum to WPPI Energy Directors, Alternates, Representatives and Managers dated Nov. 12, from Roy Thilly, re: Developments
  - Copy of memorandum to WPPI Energy Member Managers dated Dec. 1, from Tammy Freeman, re: Typical Bill Comparison Summary
  - Copy of letter to Menasha Utilities dated Dec. 6 from Daniel Kiefer, Food Pantry Coordinator, Evangel Worship Center, re: Thank You

Item IV. November Financial and Operations Statement – Cable testing, the PCAC, and operating expenses being under budget were discussed. Comm. Merkes requested the memorandum provided to the Commission be added to the web site meeting documents.

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

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

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

Discussion was held regarding the annual purchase orders for 2011 chemicals at the Water Plant and the amounts being over budgeted amounts. Water Plant Supervisor Jerry Sturm stated a five year maximum average was used for the purchase orders in order to cover a worst case scenario, and the budget was prepared on normal usage.

Comm. Roush expressed concern with these items being at odds with the 2011 budget amounts.

Co-General Manager/Engineering & Operations Dick Sturm added the rate case has a chemical stabilization fund built into it and allows monies to be banked for use of additional chemical purchases in an abnormal year. The fund is currently very small because we are only several months into the new rates, and it is also for the GAC replacement as well.

Comm. Fahrback recommended the purchase orders be issued for the budgeted amounts with an option to purchase additional quantities at the price quoted if needed.

After discussion, the Commission requested the purchase orders be issued for the budgeted amount with an option to purchase additional quantities at the quoted price.

Item VII. Unfinished Business – there was no unfinished business discussed at this meeting.

Item VIII. New Business, APPA Legislative Rally – Co-General Manager/Business Operations Krause added WPPI Energy Executive Committee extended the grant to a designee if the Mayor was not able to participate. The deadline for the travel grant application is January 10.

Comm. Roush expressed interest in attending if Mayor Merkes is not able to attend.

Deep Water Intake – Mr. Dick Sturm reviewed the brief history provided in the meeting packet and meetings held recently with the DNR and with McMahon Associates to start preliminary discussions on next steps. Pros and cons of both a deep water intake and the deficiencies of the current intake system were also discussed. Water quality and security are the main issues with the current system. These types of improvements are major capital items and will affect water rates and the water utility for a long time.

City Attorney Pamela Captain arrived at 8:20 am, and Project Engineer Grenell departed at 8:45 am

The results of the DNR Sanitary Survey need to be received and an appropriate response prepared requesting to schedule a meeting to discuss the next steps. The survey will be communicated to the Commission when it is received. Copies of the Capital Improvement Plan for the Water Treatment Facilities, October 2003, revised February 2004 and Preliminary Engineering & Process Design Report for the Water Treatment Facilities, September 2004, revised November 2005 will also be provided to the Commission.

An update on this item was requested for the January Commission meeting.

2011 Commission Meeting Calendar – after discussion, it was decided to add strategic planning meetings for September 7 and 14, thus eliminating the September 21 meeting. The October 19 regular meeting will include the water budget, and the remainder of the budget to be discussed at the October 26 meeting.

Comm. Roush requested the October 26 meeting be held in the evening so more members of the public could attend. Comm. Merkes requested to change the start time of the 2011 Commission meetings to 5 pm in order to better serve the public; the Commission concurred with the change.

Tentative Bargaining Agreements – Mrs. Krause reported the contracts have not been ratified.

Item IX. Project Reports, UV Certification – Mr. Jerry Sturm stated a tracer study needs to be completed on the CT basin and this will be done next week.

WPPI Energy Transaction – there was nothing new to report.

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

Electric and Water Distribution/Safety Report – Electric and Water Distribution Supervisor Pichler added staff is working on the Subway project on Midway Road. There was only one outage related to the winter storm this past weekend, and tree trimming will begin shortly.

Water Plant – Mr. Jerry Sturm reported the hypochlorite storage tank replacement is on schedule.

Project Engineer – there were no questions to the report presented.

Telecommunications & Substations– Technical Services Engineer Teale stated the fire station project should take place in February.

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

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

Mary Nebel, 713 First Street – commented on budgeting for capital projects, and projecting trust and reassurance to the community.

Comm. President Allwardt stated the Non-Represented Salary and Benefits will be discussed in open session at a future meeting.

Item XII. The motion by Comm. Fahrbach, seconded by Comm. Guidote, was unanimously approved on roll call at 9:10 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) (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: Bargaining

There being no further discussion, the motion by Comm. Merkes, seconded by Comm. Roush, was unanimously approved to adjourn from Closed Session and to reconvene into Open Session of the Water and Light Commission.

The Commission requested a special meeting be scheduled for Wednesday, December 22, at 7:30 am to address the tentative bargaining agreements and the non-represented salaries and benefits.

There being no further business, the motion by Comm. Merkes, seconded by Comm. Fahrback, was unanimously approved to adjourn at 10:30 a.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.