

REGULAR MEETING OF THE WATER AND LIGHT COMMISSION

August 22, 2012

**Draft**

Commission President Allwardt called the Regular Meeting of the Water and Light Commission to order at 8:00 A.M., with Commissioners 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; Tim Gosz, Water Plant Supervisor; Kristin Hubertus, Business Operations Accountant; Paula Maurer, Customer Services Manager; Lonnie Pichler, Electric and Water Distribution Supervisor; and the Press. Don Voogt, McMahan Associates was also present.

Those absent were: Commissioner Dan Zelinski 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. Roush, seconded by Comm. Guidote, was unanimous on roll call to approve the following:

- A. Minutes of the Regular Meeting of July 25, 2012.
- B. Approve and warrant payments summarized by checks dated August 2 - 22, 2012, which includes Net Payroll Voucher Checks and Operation and Maintenance Voucher Checks for a total of \$854,622.73, 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 memorandum dated July 19 to WPPI Energy Member Utility Managers, from Mike Peters, re: 2013 Cost Projection
  - Copy of memorandum dated July 20 to Menasha Utilities, from Cities & Villages Mutual Insurance Company, re: 2012 Liability Dividend Report
  - Copy of SDWLP SFY 2013 Draft Funding List dated July 26
  - Copy of minutes from August 2 Wellness Committee Meeting
  - Copy of memorandum dated August 8 to WPPI Benefit Plan Trust Board/ Participant Municipals/Utility Leaders, from Jim Stawicki, re: Trust Update

Item IV. July Financial and Project Status Reports – Business Accountant Hubertus reported the consumption of electricity increased by 4.31% overall compared to budget, with the residential class alone showing a 22.46% increase. The month of July shows the highest demand reached in the past several years.

Water consumption increased 51% compared to budget primarily due to a large industrial customer using more water, and overall consumption has not been this high since 2008. Water treatment expense chemicals are higher than budget due to higher production because of demand and source water quality.

Under the Telecommunications Utility it was noted the dark fiber customer will be going away by the end of the year.

After discussion, the Commission accepted the July Financial and Project Status Reports 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. Co-General Manager/Business Operations Krause distributed a revised purchase order list to include P.O. #7391 to Northeast Asphalt in the amount of \$15,060 for blacktop at the Water Plant. This item was included in the 2012 budget.

Item VII. Unfinished Business, Amendment #1 (Revised) to McMahon Agreement for Professional Services – Co-General Manager/Engineering & Operations stated this item was discussed at the last meeting and the revised amendment shows a price reduction of \$2,600.

The motion by Comm. Roush, seconded by Comm. Guidote, was unanimous on roll call to approve Amendment #1 to the Agreement for Professional Services which increases the lump sum fee for construction services to \$19,500.

City Ordinance Regarding Fluoride Treatment of Water – Water Plant Supervisor Gosz reported the City of Menasha Health Department position coincides with the Wisconsin Department of Health Services on fluoridation of community water.

Update on Water Plant Plan/Intake – Mr. Sturm indicated the Alvord, Burdick & Howson reports from 1999 and 2001 were included in the packet. A meeting was held with Donahue & Associates to discuss past studies, potential future studies, and preliminary pricing. The path forward would be to issue RFQs to a number of firms who we feel qualified to do that work. The RFQ will hopefully be written this month to get the process under way.

Also included in the packet was a draft of the Sanitary Survey response as it was sent to the City Attorney. Once official approval is received from the City Attorney, it will be mailed to the DNR.

Mr. Gosz added some equipment has been purchased to do some of our own testing in-house on some of the parameters in determining the quality of the water.

Item VIII. New Business, Business Plan for Telecommunication Utility – Mrs. Krause noted the plan summarized the history, customer structure, regulatory structure, current financials and future strategies. The focus would be to further evaluate and explore the strategies identified and to make adjustments to maintain a breakeven point.

This Business Plan will be discussed in more detail during the strategic management meeting next month.

Weir Motor Project at Head House – Mr. Gosz reported the Commission had requested this project be brought back with further details and justification. Automation will give plant personnel advantages over the existing mode of operation and gives the operator better control

over the potassium permanganate feed which will improve efficiency and water quality. The motor project was budgeted for 2012, and there is a reasonable payback. The Commission concurred with proceeding with this project.

Item IX. Project Reports, Telecommunications Update and Water Plant Projects – there were no updates to these projects.

Water Distribution Projects – Electric and Water Distribution Supervisor Pichler added the water main projects are going well, and crews are working on the canal crossing today.

Metering Practices and Plan – Mr. Sturm added plans are being made to start visits to our 13.8 kV customers and continue to make visits to the 34.5 kV customers when access is available. When a meeting is scheduled with the internal Best Practices group, a decision will be made on which consultant to use for our field visits and how far to continue those.

Customer Services Manager Maurer gave an update on the WPPI meeting held August 15. A draft plan is being written, and a final meeting will be scheduled for some time in October. There are many comments that will be included in the final plan that can be utilized in Menasha and other communities.

Item X. Staff Reports, Co-General Manager/Engineering and Operations – Mr. Sturm reported there is a meeting later today with a potentially interested party in the Steam Plant.

Project Engineer – Project Engineer Grenell gave an update on the Northside Substation breaker leak. This has been a continuing maintenance issue and it will be reviewed during budget.

Electric and Water Distribution/Safety Report – Mr. Pichler added there is an outage today at Menasha High School for a service upgrade. Trenching will begin tomorrow at Ponds of Menasha for the Cypress Homes Project, and the Lake Road West overhead to underground project has been completed.

Telecommunications & Substations and Water Plant – there were no additional questions to the reports presented.

Co-General Manager/Business Operations – Mrs. Krause reported on an employee appreciation lunch held in July, and ThedaCare EAP Civility in the Workplace training held the beginning of August. Both of these events were very well received from employees, and good feedback from the training was received. The Wellness Luncheons have also been very popular.

Customer Services – Comm. Roush thanked Mrs. Maurer for participation in the Farm Market and for creating a positive experience in the community.

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. Roush, seconded by Comm. Guidote, was unanimously approved on roll call to adjourn at 9:30 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.