

REGULAR MEETING OF THE WATER AND LIGHT COMMISSION

October 23, 2013

Draft

Commission President Allwardt called the Regular Meeting of the Water and Light Commission to order at 8:00 A.M., with Commissioners Roy Kordus, Joanne Roush, and Dan Zelinski present on roll call. Also present were Melanie Krause, General Manager; 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; John Teale, Technical Services Engineer; and Don Voogt of McMahon Associates

Commissioner Merkes arrived at 8:03 a.m.

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

Mary Scoon, Local 1269 Union Representative, spoke regarding Act 10 updates and having union employees work collaboratively with management during the work rule updates.

Item III. Consent Items – Comm. Roush requested the wording of Regular Meeting changed to Special Meeting for the minutes of September 4, 2013 and the wording of Regular Meeting changed to Special Meeting for the minutes of September 11, 2013. Motion made by Comm. Kordus, seconded by Comm. Merkes, was unanimous on roll call to approve the following with the above corrections:

- A. Approval of the Proposed Minutes of the Special Meeting of October 11, 2013
- B. Approval of the Proposed Minutes of the Regular Meeting of September 25, 2013
- C. Approval of the Proposed Minutes of the Special Meeting of September 11, 2013
- D. Approval of the Proposed Minutes of the Special Meeting of September 4, 2013
- E. Approval of the Proposed Minutes of the Closed Session Meetings of July 31, 2013, August 21, 2013, August 28, 2013, September 14, 2013, September 23, 2013, & September 25, 2013.
- F. Approve and warrant payments summarized by checks dated October 10- 23, 2013, which includes Net Payroll Voucher Checks, Void O & M Check #500077, and Operation and Maintenance Voucher Checks for a total of \$796,290.00, and Operation and Maintenance Vouchers and Rebates to be paid prior to the next Regular Meeting. Motion approved unanimously on roll call
- G. Correspondence as listed:
 - Copy of an invitation to the MEUW District Dinner Meeting being held in Two Rivers on Tuesday, November 12 for district #4.
 - Copy of letter from the Wisconsin DNR dated September 25 Re: Safe Drinking Water Loan Program, project No. 4845-05
 - Copy of the 2013 Wisconsin Water Fact Sheet prepared by the Public Service Commission of Wisconsin

Comm. Roush requested a benchmark to the Wisconsin Water Fact Sheet prepared by the PSC of Wisconsin.

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

Item V. Purchase Orders over \$10,000 issued since the last Commission meeting were presented for informational purposes

Item VI. Unfinished Business, Electric Rate Case – General Manager Krause stated the rate order was received from the PSC. The overall increase was 1.88% with residential coming in at 4.43%. The effective date will be November 1, 2013.

We Energies Acquisition – Electric and Water Distribution Supervisor Pichler gave an update on two loops being created off of Highway 114 which will cost approximately \$20,000. Two customers of WE Energies are along this loop and could be served by Menasha Utilities if acquired.

Motion by Comm. Allwardt, seconded by Comm. Kordus was unanimous on roll call to approve acquiring two customers from WE Energies that are along the two loops being created off of Highway 114.

With the presence of Don Voogt from McMahon Associates New Business Items B & D were advanced for discussion.

Item VII. New Business, Water Reservoir Observation Report – Mr. Voogt, of McMahon Associates reported the inside of the reservoir appears to be in good condition with no weathering and should continue to serve the Utilities for decades. Water Plant Supervisor Gosz added the exterior portion of the reservoir is in need of maintenance and currently the City of Menasha and Menasha Utilities are working on resolving which entity should maintain the surface.

Change Order, De Groot, Inc. – The change order is requested to add facilities across the street from the High Lift Pumping Station that will allow effective flushing and sampling on the new main without engaging other portions of the existing distribution system. The change order includes a new water hydrant and the necessary fittings and valves.

After discussion a motion made by Comm. Zelinski, seconded by Comm. Roush, was unanimous on roll call to approve the Change order to De Groot, Inc. for the HLPS Piping Modification project for a total increase of \$11,490.

Don Voogt departed at 8:35 am.

RP3 Certification – Technical Services Engineer Teale presented the application process for the Reliable Public Power Provider (RP3) program. Levels are obtained using criteria within four RP3 areas that are based upon sound business practices and recognized industry best practices.

Sanitary Survey – A draft of the response to the Wisconsin Department of Natural Resources regarding the deficiencies identified in the Sanitary Survey dated June 17, 2013 was included in the packet.

WPPI Board of Directors – A motion by Comm. Roush, seconded by Comm. Kordus, was unanimous to recommend Melanie Krause as the WPPI Director and Commission President Mark Allwardt as the WPPI Alternate on the Board of Directors for WPPI Energy.

Item VIII. Strategic Reports, Monthly Strategic Initiative Update – The September report was discussed.

Accounts Receivable Collection Report – Customer Services Manager Maurer presented an outline of the collection process to the Commission.

September Financial and Project Status Reports – Electric consumption decreased by 1.56% compared to budget with year-to-date remaining slightly above budget. There is a negative system losses ratio which is a natural cyclical trend due to the time of year when the air conditioner season has ended and the heating season has not begun. The actual cost of power was less than the budgeted cost which helped offset the lower revenues for the month.

Water usage increased 22.79% compared to budget driven primarily by an industrial customers increased usage and overall consumption for the year is up 11.71% compared to budget. Staff is investigating the negative system losses for the month.

After discussion, the Commission accepted the September Financial and Project Status Reports as presented.

Project Reports, Water Plant Projects – Mr. Gosz reported Front Range will begin work on the West Basin Repair project December 4th.

Metering Practice & Plan – Additional testing is being performed with Chapman and staff is working on completing the AMR meters.

Steam Plant RFP – There are ten interested parties and RFP's are due November 8th.

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

Item X. The motion by Comm. Roush, seconded by Comm. Merkes, was unanimously approved on roll call to adjourn at 9:02 a.m.

By: MARK L. ALLWARDT
President

DAN ZELINSKI
Secretary

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