

REGULAR MEETING OF THE WATER AND LIGHT COMMISSION

April 24, 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, Don Merkes, Joanne Roush, and Dan Zelinski present on roll call. Also present were Melanie Krause, Co-General Manager/Business 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; John Teale, Technical Services Engineer; Energy Services Representative Lisa Miotke; Don Voogt from McMahon Associates; and Wisconsin Urban Forestry Council Representative Jeff Treu.

Those absent were:

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. Merkes, was unanimous on roll call to approve the following:

- A. Minutes of the Closed Sessions of December 19, 2012, January 23, February 27, & March 27, 2013.
- B. Minutes of the Regular Meeting of March 27, 2013
- C. Minutes of the Special Meeting of April 4, 2013
- D. Approve and warrant payments summarized by checks dated April 4 - 25, 2013, which includes Net Payroll Voucher Checks, Void O & M Check #043063, and Operation and Maintenance Voucher Checks for a total of \$817,035.45, and Operation and Maintenance Vouchers and Rebates to be paid prior to the next Regular Meeting. Motion approved unanimously on roll call
- E. Correspondence as listed:  
Copy of email dated April 10, from Kristi Lynch Re: Thank you for getting power up  
Copy of News Release from City of Menasha Re: Menasha celebrating 30 years as Tree City

With the presence of Wisconsin Urban Forestry Council Representative Jeff Treu, New Business Item A. Arbor Day Foundation Tree Line USA Award, was advanced for discussion.

Mr. Treu presented the Arbor Day Foundation Tree Line USA Award to Electric and Water Distribution Supervisor Lonnie Pichler in recognition of quality tree care; annual worker training; tree planting; and public education. Mr. Treu commented on what an accomplishment it is for a Utility to meet the criteria to be eligible for such an award.

Mr. Pichler thanked the Foundation for the award, and gave recognition to the effort and dedication of staff in helping to move the process forward.

Mr. Treu departed at 8:20 a.m.

Item IV. March Financial and Project Status Reports – Business Accountant Hubertus reported the consumption of electricity increased 1.01% overall compared to budget, however, net operating income is lower than budget because of the cost of power reflected in the PCAC, DCA and ECA rates. Projects delayed due to cash flow restrictions will continue to be monitored monthly. The Project Status report has been reformatted to separate external and internal costs. External costs include supplies and materials used to complete a project. Internal costs compare the actual to budgeted labor dollars.

Commissioner Allwardt voiced his concern over delaying the purchase of bucket truck #13 again this year; stating large expenditures on equipment need to be spaced out in order to avoid back-to-back year purchases. The dump truck for 2014 was looking at being swapped for the budget to avoid this.

Water consumption increased 15.54% compared to budget which was mainly driven by a large industrial customer's consumption. East Basin ceiling and wall repair work is closed and booked to the income statement in March. Chemical costs are under budget by \$1,888.

Water Plant Supervisor Gosz gave an update on the plans for the current security system. Fiber optics will be run to the chemical feed building and head house which would allow communication between the buildings and increased security in those areas; new cameras will be installed; and the man-down system will be integrated with the existing PLC. Staff is also researching available options for an overall water security system plan that will be brought back for the 2014 budget.

After discussion, the Commission accepted the March 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.

Item VII. Unfinished Business, Springsted Study – Co-General Manager/Business Operations Krause stated the comments from the commission, management team, and employees of the Utilities were sent to Springsted. Commissioner Merkes stated discussion regarding the Springsted Study was scheduled for the next council meeting and the City's

comments would then be forwarded to Springsted. The report will be finalized after all comments are received.

With the presence of Don Voogt of McMahon Associates, Commission President Allwardt advanced New Business Item D. RFQ for Water Quality Sampling and Analysis.

Item VIII. New Business, RFQ for Water Quality Sampling and Analysis – The Wisconsin Department of Natural Resources has accepted the Water Quality Sampling Plan submitted in January. Requests for Quotations (RFQ's) have been solicited for sample collections at site #2 and for water analysis testing that could not be performed in-house. A budget estimate for the implementation of the plan has been tabulated in Table #2 of the materials presented. The budget estimate may be revised after initial testing has been completed. Mrs. Krause noted the timeline for the plan has been updated and is included in the materials handed out. Staff is asking the commission for approval of the contracts to start the sampling plan in early May 2013.

After discussion of the items presented in the proposed budget of sample collection/analysis costs for the Source Water Quality Study, the motion by Commissioner Roush, seconded by Commissioner Kordus was unanimous on roll call to approve an amount, not to exceed \$50,000 that will be split between Badger Laboratories, Northern Lake Services and University of Wisconsin Milwaukee for the collection and analyzing of water.

Mr. Gosz commented briefly on the High Lift Pump Station. The valve on the Manitowoc tower was closed so the pump station could be tested. Pressure was increased gradually over two days in order to overflow the Island tower. There were no pressure disturbances or main breaks noted.

Mr. Voogt departed at 9:00 a.m.

New Business, Plan for GM Position – Commissioner Allwardt stated updating the job description would be the first step in conducting a thorough job search for the General Manager (GM) position. Comm. Allwardt and Comm. Roush met earlier in the week to discuss the job description, utilizing position descriptions acquired from other Utilities for comparison. After review, Core Competencies recognizing leadership, relationships, and strategy, taken directly from the Springsted report, were added to the GM job description. The updated position description was sent to the other commissioners for review.

The next step in the process would be to select a recruiting agency or proceed on our own and select periodicals to advertised in; collect and review resumes; phone interview candidates; provide WPPI with a list of the top 3-4 candidates for their comments; interview remaining candidates on-site; and make a selection with an estimated completion of October 2013. Mrs.

Krause will continue as interim GM during the process and has the full backing of the commission.

The commissioners requested the scheduling of a special meeting in order to finalize the GM job description.

Path Forward on the Strategic Plan – Mrs. Krause asked the commission to bring their ideas and expectations to the May meeting in order for the management team to have a clear direction of what the commission would like from the Strategic Plan. The management team will bring their recommendations as well.

Item IX. Project Reports, Water Plant Projects – The bidding process will begin on the High Lift Pump Station Main Project in June. The West Basin Project bid notice will be advertised on April 19<sup>th</sup> & April 26<sup>th</sup>. A walk through is scheduled for May 9<sup>th</sup> with bids due May 16<sup>th</sup>. Comm. Roush asked for a written summary of upcoming technology upgrades, how they are being resolved, and who will be leading the projects.

Metering Practice & Plan – Staff is continuing to attend the WPPI Metering & Billing workshops. Meter change outs for the CP1 customers are scheduled to be finished in May. A meter verification testing plan for residential customers is being worked on. A possible statistical sample program protocol may be utilized for future testing.

Mrs. Krause commented on the meter discrepancies uncovered in the beginning of 2013. The PSC approved allowing a refund adjustment going back two years. The projected shortfall of \$250,000 has been reduced to a shortfall of \$50,000.

Item X. Staff Reports, Electric and Water Distribution/Safety Report – Electric and Water Distribution Supervisor Pichler reported that initial stages of tree trimming are complete. The Exopack substation is energized and completed.

Telecommunications – Technical Services Engineer Teale reported Menasha Utilities was approached by a customer interested in running dark fiber between their two facilities.

Water Plant – The head house is scheduled to go online in two weeks.

Co-General Manager/Business Operations – Mrs. Krause reported the revenue requirement analysis from the PSC on the electric rate case has been received. A rate increase of 1.8% overall is identified. The cost of service will determine the cost to each class of customers.

Customer Services – Customer Services Manager Maurer gave an update on the first round of disconnects made after the moratorium ended. Of the 235 customers called, 48 were disconnected, and within the week 35 were reconnected.

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

Energy Services Representative/Key Accounts – Energy Services Representative Miotke discussed a Focus on Energy program which offers free installation of energy saving devices for residential customers. Letters will be sent out to Menasha Utilities customers outlining the program.

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

Item XII. The motion by Comm. Zelinski, seconded by Comm. Roush, was unanimously approved on roll call to adjourn at 10 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.