

REGULAR MEETING OF THE WATER AND LIGHT COMMISSION

December 19, 2012

Draft

Commission President Allwardt called the Regular Meeting of the Water and Light Commission to order at 8:10 A.M., with Commissioners Roy Kordus, Joanne Roush, and Dan Zelinski 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; John Teale, Technical Services Engineer; and the Press. Peggy Jesion from WPPI Energy was also present.

Those absent were: Commissioner Don Merkes

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

- A. Minutes of the Regular Meeting of November 21, 2012.
- B. Approve and warrant payments summarized by checks dated November 29 & December 1-19, 2012, which includes Net Payroll Voucher Checks, Void O & M Checks #044785-044786, and Operation and Maintenance Voucher Checks for a total of \$982,813.17, 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 from Greg Keil, Executive Director of Redevelopment Authority of the City of Menasha re: Request for WPPI Economic Development Grant.
 - Copy of 2013 APPA Legislative Rally from WPPI Energy re: WPPI Energy Grant Application.

Item IV. November Financial and Project Status Reports – Business Operations Accountant Hubertus reported consumption of electricity decreased overall compared to budget for the month and demand for the year is following trends of prior years. Net operating income is lower than budgeted due to less consumption and higher cost of power. The cash flow in the Electric Utilities is better than budgeted, largely due to project cuts earlier in the year. Major charges in the November Project Status Report include the purchase of transformers and a snowplow attachment.

Commissioner Allwardt asked for clarification regarding delayed projects. Ms. Hubertus stated that most of the delayed projects are included in the 2013 budgets. Project Engineer Steve Grenell added delayed projects for substation upgrades had been deferred beyond 2013 to reduce costs; however, no maintenance projects were delayed.

Water consumption increased 28% compared to budget due an industrial customers increased consumption. Revenue and consumption have exceeded the budget both for the month and the

year. The water loss ratio corrected itself for the month of November, with the year's ratio coming in at 6.83%, which is under the PSC limit of 15%. Chemical expenses were over budget for the month because of producing more water than anticipated; yet are still under budget for the year. A positive cash balance is projected for year-end.

Commissioner Roush requested an update on the capacity available as compared to water being consumed; to include the percentage industrial customers are using. Water Plant Supervisor Tim Gosz will provide this information at the next meeting.

After discussion, the Commission accepted the November 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, Electric Rate Case – Co-General Manager/Business Operations Melanie Krause reported the Public Service Commission is asking the Commission to take formal action and approve the rate case filing as presented at the November 29, 2012 Commission meeting.

Commissioner Roush stated she had read the minutes pertaining to the Rate Case filing and that she was in agreement with the discussion held during the November meeting.

After discussion a motion by Comm. Allwardt, seconded by Comm. Zelinski was unanimous on roll call to approve filing of the Electric Rate Case Application as presented at the November 28, 2012 meeting.

Item VIII. New Business, Lindy L. Eake Resolution of Appreciation - the motion by Comm. Allwardt, seconded by Comm. Roush, was unanimous to approve the following:

RESOLUTION OF APPRECIATION

WHEREAS, Lindy L. Eake was employed at Menasha Utilities from March 19, 1993 through January 4, 2013, and

WHEREAS, Lindy L. Eake dedicated almost 20 years of her life to the Menasha Utilities, serving as Executive Secretary, Administrative Assistant and Communications Coordinator, and Administrative and Confidential Accounting Assistant;

WHEREAS, Lindy L. Eake's positive attributes were the dedication she gave to her work, her determination and team spirit, the knowledge of her job, and the respect, courtesy, and cooperative attitude she portrayed towards her co-workers;

NOW THEREFORE BE IT RESOLVED by the Menasha Utilities Commission and the Co-General Managers to extend to Lindy L. Eake our Sincere Appreciation and Thanks for her dedication and service to the Community.

RESOLVED FURTHER, by the Menasha Utilities Commission and the Co-General Managers that a copy of this resolution be tendered to her as a record of this Appreciation and Thanks.

Passed and approved this 19th day of December, 2012.

Commissioner Allwardt thanked Lindy for the volunteer work she did for the Utility and stated she would be missed.

Non-Represented Compensation – Comm. President Allwardt proposed compensation for Non-Represented employees should be in line with what has been approved by the Common Council for city employees. Common Council approved an increase of 1.5% in January 2013 and an additional increase of 1.5% in July of 2013.

The motion by Comm. Allwardt, seconded by Comm. Roush, was passed on roll call (3-1) to approve a 1.5% wage increase in January and a 1.5% wage increase in July for Non-Represented employees. Commissioners Allwardt, Kordus and Roush voted yes, Commissioner Zelinski voted no.

Commissioner Roush thanked the staff for their hard work.

Process for General Manager's Evaluation – Comm. President Allwardt stated Commission is awaiting the outcome of the Springsted Study and the process of evaluation would stay the same as last year with discussions being held with the management team.

2013 Commission Meeting Calendar – Commissioners reviewed the proposed meeting schedule for next year. Comm. Zelinski made a motion to have half the meetings at 8 AM and half the meetings at 5 PM. Comm. Allwardt seconded the motion for discussion.

After discussion, there was no consensus reached and the item will be placed on the next agenda.

Item IX. Project Reports, Water Plant Projects – Mr. Gosz reported the High Lift Pump Station Project backup generator is installed and tested. VFD's are on site and the install should begin in January. A walk through is scheduled for next week regarding the East Basin Project; work is anticipated to begin mid January. Mr. Grenell gave an update on the Weir motor control modifications.

Mr. Gosz reported on the meeting with the DNR regarding the Source Water Study. The DNR requested a Risk Assessment Analysis.

Water Plant Lab Proficiency Testing – Mr. Gosz reported on a failed state proficiency testing for lab re-certification. Staff is still investigating the cause of the failure. Another proficiency test was completed and passed; we are awaiting a state lab proficiency officer’s approval for re-certification.

Water Distribution Projects – Electric and Water Distribution Supervisor Pichler reported that all projects are complete and that contracts are being closed out.

Metering Practice & Plan – Mr. Grenell reported that Chapman has been doing more testing and will be sending the results. Following three large customer change outs the process will be complete. Technical Services Engineer Teale added that test switches are scheduled to be installed next year.

Steam Plant – Mrs. Krause gave an update on the dissolution of the Steam Utility and the transfer of assets at the end of the year. City Council tabled the item until January, since our auditors were researching other options. The objective is to make sure we get a clear audit opinion.

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

Electric and Water Distribution/Safety Report – Mr. Pichler reported on an outage on River Street planned for after Christmas.

Comm. Roush congratulated the Electric Distribution Department on their 99.9906% Index of Reliability rate.

Telecommunications & Substations, Water Plant, and Co-General Manager/Business Operations – there were no additional questions to the reports presented.

Customer Services – Customer Services Manager Maurer reported on the finalization of the calendars created using Menasha student posters submitted during Public Power Week. The calendars are available, with a donation of two non-perishable food items, at the Menasha Utility office. Calendars were distributed to the commissioners.

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. Allwardt, seconded by Comm. Roush, was unanimously approved on roll call at 10:13 a.m. to convene into Closed Session pursuant to Section 19.85 (1) (c) of the Wisconsin Statutes for the purpose of considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility. RE: Performance Evaluations of Co-General Managers.

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, and (f) of the Wisconsin Statutes for the purpose of considering financial, medical, social or personal histories or disciplinary data of specific persons, preliminary consideration of specific personnel problems or the investigation of charges against specific persons except where par. (b) applies which, if discussed in public would be likely to have a substantial adverse effect upon the reputation of any person referred to in such histories or data, or involved in such problems or investigations. RE: Delinquent Accounts

The motion by Comm. Zelinski, seconded by Comm. Kordus was unanimously approved to adjourn from Closed Session and to reconvene into Open Session of the Water and Light Commission meeting at 10:35 a.m.

There being no further business, the motion by Comm. Roush, seconded by Comm. Zelinski was unanimously approved to adjourn at 10:35.

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.

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