

REGULAR MEETING OF THE WATER AND LIGHT COMMISSION

August 27, 2014

Draft

Commission President Allwardt called the Regular Meeting of the Water and Light Commission to order at 8:02 a.m., with Commissioners Roy Kordus, Don Merkes, and Joanne Roush 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; and John Teale, Technical Services Engineer.

Commissioner Zelinski was absent.

With the absence of Commission Secretary Zelinski, Commission President Allwardt appointed Commissioner Kordus as Acting Secretary.

Item II. No one from the Gallery was heard on any topic of public concern to the Utility.

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

- A. Minutes of the Regular Meeting of July 30, 2014
- B. Approve and warrant payments summarized by checks dated July 31 & August 7-28, 2014, which includes Net Payroll Voucher Checks and Operation and Maintenance Voucher Checks for a total of \$1,038,184.07, 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 Menasha Utilities Newsletter dated August 2014
 - Copy of *Wisconsin Water Association* Summer 2014 article “Reconfigure System To Meet Today’s Needs Menasha Electric Water Utilities”
 - Copy of WRWA 2014 President’s Award presented to Menasha Utilities for Meritorious Service to Community
 - Copy of Memorandum from WPPI Energy dated August 11 RE: Typical Bill Comparison Summary
 - Copy of letter from Cities and Villages Mutual Insurance Company dated July 17 RE: 2014 Liability Dividend Report
 - Copy of letter from State of Wisconsin Department of Natural Resources dated August 13 RE: Termination of WPDES Storm Discharge Permit

Business Accountant Hubertus made the Commission aware that the check register is higher due to some large expenses paid in the month of August.

Commissioner Roush commented on the article from Wisconsin Water Association and asked to have Menasha Utilities customers made aware and put it on our website.

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

Item V. No purchase Orders over \$10,000.00 were issued since the last Commission meeting.

Item VI. Unfinished Business, Lead & Copper Testing – When installing new mains, lead services are removed from the main to the curb stop. Water Plant Supervisor Gosz asked the Commission to recommend to the city council an ordinance requiring homeowners to replace lead services from the curb stop to their house whenever the main is replaced. Mr. Gosz went into detail how replacing both parts of the distribution system would help reduce the lead percentile in the drinking water. Staff and Commissioners discussed several options that could be available to customers to comply with this type of ordinance.

Comm. Roush asked staff to look into any funds or financing options that would be available to customers and bring them back to the Commission.

Information on unidirectional flushing was included in the packet. Advantages were discussed along with a plan to test its effectiveness next summer.

Generator Fencing Options – The five foot fencing around the former Manitowoc Tower site will be removed in September at a cost of \$1,500. Bids were received for a new fence around the generator; Security Fence was the low bidder at \$2,400.

The motion by Comm. Roush, seconded by Comm. Kordus, was unanimous to approve \$3,900 for the former Manitowoc Tower site generator fencing.

Item VII. New Business, Performance Evaluation General Manager – Commission President Allwardt stated the process of evaluation would be similar to previous years with 360° feedbacks with the management team.

Out of State Travel – Customer Services Manager Maurer requested authorization to attend the Harris Customer Training Conference in San Diego, CA November 17-21, 2014.

The motion by Comm. Roush, seconded by Comm. Kordus was unanimously approved to authorize Paula Maurer's travel request.

Power Factor Study – Project Engineer Grenell discussed voltage regulation problems, loss of double contingency, and additional heating on transformers that have occurred since an industrial customer removed equipment from service. Proposals for a Power Factor Study on the 34.5kV system have been received; Forster Electrical Engineering was the low bidder at \$7,000.

The motion by Comm. Roush, seconded by Comm. Merkes was unanimous to approve an agreement for engineering services from Forster Electrical Engineering to assess and recommend the application of capacitors on our electrical system (Power Factor Study) in the amount of \$7,000.

Item VIII. Strategic Reports, Monthly Strategic Initiative Update - The July report was discussed. An APPA benchmarking safety report was included along with electric reliability regional figures.

July Financial and Project Status Reports – Electric consumption decreased 5% compared to budget due to low temperatures and a negative DCA rate. Net operating income was \$50,981.00 higher than budget through a combination of decreased power cost and pass through rates. All outstanding projects will be evaluated next month to determine which ones will be moved to the 2015 budget and which ones will be completed this year.

Water consumption decreased by 12.2% compared to budget, with year-to-date up by 1.5%; water treatment costs were 26% below budget; and net operating income is down 19% compared to budget.

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

Project Reports, Water Plant Projects – Demolition has begun on the Low Lift Pump replacement project. Staff is continuing to investigate the #4 High Lift pump vibration.

Metering Practice & Plan – A list of properties that we access to read meters is being reprioritized for AMR meter to be installed. Staff is obtaining information on utilizing an AMI system for large customers.

Item IX. No one from the Gallery was heard on any topic of public concern to the Utility.

Item X. The motion by Comm. Merkes, seconded by Comm. Roush, was unanimously approved on roll call 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 Evaluation of General Manager.

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

By: MARK L. ALLWARDT
President

ROY KORDUS
Acting Secretary

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