

REGULAR MEETING OF THE WATER AND LIGHT COMMISSION

July 22, 2015

Draft

Commission President Allwardt called the Regular Meeting of the Water and Light Commission to order at 8:03 a.m., with Commissioners Don Merkes and Dan Zelinski present on roll call. Also present were Melanie Krause, General Manager; Tim Gosz, Water Utility Manager; Kristin Hubertus, Business Operations Accountant; and John Teale, Technical Services Engineer. Also present were Lisa Miotke, Energy Services Representative, and Peggy Jesion from WPPI Energy.

Those excused were Commissioner Roush, Steve Grenell, Engineering Manager; William Menting, Electric Manager; and Paula Maurer, Customer Services Manager.

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

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

- A. Minutes of the Regular Meeting of June 30, 2015
- B. Approve and warrant payments summarized by checks dated July 2-22, 2015, which includes Net Payroll Voucher Checks, Operation and Maintenance Voucher Checks for a total of \$664,637.79, 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 July 2015 MU Employee Newsletter
 - Copy of MEUW List of Awards for 2015 and 2014

General Manager Krause thanked Commissioner Allwardt for his 27 years of service to the Utility.

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

Item V. Purchase Orders over \$10,000.00 issued since the last Commission meeting were presented for informational purposes.

Commissioner Kordus arrived at 8:06 a.m.

Item VI. Unfinished Business, New Job Descriptions – The job descriptions for the new positions of Finance Manager, Engineering Technician, Water Plant Maintenance Foreman, and Distribution Utility Specialist, along with their corresponding pay scales, was reviewed.

Commissioner Merkes asked staff to look into being more specific with the verbiage used in the Desirable Education and Experience section of the job descriptions. Commissioner Allwardt asked to have staff verify the NFPA wording on the Qualifications section of the Engineering Technician position. Any additions to head count would be discussed with budget.

The motion by Comm. Merkes, seconded by Comm. Allwardt, was unanimous on roll call to approve the four job descriptions as presented and authorize filling the Finance Manager, Water Plant Maintenance Foreman and Water Utility Specialist positions.

Item VII. New Business, Long Term Power Supply Contract Extension – General Manager Krause discussed the proposed amendment to the WPPI Long Term Power Supply Contract which would extend the contract to December 31, 2057. Multiple informational sheets were provided in the packet that summarize who WPPI is and how the organization serves its members; why an extension is in the best interest of the members; an extension fact sheet and timeline; and power supply approaches and options for Wisconsin municipal electric utilities.

Extensive discussion pursued over the contracts flexibility and possible future changes to electricity production, delivery, consumption, regulation, and pricing. A special joint meeting is being set in August with the Common Council, WPPI Energy, and the Commission to discuss the contract.

The Commission requested that staff recommend a contract attorney to review the contract and touch basis with GLU to research their services. Commissioner Allwardt asked to have all Commissioners and Council members review the contract and bring forth their questions and concerns.

Sludge Disposal Study – Water Utility Manager, Gosz, reviewed the quotes received to study disposal of the sludge created from the water treatment process. Three quotes were received with McMahon being the low bidder at \$3,900.

The motion by Comm. Merkes, seconded by Comm. Kordus, was unanimously approved on roll call to award the contract for the Sludge Disposal Study to McMahon in the amount of \$3,900.

2016 Budget Schedule – The timeline for the upcoming budget sessions was discussed.

WE Acquisitions – The acquisition of 5 properties in the Rue Reynard Court area, which are in the City of Menasha being served by WE Energies, was discussed. Staff requested the Commission to approve utilizing \$16,000 of the budgeted 2015 acquisition for Deerfield customers to acquire and install facilities for the 5 residential customers.

The motion by Comm. Zelinski, seconded by Comm. Kordus was unanimous to pursue the acquisition of 5 properties in the Rue Reynard Court area being served by WE Energies.

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

June Financial and Project Status Reports – Electric cost of power was 5.6% lower than budget which was the driving factor for the positive variance of the Net Operating Income for the month of June. Residential customer consumption remains lower than budget for the month with year-to-date coming in at 5.7% less.

Water consumption for June was lower than budget by 5.9% mainly due to lowered residential and industrial class usage; however, year-to-date totals exceed the budget by 3.5%. Chemical costs are \$11,240 less than budget mainly due to the new Alum contract.

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

Project Reports, Water Plant Projects – Progress continues on the Chemical Feed Building project and is expected to be completed on time.

Metering Practice & Plan – Meters are continuing to be upgraded.

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

Item X. The motion by Comm. Zelinski, seconded by Comm. Allwardt, was unanimously approved on roll call to adjourn at 9:10 a.m.

By: MARK L. ALLWARDT
President

ROY KORDUS
Secretary

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