

REGULAR MEETING OF THE WATER AND LIGHT COMMISSION

February 25, 2014

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, and Joanne Roush present on roll call. Also present were Melanie Krause, General Manager; Steve Grenell, Engineering Manager; and Tim Gosz, Water Utility Manager.

Those excused were Commissioner Zelinski, William Menting, Electric Manager, and Paula Maurer, Customer Services Manager.

Item II. 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) (g), of the Wisconsin Statutes for the purpose of conferring with legal counsel for the governmental body that is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved. City of Menasha vs. Waverly Sanitary District et al. Circuit Court Case Number 2013CV00189, Appellate case number 2014AP001576; City of Menasha vs. Village of Harrison, Calumet County Circuit Court Case Number 2015CV00017; and inter municipal Agreement dated October 28, 1999, between City of Menasha, Town of Harrison and Waverly Sanitary District. Re: Waverly Sanitary District.

There being no further business, the motion by Comm. Merkes, seconded by Comm. Roush, was unanimously approved to adjourn from Closed Session and to reconvene into Open Session of the Water and Light Commission meeting at 8:23 a.m.

John Teale, Technical Services Engineer, and Kristin Hubertus, Business Operations Accountant, joined the meeting at 8:30.

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

Steve Hammen, Line Foreman spoke regarding employee grievances and the grievance procedure.

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

- A. Minutes of the Regular Meeting of January 28, 2015
- B. Approve and warrant payments summarized by checks dated February 5-25, 2015, which includes Net Payroll Voucher Checks, Void O & M Check #47116 & ACH #501405, and Operation and Maintenance Voucher Checks for a total of \$837,426.18, 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 received February 4 from the Public Service Commission of Wisconsin
RE: Application for changes to street lighting tariff.

Copy of letter from State of Wisconsin Office of the Commissioner of Insurance RE: Proposed provision to discontinue the LGPIF.

Copy of Docket 3560-TE-100 & 3560-TW-101 dated February 12. Copy of notice to the Customers of Menasha Electric and Water Utilities dated February 16 RE:

Proceedings for tariff changes related to deferred payment agreements.

Copy of letter dated February 5 from McMahon RE: Source Water Supply Evaluation.

Copy of Menasha Utilities Newsletter dated February 2015.

Comm. Roush questioned the rate tariff reduction in street lighting. General Manager Krause explained the City of Menasha has been working with the Utility on the plan for replacement. The reasons behind the reductions include splitting out type of pole installation and revised lighting prices

Comm. Merkes commented on a projected 3 year plan to change out the remaining high pressure sodium lights to LED lighting.

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, Change Order #1/Corrected on Change order #4, Low Lift Pump Modification – Change order #4 voids Change Order #1 and includes \$269.00 for the balance due on the remainder of reimbursement of building permit fees. The total change modifies the contract price to \$436,659.00.

The motion by Comm. Merkes, seconded by Comm. Roush was unanimous to approve Change order #4 to J.F. Ahern Co. for remainder of building permit fees for a total increase to the contract price of \$269.00. The Commission also recommended the Board of Public Works approve revised change order #4 and forward it to the Common Council for approval.

Lead & Copper Testing/Lead Water Service Ordinance – General discussion ensued on PSC approval of tariff changes to deferred payment agreements for lead water service replacement; specific wording of the draft ordinance being proposed; customer communication of ordinance change and verification of lead services; and timeline for approval of ordinance with an effective date to begin replacements.

Commissioners would like to see preliminary approval from the PSC regarding the deferred payment agreement tariff before recommending the ordinance to the City Council.

Power Factor Study – The Power Factor Study, performed by Forster Electrical Engineering, was discussed. Three effects caused by the loss of capacitors were identified along with possible solutions. Two recommendations were provided, however, system wide and financially the solutions would not have substantial benefit to the Utility.

Travel Request – A follow-up report to Customer Services Manager, Maurer’s APPA Customer Service Management Certificate Program training on February 2-6, 2015 was presented.

Item VIII. New Business, Arc Flash Assessment – Engineering Manager Grenell discussed the two engineering proposals received for an Arc Flash Study of the entire distribution system.

The motion by Comm. Roush, seconded by Comm. Merkes was unanimous to approve the agreement for engineering services from Forster Electrical Engineering for an Arc Flash Study in the amount of \$8,000.

Item IX. Strategic Reports, Monthly Strategic Initiative Update – The January report was discussed.

December Financial and Project Status Reports – The December financials are an unaudited version; the 2014 audited financials will be presented at the March Commission meeting. Even though electric consumption as a whole was above budget, year-to-date revenues were under budget due mainly to PCAC, DCA and ECA pass through rates. Completed 2014 projects were closed out and entered into the books; unfinished projects will be transferred to the 2015 project status report.

Water consumption was 1% higher than budget for the year; year-to-date Net Operating Income was 20% higher than budget due to lower than budgeted expenses; and total debt remaining for the Water Utility is just under 14 million dollars with 11 million of that being funds for Safe Drinking.

Telecommunications Utility year-to-date expense difference between 2013 and 2014 was due to switching from Time Warner to WiscNet.

January Financial and Project Status Reports – Electric consumption was lower than budget by 0.49% and actual cost for power was 1.5% higher than budget.

Water Utility Revenues has a new category, Multi-Family, which is for PSC tracking purposes. Water consumption increased 11.7% compared to budget driven mainly by Industrial customer’s usage.

Water Project Status Report shows the overage on the Low Lift Pump project due to engineering costs not included in the budget amount.

Telecommunications expenses row will show a variance throughout the year because 2014 budgeted installation costs for the lights at Koslo Park were delayed due to field conditions and are now carried over to 2015.

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

Project Reports, Water Plant Projects – The Low Lift Pumps are up and running well.

Water Plant Security System – Requests for quotes are due by March 2nd.

Metering Practice & Plan – Staff is working with Chapman to begin the next round of meter testing.

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

Item XII. The motion by Comm. Roush, seconded by Comm. Kordus, was unanimously approved on roll call to adjourn at 9:50 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.