

REGULAR MEETING OF THE WATER AND LIGHT COMMISSION

September 28, 2016

**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 and Dan Zelinski present on roll call. Also present were Melanie Krause, General Manager; William Menting, Electric Manager; Tim Gosz, Water Utility Manager; Kristin Hubertus, Finance Manager; Paula Maurer, Customer Services Manager; John Teale, Technical Services Engineer; and Dawn Lucier, Administrative and Accounting Assistant.

Those excused were Commissioner Merkes, Commissioner Tines, Steve Grenell, Engineering Manager, and David Christensen, Engineering Technician.

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

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

- A. Minutes of the Regular Meeting of August 24, 2016
- B. Approve and warrant payments summarized by checks dated September 1-28, 2016, which includes Net Payroll Voucher Checks, Operation and Maintenance Voucher Checks for a total of \$530,068.79, 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 memorandum dated September 9 from WPPI energy RE: Typical bill comparison study
  - Copy of letter dated September 26 from Menasha Utilities RE: Landlord informational session scheduled on October 25
  - Copy of September 2016 MU Employee Newsletter

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. Purchase order #8668, Engineering for Northside Substation switchgear replacement, encompasses amounts for both 2016 and 2017, and purchase orders #8681 and #8691 are DOT projects which have funds reallocated from the Racine Street bridge and Jefferson Street rebuild projects.

Item VI. Unfinished Business, Lead Water Service Ordinance – A copy of the PowerPoint, that staff plans to present to the Common Council to assist with understanding the need for a Lead Water Service Ordinance, was presented. General discussion revolved around the

ordinance, proposed program details, and owner occupied verses non owner occupied, as discussed previously by the Mayor.

The motion by Comm. Allwardt, seconded by Comm. Kordus was unanimous to approve adopting the Lead Service Replacement Program and forwarding the ordinance to the Common Council for approval.

Refinance of WPPI Lease – A copy of the joint application that was filed with the PSC was included in the packet; PSC approval will need to be obtained before finalizing the loan. Staff is planning to proceed to the Common Council in October in order to maintain the interest rate lock. The Paper Council and Menasha Utilities large industrial customers will not be intervening in the application.

Item VII. New Business, Bids for Midway loop – Staff reviewed the bid opening held on September 13, 2016. Four bids were received with J&R Underground being the low bidder at \$154,756.25 which included \$16,100 for the fiber conduit install. Funds will be reallocated from the Jefferson Park Lighting project, the acquisition project, and the Ida Street project to finish the Midway Loop project.

The motion by Comm. Allwardt, seconded by Comm. Kordus, was unanimous on roll call to award the bid for the Midway Loop project to J&R Underground in the amount of \$154,756.25, which includes \$16,100 for fiber conduit install. The Commission also recommended the Board of Public Works award this bid to J&R Underground, and forward it to the Common Council for approval.

Racine Street Railroad Crossing – Due to the City road work for the Racine Street reconstruction being pushed back until 2021 and chlorine residual concerns, staff feels the Racine Street railroad crossing project of encasing and replacing the section of the main under the tracks should be completed this year. The remaining 2016 Water Main Replacements funds and funds reallocated from the scissor lift (\$13,000), and engineering the new intake (\$17,000) will be used to cover the project.

The motion by Comm. Allwardt, seconded by Comm. Kordus was unanimous on roll call to approve replacing and encasing the main under the Racine Street railroad crossing this year at an estimated cost of \$70,000.

Reallocation of 2016 Budgeted Funds for Rebuilds for Electric Distribution – Upon inspection it was determined that the overhead distribution system on Madison Street was in higher need of rebuilding than the Manitowoc Street overhead. Staff is asking to reallocate the 2016 funds from the Madison Street rebuild to the Manitowoc Street rebuild. In addition, staff has asked to reallocate some of the excess funds from the Ida Street Overhead rebuild project to purchase 30 black plastic pallets.

The motion by Comm. Allwardt, seconded by Comm. Zelinski, was unanimous to approve proceeding with the Madison Street overhead rebuild and the purchase of 30 black plastic pallets.

Technology Plan Update – Updates to the Technology Plan included information on an audit of the Tanulus Network with our existing AMR meters. The audit revealed 80% incompatibility and will not be purchased. Staff will now look into an AMI network supported by WPPI’s MDM. Additional information on plant record database; computerized work order system; electric distribution computer model; pole analysis software; electric distribution SCADA; HVAC upgrades; facility security; MU website; and hardware and networking was discussed.

Electric & Water System Capacity 2016 – Electric and Water Utility capacity of existing systems was discussed. Loading data from the electric distribution system substations confirmed that there is plenty of transformer and circuit capacity for growth. More detailed circuit analysis will be available to staff after the Technology plan is implemented. The 10 year Capital Improvement plan, discussed at the August Commission meeting, shows the Water Utility does not have any concerns over capacity in relation to customer growth.

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

August Financial and Project Status Reports – Electric consumption was 1% higher than budget; cost of power was 10.7% below budget which offset lower than budget revenues; Net Operating Income was higher mainly due to lower purchase power cost; and staff conducted a full analysis of remaining 2016 project to determine what would be able to be completed by year end.

Water usage was 8.5% lower than budget; total expenses were \$20,350 less than budget which helped offset some of the lower total revenues; Net Operating Income came in at 11% lower than budget for the month of August; and staff conducted a full analysis of remaining 2016 project to determine what would be able to be completed by year end.

Telecommunications cash balances will be adjusted to reflect the \$16,100 that was voted on earlier in the meeting.

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

Project Reports, Water Projects – The High Lift Reservoir Roofing project has gone through the approval process and will begin in October, and the Washington Street water tower painting is complete; the logo specifications were discussed.

Electric Projects – The Ida Street project has been completed; Madison Street is scheduled to begin in October; and monies have been received from the DOT for projects that were billed in 2014 and early 2015.

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

Item X. The motion by Comm. Allwardt, seconded by Comm. Kordus, 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.

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.