

REGULAR MEETING OF THE WATER AND LIGHT COMMISSION

April 28, 2010

Draft

Commission President Allwardt called the Regular Meeting of the Water and Light Commission to order at 7:30 A.M., with Commissioners Bob Fahrbach, Joe Guidote, Don Merkes, and Carla Watson present on roll call. Also present were Melanie Krause, Co-General Manager/Business Operations; Dick Sturm, Co-General Manager/Engineering and Operations; Kristin Hubertus, Business Operations Accountant; Lonnie Pichler, Electric and Water Distribution Supervisor; Dave Rodriguez, Customer and Utility Services Manager; John Teale, Technical Services Engineer; and the Press.

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

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

- A. Minutes of the Regular Meeting of March 24, 2010.
- B. Minutes of the Closed Sessions (Grievances) of Feb. 24 and March 24, 2010.
- C. Approve and warrant payments summarized by checks dated April 1 - 28, 2010, which includes Net Payroll Voucher Checks, Void O & M Checks #039519 and #039553, and Operation and Maintenance Voucher Checks for a total of \$627,162.08, and Operation and Maintenance Vouchers and Rebates to be paid prior to the next Regular Meeting.
Motion approved unanimously on roll call.
- D. Correspondence, as listed.
 - Copy of minutes from March 12 MEUW Board of Directors meeting
 - Copy of letter dated March 23 to Sandra Paske, Public Service Commission, from Richard Sturm, Co-General Manager/Engineering & Operations, re: Boundary Agreement
 - Copy of proposed minutes from March 25 WPPI Energy Executive Committee meeting
 - Copy of April 6 news release re: Twelve WPPI Energy member communities receive \$1.2 million for energy-saving projects in Wisconsin, and April 9 news release re: Menasha receives \$200,800 energy efficiency block grant
 - Copy of memorandum dated April 6 to Melanie Krause, from Lisa Haen, MEUW Safety and Health Manager, re: 2009 Safety Achievement Award
 - Copy of letter dated April 13 to Debbie Galeazzi, Clerk, City of Menasha, from Norman Hahn, Jr., WI DNR Public Water Supply Section, re: Water Main Extension Approval
 - Copy of invitation to May 5 WPPI Energy Orientation

Item IV. March Financial and Operations Statement- Co-General Manager/Business Operations Krause stated a summary of comments was included in the packet.

Electric consumption was down 3.7% compared to budget with the largest difference being in the industrial customer class. The water usage was down 2.3% compared to last year and 2.5% compared to the three year average with the largest difference being in the industrial customer class. Water treatment expenses are under budget for the month with the chemical costs being under budget by \$7,157 and offset by the additional labor charges in this area. The cash flow for

water is very tight until the water rates get approved which was originally budgeted for May but will be closer to the end of June.

After discussion, the Commission accepted the March Financial and Operations Statement as presented.

Item V. Claims Against The Utility ó 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.

Steve Grenell, Project Engineer, arrived at 7:40 a.m.

Item VII. Unfinished Business, Taxroll/Landlord Ad Hoc Committee ó Manager of Customer and Utility Services Rodriguez reviewed the list of applicants interested in serving on the committee and some of the items to be discussed.

Comm. President Allwardt requested staff recommendations for each of the categories and Mr. Rodriguez stated the first one listed in each category would be the recommendation of staff. In addition, one member of the Commission is asked to be a member of this committee.

In response to Comm. Fahrbach's question, Mr. Rodriguez anticipated the first meeting would be scheduled in the next month with monthly meetings thereafter, in expectation of making a recommendation to the Commission by September or October. Comm. Fahrbach volunteered to be the Commission member of the committee.

Because the committee will be reporting back to the Commission, it will be a public meeting and noticed as such.

The motion by Comm. Merkes, seconded by Comm. Guidote, was unanimously approved to appoint Michael Austin, 141 River Street, as a medium landlord member of the ad hoc committee based on being a resident of the City and on the efforts he has made to improve his properties and tenant quality, and to approve the other committee members as staff recommended.

Update on Menasha Utilities Email System ó Technical Services Engineer Teale reviewed the current e-mail system and options that were discussed at prior Commission meetings. It is the recommendation of staff to test the e-mail archiver for the 30-day free trial period to test the functionality of e-mail storage and retrieval capabilities.

Comm. Allwardt stated this issue was tabled at a prior meeting because the current system was meeting all record retention requirements. Mayor Merkes questioned how this fit into the goals of the IT Department for the next five years, and whether it was the best solution for the rate payers of Menasha.

After discussion, it was determined options and costs needed to be explored further and brought back to the next meeting.

Update on Telecommunications ó Mr. Teale reported on information gathered during visits to Reedsburg and Sun Prairie Utilities and the telecommunication services they provide. Utility and City staff have met to discuss options for our current system, who to serve and by what means, creating a reliable network, and how to provide bandwidth. Mayor Merkes added a business/marketing analysis needs to be done on ideas discussed and what could be supported in order to grow business for the City and Utilities.

Co-General Manager/Engineering and Operations Sturm reported some individual action items were distributed at the last group meeting and those items will be reported on at next week's meeting.

Project Engineer Grenell added there are resources with the Sun Prairie Telecommunication Utility to assist during our process.

Update on Winz Park ó Mr. Dick Sturm stated a contractor update on methods and pricing was being obtained and would then need to undergo an engineering review. The concern is not to place another cosmetic patch over the spall areas but actually to have a cure for this problem.

Update on Water Rate Case ó Mrs. Krause reported the PSC has completed the revenue requirement portion, and the hearing date is scheduled for June 2. A notice to customers regarding the telephonic public hearing is being sent out with the utility bills.

Item VIII. New Business, Peter B. Biese Quarter Century Club Recognition ó Comm. President Allwardt presented a plaque to Pete Biese, Water Plant Technician, in recognition of his 25 years of loyal and faithful service to Menasha Utilities.

Item IX. Project Reports, Hwy. 114 Joint Pole Line with WE Energies ó Electric and Water Distribution Supervisor Pichler said the project is going well and Great Lakes is doing a good job. The project should be complete by the middle of May.

UV Certification ó In the absence of Water Plant Supervisor Jerry Sturm, Mr. Dick Sturm gave an update on the UV certification draft that contained a number of items to be addressed. It is getting closer to being certified, however, there is some amount of work to be done in order to meet all the requirements and provide all the training that will be necessary to have the UV system in continuous operation.

WPPI Energy Transaction and Referendum ó Mrs. Krause gave an update on restructuring the electric and water debt that needs to be paid off or refinanced. There have been discussions on the consent decree and working through environmental issues. The legal portions are being worked on as far as getting all the easements recorded, railroad crossings, and all the pieces that have to fall into place should the bond holders agree to the transaction.

Comm. Fahrbach asked about the status of negotiations with the bond holders. Mrs. Krause stated there have been discussions and further financial information has been requested from the City and Utility.

Item X. Staff Reports, Co-General Manager/Engineering and Operations ó Mr. Sturm reviewed the overflow incident at the Water Plant which caused some internal flooding.

Electric and Water Distribution/Safety Report ó Mr. Pichler stated the tree trimming project done by the line crew has been completed. He also gave an update on outages for the month and the water distribution flushing project.

Water Plant ó there were no additional questions to the report presented.

Project Engineer ó Mr. Grenell commented on modifications made at the Water Plant benefiting the flushing of the water mains.

Telecommunications & Substations ó there were no additional questions to the report presented.

Co-General Manager/Business Operations ó Mrs. Krause announced receipt of the APPA Safety Award, and Menasha Utilities will also be receiving a safety award at the MEUW Annual Conference in June. An invitation to the MEUW Conference was emailed to the Commission and will be included in the May meeting packet.

Customer and Utility Services ó Mr. Rodriguez stated the summer electric disconnections have started. Many of the places being disconnected have been abandoned. Mayor Merkes requested this information be shared with the Police Department.

He also reported on updates being made to resolve storm water billing errors at the request of the Community Development Department.

Energy Services Representative/Key Accounts ó there were no additional questions to the report presented.

Item XI. People from the Gallery to be heard on any items discussed at this Meeting:

Joanne Roush, 409 Cleveland Street, spoke on the ad hoc committee and number of applicants, telecommunication issues, water rate increase, and cost cutting measures at the Utility.

Mary Nebel, 713 First Street, spoke about the email archiver program costs and long term benefit to taxpayers, and thanked staff for the update on the Winz Park repairs.

Richard Loehning, 321 Willow Lane, spoke regarding collection costs of unpaid utility bills.

Item XII. The motion by Comm. Merkes, seconded by Comm. Guidote, was unanimously approved to adjourn at 8:50 a.m.

By: MARK L. ALLWARDT
President

CARLA R. WATSON
Secretary

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