

REGULAR MEETING OF THE WATER AND LIGHT COMMISSION

February 23, 2022

Commission President Allwardt called the Regular Meeting of the Water and Light Commission to order at 8:01 a.m., with Commissioners Roy Kordus, Don Merkes, Antoine Tines, and Gary Turchan present on roll call. Also present were Melanie Krause, General Manager; Adam Smith, Water Utility Manager; Kristin Hubertus, Finance Manager; Kurt Melchert, Electric Manager; and Dawn Lucier, Administrative and Accounting Assistant.

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. Allwardt, seconded by Comm. Kordus, was unanimous on roll call to approve the following:

- A. Minutes of the Regular Meeting of January 26, 2022.
- B. Approve and warrant the following payments dated January 27 – February 23, 2022, in the amount of \$4,890,276.03.
- C. Correspondence as listed:
 - Copy of bill insert RE: Paperless billing.
 - Copy of email dated February 7, from Lauren Weyers, Arbor Day Foundation RE: Recognition for the 2022 Tree Line USA.
 - Copy of email dated January 28, 2022, from Joseph Owen, WPPI Energy RE: APPA topics.
 - Copy of February 2022 MU Employee Newsletter.

Paula Maurer, Customer Service Manager, arrived at 8:02 a.m.

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.

Item VI. Unfinished Business, Lead/Copper Testing, Lead Exceedance Plan – The DNR has approved the Utilities recommended corrosion control treatment options and has given the Utility a 24-month timeframe to certify that the treatment installation has been completed.

Ethan Vanderpoel, Engineering Technician and Steve Grenell, Engineering Manager, arrived at 8:06 a.m.

Item VII. New Business, Customer Programs and Promotions – A list of monthly promotional and educational opportunities for customers was presented. Information will be shared through the website, bill messages, phone system, and Facebook.

Borrowing for 2022 Water Main Projects – Borrowing from the Safe Drinking Water loan program, for the 2022 Water Main project, was discussed.

Commissioner Kordus asked to have staff compile the Utilities indebtedness trends over the past 5 years.

The motion by Comm. Allwardt, seconded by Comm. Kordus, was unanimously approved on roll call to submit to the Safe Drinking Water fund for the 2022 Water Main project in the amount of \$965,363, and bring the Financial Assistance Agreement to City Council for approval.

Purchases 2022-2023 – Lengthy discussion ensued over material shortages and pricing fluctuations. General Manager Krause asked the commission for approval to issue purchase orders for 2023, in order to secure future materials. Commissioner Allwardt requested to have a purchase plan for future meter installations prior to approval. Commissioner Merkes asked to have management reach out to the City Attorney for the proper procedure to approve purchase orders for future years.

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

December 2021 Financial and Project Status Reports – Numbers within the report do not include the GASB retirement and life insurance post-employment accrual entries. Electric consumption was 6.2% lower than budget with year-end 5.6% below budget. The cost of power was 21.6% higher than budget, and Net Operating Income was higher for the month due to lower expenses and year-end adjustments for depreciation and taxes.

Water usage was 12.6% lower than budget; Net Operating Income was higher due mainly to adjustments of depreciation and taxes; and System losses were 10.12%.

Energy Services maintenance has been rescheduled for 2022.

Telecommunications – The difference in the cash balance is due to the bore portion of the Racine Street Bridge project being recognized.

January 2022 Financial and Project Status Reports – Electric consumption was 1.4% higher than budget, cost of power was 12.5% higher, and revenues were \$410,425 higher than budget.

Water usage was 10.7% higher than budget, and the loss ratio was 8.24%.

After discussion, the Commission accepted the December 2021 and January 2022 Financial and Project Status Reports as presented.

Project Reports, Electric Projects – Crews are working on the 1st Street rebuild, and preparation are underway for the SCADA upgrade for the Tayco Substation.

Water Projects – The sanitary survey is being scheduled with the DNR, and crews are working on lead verifications, maintenance, GIS system field updates, and the chemical feeders rebuild. Staff updated the commission on the PFAS sampling that will be required in 2023.

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. Turchan, was unanimously approved to adjourn at 9:27 a.m.

By: MARK L. ALLWARDT
President

GARY TURCHAN
Secretary