

REGULAR MEETING OF THE WATER AND LIGHT COMMISSION

October 26, 2022

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, 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; Steve Grenell, Engineering Manager; Kurt Melchert, Electric Manager; Ethan Vanderpoel, Engineering Technician; Tammy Phillips, Accounting and Administrative Assistant; and Mike Peters, WPPI President/CEO, telephonically.

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 September 28, 2022.
- B. Minutes of the Special Budget Meeting of October 5, 2022
- C. Approve and warrant the following payments dated September 29-October 26, 2022, in the amount of \$1,549,154.88.
- D. Correspondence as listed:
 - Copy of donation thank-you letter from Habitat for Humanity
 - Copy of September press release recognizing Paula Maurer and Melanie Krause at WPPI Energy Annual Meeting
 - Copy of Project Share Fund 2022 Contribution Pledge Form
 - Copy of Residential Water User Cross-Connection Hazard Information
 - Copy of MU October 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.

Item VI. Unfinished Business- There was no unfinished business discussed at this meeting.

Paula Maurer, Customer Service Manager, arrived at 8:05 a.m.

Item VII. New Business, WPPI Energy Update – Member satisfaction feedback is over 90%. 2022 energy cost are the highest since 2005. Average wholesale costs to members were 10% over budget. This is driven by marketplace energy prices and higher natural gas prices. The 2023 budget rates will reflect a 2.2% increase over current rates. The current power mix is 40% coal, and 20% each for natural gas, nuclear, & renewables.

Health Insurance proposals for 2023 - Renewal for MU reflects a 17.22% increase in premiums for 2023 with a deductible increase to \$3,500/7,000. Staff is working with Cottingham & Butler to evaluate alternative plans. Rate information will be presented at the November meeting.

Election of Commission officers for 2023 - The motion made by Comm. Merkes, seconded by Comm. Kordus, was unanimously approved on roll call to elect Comm. Allwardt as Commission President, Comm. Kordus as Commission Vice-President, and Comm. Turchan as Commission Secretary.

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

September Financial and Project Status Reports – Compared to budget, electric consumption was higher by 4.9% overall. Costs were 22% higher, due to higher market energy prices. Net operating income was higher, due to higher consumption and pass-through costs.

Compared to budget, water usage and costs were down, and net operating income was also down, due to lower revenues. System loss ratio was 3.37% for September, lower than previous months.

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

Project Reports, Electric Projects – Crews issued the materials for the industrial customer rebuild and worked on the Lake Park Heights subdivision. Winter substation maintenance has begun.

Water Projects – Water distribution crews continue to do leak detection of the system. Turbidimeters were received and installed. The a/c unit for the UPS room at the water plant was installed. Engineering began for the water tower pipe replacement.

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. Merkes, seconded by Comm. Allwardt, was unanimously approved on roll call at 9:03 a.m. 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

GARY TURCHAN
Secretary