

**MARSHFIELD UTILITIES, A MUNICIPAL UTILITY
MARSHFIELD UTILITY COMMISSION
DECEMBER 12, 2016**

COMMISSION MEETING MINUTES

A regular meeting of the Marshfield Utility Commission was called to order by President Mike Eberl at 4:00 pm on December 12, 2016 in the downstairs meeting room of the utility office. Present were Commissioners Mike Eberl, John Maggitti, Harry Borgman, Alen Johnson and George Holck. Also present were Alderperson Gordon Earll, Attorney John Adam Kruse, and Utility staff. Absent were Alderperson Peter Hendler and Bob Trussoni.

- During public comment, Dan Mauer of 410 Meadow Lane expressed concern about two subcontractors the utility used to do work behind his house.
- The Financial Manager presented the forecasted income statements and rates of return for 2018 and 2019 and the cash flow forecast for 2017 through 2019.
- The Financial Manager gave an update on the water rate case.

UC/16-68 Motion by Johnson, seconded by Borgman, to approve the following job order:

17891	3 Phase Rebuild Wren Rd & Marshfield Country Club	\$46,309.00
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All ayes, motion carried.

UC/16-69 Motion by Maggitti, seconded by Borgman, to approve payroll for November in the amount of \$250,477.86 and general bills for November in the amount of \$5,327,599.81. All ayes, motion carried.

October 2016 Financial Statement Notes

Electric Utility

- Net loss was \$40 thousand for the month, with a net income of \$1.159 million year-to-date.
- Net operating loss was \$39 thousand for the month, compared to budgeted net operating income of \$1 thousand. Year-to-date net operating income was \$2.052 million, compared to budgeted net operating income of \$1.472 million.
- After adjusting for the PCAC timing, net operating income for the month was \$131 thousand.
- M-1 operating expenses included \$15 thousand for fuel oil tank painting.
- October consumption was down 0.59% from October 2015, with year-to-date consumption down 1.95%. Year-to-date energy losses were 1.73%, compared to prior year losses of 1.92%.

Water Utility

- Net income was \$68 thousand for October, with a net income of \$982 thousand year-to-date.
- Net operating income was \$103 thousand for the month, compared to budgeted net operating income of \$124 thousand. Year-to-date net operating income was \$1.335 million, compared to budgeted net operating income of \$1.312 million.
- Operating expenses for the month included \$16 thousand for street repairs from main breaks and \$6 thousand for well 23 rehabilitation using chemical (pantonite) treatment.
- Overall October consumption was down 5.26% from October 2015. Year-to-date consumption was down 4.77% from the prior year, with all major customer classes showing decreases. Year-to-date water losses were 15.40%, compared to prior year losses of 15.83%.

Communication Utility

- Net income was \$12,621 for the month, compared to budgeted net income of \$18,631. Year-to-date net income was \$138,006, compared to budget net income of \$179,038.

UC/16-70 Motion by Maggitti, seconded by Holck, to dispense with reading the minutes of the previous meeting and accept them as submitted. All ayes, motion carried.

- The Technical Services Manager reviewed the operations and financial reports.
- The group discussed information on the advantages and experiences with AMI so far.

UC/16-71 Motion by Holck, seconded by Borgman, to adjourn. All ayes, motion carried. Meeting adjourned at 4:43 pm.



John Maggitti, Secretary

Operations Report
December 12 2016

We are nearing the end of 2016 so an AMI update would be good. We had originally planned to be done by the end of 2016, but with manpower limitations and vendor issues with implementation, we have been delayed. This is not unusual for such projects.

On the water side, we have 6,239 AMI water meters installed to date. This represents a completion rate of 78% for the project. Part of the AMI project entails a cross connection survey being conducted in each house which extends the amount of time required at each site. While on site, we are taking advantage of that opportunity to identify the type of material in the customer owned water service. We are entering this information into our GIS mapping system for use later in identifying the number and location of the lead service lines. This will provide a valuable tool for us in planning for and implementing the replacement of lead service lines.

On the electric side, 12,318 out of 13,363 (92.1%) have been installed. The balance of the remaining meters are poly-phase. Due to the software demand reset issue and other system issues, the delivery of poly-phase meters has been delayed. It is likely that the meters will not be ready for installation until the spring of 2017. However, the installation of electric meters is still on track to be complete in less than three years since the project was not actually started until October of 2014.

Ray Burrill has begun assisting the water department AMI installation by completing installations of AMI water meters, radios, and by completing the cross-connection inspections. This is just one of a few cross training efforts to reduce costs.

John and Erick are in the design process for the 2017 construction season. They are working in conjunction with the city on several street projects. Some of the projects are being designed completely in house and SEH is assisting on the McMillan main lining project.

On November 17th, unpaid water and sewer charges were sent to the City Clerk's office for placement on the tax roll. The total amount sent to tax roll was \$34,189, compared to \$44,519 for 2015, which is a decrease of 23%. The water portion of \$12,879 that went on the taxes this year was also lower than last year's \$15,705 (down 18%).