

**MARSHFIELD UTILITIES, A MUNICIPAL UTILITY  
MARSHFIELD UTILITY COMMISSION  
MAY 9, 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 May 9, 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, Steve VanderMeer, and Utility staff. Absent were Alderperson Peter Hendler and Attorney John Adam Kruse .

- During commissioner, council, and staff comments, Alderperson Earll stated that the value of the utility presentation given to the common council was well received and he suggests continuing annually.
- The Financial Manager presented the final draft of the capital budget for review and approval.

**UC/16-29** Motion by Borgman, seconded by Johnson, to approve the capital budget. All ayes, motion carried.

**UC/16-30** Motion by Holck, seconded by Maggitti, to approve the following job orders:

5724	Upham Street Lining Project (St. Joseph's to Chestnut)	\$1,032,265.11
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All ayes, motion carried.

**UC/16-31** Motion by Johnson, seconded by Borgman, to approve payroll for April in the amount of \$361,849.61 and general bills for April in the amount of \$4,702,553.05. All ayes, motion carried.

**March 2016 Financial Statement Notes**

Electric Utility

- Net loss was \$104 thousand for the month, with a net income of \$449 thousand year-to-date.
- Net operating income was \$23 thousand for the month. Year-to-date net operating income was \$840 thousand, compared to budgeted net operating income of \$822 thousand.
- After removing the effects of the PCAC timing, the net operating income was \$165 thousand for the month and \$739 thousand year-to-date.
- March consumption was down 7.70% from March 2015, with year-to-date consumption down 5.86%. Year-to-date energy losses were 0.80%, compared to prior year losses of -0.02%.

Water Utility

- Net income was \$61 thousand for the month, with a net income of \$210 thousand year-to-date.
- Net operating income was \$96 thousand for the month, compared to budgeted net operating income of \$89 thousand. Year-to-date net operating income was \$317 thousand, compared to budgeted net operating income of \$291 thousand.
- Operating expenses included \$24 thousand for well rehabilitation on Well #6.
- March consumption was down 4.68% from March 2015. Year-to-date consumption was down 2.26%. Year-to-date water losses were 15.39%, compared to prior year losses of 16.86%.

Communication Utility

- Net income was \$17,974 for the month, compared to budgeted net income of \$18,805. Year-to-date net income was \$49,259, compared to budgeted net income of \$51,996.

**UC/16-32** Motion by Maggitti, seconded by Borgman, to dispense with reading the minutes of the previous meeting and accept them as submitted. All ayes, motion carried.

- The General Manager reviewed the operations and financial reports.
- The General Manager gave an update on MEUW and reviewed information compiled on the services they provide.

**UC/16-33** Motion by Maggitti, seconded by Holck, to adjourn. All ayes, motion carried. Meeting adjourned at 4:10 p.m.



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John Maggitti, Secretary

## Operations Report May 2016

We are continuing discussion with the PSC on the electric and water rate cases. I have received a positive response from the PSC on the possibility of raising the water ROR to 7.5% in order to generate an extra \$500,000 per year for additional main replacement. This is not an approval, just an agreement that we should submit our rate case with that proposed. We will be verifying the actual ROR required to generate the amount of needed cash and submitting that data along with the updated long range plan, a commitment and plan to ensure the money goes to main replacements, and an indication of support of the plan from the commission and the council. We should have that ready for the June commission meeting.

We have set up a key accounts program. Any large customer contacts, whether for water, electric, or efficiency matters, will be recorded in a database where all involved can monitor activity. Minimum frequencies of contact will be established for the customers. Customers will be asked what they need from us and at what frequency. We will discuss energy and water efficiency matters with them. Multiple contacts may need to be established for different purposes. Much of this is already being done, just not in as organized of a fashion.

It is disconnect season as the winter disconnection moratorium ended April 15<sup>th</sup>. Over 1600 payments were made by customers in our office in April. Customer service employees have been working with customers on payment arrangements. In April, 176 payment arrangements were signed by customers. The past due balance was \$111,850 at the end of April compared to \$188,364 at the end of March. In April, 83 customers were disconnected for non-payment, compared to 108 last April.

You may have seen in the paper that the clinic and DOJ are getting involved in the drug take back program. This is good news even though Groundwater Guardians may have felt a little slighted by the article. Thanks to the Groundwater Guardians, Marshfield has been doing this for 10 years already. They met again at the Police Department on April 28<sup>th</sup> to sort for the upcoming DOJ Take Back event on Saturday, April 30<sup>th</sup>. 726.6 pounds were collected over the past six months, bringing the total collection since May 2006 to 9,378.6 pounds.

This summer, we will be conducting our lead and copper survey which is done on a three year cycle. Joe Dierickx has arranged to collect lead and copper water samples from 30 homeowners. We have completed interior plumbing surveys in these homes to assure that the sites are suitable for collecting the samples. Sample collection will begin in June. It is very important that we successfully complete these samples. Failure to obtain good samples could force us into a program to remove the lead services. The DNR is planning to make some grant money available to homeowners for these service replacements. This would be coordinated through the water utilities. We will monitor this activity for an opportunity to get some of the services in Marshfield replaced with this grant money.