

**MARSHFIELD UTILITIES, A MUNICIPAL UTILITY
MARSHFIELD UTILITY COMMISSION
August 11, 2014**

COMMISSION MEETING MINUTES

A regular meeting of the Marshfield Utility Commission was called to order by President Mike Eberl at 4:00 pm on August 11, 2014 in the downstairs meeting room of the utility office. Present were Commissioners Harry Nienaber, Mike Eberl, George Holck, Aaron Pitzenberger, and John Maggitti. Also present were Alderperson Charlotte Smith, Alderperson Gordon Earll, City Administrator Steve Barg, David Anderson, and the Utility staff.

- During citizen's comments, Steve Barg stated that the city is pleased with the current dividend policy and the money has been helpful to the Economic Development Board. The EDB has a goal to grow business for Marshfield and relies on the dividend and asks that these factors be considered.
- New Commissioner John Maggitti introduced himself.
- President Eberl asked for nominations for Commission Secretary. Holck and Nienaber nominated John Maggitti. With no further nominations President Eberl declared John Maggitti Commission Secretary by acclamation.
- Alderperson Earll presented information on the city's dividend use.

UC/14-54 Motion by Pitzenberger, seconded by Nienaber, to dispense with reading the minutes of the previous meetings and accept them as submitted. All ayes, motion carried.

UC/14-55 Motion by Holck, seconded by Pitzenberger, to approve payroll for July in the amount of \$139,630.17 and general bills for June in the amount of \$3,425,103.16. All ayes, motion carried.

UC/14-56 Motion by Holck, seconded by Nienaber, to approve the following job order(s):

JO #5665	Construction of well house #26.	\$182,440.44
JO #17711	Heritage Estates Apts: Overhead and underground primary line extension for new apartment complex totaling 7 buildings.	\$56,871
JO #7449	IP CCTV camera project: integration with access control project, second phase of project.	\$21,633
JO #5700	Replace hydrant at 16 th & Cedar.	\$5,625.81
JO #17775	Tewksbury failed Pri. Ug., W107 Bobwhite Rd: replacing a failed #2 primary single phase cable.	\$21,497

All ayes, motion carried.

June 2014 Financial Statement Notes

Electric Utility

- Net income was \$181 thousand for the month, with a net income of \$588 thousand year-to-date.
- Net operating income was \$334 thousand for the month, compared to budgeted net operating income of \$161 thousand. Year-to-date net operating income was \$1.3 million, compared to budgeted net operating income of \$1.4 million.
- After adjusting for the PCAC timing, the net operating income for the month was \$180 thousand.
- Operating expenses for the month included \$22 thousand for borescope inspection and shaft and collector box alignment at M-1.
- June consumption was up 2.26% from June 2013, while year-to-date consumption was up 3.50%. Year-to-date energy losses were 1.43%, compared to prior year losses of 2.09%.

Water Utility

- Net income was \$87 thousand for the month, with a net income of \$120 thousand year-to-date.
- Net operating income was \$108 thousand for the month, compared to budgeted net operating income of \$83 thousand. Year-to-date net operating income was \$244 thousand, compared to budgeted net operating income of \$299 thousand.
- June consumption was down 1.17% from June 2013. Year-to-date consumption was up 0.28% from the prior year. Year-to-date water losses were 14.91%, compared to prior year losses of 11.36%.

Communication Utility

- Net income was \$12,884 for the month, compared to budgeted net income of \$13,931. Year-to-date net income was \$136,648, compared to budget net income of \$80,858.
- The Managers reviewed noteworthy projects including:
 - Electric: The Electric, Communications & Gas Manager reviewed documents included in the electric department report including Electric System Losses, System Load Growth, and System Reliability Summary Based on Outage Reports. He also stated that ATC and MU are updating transmission breakers and the transmission system is radial fed during the upgrade process increasing the potential for an outage.
 - Water: Structural lining is done on Adams and started on Adler. The service will still need to be reinstated and samples taken. Will be starting to bore 600 feet of water main on Columbus.
- The General Manager and David Anderson with The PFM Group presented information on water department financials.

UC/14-57 Motion by Maggitti, seconded by Holck, to authorize a water bond in the amount of approximately four million dollars in a level payment type bond. All ayes, motion carried.

- The General Manager reviewed the existing and proposed investment and cash reserve policy and the existing and proposed dividend policy.

UC/14-58 Motion by Nienaber, seconded by Pitzenberger, to approve the proposed dividend policy. All ayes, motion carried.

UC/14-59 Motion by Maggitti, seconded by Nienaber, to approve the proposed investment and cash reserve policy. All ayes, motion carried.

- The General Manager and Electric, Communications, & Gas Manager reviewed the fiber project labor bids with a recommendation for the low bidder Broadband Solutions.

UC/14-60 Motion by Pitzenberger, seconded by Holck, to approve the bid from Broadband Solutions in the amount of \$26,271. All ayes, motion carried.

- The General Manager and Electric, Communications, & Gas Manager reviewed the substation contractor bids for breaker installation with a recommendation for the low bidder Energis.

UC/14-61 Motion by Holck, seconded by Nienaber, to approve the bid from Energis in the amount of \$139,486. All ayes, motion carried.

UC/14-62 Motion by Nienaber, seconded by Maggitti, to adjourn. All ayes, motion carried. Meeting adjourned at 5:24 p.m.

A handwritten signature in black ink, appearing to read 'J Maggitti', is positioned above a horizontal line. The signature is stylized and cursive.

John Maggitti, Secretary

Department: Electric
Manager: Nicolas Kumm
Contributing: Greg Geiger
Month: July 2014

- The M-1 generator didn't run during the month of July.
- Cole Eswein and Dustin Oleson installed power/control cable and conduits at Wildwood and McMillan Substations for the fall breaker replacement project.
- Cole attended C&D University 2-day Lead Acid Battery Training in Milwaukee July 15th – 16th.
- Dustin completed on-line DOT Hazardous Material Update for shipping of hazardous material on July 10th.
- Derrek Caflisch has been working on customer projects and easements.
- Don Rogers has been working on new customer line extensions and Marathon County road projects.
- Faith Schmidt is sending out letters for the water meter AMI change-outs and scheduling appointments with customers for the water meter AMI change-out. She has also been sending out letters to customers with electric meter socket/pedestal issues.
- Nicolas Whipple has been helping with project planning and plan review for the fall substation work. He has been working on the Roehl fiber project and providing estimates to customers for other fiber projects.
- Nicolas attended Power System Analysis Skills for Engineers and Techs July 23rd – 25th in Madison.
- The electric crews did a fair amount of shuffling around for the month in order to stay ahead of all customer requests. The following job orders were worked on or completed: Pole kill on Mann Street 17755, Middle School underground extension 17754, Robin Road Conversion 17763, Cty Y pole replacement 17769, Fifth Street underground replacement 17663, Pankratz extension 17756 and Pioneer Bank 17743. All crews were involved in the projects and the crew leaders did a great job getting all the work done this month.
- Greg has been working with the tree trimming crews, the underground contractors and the truck testing requirements for the year. All trucks passed and most repairs, other than some very minor issues, have been corrected.

Department: Office
Manager: Kent S. Mueller
Month: July 2014

- There were 58 disconnections for non-payment in July 2014, compared to 60 in July 2013. Deferred payment agreements were also lower, at 116 for July 2014, compared to 137 for July 2013.
- Patti Sternitzky updated the Public Fire Protection property values in the billing system. Since our public fire protection charge is based on property values, we need to update total assessed values each year after the City completes the Open Book and Board of Review process. The 2014 update resulted in a value increase of .77% or an estimated revenue increase of \$667 per month. The PFP charge has been billed to water customers since July 2005. Prior to this, it was billed to the City and included on property taxes.
- The annual umbrella insurance coverage for the M-1 generator facility was finalized in July. Total cost for the annual renewal is \$93,835, compared to prior year cost of \$85,305, which is a 10% increase in the annual premium. Terry Christen from Westland Insurance worked to renew the \$14 million of liability coverage, which runs from August to July each year, for the M-1 combustion turbine.
- The contract for banking services with Citizens State Bank of Loyal (CSB) ended on July 31st. This was a 5 year contract with Marshfield Utilities and the City of Marshfield. Requests for proposals (RFP's) for a 3 year contract were received from four banks. The evaluation team reviewed the RFP's and chose CSB to provide these services. The new contract with CSB has few changes from their previous contract.
- On July 22nd, the office participated in ergonomic training provided by MEUW.
- On July 25th, our voluntary additional capital call amount of \$56,777 was sent to ATC. This was our third capital call this year, with year-to-date additional investment of \$227,107.
- On July 31st, an ATC cash distribution totaling \$143,546 was received. Since our initial investment in 2001, we have received over \$5.6 million in ATC earnings distributions.

Department: Technical Services

Manager: Cathy Lotzer

Contributing: Heather Young, Shawn Marsh, Jim Benson

Month: July 2014

- Cathy, Heather, Jim, Melissa, Amanda, Dave, John, Jeff T, and Val worked with the Groundwater Guardian group and nearly 90 girl scouts from more than 30 different troops from all over central Wisconsin to earn their “Ask Me About Groundwater” patch.
- Cathy and John requested proposals for preliminary site work at the Water Treatment Facility site. Birschbach and Associates will be scheduling soil borings and working with staff to update our current space needs study.
- Cathy was invited to be a presenter during an EPA sponsored webinar called “Tap Talks on Tuesdays”, where she was asked to share Marshfield’s success with our local Groundwater Guardian outreach education programs.
- Cathy, Shawn, and Jim are working with Per Mar on pricing and proposals for future cameras to integrate with our current access control system.
- Heather attended a two-part APPA webinar on the EPA’s Proposed Greenhouse Gas rules.
- Heather submitted the semi-annual excess emissions report to the EPA and WDNR on 7/28.
- Heather worked with Nick and GDS Associates to respond to a NERC questionnaire regarding the proposed Distribution Provider registration criteria.
- Heather and Shawn worked on addressing a StackVision System Alarm regarding available disk space on the MUM1 server.
- Heather, Cathy and Shawn attended a NERC webinar on Active Shooter Training and Programs.
- Heather and Cathy went on tour of M-1 and the Millcreek substation guided by Nick Kumm.
- Heather, Cathy, Shawn and Jim attended MU’s website committee meeting.
- Shawn installed several new PC’s replacing old XP units and continues to work with staff on their set ups.
- Shawn is working with Nick and Jeff Stelter on renewing an FCC license for Sensus radios.
- Shawn and Jim worked to complete the final PC display board at the Oak Water office.
- Jim is working with several contractors regarding ongoing projects such as: camera installations, lighting installation, new entry door, mini split system repair/replacement, and grounds maintenance.
- Jim continues to assist both residential and business customers with energy assessments and FOE program management.

Department: Water
Manager: Dave Wasserburger
Month: July 2014

- The Water Department has installed 2507 meters for the AMI project to date. This represents a little over 30% of the total number of meters to be changed out for the entire Water portion of the project.
- Crews installed new water services for Pioneer Bank, Dunkin Donuts, Heritage Bank, the Drake House and the Drake House II. Two of these were on Central Avenue and required traffic rerouting and concrete road replacement.
- The water main lining projects on Adler Avenue and Adams Avenue have started. Temporary water services are installed and preparation of the pipe for lining has started. The actual pipe lining process may start as early as the first week of August.
- New water main has been installed to well 26. Construction of the new well house will begin shortly. We hope to have the well in production by the end of the year.
- UCMR sample results have been received. Approximately 30 unregulated contaminants were tested for. We did not have any detection of these contaminants in our sample results.
- I met with the Zoning Board on July 8th. We were granted a variance to allow the construction of an altitude valve and a small building to house the valve which will be installed at the Grant Park water tower site when the new Depot Street water tower project is done.
- HydroDesign was here July 1, 2 and 3 performing commercial cross connection inspections. They had 52 inspections scheduled for these 3 days.
- The Verizon antenna project is nearing completion. The work on the water tower is 95% complete and there is some site work remaining to be done. They hope to be 100% complete by the middle of August.
- We are in week 19 of a 26 week study which is looking at the effects on biological propagation on a controlled substrate in a water system. This study is being conducted to help us understand if adding a certain chemical to the water supply will help us control lead and copper concentrations in the water by controlling the growth of biomass on the pipe walls.

Groundwater Guardians

Cathy put together an event for the Girl Scouts that was held in Wildwood Park. There were over 50 participating girl scouts from Marshfield, Wisconsin Rapids, Stratford, Medford,

Neillsville, Abbotsford and Granton. They all learned a lot, had fun, and got to make their own edible aquifer!