

**MARSHFIELD UTILITIES, A MUNICIPAL UTILITY
MARSHFIELD UTILITY COMMISSION
OCTOBER 12, 2015**

COMMISSION MEETING MINUTES

A regular meeting of the Marshfield Utility Commission was called to order by President Mike Eberl at 4:00 pm on October 12, 2015 in the downstairs meeting room of the utility office. Present were Commissioners Mike Eberl, John Maggitti, Harry Borgman, George Holck, and Alen Johnson. Also present were Alderperson Gordon Earll, Attorney John Adam Kruse and Utility staff. Absent was Alderperson Peter Hendler.

- During commissioner, council and staff comments, new commissioner Alen Johnson introduced himself. Harry Borgman commended the staff for the September Business After 5 event. Bob Trussoni gave an update on a lawsuit with the Rear End. Nick Kumm recognized Randy Ayer for completing his apprenticeship to become a journeyman lineman. Melissa Barnes discussed the Business After 5 event and Heavy Metal Tour event.

UC/15-76 Motion by Holck, seconded by Borgman to elect Mike Eberl as Commission President. No further nominations. All ayes, motion carried.

UC/15-77 Motion by Holck, seconded by Borgman to elect John Maggitti as Commission Secretary. No further nominations. All ayes, motion carried.

- Group discussed board governance, specifically how the utility provides value and how we convey the value. Utility staff to draft a policy to address an annual presentation process.

UC/15-78 Motion by Holck, seconded by Johnson, to approve payroll for September in the amount of \$147,056.41 and general bills for September in the amount of \$3,312,757.65. All ayes, motion carried.

August 2015 Financial Statement Notes

Electric Utility

- Net income was \$144 thousand for the month, with a net income of \$883 thousand year-to-date.
- Net operating income was \$278 thousand for the month, compared to budgeted net operating income of \$226 thousand. Year-to-date net operating income was \$1.723 million, compared to budgeted net operating income of \$1.725 million.
- After adjusting for the PCAC timing, net operating income for the month was \$151 thousand.
- M-1 operating expenses included \$56 thousand for the purchase of one new actuated gas valve and the rebuild of an existing actuated gas valve, and \$5 thousand for CPU and RTN card firmware updates.
- August consumption was up 3.49% from August 2014, with year-to-date consumption that was down 0.58%. Year-to-date energy losses were 2.14%, compared to prior year losses of 1.76%.

Water Utility

- Net income was \$52 thousand for August with a net income of \$478 thousand year-to-date.
- Net operating income was \$80 thousand for the month, compared to budgeted net operating income of \$98 thousand. Year-to-date net operating income was \$707 thousand, compared to budgeted net operating income of \$471 thousand.
- Operating expenses included \$13 thousand for water main preserver and \$20 thousand for hydrant painting.
- Overall August consumption was up 6.77% from August 2014. Year-to-date overall consumption was up 4.08% from the prior year, with all major classes of customers, except Residential, showing increases. Year-to-date water losses were 14.43%, compared to prior year losses of 15.16%.

Communication Utility

- Net income was \$18,661 for the month, compared to budgeted net income of \$18,077. Year-to-date net income was \$146,444, compared to budgeted net income of \$136,073.

UC/15-79 Motion by Borgman, seconded by Maggitti, to dispense with reading the minutes of the two previous meetings and accept them both as submitted. All ayes, motion carried.

- The Department Managers reviewed noteworthy projects including:
 - Water gave an update on the new water tower progress and the aeration tower install.
 - Office informed the group of schedules included in the office department report.
- The Technical Services Manager presented information on home energy audits.

UC/15-81 Motion by Maggitti, seconded by Borgman, to adjourn. All ayes, motion carried. Meeting adjourned at 4:27 p.m.



John Maggitti, Secretary

Department: Electric

Manager: Nicolas Kumm

Contributing: Derrek Caflisch & Tony Nelson

Month: September 2015

- M-1 did run during the month of September. The unit was called in twice by MISO and operated well both days.
- Electric AMI meters installed: 7,285 out of 13,100 (55.9%). Bruce Ackerman, Al Derge, Cole Eswein, and Dustin Oleson have completed all of the meter change-outs thus far. Ray Burrill has helped with check reads and transfers to allow others to focus on meter change outs.
- Cole completed week 1 of year 4 of substation apprenticeship school from September 21st-25th
- I attended Capital Budgeting and Finance for the Engineer at UW-Madison on September 10-11th.
- Don Rogers retired from Marshfield Utilities after 28 years on September 22nd. Everyone wishes Don the best of luck with retirement!
- Tony and I attended the PW Power Systems World Conference in Hartford Connecticut September 22nd – 24th. The conference agenda reviewed issues seen by the fleet, fixes to the issues, and provided an opportunity to network with PW Power Systems staff and other combustion turbine plant owner/operators.
- Lonnie Mesar with MEUW Job Training and Safety Program provided training on September 23rd. The training covered emergency response procedures, pole top rescue, and bucket rescue.
- Sean Wall with MEUW provided electric department office personal office ergonomics training on September 25th.
- Randy Ayer, Dean Bohman, Cole Eswein, Tim Habermeyer, Jeff Holbrook, Robert Olwell, Jane Pearson, Mike Vanderwyst, Nicolas Whipple, and I participated in the MACCI Business after 5 that Marshfield Utilities hosted on September 30th. Staff provided attendants the opportunity to learn more about the utility and participate in hands on demonstrations; including installation of line hose, try on rubber gloves and sleeves, install a cutout, live demonstration of electrical faults, back yard machine and bucket truck review, M-1 overview, fiber optic cable, and infrared camera demo. Everyone did a great job!
- Staff completed the submittal of the American Public Power Association (APPA) Reliable Public Power Provider (RP3). The RP3 program recognized utilities that demonstrate high proficiency in reliability, safety, work force development and system improvement. The RP3 review panel will provide notice of designation, if any during the first quarter of 2016.
- Randy Ayer received his Certificate of Apprenticeship from the State of Wisconsin and is recognized as a journeyman electric line worker. Randy completed 8,000 hours of on the job training and the required hours of related instruction.
- Ryan Steffen, Jeff Irish, Randy Ayers, and Tim Habermeyer reworked the mini substation on the West supply into Marshfield Door on September 5th. They coordinated with CN Railroad to transfer the circuit to a new GOAB switch installed to allow isolation of their 2400 volt system without the need for a plant shutdown to perform maintenance.
- Tim Habermeyer and Robert Olwell – Attended Lineman Apprenticeship School September 14th-18th.

- Jeff Holbrook, Mike Vanderwyst, Robert Olwell, Dean Bohman, Randy Ayer, Ryan Steffen, and Jim Seefluth have been working the Manchester Court Underground Primary Conversion and the Underground Primary Cable Replacement on Hume Avenue between Blodgett and Fillmore.
- Jeff Irish and Tim Habermeyer have been working services, street lights, and many small projects.

Department: **Office**
Manager: **Kent S. Mueller**
Month: **September 2015**

- Patti has been working on the operating budget for 2016. The first O&M review will be at the November Commission meeting, and final approval at the December Commission meeting.
- Work continues on a number of projects including planning for the fall water/sewer tax roll filing.
- The PSC has started to review our water rate case that we filed on July 31st. The PSC has increased the rate of return from 5% to 5.25% that will be used in calculating our new water rates.
- Starting with cycle 2, we are now reading the AMI water meters with our two antennas instead of our drive-by system.
- Patti, Kelly, and Tracey attended the annual MEUW Accounting and Customer Service Seminar on September 23rd. Topics included State Debt Collection, PSC report changes, Act 274/tax roll changes, credit checks, and a presentation by the PSC regarding consumer affairs.
- The PSC hearing for the changes to deferred payment agreements residential renters was held on September 24th. Five citizens, all of which were landlords, came to the hearing. The PSC approved our request, and these changes will become effective on January 1st, 2016.
- Below are the schedules of payments made to the City of Marshfield and the amounts billed to the City for a 12 month period ending in August 2015.

MARSHFIELD UTILITIES
 SCHEDULE OF PAYMENTS MADE TO CITY OF MARSHFIELD
 SEPT 2014 THROUGH AUG 2015

Description	Amount
SHARE OF ELECTRICAL INSPECTOR COSTS	23,640.52
SHARE OF FINANCE DEPT SALARY, SHARE OF CLERK'S SALARY	3,462.68
LAB ANALYSIS FOR WATER TREATMENT PLANT	1,628.00
GAS & DIESEL CHARGES	31,866.64
RESTORE STREET FROM WATER SERVICE REPAIR FOR 1101 W 8TH ON ADAMS	4,519.70
SAW CONCRETE PAVEMT FULL DEPTH 242 @\$10.10 SF, CONCRETE PAVEMNT- 8" @	8,314.16
UTILITY CONSTRUCTION/EXCAVATION IN PUBLIC RIGHT OF WAY PERMITS	2,375.00
WORK DONE BY HAAS SONS, INC ON NORTH ST	111,495.21
SALT WATER BREAK AT 205 S ADAMS	173.98
HYRDOR EXCAVATE SEVERAL HOLES TO LOCATE POWER CONDUIT CTY HWY E CO	613.53
SALT 300 BLOCK W MCMILLAN BY WATER BREAK	498.27
SALT 5TH & LINCOLN- WATER BREAK	140.23
SALT WALNUT AVE BY WATER MAIN BREAK MAINTENANCE 7 REPAIR	153.50
DOMES TOP SET	90.00
DOMES PANEL SET	90.00
DOMES TOP	<u>90.00</u>
CONSTRUCTION, SALT MAIN BREAKS	128,553.58
PAYMENT FOR 10% OF WATER TOWER LEASE REVENUE - 2014	4,938.94
HAMUS PARK - ANNUAL MAINTENANCE FEE	18,000.00
	675.00
UTILITY PERMITS	
FINAL PAYMENT OF WRS REFUNDING BONDS	105,385.44
2014 PAYMENT IN LIEU TO TAX (PILOT)	1,769,895.54
DIVIDEND PAYMENT TO CITY	267,409.00
PER DIEM FOR MAYOR CHRIS MEYER 4 DAYS @ 100	400.00
MU PORTION OF CAD SOFTWARE	820.00
MU PORTION OF AERIAL PHOTO	23,661.50
MU PORTION OF GIS SOFTWARE	<u>10,000.00</u>
MU PORTION OF SOFTWARE	34,481.50
	63.25
MISCELLANEOUS	
TOTAL PAYMENTS TO CITY	2,390,400.09

MARSHFIELD UTILITIES
 SCHEDULE OF AMOUNTS BILLED TO CITY OF MARSHFIELD
 SEPT 2014 THROUGH AUG 2015

Date	Doc Type	Doc Number	Orig Doc Amt	Description
City of Marshfield				
09/02/2014	Invoice on Acct	6338	300.80	Digger's Hotline
09/16/2014	Invoice on Acct	6355	994.72	Damage to street light
10/02/2014	Invoice on Acct	6402	353.97	Digger's Hotline
10/16/2014	Invoice on Acct	6410	91.00	Water tap
11/04/2014	Invoice on Acct	6437	292.00	Digger's Hotline
11/11/2014	Invoice on Acct	6445	91.00	Water tap
11/21/2014	Invoice on Acct	6457	5,056.00	Fiber installation to Galvin Ave pumping station (Wastewater)
12/05/2014	Invoice on Acct	6489	111.20	Digger's Hotline
12/26/2014	Invoice on Acct	6513	3,441.59	Water dept. inspection water main extension (city project)
01/07/2015	Invoice on Acct	6561	56.80	Digger's Hotline
01/23/2015	Invoice on Acct	6588	91.00	Water tap
02/03/2015	Invoice on Acct	6617	36.80	Digger's Hotline
03/02/2015	Invoice on Acct	6664	41.60	Digger's Hotline
04/07/2015	Invoice on Acct	6727	125.60	Digger's Hotline
04/23/2015	Invoice on Acct	6739	46.95	Repair frozen water meter
04/28/2015	Invoice on Acct	6751	639.39	Repair 2 street lights. City billed cost to driver's insurance.
05/04/2015	Invoice on Acct	6771	370.40	Digger's Hotline
06/12/2015	Invoice on Acct	6824	424.00	Digger's Hotline
06/17/2015	Invoice on Acct	6826	91.00	Water tap
08/17/2015	Invoice on Acct	6939	367.57	Digger's Hotline
08/17/2015	Invoice on Acct	6941	356.37	Digger's Hotline
			<u>13,379.76</u>	
City of Marshfield - Tax Roll				
11/17/2014	Invoice on Acct	6451	29,321.02	Tax roll - Wood County (water only)
11/17/2014	Invoice on Acct	6452	84.58	Tax roll - Marathon County (water only)
			<u>29,405.60</u>	
Wastewater Utility				
09/30/2014	Invoice on Acct	6388	16,727.23	Monthly billing charge
10/31/2014	Invoice on Acct	6423	16,727.23	Monthly billing charge
11/26/2014	Invoice on Acct	6465	16,727.23	Monthly billing charge
12/30/2014	Invoice on Acct	6530	16,727.23	Monthly billing charge
01/30/2015	Invoice on Acct	6598	16,727.23	Monthly billing charge
03/02/2015	Invoice on Acct	6646	22,417.40	Monthly billing charge
03/31/2015	Invoice on Acct	6704	22,417.40	Monthly billing charge
04/30/2015	Invoice on Acct	6754	22,417.40	Monthly billing charge
05/29/2015	Invoice on Acct	6787	22,417.40	Monthly billing charge
06/30/2015	Invoice on Acct	6850	22,417.40	Monthly billing charge
07/31/2015	Invoice on Acct	6910	22,417.40	Monthly billing charge
08/31/2015	Invoice on Acct	6954	22,417.40	Monthly billing charge
			<u>240,557.95</u>	
09/22/2014	Invoice on Acct	6366	2,197.96	Fiber optic billing
12/18/2014	Invoice on Acct	6507	2,197.97	Fiber optic billing
03/18/2015	Invoice on Acct	6679	2,263.91	Fiber optic billing
06/22/2015	Invoice on Acct	6835	2,263.91	Fiber optic billing
03/13/2015	Invoice on Acct	6674	473.50	Printing new wastewater rate inserts
09/08/2014	Invoice on Acct	6348	66.61	Program AMI sewer meters
12/10/2014	Invoice on Acct	6494	375.24	Program AMI sewer meters
07/14/2015	Invoice on Acct	6883	1,189.94	Program AMI sewer meters
06/23/2015	Invoice on Acct	6840	410.80	Sale of water meter registers
07/28/2015	Invoice on Acct	6903	4,784.74	Sale of water meters and registers
			<u>16,224.58</u>	

Department: Technical Services

Manager: Cathy Lotzer

Contributing: Heather Young, Shawn Marsh, Jim Benson

Month: September 2015

- Cathy and Shawn are working on preparing a proposal and specification for a new VoIP (Voice over Internet Protocol) phone system. The project would be brought to the Commission for approval for work to begin in early 2016.
- Cathy and Bob continue to meet with the City Department Managers to discuss any benefit from a functional standpoint of combining multiple city entities into one building site.
- Heather and Cathy spent several days with Bill Bateman from GDS on our annual NERC Self-Assessment. There were no findings as a result of the assessment. Heather continues to make process improvements as a follow-up. Over the next year, a large focus of our time will be on new CIP–Cyber Security compliance requirements. Heather, Cathy, Nick, Tony, and Bob also participated in the Internal Compliance Committee meeting during this time.
- Heather, Shawn, Cathy, and Jim participated in the website committee meeting for general website discussion and to review what the PR firm had to say about MU’s website and Facebook page.
- Heather presented with Melissa to Bob, Dave, and John regarding water fluoridation.
- Heather and Cathy have been reviewing MU’s Monitoring Plan to update it to reflect the new construction permit.
- Shawn setup and put into production three new Surface PCs and also new Water and Electric laptops for mobile usage in the field.
- Shawn has been working with AllMax software and the Water Dept. to get a new SCADA reporting system setup.
- Shawn has been assessing our cyber security policies and procedures.
- Jim has been working with Jim S. cleaning up and organizing the exterior lot and interior tin shed storage for winter.
- Jim has been working with T&R transformers on the sale and transportation of 34 junk transformers.
- Jim has been working with Veolia on proper documentation, legal transportation, and authenticated recycling of two PCB laden 10kVa transformers.

Department: Water
Manager: Dave Wasserburger
Month: September 2015

Crews replaced broken mainline water valves at 3rd and Cedar, Schmidt and Fairview and at Blodgett and Schmidt. On occasion a valve will not stop leaking after it is exercised or something breaks when operated. The valve will then need to be dug and either repaired or replaced. Many older valves have a mechanical stuffing box that starts to leak and once it starts it will not stop. There are replaced with new valves which have rubber O-rings in place of the stuffing box.

All new water main, hydrants and water services have now been installed on the Maple Avenue Project. The last service was replaced September 30th. The entire project is nearing completion.

The water tower project is nearing completion. A bit of painting remains on the interior wet part of the tower and then the logo will get painted. The road and fence will be constructed in early October.

We found about 750 feet of 1973 vintage ductile iron water main to have some significant corrosion. As this water main is existing in a ditch line we were able to excavate the water main every 20 feet and install a cathodic protection anode on each stick of pipe. This should prevent further corrosion. We have done this on other sections of pipe with good results.

Sensus RNI Software shows 4155 AMI water meters installed. This represents 50.50% completion for the water portion of the project.

Bud Keys from the Waterous Company performed a water hydrant maintenance demonstration with the use of their hydrant demonstration trailer. New crew members were able to completely disassemble and reassembled several types of Waterous fire hydrants. Hydrant maintenance was discussed and suggestions were offered to help make us make our maintenance program more efficient.

North Central Technical College was on site with their confined space training trailer. Classroom instruction was followed up with hands-on training in the confined space trailer. All crew members were trained in confined space entry and rescue practices.

The aeration tower replacement project is well underway. The old aerator was successfully cut apart removed through an existing window opening. The new aerator was brought in building in pieces and then welded together once inside the building. We were able to avoid large scale disruption of the building and expenditures of money by bringing the aerator into the building in smaller pieces although this made the project more labor intensive.

Crews have been winterizing fire hydrants.