

**MARSHFIELD UTILITIES, A MUNICIPAL UTILITY
MARSHFIELD UTILITY COMMISSION
November 10, 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 November 10, 2014 in the downstairs meeting room of the utility office. Present were Commissioners Harry Borgman, Mike Eberl, Aaron Pitzenberger, and John Maggitti. Also present were Alderperson Charlotte Smith and the Utility staff. Absent were George Holck and Alderperson Gordon Earll.

UC/14-81 Motion by Pitzenberger, seconded by Borgman, to dispense with reading the minutes of the previous meetings and accept them as submitted. All ayes, motion carried.

UC/14-82 Motion by Maggitti, seconded by Borgman, to approve payroll for October in the amount of \$208,808.30 and general bills for October in the amount of \$3,789,596.45. All ayes, motion carried.

UC/14-83 Motion by Borgman, seconded by Maggitti, to approve the following job orders:

JO #17793	Ctk. 133 & 232 Rebuild, McMillan Sub to Central	\$420,352
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All ayes, motion carried.

September 2014 Financial Statement Notes

Electric Utility

- Net income was \$346 thousand for the month, with a net income of \$1.565 million year-to-date.
- Net operating income was \$483 thousand for the month, compared to budgeted net operating income of \$247 thousand. Year-to-date net operating income was \$2.524 million, compared to budgeted net operating income of \$2.325 million.
- After adjusting for the PCAC timing, net operating income for the month was \$222 thousand.
- September consumption was down 3.55% from September 2013, with year-to-date consumption up 1.66%. For September, all classes of customers showed a decrease in consumption, with the exception of Large and Industrial customers. Year-to-date energy losses were 1.18%, compared to prior year losses of 2.06%.

Water Utility

- Net income was \$70 thousand for September and \$220 thousand year-to-date.
- Net operating income was \$90 thousand for the month, compared to budgeted net operating income of \$113 thousand. Year-to-date net operating income was \$405 thousand, compared to budgeted net operating income of \$586 thousand.
- Operating expenses included \$7 thousand for street repairs due to main breaks and service breaks.
- Overall September consumption was down 16.34% from September 2013, with all classes of customers showing a decrease. Year-to-date overall consumption was down 1.62% from the prior year. Year-to-date water losses were 14.97%, compared to prior year losses of 11.04%.

Communication Utility

- Net income was \$10,223 for the month, compared to budgeted net income of \$13,740. Year-to-date net income was \$172,303, compared to budget net income of \$119,732.

- The Department Managers reviewed noteworthy projects including:
 - Electric gave a substation update.
 - Water updated the progress on the new water tower.
 - Office shared that the courier service is being reviewed.
- The General Manager discussed information regarding the potential building project including timing of financing and additional evaluations being conducted by Birschbach & Associates.
- The Office Manager presented the capital budget for a second review.
- The Office Manager presented the operations & maintenance budget for first review.
- The General Manager discussed the timing of the capital budget. The consensus was to move the capital budget process to April and May to be able to coordinate better with the city.
- The General Manager and Office Manager presented information on an insurance claim from Leonard Moore.

UC/14-84 Motion by Pitzenberger, seconded by Borgman, to deny the claim. All ayes, motion carried.

UC/14-85 Motion by Maggitti, seconded by Borgman, to go into closed session per Wisconsin State Statutes Section 19.85(1)(g) concerning strategy to be adopted by the governmental body with respect to litigation in which it is or is likely to become involved, specifically for the purpose of discussing the potential effects of the Wisconsin Energy Corporation merger.

All ayes, motion carried. Closed session at 4:40 p.m.

Open session resumed at 5:07 p.m.

Meeting adjourned at 5:08 p.m.



John Maggitti, Secretary

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

- M-1 didn't run during the month of October.
- The M-1 fall outage was completed during the week of October 6th through the 10th. Cole Eswein, Dustin Oleson, and Ray Burrill completed calibrations, general inspections, filter change out, over-speed testing, first system calibration (by contractor) and winter prep.
- Contractors completed the installation of the ceiling located in the fuel unloading bay on the demineralization building at the Mill Creek generating plant.
- The substation construction was completed at McMillan Substation from September 22th through October 24th. Energis completed the replacement of the 199 oil circuit breaker with a gas circuit breaker with the assistance of Cole, Dustin, & Nicolas Whipple. Currently, work is being completed at Wildwood Substation. All work is currently on schedule.
- Electric AMI meters installed: 483 out of 13,100 (3.7%). New meters are scheduled to be delivered at 500 new meters every other week. The software update has been completed and currently being reviewed. Training and testing of the billing interface for wireless reads is scheduled for the middle of November.
- Cole completed Week 2 of year 3 of the Substation Electrical Apprenticeship at Northeast Wisconsin Technical College during the week of October 13th.
- Jeff Holbrook, Ryan Steffen, and Faith Schmidt assisted the Heavy Metal Tour of area 8th graders on October 8th. The tour provided 8th graders hands on exposure to line work along with other utility functions and careers.
- Session 2 of the MEUW Job Training and Safety Program was completed on October 23rd. The session covered rescue training for bucket trucks and poles.
- Jim Seefluth and Jeff Irish attended the MEUW JT&S Overhead/Underground Workshop in Green Bay October 6th – 8th.
- Randy Ayer attended week one of year four in his journeyman lineworker program. Topics of discussion included, OCR, fusing, and metering. They also toured a combustion turbine and methane digester.
- Mike Vanderwyst and Robert Olwell have been working on the Day Road rebuild.
- Jeff Holbrook and Ryan Steffen finished up the installation portion of the Peach St upgrade and have moved to the Washington rebuild.
- Jim Seefluth, Jeff Irish, and Randy Ayer have been working on the Highland overhead to underground conversion.
- Greg has been working to close job orders for the year, and has been working to set new inventory levels.

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

- Patti has been working to complete the 2015 budgets. The first draft of the O&M Budget is in process of being completed and will be reviewed at the November Commission meeting, along with the second review of the capital budget. Final approval for both budgets is planned for the December Commission meeting.
- On October 15th, water and sewer tax roll notices were mailed to customers and property owners. A 10% penalty is applied to unpaid balances after November 1st. A final submission to the City for placement on the tax roll is completed after November 15th.
- The last disconnections for non-payment for the year were October 29th. There were 581 disconnections in 2014, compared to 503 in 2013.
- A billing system review of all residential customers disconnected for non-payment this past season was performed. A field check was conducted by meter personnel and followed up by office staff to ensure remaining dwellings were either reconnected or unoccupied by the end of the month. No residences that were disconnected are still occupied. After November 1st, a status report is provided to the PSC.
- On October 24th, we sent \$56,777 to ATC for their 4th request in 2014 for voluntary additional capital. This increases our investment in ATC.
- On October 31st, we received an ATC, LLC cash distribution totaling \$149,700. For 2014, \$580,000 in ATC cash earnings has been received from ATC.
- Each year, we need to send to the state our unclaimed property. For Marshfield Utilities, this consists of uncashed checks over one year old, which were for customer refunds on closed accounts. We attempt to make contact with anyone that has uncashed checks. \$248.57 was sent to the state this year as unclaimed property.

Department: Technical Services

Manager: Cathy Lotzer

Contributing: Heather Young, Shawn Marsh, Jim Benson

Month: October 2014

- Cathy attended a Groundwater Foundation Board of Directors meeting where she was elected as Board Chair for a two-year term. She also attended a Groundwater forum and spoke on Marshfield's successful Groundwater Guardian activities.
- Cathy arranged multiple meetings with Allan Birschbach and our management team to provide feedback to the preliminary design plans.
- Cathy participated in MEUW assisted interviews for a new Safety Coordinator.
- Cathy and Shawn attended the MRO Security Conference in Minnesota.
- Cathy and Heather attended the annual FET Environmental Conference in Pewaukee.
- Heather and Cathy have been working with GDS Associates, Inc. to prepare for the environmental audit to be conducted in November. They have also been finishing up work from the 2014 NERC self-assessment.
- Shawn has been working on multiple upgrades to our website. Our YouTube videos will also be added in the near future.
- Shawn has been working with Jason from Priority Business on testing the SAN drives. They are also working on recovering from a failed SAN controller (Saturday 18th) and getting systems back to a fully functional state after the recovery.
- Shawn and Cathy worked to set up automated reports from our Access Control system. These will monitor battery status on all doors and routine access status.
- Jim is working on HVAC updates and repairs, addressing door adjustments/modifications at the Water Treatment Facility, and working with Ray to prep two vehicles for the auction.
- Jim continues work with Doine and American Asphalt on our parking lot. Paving is now complete. Vegetation cleanup should take place in the next week.
- Jim is working with Dick Pokorny regarding CEMA and working to find a speaker for this year's event.
- Jim is also working on several commercial energy audits via FOE. He is also assisting FOE on a new wave of direct installs. (This time, no additional cost to the Utility.)

Department: Water
Manager: Dave Wasserburger
Month: October 2014

- John Richmond, Marshfield Utility Civil Engineer, and Josh Mauritz, City of Marshfield Civil Engineer, have started the design of the Maple Street reconstruction project. This will be a complete reconstruction of Maple Street and the side streets located between Central Avenue and Maple Street from Veterans Parkway to 6th Street.
- We had 132 appointments to install AMI meters in October. This puts us at about 3000 meters installed or at about 38% complete. We have completed most of the construction projects and maintenance of the distribution system for the year and are increasing the number of letters being sent out to our customers to set up appointment for meter installations. If the winter is mild we can install meters all winter long. If the winter becomes severe we will likely have to stop as we were forced to do last year.
- We have found and repaired 14 leaks since starting our leak survey in June. These leaks totaled an estimated 236 gallons per minute or 339,840 gallons per day. Joe Dierickx has been heading up this effort.
- The fabric and subgrade materials for the road to the water tower site have been installed. The contractor is excavating for the footings and foundation walls. The goal is to pour the footings the first week in November and the walls the second week. This will be dependent to some extent on the weather.
- Pumping equipment has been installed in Well 26. We are waiting for the delivery of the SCADA equipment which is scheduled for November 6th.
- The CIPP project on Adler Road is complete.
- Crews are also making a second round check hydrants to ensure they are all pumped dry before freezing temperatures arrive.
- Erick Boon, Jeff Tisdell and John Richmond met with Melissa to discuss a possible future community event project.
- Hydro Design was in town completing commercial and industrial cross connection inspections the weeks of October 20th and 27th.

Groundwater Guardians

The Police Department is still collecting and storing unused and expired meds.