

MARSHFIELD UTILITIES, A MUNICIPAL UTILITY
MARSHFIELD UTILITY COMMISSION
April 13, 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 April 13, 2015 in the downstairs meeting room of the utility office. Present were Commissioners Mike Eberl, John Maggitti, Harry Borgman, Kathy Heintz-Dzikowich, and George Holck. Also present were Alderperson Gordon Earll and Utility staff. Absent was Alderperson Charlotte Smith.

- During citizens' comments, Dorothy Schnitzler addressed the commissioners and Marshfield citizens regarding the AMI meters and she presented documents.

UC/15-33 Motion by Holck, seconded by Borgman, to dispense with reading the minutes of the previous meetings and accept them as submitted. All ayes, motion carried.

UC/15-34 Motion by Maggitti, seconded by Borgman, to approve payroll for March in the amount of \$135,260.95 and general bills for March in the amount of \$3,462,561.68. All ayes, motion carried.

UC/15-35 Motion by Borgman, seconded by Holck, to approve the following job orders:

JO #5708	Maple Avenue reconstruction: 2 nd Ave to 6 th Ave	\$457,686.60
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All ayes, motion carried.

February 2015 Financial Statement Notes

Electric Utility

- Net income was \$207 thousand for the month, with a net income of \$565 thousand year-to-date.
- Net operating income was \$348 thousand for the month. Year-to-date net operating income was \$840 thousand, compared to budgeted net operating income of \$762 thousand.
- After removing the effects of the PCAC timing, the net operating income was \$321 thousand for the month and \$709 thousand year-to-date.
- February consumption was down 3.35% from February 2014, with year-to-date consumption down 1.81%. Year-to-date energy losses were -1.46%, compared to prior year losses of -2.11%.

Water Utility

- Net income was \$56 for the month, with a net income of \$124 year-to-date.
- Net operating income was \$84 thousand for the month, compared to budgeted net operating income of \$69 thousand. Year-to-date net operating income was \$182 thousand, compared to budgeted net operating income of \$117 thousand.
- February consumption was down 7.33% from February 2014, with all classes of customers showing a decrease. Year-to-date consumption was up 0.75%. Year-to-date water losses were 11.41%, compared to prior year losses of 12.52%.

Communication Utility

- Net income was \$19,322 for the month, compared to budgeted net income of \$18,077. Year-to-date net income was \$34,791, compared to budgeted net income of \$31,882.
- The Department Managers reviewed noteworthy projects including:
 - Electric noted that system reliability summary and system load growth information was included with the department report.
 - Water shared that the pumping equipment for well 8 is being inspected, and that the aeration

tower for the water treatment facility is reaching the end of its life.

- Office gave a summary of the Nasonville Dairy settlement and updated on the PSC electric billing audit.
- The Electric, Communications & Gas Manager and Water Superintendent presented information on system data.
- The General Manager presented a revision to the dividend policy.

UC/15-36 Motion by Holck, seconded by Borgman, to approve the revised dividend policy as presented by the General Manager. All ayes. Motion carried.

- The Office Manager presented the first draft of the capital budget
- The General Manager presented the Electrical Engineering Technician wage for approval.

UC/15-37 Motion by Maggitti, seconded by Borgman, to approve the Electrical Engineering Technician wage of \$51,175. All ayes, motion carried.

- Commissioner Eberl presented information on installing a Governance Excellence program. Consensus was to proceed with creating a program using the APPA plan model with modifications.

UC/15-38 Motion by Holck, seconded by Borgman, to go into closed session per Wisconsin State Statutes Section 19.85(1)(c) considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility for the purpose of discussing General Manager performance guidelines and staffing plans.

Closed session per Wisconsin State Statutes 19.85(1)(g) conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved for the purpose of discussing DNR Notice of Violation update.

All ayes, motion carried. Closed session at 5:13 p.m.

UC/15-39 Motion by Maggitti, seconded by Borgman, to resume in open session. All ayes, motion carried. Open session resumed at 6:09 p.m.

UC/15-40 Motion by Holck, seconded by Borgman, to adjourn. All ayes, motion carried. Meeting adjourned at 6:10 p.m.



John Maggitti, Secretary

Department: Electric
Manager: Nicolas Kumm
Contributing: Derrek Caflisch
Month: March 2015

- M-1 didn't run during the month of March.
- Electric AMI meters installed: 2,951 out of 13,100 (22.6%). 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.
- New bucket truck 506 arrived on March 5th.
- Dustin attended the MEUW – Meter Workshop on March 9th – 12th in Green Bay. I also attended and presented on Vectors and AMI meter change-out issues.
- Session 6 of the MEUW Job Training and Safety Program was completed on March 18th. The session covered work zone traffic control.
- Dustin and Cole completed the scheduled maintenance on the Bakerville regulators in the main office. They also assisted with the removal and installation back into service.
- Jeff Irish, Randy Ayer, Jeff Holbrook, Dean Bohman, and Ryan Steffen hung the Bakerville regulators March 2nd.
- Tim Habermeyer & Robert Olwell finished their 2nd year linemen apprenticeship school March 2-6.
- Randy Ayer attended a Journeyman Lineman Preparation Course March 6.
- Ryan Steffen & Dean Bohman energized the NE Lift Station March 9.
- Randy Ayer took and passed the Journeyman Lineman Test March 9-13.
- Jeff Irish, Randy Ayer, Jeff Holbrook, Dean Bohman, Tim Habermeyer, Mike Vanderwyst have all the poles set on CTH E from Davis Lane North to Turtle Ridge.
- Ryan Steffen & Robert Olwell have been on services also completing street light maintenance on Veteran's Parkway.

Department: Office
Manager: Kent Mueller
Month: March 2015

- Kent contacted Wood County Energy Assistance personnel to discuss past due customers as they face the end of the winter disconnection moratorium on April 15th. Delinquent electric balances of \$147 thousand are the highest that we have seen at the end of March, and are 11% higher than last year.
- For customers that are disconnected for non-payment, our reconnection times will be changing. We will only reconnect customers between the hours of 7am and 3pm. If customers come in after 3pm, we will reconnect them the following morning. There will be no after hours reconnections, unless there is a medical need for electricity.
- Patti completed work on the 2014 Annual Reports to the PSC for the electric, water and communications utilities. The documents provide a comprehensive database of electric, water, and communications utility operations. Our reports (along with the annual reports of all other regulated utilities in the state) are available for review at the PSC's web site.
- The last payment (\$105,385) of the WRS refunding bond payments has been made to the City. In 2003, the City chose to pay off the Outstanding Pension Liability for the Wisconsin Retirement System by issuing bonds, with the final payment in 2022. In 2010, these bonds were refinanced by the City using a shorter repayment schedule. Marshfield Utilities portion of the bond was 17.26%.
- On November 5th, 2013, Nasonville Dairy lost power due to a problem with the transformer. As a result, they lost almost \$24 thousand worth of cheese. They submitted a claim to us, and our insurance company investigated the claim and determined that we were not negligent or liable for this incident. Nasonville's insurance company filed a suit against us on April 11, 2014. An out of court settlement was reached on February 18th, 2015, for \$2,250.
- The Public Service Commission of Wisconsin concluded their electric billing audit. There were two findings that we need to address: 1. Presentation of the area light charges on the bill. We need to show the individual components of the billing: Customer charge, consumption, and consumption charge. We are already showing the PCAC charge separately. Our software provider has made the changes and all of the components of the area light charges will be shown, starting with our April bills. 2. Two industrial power customers each have two meters that we summarize and bill as one. We need to bill two meter charges and two distribution demand charges – one for each meter. We will also be filing a rider on our CP-3 industrial power rates to authorize us to bill demand on a coincident basis, which is how it has been billed in the past. We will be notifying these two customers about the changes. The PSC will not require us to backbill the customers, as long as we make the necessary changes within 90 days.

- Jane accepted a position as the Administrative Assistant for the electric department, and Val announced her retirement date. Both of these positions were Account Clerks, and will be replaced by one Account Clerk and one Customer Service Representative. As a result of these changes, many of the duties of each employee in the office have been revised. We have been reviewing resumes, and have set up interviews. We will be hiring the Account Clerk as soon as possible and the Customer Service Representative in late April or early May.

Department: Technical Services

Manager: Cathy Lotzer

Contributing: Heather Young, Shawn Marsh, Jim Benson

Month: March 2015

- Cathy prepared and submitted information for our annual Midwest Renewable Energy Tracking System (MRETS) reporting.
- Cathy and Heather reviewed our M1 Draft Operating Permit and provided comments to the DNR permit writer. They also reviewed and made comments on the Preliminary Determination which was issued at the start of the 30 day public comment period.
- Cathy and Heather attended a Wisconsin Utilities Association meeting in Madison where they discussed our recent EPA Determination on emissions reporting.
- On March 16th, Phillip Park started a job internship program with MU through ODC.
- Heather and Cathy attended our quarterly Internal Compliance Committee meeting.
- Heather submitted the 2014 Greenhouse Gas report to EPA via e-GGRT.
- Heather, Shawn, Jim, and Cathy participated in our Website Committee meeting. Shawn made many changes to the website after a Website committee meeting.
- Shawn worked with Jason from Priority Business to virtualize FS1.
- Shawn started working with Priority Business on a large redundant fiber loop project.
- Shawn and Jim have swapped out cameras on the demo stand for Dave and Nick to view.
- Jim has been working on getting pricing for the value of the old bucket truck (506), getting quotes for replacing two utility vehicles, and getting bids for lawn mowing duties.
- Jim has been working with our ODC intern on the cleaning schedule, duties of high priority, and daily necessity.
- Jim continues to work with Heather on Facebook posts on energy conservation practices.

Department: Water
Manager: Dave Wasserburger
Month: March 2015

- Sensus RNI software shows 3844 water meters installed. The installation process is now 46.7% completed.
- The second base station for the AMI project was put into service on March 20th. This base station is located in the water tower at the intersection of St Joseph Avenue and McMillan Street.
- Crews repaired 3 water main breaks in March this year. This compares to 11 main breaks repaired in March of 2014. The total number of main breaks for this year is 30 and compares to a total of 62 at this time last year.
- John Richmond and I met with Nikolay Transport and Kissner Asphalt Paving and Maintenance to discuss road repairs and road patching for the 2015 season. We are attempting to make changes to allow repairs to be made in a more efficient and effective time frame.
- Bids were opened for the Maple Avenue Reconstruction Project. The low bid was approved and awarded to Earth, Inc. The water main installation portion of the project is \$396,783.00. The project is scheduled to start on May 4th.
- John Richmond attended the 2015 North American Show for Trenchless Technology in Denver. This is the largest trenchless technology show in North America. John did a presentation along with Jim Wojcehowicz of the Wauwatosa Water department and Paul Pasko of Short, Elliot and Hendrickson, Inc. Engineering. The presentation was an overview of how Marshfield and Wauwatosa have worked together with Cooperative Agreements allowing us to jointly bid projects thereby allowing us to save engineering fees and reduce unit item costs thru increased volume.
- We are in the process of designing the replacement about 1500 feet of 4" water main on Wildwood Court. This is just an overlay project for the city this year and they are not planning on doing any underground work on the road. This is an area where we have had high numbers of water main breaks and we want to get the water main replaced before the road is resurfaced. We will be using trenchless technology to get the majority of the water main replaced. We plan to pipe burst about 1100 feet and unidirectional boring about 400 feet.
- We have completed the Clearitas study for possible lead and copper reduction. The pilot study revealed that Clearitas is not an effective agent for the reduction of lead and copper in distribution systems. To date the most effective way to lower lead and copper for us has been to aggressively unidirectionally flush the distribution system to a clarity level of less than 1 NTU.