

**MARSHFIELD UTILITIES, A MUNICIPAL UTILITY
MARSHFIELD UTILITY COMMISSION
June 9, 2014**

COMMISSION MEETING MINUTES

A regular meeting of the Marshfield Utility Commission was called to order by President Mike Eberl at 4:00 p.m. on June 9, 2014 in the downstairs meeting room of the utility office. Present were Commissioners Harry Nienaber, Patrick Ott, Aaron Pitzenberger, Mike Eberl, and George Holck. Also present were Alderperson Charlotte Smith, Alderperson Gordon Earll, and the Utility staff.

- During citizen comments President Eberl presented Patrick Ott with a plaque thanking him for his four years on the commission.
- A 5 year service award was presented to Amanda Lucas.

UC/14-39 Motion by Nienaber, seconded by Pitzenberger, to dispense with reading the minutes of the previous meetings and accept them as submitted. All ayes, motion carried.

UC/14-40 Motion by Ott, seconded by Holck, to approve payroll for May in the amount of \$208,206.82 and general bills for April in the amount of \$4,088,470.09. All ayes, motion carried.

UC/14-41 Motion by Nienaber, seconded by Ott, to approve the following job order(s):

- JO #17756 (Pankratz) OH primary upgrade-11533 CR "H": Replace existing overhead primary with OH primary for grain bin corn drying operation. \$8,090
- JO #5692 Adler Road (Lincoln to State): Adler Road lining project. \$759,391.52
- JO #5696 Adams Avenue (6th to 8th): Adams Avenue lining project. \$106,196.94
- JO #17754 Middle School UG 3PH Rebuild, 4th & Palmetto: Rebuilding an overhead line to underground three phase primary. Relocating an overhead three phase bank that supplies the administration building. \$27,400
- JO #17760 UW Villas Project, W 5th St: Relocating the new three phase riser pole twenty feet West for future rebuild. Existing single phase primary riser will be terminated in a primary ped in the terrace. Installing a new 3ph UG primary line to a new padmount transformer. \$15,854
- JO #17763 Robin Rd. 3PH OH conversion, CTH H North ½ mile: converting an old overhead single phase primary line to overhead three phase. This will supply and upgrading dairy farm. The existing line is #6 copper installed in 1973. The cost of rebuilding this line single phase is the credit toward the conversion. \$72,371

All ayes, motion carried.

April 2014 Financial Statement Notes

Electric Utility

- Net income was \$233 thousand for the month, with a net income of \$539 thousand year-to-date.
- April's net operating income was \$226 thousand, and was \$225 thousand after adjusting for PCAC timing, compared to budgeted net operating income of \$213 thousand. Year-to-date net operating income was \$942 thousand, and \$1.086 million after adjusting for PCAC timing, compared to budgeted net operating income of \$1.068 million.
- Operating expenses included \$11 thousand for a generator vent kit at M-1 and \$18 thousand for legal fees regarding M-1 air compliance permitting to the Wisconsin DNR.
- The 2013 dividend payment totaling \$281,472 was sent to the City on April 11th, and it is shown under the Equity section of the Balance Sheet. The dividend payment for the previous year was \$268,814.
- April consumption was up 1.71% from April 2013, and year-to-date consumption was up 5.16%. With the exception of Large Power, all major classes showed an increase in consumption for the year. Year-to-date energy losses were -0.25%, compared to prior year losses of 1.84%.

Water Utility

- Net income was \$23 thousand for April, with a year-to-date net loss of \$21 thousand.
- Net operating income was \$43 thousand for the month, compared to budgeted net operating income of \$51 thousand. Year-to-date net operating income was \$61 thousand, compared to budgeted net operating income of \$163 thousand.
- April consumption was down 1.39% from April 2013. Year-to-date consumption was up 0.28% from the prior year. Year-to-date water losses were 12.69%, compared to prior year losses of 11.49%.

Communication Utility

- Net income was \$19,244 for the month, compared to budgeted net income of \$13,931. Year-to-date net income was \$42,000, compared to budget net income of \$52,996.
- The General Manager and department managers reviewed noteworthy projects including:
 - The Nasonville Dairy suit is in an information gathering stage; Marshfield Utilities has provided all information requested.
 - The simplified water rate case has been approved and the rates will begin July 1st with the first billing August 1st.
 - The project on Peach should be finishing in the next few weeks.
- The General Manager presented information regarding beginning preliminary work on an office building site.

UC/14-42 Motion by Holck, seconded by Nienaber, to approve preliminary work on office building site not to exceed \$15,000. All ayes, motion carried.

- Discussion on a policy for charitable requests including regular on-going requests and larger one time requests.
- The General Manager presented information on the water main pipe rehabilitation bid.

UC/14-43 Motion by Nienaber, seconded by Holck, to approve the bid submitted by Fer-Pal Construction USA LLC in the amount of \$1,098,304.50. All ayes, motion carried.

- The General Manager presented information regarding a work contract with Stratford.

UC/14-44 Motion by Ott, seconded by Holck, to authorize the General Manager to sign the Stratford work contract. All ayes, motion carried.

UC/14-45 Motion by Pitzenberger, seconded by Nienaber, to go into closed session per Wisconsin State Statutes 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 the General Manager's review.

All ayes, motion carried. Closed session at 4:41p.m.

Open session resumed at 5:24 p.m.

UC/14-46 Motion by Nienaber, seconded by Pitzenberger, to adjourn. All ayes, motion carried. Meeting adjourned at 5:25 p.m.


Patrick Ott, Secretary

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

- The M-1 generator ran 4 times during the month of April for approximately 20 hours.
- MEUW conducted safety training Session 1 on underground distribution on May 6th.
- Cole Eswein attended another session of the Substation Electrical Apprenticeship program at Northeast Wisconsin Technical College May 12th – 16th.
- Cole attended Cooper regulator training May 6th – 8 in Waukesha, WI.
- During the week of May 19th – 23rd the borescope, collector box alignment, and drive shaft alignment were completed on M-1. Dustin Oleson, Ray Burrill, and Cole assisted a contractor with the work.
- At month end, 31 AMI electric meters have been installed. These meters are located throughout the electric service territory to test system signal strength and software functionality.
- I presented on the AMI system to the Sustainable Marshfield Committee meeting on May 13th, 2014.
- Derrek Caflisch has been working on customer and city road projects.
- Don Rogers has been working on new customer line extensions and Marathon County road projects.
- Faith Schmidt is handling all purchase orders while other staff is on leave. She is also sending out letters for the water meter AMI change-outs and scheduling appointments with customers for the water meter AMI change-out.
- Nicolas Whipple has been developing spreadsheets to track the installation of the electric meters for the AMI project. He is writing procedures and instructions to assist our technicians changing out meters in the field.
- Cole, Dustin, Dean Bohman, and Robert Olwell completed the replacement of an 115kV insulator at McMillan Substation on May 30th. The insulator showed heating during an infrared scan.
- Jeff Holbrook, Jeff Irish, Ryan Steffen, Mike Vanderwyst, Randy Ayer, and Tim Habermeyer have been continuing with the Peach Street upgrade. Things have been progressing nicely.
- Dean Bohman and Robert Olwell have been handling customer requests, street lighting, and services. They have also been repairing all of the underground services that have failed over winter.
- Greg has been working on material issues for the Enbridge line, stray voltage issues, job order closings and make ready spring work.

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

- Customer service activity has been heavy after the winter moratorium was lifted in April. Delinquent electric balances (31 days or older) have dropped dramatically from \$132,674 at the end of March to \$39,556 at the end of May. There were 171 deferred payment agreements negotiated in May compared to 139 in May 2013. There were 86 customers disconnected for non-payment in May, compared to 69 in May 2013.
- On May 30th, bond interest payments totaling \$864,090.75 were wired for the June 1st scheduled payment date. Bond principal is only paid with the December 1st payment each year.
- We have received the invoice for the boiler insurance (which excludes the M-1) which is shared with the City and School District. The Utilities' portion of this coverage for 2014 is \$4,793.79, which is up slightly from \$4,771.05 in 2013. The total premium increased from \$32,881 in 2013 to \$34,095 in 2014.
- The League of Wisconsin Municipalities Mutual Insurance, which provides our liability, auto, and workers' compensation insurance, declared a dividend of over \$1.9 million for the 2013 policy year. Our portion of this dividend was \$7,404. Dividends are paid to return excess funds to the policyholders as a result of good claims experience, positive investment earnings and low expenses.
- Nick Kumm and Kent have been working with our insurance company's attorneys to provide information for the lawsuit that was filed against us by Nasonville Dairy's insurance company for loss of their product due to an outage.
- After taking the annual count of in-stock transformers in May, Tracey reconciled the physical count to the property records database.

Department: Technical Services

Manager: Cathy Lotzer

Contributing: Heather Young, Shawn Marsh, Jim Benson

Month: May 2014

- Cathy attended a Groundwater Foundation Board Meeting where discussion centered on strategic planning (following 30 years), annual budget, and grant status.
- Cathy and Heather attended the annual Midwest Reliability Organization and Mid Continent Compliance Forum workshop. The new definition of Bulk Electric System (BES) was a focus of much of the workshop.
- Cathy, Heather, Shawn, and Jim all attended the Website Committee meeting where brainstorming was done for website and Facebook updates.
- Cathy and Shawn have been working with Per Mar to firm up plans for finalization of the access control project. We hope to have the system operational in June. They have also discussed with Per Mar, phase II of the project, which is video monitoring.
- Heather attended a training course by Trinity Consultant focused on Title V-Operation Permit Compliance.
- Heather has been researching options for an environmental compliance tracking system/software. In addition, Heather and Cathy had a conference call with GDS to discuss setting up an environmental self-auditing program.
- Heather has developed an emission data spreadsheet, which will be updated on a monthly basis, as another method to track and record monitoring parameters required to determine emissions.
- Heather has working on posts to MU's Facebook and Twitter accounts.
- Heather and Cathy have been continuing the review process of MU's PGP's and other related documents.
- Shawn has been installing new PCs for replacement of remaining XP boxes and working at getting the DVR located at WTF working again.
- Shawn has been working with Jim getting two demo cameras mounted. They also worked on mounting and wiring the conference room projector and created an instruction document for connecting to the projector.
- Shawn has been working with Sensus and Priority Business Systems to get the AMI project setup and working.
- Shawn has been working to remove or relocate older website items and update the site with new items. He has also been working with Heather to try locking down the Facebook page for mobile devices.
- Jim is working on spring clean-up projects, roof drains, exterior grounds, etc. He is also working on bids for an automated chemical treatment program for the heat pump.
- Jim has been working with Merkel Electric updating garage lighting, including the tin shed and also worked with McMillan Electric running media cable for message boards.

Department: Water
Manager: Dave Wasserburger
Month: May 2014

- Kris Zwicky, MEUW Safety Coordinator, conducted a Facility Inspection at the Water Department Facility located at 1210 S Oak Street on May 15, 2014. The inspection went well with a few minor issues that needed addressing. These items have either been corrected or are in progress of being corrected.
- John Richmond attended an “Advanced Asset Management Practice for Water and Wastewater” class held at UW Madison on May 13 and 14. The class was designed for agencies, consultants, water and wastewater managers and others who are interested in asset management strategies and practices applied to water and wastewater, and who wish to gain further experience in the asset management field.
- Andy Busscher and Jeff Nikolai both took the WDNR Waterworks Operator Certification exams for both Distribution Certification and Groundwater Treatment Certification on May 7th in Eau Claire. Both Jeff and Andy passed both exams and are now certified as “Operator in Training.”
- In order to move above grade T they must have earned at least 1 year experience and have filled out a Waterworks Operator Certification Experience Form and submit to WDNR for review and approval.
- Crews have installed five new valves in the Adler Road area which will help to control water flow in this area during repairs and reconstruction. These valves were replaced because they either leaked to the surface when closed or did not close properly.
- The reconstruction of North Street from St Joseph Avenue to Wood Avenue started May 29th. We will replace 1305 feet of 4” cast iron watermain with 8” ductile iron watermain and we will replace 23 water services.
- We have installed 2279, or 27.5% of the water meters for the AMI project. We are still reading with a VGB drive-by unit but have been told that the base station is nearing completion.
- Bids were opened for the Adler Road CIPP project on May 22nd. There was only one bid received. This bid was submitted by Fer-Pal Infrastructure. This is the same company we worked with on the CIPP project in 2012 on Palmetto Avenue and they did very good work. The bid came in at 15% below the engineering estimate. The engineering recommendations are to accept the bid.
- Bid advertisements for the Depot Street Water Tower were published May 21st and May 28th. Bid opening for this will be June 16th.

- The South Side Aeration Unit was repaired in May. The floor of the unit failed and had to be replaced. Chemical reaction with the aluminum and the carbon dioxide in the water caused severe pitting of the unit. The unit was originally installed in 2002.
- A mixing unit was installed in the 3,000,000 gallon Hume Reservoir. This unit should help eliminate ice formation in the winter months and prevent temperature stratification, prevent biological growth, help maintain chlorine residual, and reduce disinfection byproducts in the summer months.
- We replaced our 2005 Vacuum Excavator with a new Vacuum Excavator. The spoils tank on the old unit had rusted away and remaining useful life was limited. Having a reliable vacuum excavator is critical to our winter operations and directly impacts our ability to properly correlate water leaks during the winter months.

Groundwater Guardians

Collection of Expired and unwanted pharmaceutical and personal health care products continue at the Marshfield Police Department.