

**MARSHFIELD UTILITIES, A MUNICIPAL UTILITY
MARSHFIELD UTILITY COMMISSION**

September 14, 2009

COMMISSION MEETING MINUTES

A regular meeting of the Marshfield Utility Commission was called to order by President Harry Nienaber at 4:00 pm on September 14, 2009 in the upstairs meeting room of the utility office. Present were Commissioners Marvin Spletter, Harry Nienaber, and Wayne Johnson. Also present were Alderperson Donald Krueger, Alderperson Gordon Earll, attorney John Adam Kruse, and the utility staff. Absent were Commissioner Chris Jones and Commissioner Russ Wenzel.

- A 5-year service award was presented to Mike Vanderwyst.
- A commissioner service award was present to Nelson Moffat
- Commissioner Russ Wenzel arrived at 4:03 pm.

UC/09-69 Motion by Johnson, seconded by Wenzel, to dispense with reading the minutes of the previous meetings and accept them as submitted. All ayes, motion carried.

UC/09-70 Motion by Wenzel, seconded by Johnson, to approve payroll for August in the amount of \$192,927.49 and general bills for August in the amount of \$9,699,539.95. Roll call vote, all ayes, motion carried.

UC/09-71 Motion by Wenzel, seconded by Johnson, to approve the following job order(s):

JO #5579 Replace fire hydrant and valve 3rd St & Vine Ave \$5,024.23

JO #7427 Wildwood Sub Bank 7 regulator purchase \$10,859

All ayes, motion carried.

July 2009 Financial Statement Notes

Electric Utility

- Net income was \$473 thousand for the month, with a net loss of \$23 thousand year-to-date. Net operating income was \$507 thousand for the month. Year-to-date net operating income was \$774 thousand, compared to budgeted net operating income of \$512 thousand. In December, the net interest expense (interest expense less the interest income) will be capitalized as part of the costs of the combustion turbine. As of July 2009, the year-to-date net interest expense was \$706 thousand, which would increase net income by this amount.
- After removing the effects of the PCAC timing, the net operating income was \$103 thousand for the month and \$816 thousand year-to-date.
- July operating expenses include \$12 thousand for painting of some transmission poles and transmission breakers.
- July consumption was down 1.32% from July 2008, with year-to-date consumption down 2.37%. Year-to-date energy losses were .42%, compared to prior year losses of 2.23%.

Water Utility

- Net income was \$80 thousand for July and \$322 thousand year-to-date.
- Net operating income was \$102 thousand for the month, compared to budgeted net operating income of \$87 thousand. Year-to-date net operating income was \$425 thousand, compared to budgeted net operating income of \$418 thousand.
- New rates were in effect for the July billings, reflecting the Simplified Rate Case that increased rates 3.8%.
- July consumption was up 3.04% from July 2009, with year-to-date consumption down 3.36%. Year-to-date water losses were 9.03%, compared to prior year losses of 6.67%.

Communication Utility

Net loss was \$7,629 for the month, compared to budgeted net loss of \$2,783. Year-to-date net income was \$10,358, compared to budgeted net income of \$14,307.

UC/09-72 Motion by Johnson, seconded by Wenzel, to receive and place on file department reports. All ayes, motion carried.

- Commissioner Russ Wenzel secluded himself and left the meeting at 4:10 pm.
- The Utility Manager discussed the claim by Harry C. Wenzel & Sons, Inc. and recommended denial.

UC/09-73 Motion by Johnson, seconded by Spletter, to deny the claim by Harry C. Wenzel & Sons, Inc. Roll call vote, all ayes, motion carried.

- Commissioner Russ Wenzel returned to the meeting at 4:20 pm.
- The Utility Manager reviewed and recommended approval of the Natural Gas Odorizer Bid Award to Milton Roy Americas for the total price of \$41,270.00.

UC/09-74 Motion by Wenzel, seconded by Johnson, to approve the Natural Gas Odorizer Bid Award to Milton Roy Americas for the total price of \$41,270.00. All ayes, motion carried.

UC/09-75 Motion by Wenzel, seconded by Johnson, 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 Program Coordinator position, and merit review of Energy and Water Conservation Coordinator, Utility Manager, Program Coordinator, and Office Manager.

Closed session per Wisconsin State Statutes 19.85(1)(e) deliberating or negotiating the purchasing of public properties, the investing of public funds or conducting other specified public business, whenever competitive or bargaining reasons require a closed session for the purpose of discussing Renewable Resources Planning.

Roll call vote, all ayes, motion carried. Closed session at 4:23 p.m.

UC/09-76 Motion by Wenzel, seconded by Spletter, to go into open session. Roll call vote, all ayes, motion carried. Open session at 4:52 p.m.

UC/09-77 Motion by Spletter, seconded by Johnson, to approve the hiring of Samantha Stangl as the Program Coordinator at a starting salary of \$32,540 effective 9/15/2009. All ayes, motion carried.

UC/09-78 Motion by Wenzel, seconded by Johnson, to increase the annual salary of the Energy and Water Conservation Coordinator, Jim Benson, from \$45,178 to \$46,059 effective 7/29/09, the Program Coordinator, Marge Frankland, from \$40,654 to \$41,691 effective 8/26/09, and the Office Manager, Lee Babcock, from \$72,039 to \$73,804 effective 9/1/09. Roll call vote, all ayes, motion carried.

UC/09-79 Motion by Wenzel, seconded by Johnson, to increase the annual salary of the Utility Manager, Joe Pacovsky, from \$123,235 to \$126,316 effective 8/14/09. Roll call vote, all ayes, motion carried.

UC/09-80 Motion by Wenzel, seconded by Spletter, to adjourn. All ayes, motion carried. Meeting adjourned at 4:57 p.m.