# MARSHFIELD UTILITIES, A MUNICIPAL UTILITY MARSHFIELD UTILITY COMMISSION April 11, 2011

## **COMMISSION MEETING MINUTES**

A regular meeting of the Marshfield Utility Commission was called to order by President Harry Nienaber at 4:00 pm on April 11, 2011 in the downstairs meeting room of the utility office. Present were Commissioners Marvin Spletter, Harry Nienaber, Chris Jones, Wayne Johnson, and Patrick Ott. Also present were Alderperson Gary Cummings and the utility staff. Absent were Alderperson Russ Stauber and attorney John Adam Kruse.

<u>UC/11-27</u> Motion by Johnson, seconded by Jones, to dispense with reading the minutes of the previous meetings and accept them as submitted. All ayes, motion carried.

<u>UC/11-28</u> Motion by Jones, seconded by Spletter, to approve payroll for March in the amount of \$208,173.30 and general bills for March in the amount of \$5,083,726.65. All ayes, motion carried.

<u>UC/11-29</u> Motion by Jones, seconded by Spletter, to approve the following job order(s):

JO# 5614 Replace 1155' of 6" watermain – pipe burst, Westview Dr – Adams to Adler \$104,667.10

JO# 5613 Replace 805' of 6" watermain – pipe burst, East 6<sup>th</sup> St – Felker to Washington \$79,510.02

JO# 17567 Hwy 13 North, East 26<sup>th</sup> Road DOT Road Widening \$30,965

All ayes, motion carried.

## **January 2011 Financial Statement Notes**

# Electric Utility

- Net income was \$734 thousand for the month.
- Net operating income was \$863 thousand for the month, compared to budget of \$377 thousand.
- After removing the effects of the PCAC timing, the net operating income was \$632 thousand for the month.
- Starting this month, interdepartmental sales will be included with general service and small power sales.
- On January 31<sup>st</sup>, our portion of the M-33 combustion turbine was transferred to Wisconsin Public Service Corporation. The transfer price was based on our book value of the plant. The diesel fuel that we owned was sold to WPSC at market rates, resulting in a gain of \$329 thousand. The unamortized portions of the ground lease (\$6 thousand) and the acquisition cost adjustment (\$88 thousand) were written off.
- January consumption was down 1.09% from January 2010.
- Year-to-date energy losses were -0.02%, compared to prior year losses of -4.47%.

#### Water Utility

- Net income was \$46 thousand for January.
- Net operating income was \$68 thousand for the month, compared to budgeted net operating income of \$7 thousand.
- January consumption was down 0.34% from January 2010.
- Year-to-date water losses were 6.28%, compared to prior year losses of -0.74%.

#### Communication Utility

• Net loss was \$5,188 for the month, compared to budgeted net loss of \$6,340.

# **February 2011 Financial Statement Notes**

# Electric Utility

- Net income was \$71 thousand for the month, with a net income of \$805 thousand year-to-date.
- Net operating income was \$234 thousand for the month. Year-to-date net operating income was \$1.098 million, compared to budgeted net operating income of \$537 thousand.
- After removing the effects of the PCAC timing, the net operating income was \$202 thousand for the month and \$835 thousand year-to-date.
- February consumption was up 8.20% from February 2010, with year-to-date consumption up 3.21%. Year-to-date energy losses were -3.26%, compared to prior year losses of -2.60%.

#### Water Utility

- February recorded a net loss of \$31 thousand, with a net income of \$15 thousand year-to-date.
- Net operating loss was \$9 thousand for the month, compared to budgeted net operating loss of \$17 thousand. Year-to-date net operating income was \$60 thousand, compared to budgeted net operating loss of \$10 thousand.

- Operating expenses for February included \$24 thousand for rehabilitation of two wells, contributing to the net operating loss for the month.
- February consumption was up 4.08% from February 2010, with year-to-date consumption up 1.74%. Year-to-date water losses were 5.93%, compared to prior year losses of 1.80%.

## Communication Utility

• Net loss was \$2,740 for the month, compared to budgeted net loss of \$3,843. Year-to-date net loss was \$7,928, compared to budgeted net loss of \$10,183.

<u>UC/11-30</u> Motion by Ott, seconded by Spletter, to receive and place on file department reports. All ayes, motion carried.

- The Utility Manager reviewed major projects including: M-1 training, water engineering for Arnold St project, Hwy 13 work
- The Utility Manager discussed the claim by Rick Weiler and recommended denial.

<u>UC/11-31</u> Motion by Jones, seconded by Ott, to deny the claim by Rick Weiler. All ayes, motion carried.

• The Utility Manager discussed and recommended authorization for a water rate case.

<u>UC/11-32</u> Motion by Ott, seconded by Spletter, to authorize a water rate case. All ayes, motion carried.

<u>UC/11-33</u> Motion by Jones, seconded by Spletter, 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 supervisory salary guidelines and merit review of Assistant Office Manager, Electrical Engineering Technician, and Civil Engineer.

Roll call vote, all ayes, motion carried. Closed session at 4:38 p.m.

<u>UC/11-34</u> Motion by Ott, seconded by Spletter, to go into open session. Roll call vote, all ayes, motion carried. Open session at 5:13 p.m.

<u>UC/11-35</u> Motion by Ott, seconded by Spletter, to increase the annual salary of the Assistant Office Manager, Kent Mueller, from \$59,086 to \$60,504 effective 1/20/11. The Utility Manager noted that the Budget Repair Bill, if and when it becomes law, does not place any limitations on the salary/wages increases given to non-bargaining unit personnel. All ayes, motion carried.

<u>UC/11-36</u> Motion by Spletter, seconded by Johnson, to increase the annual salary of the Electrical Engineering Technician, Derrek Caflisch, from \$55,247 to \$56,849 effective 2/7/11. All ayes, motion carried.

<u>UC/11-37</u> Motion by Ott, seconded by Spletter, to increase the annual salary of the Civil Engineer, Susan Fenhaus, from \$65,342 to \$66,910 effective 3/11/11. All ayes, motion carried.

<u>UC/11-38</u> Motion by Johnson, seconded by Spletter, to adjourn. All ayes, motion carried. Meeting adjourned at 5:16 p.m.

Christopher Jones, Secretary