

MARSHFIELD UTILITIES, A MUNICIPAL UTILITY
MARSHFIELD UTILITY COMMISSION
April 7, 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 April 7, 2014 in the downstairs meeting room of the utility office. Present were Commissioners Harry Nienaber, Mike Eberl, Patrick Ott, George Holck, and Aaron Pitzenberger. Also present were the Utility staff.

UC/14-24 Motion by Nienaber, seconded by Ott, to dispense with reading the minutes of the previous meetings and accept them as submitted. All ayes, motion carried.

UC/14-25 Motion by Ott, seconded by Nienaber, to approve payroll for March in the amount of \$229,394.99 and general bills for March in the amount of \$3,859,563.16. All ayes, motion carried.

UC/14-26 Motion by Ott, seconded by Holck, to approve the following job order(s):

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| JO #17747 | Enbridge new facility - town of Cameron sections 29, 30, 31, 32; town of Richfield section 5: extend 24.9 KV ckt 1 mile south on U.S. Hwy 10 and ½ mile east on Klondike Dr. Rebuild existing 13.2 KV ckt as underbuild to 24.9 KV ckt. \$604,909 |
| JO #7448 | M.U. west employee parking lot reconstruction: removing old parking lot material, regarding, installation breaker run, base coarse and asphalt paving. \$292,000 |
| JO #5689 | Hume Avenue Reservoir: Install SolarBee GS-12 mixer and control box. \$18,784.12 |
| JO #17751 | Washington Ave. 1 ph OH Rebuild, S. of Mill Creek: Rebuilding a single phase overhead primary line that is currently #6 copper. Building ¼ mile of new line in order to remove ½ mile of #6 copper that has no customers. \$138,848 |
| JO #5688 | Park St (7 th to Spruce): Replace water main, valves, & hydrants. \$38,139.52 |
| JO #5690 | North St (Wood Ave – St. Joseph’s Ave): North St reconstruction. \$143,870.61 |

All ayes, motion carried.

Jon Trautman with Schenck SC presented the annual audit results.

UC/14-27 Motion by Pitzenberger, seconded by Nienaber, to approve the audit. All ayes, motion carried.

February 2014 Financial Statement Notes

Electric Utility

- Net income was \$306 thousand for the month, with a net income of \$362 thousand year-to-date.
- Net operating income was \$443 thousand for the month. Year-to-date net operating income was \$636 thousand, compared to budgeted net operating income of \$720 thousand.
- After removing the effects of the PCAC timing, the net operating income was \$297 thousand for the month and \$674 thousand year-to-date.
- Operating expenses included \$22 thousand for legal fees regarding M-1 air compliance permitting to the Wisconsin DNR.
- February consumption was up 1.89% from February 2013, with year-to-date consumption up 6.32%. Year-to-date energy losses were -2.11%, compared to prior year losses of -0.36%.

Water Utility

- Net income was \$862 for the month, with a net income of \$177 year-to-date.

- Net operating income was \$21 thousand for the month, compared to budgeted net operating income of \$58 thousand. Year-to-date net operating income was \$41 thousand, compared to budgeted net operating income of \$106 thousand.
- Operating expenses for the month included \$14 thousand for street repairs due to main breaks.
- February consumption was up 1.43% from February 2013, with year-to-date consumption up 0.68%. Year-to-date water losses were 12.52%, compared to prior year losses of 8.47%.

Communication Utility

- Net income was \$5,528 for the month, compared to budgeted net income of \$13,931. Year-to-date net income was \$12,654, compared to budgeted net income of \$25,134.
- Operating expenses included \$7 thousand for the City of Marshfield's portion of fiber installation. These costs along with any additional costs incurred will be billed to the City after the project is completed.
- The General Manager and department managers reviewed noteworthy projects including:
 - Electric: a planned annual outage for M1 to occur this spring.
 - Water: Verizon received the letter stating they can proceed with the tower installation. The process should take approximately 5 weeks to complete.
 - Technical Services: The Focus on Energy annual report showed that the utility invested \$106,000 and the community benefited 5 times that amount as a result in savings.
- The General Manager and Office Manager discussed information on a simplified water rate case.

UC/14-28 Motion by Pitzenberger, seconded by Holck, to authorize to proceed with a simplified water rate case. All ayes, motion carried.

- The General Manager reviewed the draft strategic plan and changes were made accordingly.

UC/14-29 Motion by Nienaber, seconded by Ott, to approve the strategic plan as updated during the meeting. All ayes, motion carried.

UC/14-30 Motion by Pitzenberger, seconded by Holck, to go into 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 the purchase of real estate.

All ayes, motion carried. Closed session at 5:00 p.m.

Open session resumed at 5:23 p.m.

UC/14-31 Motion by Pitzenberger, seconded by Ott, to adjourn. All ayes, motion carried. Meeting adjourned at 5:23 p.m.



Patrick Ott, Secretary

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

- The M-1 generator did not run during the month of March.
- MEUW conducted safety training Session 5 on Safety Leadership on March 5th.
- Kris Zwicky, MEUW Regional Safety Director reviewed the work zone safety program with employees on March 19th.
- Nicolas Whipple attended the 2014 ESRI Utility Users Group (MWEUUG) Conference in Rochester, MN on March 26th and 27th. Various topics were covered all pertaining to using the ArcGIS software.
- Derrek Caflisch has been working on Washington Ave south rebuild project.
- Don Rogers has been working on Robin Road rebuild and new customer line extensions.
- 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 working on automating the electric meter change out process in our billing system. He is also beginning to analysis feeder loading balance and capacitor bank needs and placement.
- Tim Habermeyer and Robert Olwell attended week three of year one in their lineworker apprenticeship program in Chippewa Valley.
- Jeff Holbrook, Ryan Steffen, Mike Vanderwyst, Robert Olwell and Tim Habermeyer have been working on the Peach street rebuild. Although weather has hampered their efforts, good progress has been made.
- Jeff Irish and Randy Ayer have been handling customer requests, services, and street lighting.
- Greg has been evaluating bids and getting material ordered. He also met with the local emergency planning committee where they participated in a tabletop disaster that was a result of major ice storm hitting the area. The drills are designed to test protocols and interdepartmental responses.
- The electric department has been working with Frontier and Charter on upcoming plans for spring underground projects, including material levels, contractor relationships, pricing and past customer concerns.

Department: Office
Manager: Kent Mueller
Month: March 2014

- 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 \$132 thousand are the highest that we have seen at the end of March.
- In March, customers that are on our budget payment plan received their reconciliation bill. As a result of the extreme weather, many customers used more electricity than what was included in their budget amount, resulting in larger reconciliation amounts.
- Final 2013 audited financial reports were received from Schenck SC and will be presented at the April 7th Commission meeting.
- Patti completed work on the 2013 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.
- A large deposit was provided by a commercial customer for a line extension. Since the majority of this could be refunded back to the customer as an embedded allowance, a separate account at LGIP has been set up to segregate these funds.
- On March 17th and 18th, Melissa Barnes provided customer service training to the Office Department.

Department: Technical Services

Manager: Cathy Lotzer

Contributing: Heather Young, Shawn Marsh, Jim Benson

Month: March 2014

- Cathy and Shawn attended Session F of the MEUW Management Certification Series.
- Cathy and Dave organized our annual Groundwater Guardian meeting which included several guest speakers who spoke on increasing chlorides levels in groundwater and what impact this might have on drinking water.
- Cathy, Heather, Shawn, and Jim participated in the utilities Website Committee and are working on several updates as well as researching opportunities with various social media sites.
- Cathy and Shawn are testing a new Digital Signage communication system.
- Cathy is working to report information to the PSC and MRETS (Midwest Renewable Energy Tracking System) for our 2013 renewable requirements. Our MRO Self-Certification for 2013 has been submitted.
- Cathy and Jim are working with the Girl Scouts on a new Groundwater Guardian project.
- Cathy has been working with Kris Zwicky on reviewing and updating our written programs.
- Heather has been working to prepare the GHG (Green House Gas) Report for the 2013 submission and has updated data in the air emissions inventory for the 2013 RY.
- Shawn and Heather worked to remove the review ability from our Facebook page in preparation of upcoming more extensive usage.
- Shawn is working with Priority Business Systems on virtualizing servers and troubleshooting errors. He is also setting up advanced server security for M1 and is working to connect the AMI system to the new tower.
- Shawn has been working with Ray to utilize ODC for disposal of various used equipment.
- Jim – Focus on Energy Annual Report 2013. This was a record year for FOE customer participation. MU invested \$106,707 to participate in FOE. Our residential customers received \$222,112. Our business community received \$345,527. Total incentives paid back to our customer base were \$567,639. The increased activity is due to our continued communication with the contractors, customers, and FOE implementers.
- Jim is working with our HVAC contractors updating older failing parts and equipment.

Department: Water
Manager: Dave Wasserburger
Month: March 2014

Crews have repaired 11 water main breaks in March. We have repaired 53 water main breaks since November 30.

We report for a year on a schedule from July 1st to June 30th. Since last July 1st we have had 62 main breaks as of 3/30/2014. The total for the entire year of 2013 was 32 and 35 for the year of 2012. The highest ever recorded for a year was 72 in 1992.

We have 157 customers with water running to prevent their services from freezing. The office is adjusting these water bills per PCS regulations.

We have thawed 46 services that froze up. They are part of the 157 with water running. None of those 46 services that froze have ever previously frozen.

We had 3 new frozen water services reported during the week of March 24-28. We do not foresee us being able to turn them off for several weeks yet.

We were forced to put the AMI water meter installation/cross connection inspection project on hold for most of the winter. We will start sending out appointment cards again on April 4th.

An all-employee meeting was held March 13th. Item discussed included changes to FMLA, changes to Workers Compensation, the Residency Policy, use of the new security system and a change to the language in the Retirement Policy.

Bids were opened at City Hall for the North Street Reconstruction Project. Haas Builders was the apparent low bidder. This project includes replacement of approximately 1200 feet of 1926 vintage 4" water main with 8" ductile iron water main.

John and I met with our engineers, S.E.H., to review the Adler Cure-in-place-pipe project. We laid out the details concerning where the access pits we be placed, where new hydrants will be installed and where valves to be installed, eliminated or replaced. Temporary water service plans were reviewed for the project. Bid ads are scheduled to be placed April 28th and 29th with the bid opening scheduled for May 7th at Marshfield Utilities.

John and I met with the Airport Committee on March 20th to discuss the new water tower. The Airport Committee denied our application for a variance to exceed the 1399 height restriction within a 3 mile construction a new water tower.

Groundwater Guardians

A banquet was held on March 11 at Marshfield Hotel for the Groundwater Guardian Group. We had presentations from Abigail Cantor, P.E., of Process Research, John Jansen, R.P.E., PhD, of Leggette, Brashears and Graham, and from John Richmond with the Leadership Marshfield

Group. All 3 presentations discussed chlorides, their continued rising presence and the impacts of chlorides to drinking water and to metal concentrations in drinking water.