

NEW RICHMOND UTILITY COMMISSION MINUTES

August 1, 2017

The regular meeting of the New Richmond Utility Commission was held on August 1, 2017 at 3:30 p.m. at the Civic Center.

Pat Becker called the meeting to order at 3:30 p.m.

Members Present: Jerry Frey, Bob Mullen, Dan Casey, and Pat Becker.

A motion was made by Bob Mullen to approve the agenda, seconded by Jerry Frey, and carried.

A motion was made by Dan Casey to approve the minutes of the June 7, 2017 meeting, and bills and disbursements from June 2017 & July 2017, seconded by Jerry Frey, and carried.

Public Comment: None

WPPI Presentation – Lauri Isaacson, Assistant VP of Member Services:

Lauri Isaacson presented information relating to future business plans of WPPI and member utilities. This included a five year roadmap that was shaped by feedback from its 51 members. This roadmap will direct WPPI Energy's work on behalf of its members.

2017 Sewer Televising Bids:

On Tuesday, August 1, 2017, sealed bids were received for the 2017 Sewer Televising Program, which calls for televising approximately 44,412 feet of sanitary sewer. Five bids were received for the project, ranging from \$24,456.00 to \$41,122.80. The low bid of \$24,456.00 was submitted by Flow-Rite Pipe & Sewer Services of Galesville, WI. Based on review and prior work experience, staff recommends awarding the 2017 Sewer Televising project to Flow-Rite Pipe & Sewer Services. A motion was made by Dan Casey to award the bid to Flow-Rite Pipe & Sewer Services in the amount of \$24,456.00, seconded by Bob Mullen, and carried.

Doman Drive Stormwater Ponds Study/Memorandum of Understanding:

Two stormwater ponds currently exist along the east side of Doman Drive. The ponds serve as a regional stormwater treatment system for an area of mixed residential and commercial development in this area.

During previous development ventures in this area, the design of the stormwater ponds was reviewed by the City, and they were found to be undersized for the full build-out of the proposed watershed. A newly proposed development (Richmond Prairie Condos) has been brought forward by Derrick Companies that would further tax this regional stormwater system.

Furthermore, one of the ponds is located in an easement on School District property, which the school has an interest in developing for other uses. As such, the City is proposing a joint study on behalf of the Stormwater Utility, the School District and Derrick Companies, to explore the sizing needed for an expanded regional pond in this area, along with the feasibility of relocating the pond to land less desirable for construction.

Staff recommended approving a contract with MSA to perform this study, along with the MOU with Derrick Companies, and the School District to share the costs of the study. The City's cost of approximately \$3,000.00 will be paid out of Stormwater Utility funds. Derrick Companies and the School District have already agreed to the cost-sharing arrangement.

A motion was made by Bob Mullen to approve the contract with MSA along with the MOU with Derrick Companies and the School District, seconded by Dan Casey, and carried.

2018 Budget Process & Capital Improvement Plan:

Rae Ann Ailts gave a brief update on the 2018 Budget process. The City has begun this process with multiple meetings with department heads and council members. The utility budget process will begin in August. This involves meeting with individual department heads to review the needs within their own respective budgets. The week of August 14th, the plan is to meet individually with Utility Commissioners to obtain their feedback. Updating the Capital Improvement Plan will also be included in the budget process. The first round budget draft is to be presented at the October Utility Commission meeting, with the final draft available in November. The theme for this year is fostering managed growth. As the Community continues to grow, along with the services we are providing, the need to expand staff is growing as well. A mission statement was formulated for the 2018 Budget Process to help align and prioritize how to approach and sustain it in the years to come.

Department Reports

Bob Meyer, Water Superintendent:

Staff continues to do locates. Jon Evans has been helping Dave Pufall with project inspections. Some follow up work has been done with the new hotel in the Industrial Park. Summer help, Andrea Meisner, is working on hydrant painting and lawn mowing. Some issues evolved with the SDADA system requiring wire replacement. A transducer burnt out at the Counter Lift Station requiring replacement. A VFD failed at Well #5 and was replaced today. Jetting will begin soon.

Steve Skinner, Lead Wastewater Treatment Plant Operator:

The lab audit was done in June. There were a few things that needed to be changed. Steve Skinner is currently working to make those corrections. DNR will be doing its onsite inspection next week. This inspection is done every three years. One of the main lift station pumps was pulled last week and shipped to Madison for repair. The June hail storm damaged sky lights in one of the pole sheds. These have been repaired. Servicing of generators will begin next week. Steve is currently working to get estimates from contractors to install a generator at Well #3.

Tom Rickard, Electric Superintendent:

Electric Department is working on infrastructure as well as construction projects. Hirsch Development has begun and is approximated 50% complete. Work continues on the extension for Best Western Hotel. Tjader Highstrom has been contracted to do directional boring. Replacing the old infrastructure on the west side is almost complete. The goal is to complete this work in 2017. A pole was replaced on North 4th Street due to damage done by McCabe Construction. Kevin Blader should be back to full duty in another week. An interview took place for an additional lineman. Staff is looking into making an offer.

Jeremiah Wendt, Director of Public Works:

Lots of construction continues to take place. This includes construction on North 4th Street as well as new development. All departments are extremely busy. The Water Department continues to be instrumental in overseeing projects, and ensuring all projects are completed correctly. The North 4th Street Project is progressing on schedule. The utility work should be done on North 4th Street this week. Some work still needs to be completed on neighboring streets. The utility portion is approximately 95% complete. Once completed the above ground portion can be finished. Punchlist work by A-1 Construction on the 2016 Street/Utility Projects is very close to being complete. Construction on 125th Street is still scheduled for 2018.

Rae Ann Ailts, Finance Director:

Leigh Alexander joined the office staff as a customer service representative in July. The Utility Office, just like every other department in the city, has been stretched thin with workload due to construction, managing vacations, etc. An intern, Jacob Bechel, was hired for the summer as a shared resource between the City and Utilities. Bonding for the Street Project was completed in

July. The annual appreciation utility picnic will not be held this year. The utilities will be sponsoring the picnic at the Heritage Center during the John Doar History Trail activity on Thursday evening, August 24th. A customer appreciation will be held in October during National Power Week to recognize the safety award given to the Electric Department. The 2018 Budgets will be the main focus in the coming months.

Weston Arndt, WPPI Energy Services Rep:

Customer Work

Engineered Propulsion Systems (EPS) installed a dynamometer to test their aircraft engines in Hangar 11-18 at the New Richmond Airport. The dynamometer is designed to use the electric grid as both as a power supply and to feed power back onto the grid when performing testing of engines. PSC Chapter 119 of the Wisconsin Administrative Code provides rules for interconnecting distributed generation facilities, along with standard application and agreement documents. EPS has submitted application documents and we have a signed agreement in place. Anti-islanding test is scheduled for Wednesday, August 2. They plan to install a second dynamometer once production ramps up. The generation will be used to offset consumption in the facility. Excess generation will be credited at New Richmond Utilities' avoided cost, which per rate tariffs is the wholesale energy rates charged by WPPI Energy.

Performed temporary power monitoring for Subway. Owner has 18 stores in Western WI, and the two that were old Hardees buildings are energy hogs. Working to help identify opportunities for improvement.

WPPI Energy Annual Meeting – September 14

WPPI Energy's annual meeting will take place on Thursday, September 14 at the Glacier Canyon Lodge – Wilderness Resort in Wisconsin Dells, Wis. The Board of Directors meeting is the following day. WPPI Energy provides one hotel accommodation per member for an elected or appointed public official attending the annual meeting.

Large Business Customer Survey

WPPI Energy has engaged E Source to conduct market research on member utilities' behalf to help measure business customer satisfaction and awareness of the utility's services. 2017 is the second time a survey is being conducted for large business customers (managed accounts). A survey of large business customers was last conducted by E Source in 2014. The objectives of this survey are: to identify and measure overall satisfaction of the locally owned utility and its offerings; and to gather actionable insights and information from large business customers in member communities. The survey will launch on August 15, being sent via email from utility managers, with a link to the survey. Results are anticipated to be released in November. New Richmond customers include Phillips-Medisize, Lakeside Foods, St Croix Press, Federal Foam, Westfields Hospital, and the School District.

Customers on Optional Rates – Annual Review

Performed an annual review of customers on optional rates. These include 37 residential customers on time-of-day, 3 commercial customers on time-of-day and 13 commercial customers on an optional CP-1 rate based on energy and load factor criteria. Letters were sent with customized information about the annual savings achieved, or excess paid as a result of the optional rate. As a result of the correspondence, only one residential customer chose to change rate options.

Mike Darrow, Utility Manager:

Mike Darrow reported all buildings were inspected by the City's insurance company for hail damage. The damage is still being assessed, but once complete, an updated report will be given. The John Doar History Trail event will take place August 24-26, 2017. The August 24th event is a free will offering with proceeds going back to the Heritage Center. August 25th, panelists from around the country will be speaking, covering John Doar's involvement in the civil rights movement and Richard Nixon's impeachment. Ground breaking will take place at 10:00a.m. Saturday, August

26, 2017. In addition to the Capital Improvement and Budget process, the Comprehensive Plan continues. Three meetings were held concerning development on the North side. The new Stillwater bridge opens tomorrow. The big question continues – what impact will this have on growth, projects, etc.

Closed Session – TID #10 Sale of Land:

A motion was made by Bob Mullen to move into closed session, seconded by Dan Casey, and carried.

A motion was made by Dan Casey to proceed as discussed in closed session, seconded by Jerry Frey, and carried.

There being no further business, a motion was made by Bob Mullen to adjourn, seconded by Dan Casey, and carried. The meeting adjourned at 4:50 p.m.

Pat Becker, President

Gerry Warner, Secretary