

NEW RICHMOND UTILITY COMMISSION MINUTES

January 3, 2018

The regular meeting of the New Richmond Utility Commission was held on January 3, 2018 at 3:30 p.m. at the Civic Center.

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

Members Present: Bob Mullen, Gerry Warner, Dan Casey, and Pat Becker.

Others Present: Hazel Cain, Vicki Cain, and Daniel Fitzer

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

A motion was made by Dan Casey to approve the minutes of the October 30, 2017 meeting, seconded by Gerry Warner, and carried.

A motion was made by Bob Mullen to approve October, November and December 2017 bills and disbursements, seconded by Gerry Warner, and carried.

Public Comment:

Hazel Cain who resides at 743 E 4th Street, stated she woke to sewage backup in her basement Thanksgiving morning. Hazel called New Richmond Utilities, and staff members promptly responded. She received correspondence from Nick Vivian, the City attorney, concerning the damage. Hazel stated her insurance noted the blockage happened on City property, and therefore would not be her responsibility. Mike Darrow gave background information on what occurred. Mike stated the issue would be brought into closed session, and he would contact residents affected the next day with the Utility Commissions recommendation. Dan Fitzer, 730 E 4th Street was concerned with the contamination in his basement. He has removed the carpeting from the basement floor, but all debris still remains in the basement. Nick Vivian recommended calling the cleaning company to schedule an appointment. Mike Darrow will contact Dan after the closed session meeting with the Utility Commission.

Capital Improvement Plan 2018 -2022:

Each Utility commission member received a binder with various types of Utility projects. The members are asked to review the projects over the next 60 days and rank them. There is a sample ranking sheet in each binder. Staff has marked the projects with red, yellow or green. Red indicating critical items, yellow important, and green not as critical. In March these will be reviewed with the City projects.

2018 Staffing Update:

Rae Ann Ailts updated the commission on staffing for 2018.

- Andrew Miller has accepted the full time Public Works Position (shared position with City & Utility).
- Full time Management Analyst Position – new hire is scheduled to begin on January 15th.
- Full time Journeyman Lineman – An offer has been made and verbally accepted.

Water Model:

Jeremiah Wendt gave background information on the water model. Although the City has a water model, it hasn't been updated since 2006. The amount of development that has occurred since that time has rendered the model obsolete. It has not been used or updated for several years. Staff proposed entering a contract with SEH, not to exceed \$18,900.00 to update the existing water model. The cost would be funded through the water utility's capital savings, with expected completion by

May 2018. Bob Mullen moved to enter into a contract with SEH to update the City's water model, not exceed \$18,900.00, seconded by Gerry Warner, and carried.

Department Reports

Bob Meyer, Water Superintendent:

- There have been a couple minor issues with frozen pipes. Anytime Fitness had issues with a sprinkler line.
- Pat Howell is out on FLMA. Adam Jackson has been doing meter reading in his absence.
- Inventory count has been completed and submitted to Rae Ann Ailts. Dave Pufall is working on curb stop inventory updates.
- Grinder pumps were inspected by Quality Flow.
- Water disconnects took place today.
- Frost is 37" – 43". Water running notices will be sent out.

Steve Skinner, Lead Wastewater Treatment Plant Operator:

- Steve thanked Mike Darrow and Pat Becker for attending the West Central Biosolids meeting.
- The plant control touch panels have been replaced. The WWTP and Water telemetry systems now have a back up if SCADA system desk top computer were to fail.
- The total suspend solids oven used for lab analysis of wastewater has been replaced.
- Standby generator project for Well #3 location is complete and ready for service.
- Jeremiah extended a thank you to Steve Skinner and Bob Meyer for working on New Year's Day to deal with an incident.

Tom Rickard, Electric Superintendent:

- The 2017 projects were completed in mid-December.
- Currently staff is working on end of year inventory.
- Tree trimming will be starting.
- Cernohous Avenue lighting will be finished in the near future.
- System inspections will be taking place. During the winter months, twenty percent of the city is inspected annually.
- The current cold weather is not causing issues with the electric system.
- Staff is waiting to install a new 1500 KV transformer at Phillips Plastics.

Jeremiah Wendt, Director of Public Works:

We are in full winter mode. Staff will be working on the following items:

- Removal of old Dairy Queen building. Riverbank restoration to take place and site returned to turf.
- The 125th Street project with Richmond Township.
- Trail connections along County Road A corridor.

Rae Ann Ailts, Finance Director:

- Thanked staff for work on the tax roll process. The dollar amount submitted to Tax Roll was slightly higher in 2017 than prior year, but the number of accounts submitted decreased.
- Field Audit is scheduled for January 15th, with full audit to occur the week of March 19th.
- Projects for 2018 include Financial Policy & Planning Forecasting, and additional areas of software to improve our delivery to customers

Weston Arndt, WPPI Energy Services Rep:

Cooperative Advertising

WPPI Energy pays for one print ad per member per month. A sample was presented during the meeting.

Commitment to Community

New Richmond Utilities collects an average of \$16 per meter per year through the Commitment to Community Program Rider. This is required under 1999 Wisconsin Act 9 and 2005 Wisconsin Act 141. Half of this is allocated to low income programs, and the other half on energy Efficiency. Municipalities and Cooperatives have the option of running their own programs, or participating in statewide programs. With both of the programs, New Richmond continues to benefit by opting into the statewide programs. On the low-income side, more dollars can be allocated to bill pay assistance, while not needing annual audits.

Roughly \$35,000 per year is sent to participate in Focus on Energy, the statewide energy efficiency program. In 2017, roughly \$56,000 of incentives have been returned to New Richmond. Summary data for the year was provided in a handout. Highlights include 145 residents participating in the Simple Energy Efficiency program, 18 home performance weatherization improvements, and several commercial, industrial, school, and government improvements resulting in 1.4 million kWh of first year energy savings.

In 2018 we plan on emphasizing our outreach to promote participation in Focus on Energy.

Wholesale Power Costs

2018 Estimated Average Power Cost: \$77.11 per MWh

2017 actual power costs are coming in above the budgeted estimates. We anticipate an increase for 2018 of 1.3% from the 2017 budget. However, this ends up being 0.2% lower than actual 2017 average power cost.

2019: 1.0%
2020: 1.6%
2021: -0.6%
2022: -0.6%

There will be no change in the seasonal wholesale rate design, so we again expect to see PCAC credits in 8 months, with higher charges for June, July, August, and September.

Customer Work

Working with Phillips-Medisize and WITC to explore an energy intern to assist with energy projects at the New Richmond plant.

Mike Darrow, Utility Manager:

- A big thank you extended to Bob Meyer and Pat Howell for prompt and professional handling of incident occurring on Thanksgiving Day.
- Thank you extended to Jon Evans for the professional handling of a local restaurant water issue.

Motion was made by Dan Casey to move into closed session per State Statute 19.85 (1)(g) and State Statute 19.85 (1)(c), seconded by Gerry Warner, and carried.

Motion was made by Dan Casey, seconded by Bob Mullen, and carried to approve recommendation as discussed in closed session.

There being no further business, a motion was made by Bob Mullen to adjourn, seconded by Gerry Warner, and carried. The meeting adjourned at 5:20 p.m.

Pat Becker, President

Gerry Warner, Secretary