

Utility Commission Regular Meeting Minutes

November 17, 2015

Approved

Call to Order @ 5:00 pm by Joe Madden, Utility Commission President

Roll Call: Eno, Lange, Lindemann, Campfield, Madden; and Lind, Saemisch, Vince Findley - AEP, Kuester and Steward.

Eno/Lange motion to approve minutes from 10/20/15. All ayes. Carried.

Public Comment:

None

Electric Superintendent Report:

Lindemann/Campfield motion to appoint Shawn Kuester as Electric Superintendent. All ayes. Carried.

Steward reported on the new hire and plans for starting on Monday, November 30. We will meet with Brunner, Tailor Made, the School and others.

Vince Findley from AEP gave a presentation on his company and strategic solar project.

AEP – American Electric Power (Energy Partners). They serve 9 customers in Wisconsin including Rice Lake and Medford. There is a tax credit for solar projects set to expire at the end of 2016 and it reduces cost to install system by 20%. They are looking at installing solar in Elroy and would charge approximately \$0.078/kwh with a 3% annual escalation for the 1.5MW array. This array requires approximately 9 acres of land. It will be a tracking array which will move with the sun – it is a 7% cost increase over non-moving ones but 11% more productive. It would become about 10% of the energy needs for the City in a year. It will reduce a PPA price from \$78 to \$43 MWH and we are currently paying about \$51.

Timeframe – they are looking to have the array in place and running by December 31, 2016 to realize the tax credit. They are looking for a commitment before the end of the year because the project will take a year to be designed, engineered and built.

They are looking to have a letter of intent signed to start the project, but either party can walk away if feasibility study does not prove the right price. So need to get the ball rolling and speak with the Common Council.

Maybe a special meeting with the Common Council is needed after Steward contacts the PSC to get an opinion on the project. And Commission needs to make a recommendation to the Council if it is a go.

Questions:

What materials are in the panels and what standards do they meet?

Hazardous Materials?

It will be in the Wellhead Protection Area – will that be a problem?

How would one dispose of these panels and the property if the project goes bad?

We will keep pursuing and will do research and this is a viable resource for future energy use.

Water Report:

Water tests are good

Park has been shut off

Commons has been shut off

Usemco finishing up at Booster Stations

LW Allen coming to fix the SCADA system

Hydrants have been flushed

Jim passed water and distribution certification

Wastewater Report:

The decant area has been built

Starting to haul sludge

There is a back-up on 71 and Western

Problem from directionally bored power line through lateral

Generator issue @ WWTP. Getting it fixed on Tuesday for \$1500 from Cummins

Vac Truck – needs work before we go look at it.

Herbeck's are interested in ours

Saemisch will disclose issues so buyers are aware

Contested Case:

Steward reported on the contested case. Steward and Saemisch recommend no action now and intend to fight the permit requirements.

Lindemann/Eno motion to take no action at this time on the contested case hearing with the DNR. All ayes. Carried.

Administrators report:

Budget discussions: Steward reported on the budget

Eno/Lange motion to approve all budgets. All ayes. Carried.

Communications:

None

Bills:

Lindemann/Campfield motion to approve bills. All ayes. Carried.

Eno/Campfield motion to adjourn at 7:05 pm. All ayes. Carried.

Mark Steward
City Administrator / Utility Manager