

Utility Commission Regular Meeting Minutes

November 19, 2013

Approved

Call to Order @ 5:30 pm by Joe Madden, Utility Commission President

Roll Call. Campfield, Eno, Krueger, Lange and Madden. Also Steward and Collins.

Krueger/Campfield motion to approve minutes. All ayes. Carried.

Wendy Kocik is impressed with the Electric Utility staff and the professionalism they showed on her project. She wanted this information passed on to the Utility Commission.

Rinderer not in attendance due to a family matter. So, Electric Superintendent report is in writing in the packet.

Collins reported on Sludge Hauling Contract. Modifications have been made to the previous contract to charge by gallons and not with a minimum gallon charge. The plan is to haul a minimum of one time per year. The hauler agrees with this contract language change.

Krueger/Lange motion to approve 3 year contract with United for sludge hauling. All ayes. Carried.

City Administrator report:

Steward presented a contract with Baxter Woodman to do an optimization plan. The contract is for \$9,000 to be completed by January Utility Commission meeting. After that it will be sent to the DNR by January 31, 2014.

Campfield/Krueger motion to approve contract with Baxter Woodman for the optimization plan for the wastewater treatment plant as part of the WPDES. All ayes. Carried.

Steward reported on CDBG-PF grant award and opened up discussion on priorities. Priorities will be: 1. Merrill; 2. Franklin; 3. Water Main Loop; 4. Western. MSA will start work next week with surveying. Grant requires procurement of consulting services and Steward is working on that process.

Steward presented on water rate case and options for increase and passed out an email from Melanie of Johnson Block. Options include: 4.5% rate of return will be a 21% increase in water rates; 5% rate of return will be a 25% water rate increase; 5.5% rate of return will be a 29% increase in water rates; and 6% rate of return will be a 33% increase in water rates.

Steward recommends a 5% return resulting in a 25% increase in water rates. The rates fall in the middle of other communities and the increase is below the state average for increases.

Krueger/Campfield motion to approve the 5% rate of return resulting in an approximate increase in water rates by 25%. All ayes. Carried.

Steward presented utility budgets. \$200,000 savings in Electric Utility due to refinancing and no principal payment in 2014. That money will be put away in an emergency fund. Water and Sewer budgets should have excess in 2013 to pay back their replacement and other accounts. 2014 will have project related expenses due to the CDBG-PF grant of which Water will only pay about 25% of the project. All budgets include a 1.5% wage increase.

Krueger/Campfield motion to approve budgets as presented. All ayes. Carried.

Steward informed the Utility Commission of the new online bill payment program and encouraged the use of it and talked about the special assessments going on the tax roll.

Eno/Krueger motion to pay the bills. All Ayes. Carried.

Krueger had a communication. He would like to see the sidewalk on the north side of Franklin Street, where the houses were removed, taken out and detour the pedestrian traffic to the south side.

Krueger/Campfield motion to adjourn at 6:45 p.m. All ayes. Carried.

Mark Steward
City Administrator