

Waunakee Utilities Commission Meeting March 22, 2021

Members Present: Paul Endres Chris Zellner Steve Kraus
John Roessler Gary Herzberg Roxanne Johnson
Shirley Nelson

Others Present: Tim Herlitzka Dave Dresen Todd Schmidt
Jon Trautman – CLA

John Roessler called the regular meeting of the Waunakee Utilities Commission to order. The meeting was held virtually due to COVID-19. All votes were taken via a roll-call.

Minutes

A motion was made by Paul Endres and seconded by Shirley Nelson to approve the minutes of the February 22, 2021 Utilities Commission meeting. Motion carried.

Bills

The list of bills was reviewed. A motion was made by John Roessler and seconded by Shirley Nelson to approve payment of the following bills:

<u>Total</u>	<u>Vendor</u>	<u>Description</u>
\$ 620.68	Ace Hardware	Miscellaneous parts/supplies
12.63	Acker Farber, Peggy	Refund
98.90	Adams Publishing Group	Ad to bid Frank H tower painting
1,222.42	Adams Publishing Group	Energy assistance ads/Waunakee Community Guide
254.70	AFLAC *	Monthly premiums
122.69	Airgas USA, LLC	Transformer maintenance
2,714.91	Allen, L.W.	Meadowbrook lift station maintenance
125.00	BoardmanClark	Legal: Utility regulation report
400.00	Bond Trust Services Corporation	Paying agent fees
1,235.44	Border States	Locks for transformers & junction boxes
50.23	BP *	Gasoline for trucks
508.78	Cintas Corporation	Uniforms
93.59	Classic Custom Homes	Refund
9,725.53	CliftonLarsonAllen	2020 audit
22,575.54	Core & Main	Water meters & meter maintenance
502.00	Coverall North American, Inc.	Cleaning service
2,623.97	Crescent Electric	Street light & UG maintenance and metering
1,873.48	Delta Dental	Monthly dental insurance premiums
3,425.25	Diggers Hotline, Inc.	Locating services
117.67	Dish*	Monthly service
175.34	D'Orazio Cleaning Supply, LLC	Shop/office supplies
27,674.23	EFTPS *	941 taxes
285.50	Electrical Testing Lab	PPE testing
8,420.00	Empower Retirement *	Deferred Compensation & Roth
1,675.28	Exxon Mobil *	Gasoline for trucks
287.52	First American Title	Refund
2,558.00	GLS Utility, LLC	Locating services
143.18	Hydroclean Equipment, Inc.	Shop maintenance
2,992.81	Infosend, Inc.	Billing costs
84.15	Insight FS	Forklift fuel
5,292.97	Jet Vac Environmental	Sewer camera maintenance
78.74	Lakeside International, LLC	Truck maintenance

123.34	Linenburg, McNeil	Refund
34.63	LJC Properties	Refund
3,408.90	Martelle Water Treatment	Chemicals for wells
1,115.00	MEUW	Training session registrations
1,425.03	MG & E	Boosters, wells, service building & lift stations
960.83	Minuteman Press	Bill inserts
513.05	NAPA Auto Parts	Shop maintenance
2,377.35	North American Mechanical, Inc.	Building maintenance
96.20	Northern Lake Service, Inc.	Water samples
1,100.00	North Shore Bank *	Deferred Compensation
371.85	Office Depot, Inc.	Office/shop supplies
69,201.65	Payroll*	2/26 & 3/12
54.63	Pearman, Thomas	Refund
111.00	Pepsi	Soda for machine
16.78	Piggly Wiggly	Soda for machine
142.95	Pitney Bowes, Inc.	Equipment rental
20,022.01	Quartz Health Benefit Plans Corp.	Monthly health insurance premiums
572.28	Resco	Tools/equipment
13,020.00	RG Heating & Air Conditioning, Inc.	Replacement of old boiler & belt for ERV unit
544.09	Rhyme Business Products *	Monthly lease payment & usage charges
2,409.75	Ruekert & Mielke, Inc.	Water & sewer mapping expense
723.86	Securian Financial Group *	Life insurance premiums
4,351.68	SEERA c/o Wipfli, LLP	February
250.00	Severson, Boone	EV charger rebate
41.26	Spahn, Holly	Refund
567.00	Stafford Rosenbaum	Legal: Octopi & sewer camera matters
3,328.42	SBank of CP/Credit card payment *	PPE, chainsaw maintenance, cell phone accessories, office expenses, safety glasses, tower maintenance, batteries, school expenses & truck maint.
39.35	Statz, Carl F.	Truck maintenance
8,261.32	Strand Associates, Inc.	Lexington Booster project, Frank H Tower painting & Octopi matter
124.33	T A S Communications	Answering service
976.83	TDS Telecom *	Monthly phone & modem service
252.00	Tyndale Company, Inc.	PPE
166.56	The UPS Store	Shipping charges for bill stuffers & Octopi
371.26	U.S. Cellular *	Monthly cell phone service
199,446.19	Village of Waunakee	Flexplan, refuse/Feb., electric & water taxes and re-bills for: Mechanic & insurance
500.00	Village of Waunakee	Sports funding at Village Center
60.00	Wil-Kil Pest Control	Pest control
19,772.76	WI Dept. of Revenue *	State & sales taxes paid
1,337,673.69	WPPI Energy	January & February power bills
13,865.08		Meter data collection & mgmt., utility billing & CIS, shared meter technician, low-income admin. service fee, hosted e-mail & financial and accounting software, cyber security, member network assessment & monitoring, member network support, member/WPPI WAN, Verizon charges and retail billing services
15,887.88	WI Retirement System *	Retirement - February
26.00	WI State Lab of Hygiene	Water samples

Bills Received Subsequent to Packet Delivery

\$	300.00	MEUW	Expo registrations
	303.46	Mid-State Technical College	Meter school tuition
	17,280.00	Stuart Irby	Electric inventory

1,052.88	USABlueBook	Well maintenance
<u>\$ 1,841,214.26</u>		

Motion carried.

Public Comment

There was no public comment.

Presentation and Approval of 2020 Audit Report, Review of 2020 Operating and Financial Highlights, and Analysis of Cash Reserves

Jon Trautman of CLA presented the 2020 Annual Financial Report and Management Communications letter. The utility has again received a clean audit opinion and there are no significant items noted in the management Communications letter. Utility staff also presented a variety of graphs summarizing 2020 financial highlights and operational statistics.

After a discussion, a motion was made by John Roessler and seconded by Gary Herzberg to accept the audit report. Motion carried.

The cash reserve policy requires that an annual update be made to the utility commission of the cash reserves compared to the 135-day benchmark and staff presented this using December 31, 2020 audited balances. Cash reserves for all three utilities were reported above their benchmarks. The water cash needs over the next several years was highlighted.

Proposed Partnership with the Village to Jointly Fund the Positions of Engineer and Communications and Management Intern

The commission was presented information about the recent decision by the village board to reorganize the engineering and public works department and to add a communications and management intern position.

The reorganization includes the addition of an engineer to report to the Public Works Director. Due to the mutual benefits of the engineering and communications positions, the utility is asked to fund 25% of each position.

The total cost for 2021 is estimated to be \$22,797 and \$15,000 is already included in the 2021 budget. For years beyond 2021 the cost allocation for each of these positions is proposed to be 25% of the total wages and benefits of the employees. The initial estimate of the 2022 allocation is \$27,639 for the engineer position and \$13,500 for the communications and management position but could change based on the salary requirements of the employees hired. The intern position could also be converted into a full-time management position.

A 2003 Memorandum of Understanding (MOU) addresses various cost-sharing matters between the village and utility for joint street/utility projects. The utility will now be directly funding the engineer position and will no longer be billed for the allocation of the project costs related to this position. External engineering costs for joint projects will continue to be allocated to the utility as outlined in the MOU.

After a discussion, a motion was made by Gary Herzberg and seconded by Roxanne Johnson to approve funding 25% of the Engineer and Communications and Management intern positions. Motion carried.

Bids for Frank H Street Elevated Tank Painting Project

A total of eleven bids ranging from \$216,000 to \$521,600 were received and opened on March 4th for the Frank H Tower painting project. The apparent low bid from LC United Painting Company, LLC, has been deemed to be a responsible bid.

Two cellular carriers lease space from the utility at the tower. The project was bid to give the carriers options to either keep their existing antenna equipment on the tower or remove them for the convenience of the painters.

The \$216,000 bid includes an extra \$1,000 to keep the antenna equipment in place during the project and paint around the equipment. The carriers are contractually required to pay the \$1,000 if they select this option.

After a discussion, a motion was made by Steve Kraus and seconded by Paul Endres to accept the bid from LC United Painting Company, LLC. Motion carried.

Changes to the Renewable Energy Rider Retail Electric Tariff

Staff presented a recommendation to petition the PSC to lower the cost of the Renewable Energy Rider Tariff from \$3 to \$2 and from \$2 to \$1 for customers purchasing 20 or more blocks (lowered from 100 blocks).

The lower price is now possible because the price of renewable energy has dropped significantly and can now be passed through to customers.

After a discussion, a motion was made by John Roessler and seconded by Shirley Nelson to approve petitioning the PSC to modify the tariff. Motion carried.

Advanced Metering Infrastructure Project

The commission was provided a project update. 6,653 electric meters and 3,840 water units are now in service. 13 electric meters remain to be converted.

Village-Wide Construction Projects

A brief update was provided on various projects in the service territory.

Operations Report

The commission was provided a brief update on various operational matters.

General Manager's Report

The general manager provided an update on the Octopi sampling, the Lexington Booster Station project, the decision by the PSC to allow disconnections for nonpayment to resume, the re-opening of the office to the public in mid-April, an update on the hiring plan to replace Dave Dresen, and the retirement gathering scheduled for May 13th.

Financial Statements

A motion was made by Gary Herzberg and seconded by Paul Endres to adjourn the meeting. Motion carried.

Respectfully submitted: _____
Commission Secretary