

Waunakee Utilities Commission Meeting November 23, 2020

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

Others Present: Tim Herlitzka Randy Dorn
Dave Dresen Gabe Altenbernd

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 Steve Kraus and seconded by Shirley Nelson to approve the minutes of the October 26, 2020 Utilities Commission meeting. Motion carried.

Bills

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

Total	Vendor	Description
\$ 192.09	Ace Hardware	Miscellaneous parts/supplies
785.21	Adams Publishing Group	Energy assistance ad & direct mail edition
732.00	Boardman Clark	Legal: Electric service territory & employee matters
10,082.05	Border States	Inventory, UG & transformer maintenance
42.02	Boswell, Janet	Refund
71.10	BP *	Gasoline for trucks
1,950.94	Brooks Tractor	Backhoe maintenance
61.43	Cabral, Jena & Andrew	Refund
491.16	Cintas Corporation	Uniforms
502.00	Coverall North American, Inc.	Cleaning service
549.97	Crescent Electric	Well, tower & street light maintenance
112.08	Dahmen, William & Anna Mae	Refund
1,873.48	Delta Dental	Monthly dental insurance premiums
26,412.11	EFTPS *	941 taxes
7,920.00	Empower Retirement *	Deferred Compensation & Roth
1,660.43	Exxon Mobil *	Gasoline for trucks
3,160.00	Energis Holdings, LLC	Substation maintenance
33,175.85	Fresco, Inc.	Electric inventory
9,348.00	GLS Utility, LLC	Locating services
415.99	Hartman, Steve	Expense & mileage reimbursement
84.15	Insight FS	Fuel for fork lift
65.63	Kniola, Angela	Refund
523.03	MG & E	Boosters, wells, service building & lift stations
303.46	Mid-State Technical College	Meter training
680.00	Minuteman Press	Bill stuffer
75.00	Northern Lake Service, Inc.	Water samples
1,000.00	North Shore Bank *	Deferred Compensation
1,576.00	Paragon Development Systems, Inc.	Computer expense

66,921.42	Payroll*	11/6 & 11/20
53.33	Pearson, Eric	Refund
32.94	Piggly Wiggly	Soda for machine & office expenses
18,453.59	Quartz Health Benefit Plans Corp.	Monthly health insurance premiums
172.50	Ruekert & Mielke, Inc.	Sewer mapping expense
723.86	Securian Financial Group *	Life insurance premiums
4,296.66	SEERA c/o Wipfli, LLP	Focus program fee for October
250.00	Shoys, Peter	EV charger rebate
153.74	Smedegard, Derald	Refund
279.00	Stafford Rosenbaum	Legal: Verizon lease & general corporate
4,338.38	SBank of CP/Credit card payment *	Office supplies and expenses, PPE, school expenses, Zoom for commission meeting, clothing, office/shop supplies, computer and UG exp., and lift station & equipment exp.
132.58	St. John's Properties	Refund
1,905.65	Strand Associates, Inc.	Lexington booster project
15,058.00	Stuart C Irby Co.	Electric inventory
124.43	T A S Communications *	Answering service
969.83	TDS Telecom *	Monthly phone & modem service
1,670.80	Tri-County Paving	W.O. materials
106.11	The UPS Store	Shipping charges for bill stuffers and AMI module
500.61	USABlueBook	Water meter supplies
371.25	U.S. Cellular *	Monthly cell phone service
156,007.92	Village of Waunakee	Flexplan, refuse/Oct., electric and water taxes and rebills for: Insurance & office expenses
1,000.00	Village of Waunakee	Annual WPPI economic development contribution
1,000.00	Waunakee Ecumenical Board	Donation from WPPI COVID \$
70.00	WI Dept. of Natural Resources *	Operator certification
16,269.32	WI Dept. of Revenue *	State & sales taxes paid
653,779.92	WPPI Energy	October power bill
5,678.62	WPPI Energy	Hosted e-mail & financial and accounting software, member network assessment & monitoring, utility billing & customer information software, WPPI WAN, cyber security, shared meter technician, meter data collection & mgmt., Verizon charges, low-income administrative service fee & retail billing services
15,323.59	WI Retirement System *	Retirement - October
26.00	WI State Lab of Hygiene	Water samples
1,466.33	Yahara Materials, Inc.	W.O. materials & E/W/S maintenance

Bills Received Subsequent to Packet Delivery

\$	254.70	AFLAC	Monthly premiums
	119.67	Cintas Corporation	Uniforms
	859.35	Crescent Electric	UG & shop/office maintenance
	10,455.00	Dixon Engineering, Inc.	Well #3 reservoir project
	3,844.89	Infosend, Inc.	Billing costs
	11,855.00	J & R Underground	Boring work at Schumacher Rd., Hill Crest & Stephenson Lane

362.60	Northeast WI Technical College	Apprenticeship costs
1,616.00	Ruekert & Mielke, Inc.	Water & sewer mapping expense
1,027.21	Village of Waunakee	Re-bills for: Mechanic and Dean
45.00	Wil-Kil Pest Control	Pest control
<u>2,680.48</u>	WI Dept. of Revenue *	State taxes paid

\$ 1,104,101.46

Motion carried.

Public Comment

There was no public comment.

Investment Policy Changes

The current investment policy is reviewed from time-to-time by the utility investment advisor.

The commission was presented proposed changes that clarify target investment allocations and ranges, including highlighting the parameters for investing in Mortgage and Asset-Backed Securities.

After a discussion, a motion was made by Steve Kraus and seconded by Chris Zellner to approve the changes to the investment policy. Motion carried.

Improvements to the Lexington Booster Station.

The 2021 budget includes the project to construct improvements to the Lexington Booster Station. The improvements are needed to supply water to the Heritage Hills subdivision as ground elevations require water service for portions of the area to be provided through the boosted water system.

The Heritage Hills developer had originally planned to make the connection to the booster station in 2021 but is now requesting a connection sooner. To accommodate this request, staff is asking the commission for approval in 2020 to complete the required interior piping work in advance of the connection being made.

Given the short timeframe between when the request was received from the developer and the commission meeting, price quotes were not able to be received from contractors and staff is requesting commission approval to solicit price quotes and hire a contractor.

After a discussion, a motion was made by Gary Herzberg and seconded by John Roessler to approve allowing staff to proceed with engaging a contractor to complete this portion of the project under the following conditions:

- Five companies recommended by Strand will be asked to provide price quotes.
- The low quote and contractor must be acceptable to Strand.
- The low price may not exceed \$25,000.

Motion carried.

Purchased Treatment Cost and General Inflationary Sewer Rate Adjustments

The automatic adjustments to sewer rates for the increase in the cost to treat wastewater from the Madison Metropolitan Sewerage District (MMSD) and general inflationary cost increases were discussed. The average residential sewer customer will see an increase of \$2.66 per month and the average commercial customer will have an increase of \$8.58 per month starting on January 1, 2021.

MMSD has informed the utility that costs are estimated to be \$2,108,820 in 2021, an increase of \$207,180 (10.9%) over expected 2020 costs. MMSD costs represent approximately 73% of total sewer utility operating expenses. MMSD has indicated that the following are the reasons for the increase:

- Loadings to MMSD from the City of Madison are expected to decrease, causing communities such as Waunakee who are not experiencing significant load decreases to be billed an increasing percentage of the total costs to operate the district.
- MMSD continues to replace aging infrastructure at the wastewater treatment facility.
- Continued growth requires MMSD to increase capacity for the area.

2021 Health Insurance Costs

The commission was informed about the health insurance cost increases for 2021. The overall premium increase is approximately 8.5% with actual costs increasing \$36,191, or 13.3%.

2021 Budget

The 2021 budget was presented,

After a discussion, a motion was made by John Roessler and seconded by Gary Herzberg to approve the 2021 budget. Motion carried.

Compensation Committee Appointments

The utility commission decided to have Paul Endres and John Roessler be members of the committee.

Advanced Metering Infrastructure Project

The commission was provided a project update. 6,499 electric meters have been installed and 3,449 water units are now in service. The water portion of the project has been put on hold in order to protect staff and customers from the virus.

Village-Wide Construction Projects

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

Operations Report

The commission was provided an update on various operational matters.

General Manager's Report

The general manager provided an update on how the virus has impacted operations and the increased amount of delinquent accounts receivable placed on the tax roll.

The commission also provided consensus that the Frank H Water Tower should be designed to look like the Ripp Park Water Tower, with purple on the underside.

Financial Statements

The October financial statements were presented.

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

Respectfully submitted: _____
Commission Secretary