

MINUTES OF THE UTILITY BOARD MEETING  
SEPTEMBER 4, 2007

Chm. Dan Ziemer.....X                      Don Sawall.....X  
James Supanich.....X                      Ella Lewis.....X  
Richard Beggs.....X

Also in attendance were Mike McCord, Brad Rokus, Tim Beimal, and Penny Kettenhoven.

Chairperson Ziemer called the meeting to order at 4:00 pm. Roll call was taken with all members present.

Moved by Sawall, seconded by Lewis to approve the regular minutes from August 7, 2007. Motion carried.

Moved by Lewis, seconded by Supanich to approve the monthly bills in the amount of \$671,141.08. Waste Water will pay the bill from L & S Electric in the amount of \$3,372.23. Motion carried by unanimous roll call vote.

**Citizens Forum-** No citizens were present.

**Utility Restructuring-** A savings of \$5,533.00 was seen the past four months by having the duties of the manager split. There were one-time expenses that were needed to get the move done in the amount of \$2,549.35. Daily tasks and projects are working out better with the managers in the same office. Communication needs to be worked on between the various city departments and city hall, as the city hall employees need to be able to answer any questions that arise.

**Water Rate Increase-** The reason why we need a water rate increase is because the cost to treat the arsenic in the water as it has been a couple of years since our last rate increase. A water reservoir will be built and the cost is approximately \$3,000,000.00. The utilities are also planning on doing more capital work on existing water mains instead of just maintenance. The auditors have filed a rate increase for the water department with the Public Service Commission. The auditors are proposing a two-step increase. The first increase proposed is 21%, which could result in a forty-cent increase per every 1000 gallons, used. The second step proposed is for 54% and this increase could be about \$1.21 per 1000 gallons used. This does not include the fixed water meter charge of \$5.00. It is the Public Service Commission that decides what the final rates will be. There will be a public hearing on the water rate increase before the rates go into effect. The process to determine what the actual rates will be could take up to 90 days. All information on the water rate case will be forwarded as soon as it arrives.

**Water Breaks-** There were two water services breaks, and one valve break in August 2007. The one water service was on Garfield and the other was on Main Street. The Main Street water service was difficult because of the old records did not show there was an old abandoned service so when Immel dug up the water service, a sewer lateral was also broke and needed repair along with the water service. New records are being kept with every new project being done.

**Electric outages-** There were four electrical outages to report in August 2007. The first outage located on Hwy 156 and Industrial lasted 30 minutes and affected 150 customers. The second outage was Schutt Industries and had a 5-hour outage due to a welder that blew out a transformer. The third outage was planned because of a tree branch that fell on wires on South Main that needed to be removed. The fourth outage was on Motor Street lasting two hours and was caused by a squirrel chewing on the power line.

**Meetings attended and upcoming-** Mr. McCord attended both Badger Power and the Great Lakes Utilities meetings in August 2007. The hot topic of discussion is still long-term contracts with up to twenty-five years of service. This will result in more stable rates. Mr. McCord will keep us informed with updates.

**Resolution 2007-17-** Local Government Property Insurance is requesting an updated resolution to continue with their insurance through the State. This will cover all property in the open but does not include, vehicles, liability and workman's comp. Move by Beggs, seconded by Sawall to recommend to council to approve and sign Resolution 2007-17. Motion carried.

**Annual Audit Report-** The report was handed out at last month's meeting. A question about water consumption was asked and a 5-year history will be brought at next months meeting.

**Finance & Collection-** Financials were given for the month of July 2007. Year to date the Electric Department has a gain of \$267061.98 and the Water Department has a loss of \$76,047.38 through July 2007. The check register was reviewed for August 2007. Moved by Lewis, seconded by Supanich to recommend to council to accept the financials as presented. Motion carried.

Next meeting date was set for Tuesday, October 2, 2007 at 4:00 p.m. at City Hall. Moved by Supanich, seconded by Sawall, to adjourn at 4:58 p.m. Motion carried.

Recording Secretary  
Penny Kettenhoven

