

**MINUTES OF THE ALGOMA UTILITY COMMISSION MEETING OF
November 5, 2008**

President Guy Haasch called the meeting of the Algoma Utility Commission to order on November 5, 2008, at 7:00 P.M. in compliance with the open meeting law.

Members present: Guy Haasch, Robert Hafeman, Russ Ritchie, Sylven Konkell and Bruce Charles. Also present: Gary Paape, Richard Riederer and Nancy Johnson. No members were absent.

Charles motioned, seconded by Hafeman to adopt the agenda set for the November 5th, 2008 meeting. Motion carried.

Ritchie motioned, seconded by Konkell to approve the minutes of the October 15th, 2008 meeting. Motion carried.

Comments of Anyone Present:

None.

New Business:

a.) None.

Old Business:

- a.) Perry, Birch and Cedar Corners water main project update. Liquidated damages will be discussed with the Public Works Committee and Engineer.
- b.) Layne Tank replaced the expansion joint and circulation pump in the Rabas Street water tower. The remainder of the maintenance will be done in spring.
- c.) CTW will be replacing the softener at Well #3 in December.
- d.) Planning Commission, no utility projects.
- e.) The City and Utility are participating in the WPPI Utility and Municipal Building Energy Efficiency Incentives program. A 2.7 KW solar PV awning system for the Utility Building was budgeted. Konkell motioned, seconded by Hafeman to approve the low bid of \$25,700 from Lake Michigan Wind and Sun for the solar system and installation. Roll call vote: all yes. Motion carried.

Hafeman motioned, seconded by Ritchie to approve payment of bills and payroll as presented. Roll call vote: all yes. Motion carried.

October financial statements will be available at the next meeting.

Manager's Report:

Riederer reviewed the attached report.

- American Flow Control notified the Utility that a recall was issued for the Waterous model fire hydrants. Konkell motioned, seconded by Charles to have the sales vendor, Davies Water Services, perform the maintenance required by the recall. There will be no cost to the Utility. Motion carried.
- The Utility will begin purchasing fuel through local vendors versus the County.

- Foth will begin surveying for the Algoma Lumber easement.

Office Manager's Report:

Johnson reviewed the attached report.

- Algoma Utilities' renewable energy participation was discussed. Ritchie motioned, seconded by Konkel to approve the monthly purchase of twenty-five blocks at \$3.00 each (equal to 7,500 kWh). Roll call vote: all yes. Motion carried.

At 8:00 P.M. Charles motioned, seconded by Hafeman to go into closed session as provided by State Statute 19.85 (1) (c). Roll call vote: all yes. Motion carried.

At 10:00 P.M. Ritchie motioned, seconded by Hafeman to resume to open session as provided by State Statute 19.85 (2). Roll call vote: all yes. Motion carried.

No action taken.

(NOTE: time change)...The next regular Commission meeting will be held Wednesday, December 17th at 5:00 P.M.

Konkel motioned, seconded by Hafeman to adjourn. Motion carried.

Meeting adjourned at 10:10 P.M.

President

Director

Secretary

ALGOMA UTILITIES MANAGER REPORT

To: ALGOMA UTILITY COMMISSION

From: NANCY JOHNSON

CC: RICHARD RIEDERER

Date: 10/29/08

Re: OFFICE MANAGER'S REPORT FOR 10/10/2008 - 10/29/2008 ACTIVITIES

Bonnie:

- Continue scheduling cross connections with customers & update Access database with results. 152 service addresses completed, of which 106 were completed in 2008. Some of these service addresses were multiple surveys, (i.e. 30 at one hotel which was counted as 2 surveys). Results of 2008 inspections: 89 passed original survey, 7 passed re-survey and 10 failed.
- Monitor failed cross connection surveys to ensure customers who have failed correct the deficiency and schedule a re-survey.
- Continue to prepare letters for customers who have abandoned their property to inquire if they would like meters to be removed from property and maintain spreadsheet containing this information.
- Request Tax Exemption certificate from vendor.
- Harris tax roll training with Mary.
- Obtained I-9 from all employees.
- Prepared instructions for exporting electric/water consumption history from Harris to Excel.
- Go over Harris information with Mary to correctly update cash receipts for CTC to reflect the correct G/L account.
- Reviewed union contract.

Cheryl

- We had a very busy Public Power Week, resulting in a great turn out for the food drive. We collected approx 380 to 400 items.
- Updated spread sheet for disconnected vacant homes for the annual PSC report.
- Researched how other utilities follow up with service agreements.

(OVER)

Mary:

- Trained & began the processing of accounts going to tax roll
- Record seasonal disconnect and temporary deduct meters returned
- Surveyed other WPPI Harris Group Users on how to handle recycling day fees
- Worked with customers on disconnect amounts
- We have 339 customers on ACH, which is 16% of our customers
- Note on E.R.T. meter changes: Majority of meters have been E.R.T.'d with the exceptions of 3-phase meters, industrial meters, which are read via telephone lines, a few problem meters and water meters over 2" and some 1-1/2" meters

Nancy:

- Created water company lease revenue account and added to financial statement reports
- Established Identity Theft Prevention Program (Worked with MEUW and Bonnie)
- Summarized annual WPPI fund expenditures to request reimbursement
- Analyzed costs for Utility to purchase renewable energy, updated renewable energy rider with industrial rate tariff
- Reviewed bogus \$110 FCC licensing bill with Dick and the FCC
- Reviewed new stuffer maintenance contract. Switched vendor, saving approximately \$309 annually
- Researched fuel tax exemptions for F.E.T., S.E.T. (off road) and sales tax
- Attended meeting with AT&T, new plan in 2009 would save approximately \$2,360 annually on monthly line charges (electric meter reading lines included)
- Worked with AT&T to transfer long distance service to State D.O.A. program to stabilize rates (rates were going to increase with AT&T)
- Updated new customers packets for CTC programs, no longer referred to as Public Benefits
- Filed auto and property insurance notices and claims (substation)
- Discussed energy conservation and renewable energy projects with ESR
- Reviewing employee issue
- Filed annual Unclaimed Property Report

(OVER)

Nancy: (cont'd)

- Reviewed bankruptcies and tax roll processing – legal flow to tax bill at county collection level
- Scanned State's DOA Commitment to Community (CTC) program requests
- Attended 6th St. rebuild planning meeting
- Distribute electric and water operating and maintenance and capital budgets
- Filed annual USDA budget report
- Attended USDA funding meeting
- Filed quarterly payroll reports
- Updated job descriptions
- Worked with Dick to notify insurance representative with updated property information to evaluate values
- Went to High School Reality Day planning meeting with Dick
- Attended Optimist meeting when Dick was the guest speaker

ALGOMA UTILITIES

Memo

To: Algoma Utility Commission
From: Dick Riederer
CC: Nancy Johnson
Re: Managers Report for Nov. 5, 2008 meeting

1. No. 5 Well is on line and is pumping fine. CTW has to perform a 4-hour test with Foth but the airline must be pinched off so CTW has to fix the line.
2. Verizon control house is on our property and is energized. Friday Oct. 24 the fence was installed. Verizon included the water tower access door at no cost to the Utilities.
3. The crew installed new URD triplex and conduit on the east end of Arlington St.
4. Cintas and to measure and fit the men for uniforms. Uniforms should be here in two to three weeks.
5. Sent in control for voltage regulator from the North Substation to T&R Electric.
6. Verizon will be installing a corral on the top of the South Water Tower for their antennas.
7. Christopher Massart will be completing his apprenticeship school on October 31, 2008.
8. Engineer meeting at City Hall on October 21, 2008 went well.
9. Applied for gas credit cards from BP and Mobil. We will be getting our fuel from local gas stations.
10. Lake Michigan Wind and Sun would like to start with the Solar Panel. Should be completed by January 2009.
11. Marina parking lot work will start soon. The Utilities will install the conduit, wire, and light poles. The Marina has decided to go with LED lights.
12. There has been a recall on Waterous Hydrants. Davies Water will perform the repair at no cost to the Utilities if we decide to accept their offer.
13. Thursday, October 30, Pete Haack and I will attend the MEUW District Meeting at Two Rivers.