

**MINUTES OF THE ALGOMA UTILITY COMMISSION MEETING OF
May 20, 2009**

Vice-President Robert Hafeman called the meeting of the Algoma Utility Commission to order on May 20th, 2009, at 5:00 P.M. in compliance with the open meeting law.

Members present: Robert Hafeman, Sylven Konkol, Russ Ritchie and Bruce Charles.
Also present: Diana Baker, Gary Paape, Richard Riederer and Nancy Johnson.
Member absent: Guy Haasch.

Ritchie motioned, seconded by Konkol to adopt the amended agenda set for the May 20th, 2009 meeting. Motion carried.

Konkol motioned, seconded by Ritchie to approve the minutes of the April 15th, 2009 meeting. Motion carried.

Comments of Anyone Present:

Baker was present to express her dissatisfaction with the trimming of her tree. Riederer is addressing her concerns.

Internal Organization:

The Commission conducted the annual internal organization. Konkol motioned, seconded by Charles to maintain the current positions as follows: Guy Haasch as President, Robert Hafeman as Vice-President and Russell Ritchie as Secretary/Treasurer. Guy Haasch and Sylven Konkol will continue as representatives on the Planning Commission. Roll call vote: all yes. Motion carried.

New Business:

a.) None.

Old Business:

- a.) The meter manufacturer and insurance company continue to review the defective meter that caused water damage to a customer's property.
- b.) The Perry, Birch and Cedar Corners water main project was discussed. Final payment due to Tenor Pipeline is still in dispute. Public Works Committee has levied liquidated damages against Tenor. The County's 2008 blacktop bill has not been received yet.
- c.) Sixth and Ohio Street project began the week of April 27th and should be done in late July. The project is on schedule. The Birch water main-loop will not be done in 2009, due to Perry Street project cost over-runs.
- d.) CTW Corporation is requesting additional costs for the Well #3 water softener replacement. The request is being reviewed and a meeting will be held with the contractor. CTW has not completed the painting yet.
- e.) Planning Commission, no utility projects.
- f.) The City and Utility are participating in the WPPI energy Utility and Municipal Building Energy Efficiency Incentives program.

- The Utility's solar PV awning system will have software installed allowing internet users to view the energy production statistics.
- Algoma Utilities' electrical usage was reduced by 17% in the last twelve months and was cut 26% in the preceding year.
- The Utilities' natural gas consumption was reduced by 29% in the last twelve months and 16% in the preceding year.
- Office of Energy Independence will be accepting applications for energy efficiency projects. Projects that may qualify for stimulus funding are specific municipal building retrofits and updating to energy efficient LED lighting.

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

Konkel motioned, seconded by Ritchie to approve the [April](#) financial reports. Roll call vote: all yes. Motion carried.

Manager's Report:

Riederer reviewed the attached report.

- The motor and pump at Well #1 failed. Proposals for replacing the motor and pump were received from Municipal Well & Pump, Layne Northwest and CTW. Konkel motioned, seconded by Ritchie to hire Municipal Well & Pump at a cost of \$13,462. Roll call vote: all yes. Motion carried.
- WPPI energy will be funding new signage for the substations.
- Roof replacement for Well #5 was in the budget. Estimates were received from Burr, J&H Custom Building and A&E. The Commission's consensus was to award the job to J&H Custom Building at a cost of \$3,000.
- Black-topping projects were budgeted for 2009. Jays Asphalt will be contracted for the shop's lot for \$3,650.
- Congratulations to the Algoma Utilities/WPPI energy 2009 scholarship recipients: Corie Qualman and Courtney Schmidt.
- Cross connection surveys are being conducted. The bills mailed in June will have a stuffer containing more information, press releases were sent to the newspaper or customers can visit www.algomautilities.com for more information

Office Manager's Report:

Johnson reviewed the attached report.

- Water rate case will be completed soon.

At 6:00 P.M. Ritchie motioned, seconded by Konkel to go into closed session as provided by State Statute 19.85 (1) (c). Roll call vote: all yes. Motion carried.

At 6:14 P.M. Ritchie motioned, seconded by Konkel to resume to open session as provided by State Statute 19.85 (2). Roll call vote: all yes. Motion carried.

No action taken.

Special closed session meeting on Tuesday, May 26th at 5:00 P.M.

The next regular Commission meeting will be held Wednesday, June 17th at 5:00 P.M.

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

Meeting adjourned at 6:15 P.M.

President

Director

Secretary

ALGOMA UTILITIES

Memo

To: Algoma Utility Commission
From: Dick Riederer
CC: Nancy Johnson
Re: Managers Report for May 20, 2009

1. The water sewer project on 6th St. started on April 29. They started the water main on May 13.
2. The Public Works Committee decided to fine Tiener the maximum fine of \$138,000.
3. The Crew is done flushing hydrants.
4. The Crew cleaned the salt tank at No. 5 Well. Our plan is to clean a tank a year.
5. Installed a primary feed on Kirkland Ave. to Bay Road from Greenfield to feed the new house on the north end of Kirkland.
6. Ordered 20 poles 10- 35 foot and 10- 40 foot.
7. We had Jag give us a design and price for two signs at our Substations.
8. The Water Department started with the Cross Connection survey. We will do homes and businesses.
9. Davies Water tested our well house water meters. The meters are recording fast so they came back and cleaned and retested the meters. There was no change in the test so we will have to take the meters out and send them to another company to be rebuilt.
10. A.T.I. came and tested the oil in our transformers at the Substation.
11. The metering was completed at the North Substation on April 30. The North Substation project is completed.
12. No. 1 Well failed on May 3. Checking the windings and amp readings it appears the pump and motor need to be replaced. I contacted Lane Northwest, Municipal Well and CTW to give us quotes on replacing the pump and motor.
13. We are working with Melissa from WPPI with a power quality issue at CTI on Navarino St.
14. We contacted WPPI to be included in the Shared Saving Program.
15. We switched suppliers for our chlorine. Our supplier was Hydrite for our chlorine and Martell for our phosphate. Hawkins Water Treatment will supply our phosphate and chlorine as of May 1.
16. On Tuesday May 12 we had our Confine Space Entry practice at No. 5 Well. Advanced Safety Technology did the training.

17. ON A BAD NOTE We cut a tree at 603 Fremont St. the tree is on their property and we cut the entire tree down. I went and talked to Ms. Baker and gave her the names of the Commissioners and told her the meeting date. I am sorry this happened. I expect Ms. Baker will be at our meeting on May 20. I enclosed the letter she wrote us.
18. On May 17 I will hand out our two scholarships one to Cory Qualman and one to Courtney Schmidt.
19. The office and Line personnel will have their hearing test on May 14 at the Algoma Hardwoods.

ALGOMA UTILITIES MANAGER REPORT

To: ALGOMA UTILITY COMMISSION

From: NANCY JOHNSON

CC: RICHARD RIEDERER

Date: 5/14/09

Re: OFFICE MANAGER'S REPORT FOR 4/09/2009 - 5/14/2009 ACTIVITIES

Bonnie:

- Sent out first round of cross connection survey letters.
- Schedule cross connection surveys. Year to date, 13 cross connections surveys have been scheduled. Of these 13; four were resurveyed and passed from last year. Nine additional have been completed with 8 passing.
- Completed cross connection press release and information for local cable channel.
- Created cross connections information to be used as part of the June stuffer.
- Completed water meter and ERT Access data integrity check.
- Created a list of electric meters due to be tested.
- Completed Consumer Confidence Report which was stuffed with April bills.
- Worked on various policies.

Cheryl:

- We disconnected 6 electric customers in April, with five reconnected.
- Sent out second and third notices for missing service agreements.
- Working closely with disconnects on general service accounts.
- We sent out 197 disconnects for May.
- Mailed updated letters for critical needs customers.

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Mary:

- Continued customizing website – added links to other websites, added/changed forms, added Commission Meeting Minutes, added monthly bill stuffer, incorporated some pictures, etc.
- Deposit requests went out for several customers.
- Scheduled several 1” water meter replacements and updated Access and Harris.
- Several customers requested their electric and/or water meters be tested.
- Changed ERTs on water meters and added ERTs to other water meters - updated in Harris and in Access database.
- Updated MVRS (meter reading software) with new version and tested in the field.
- Total number of water running customers for the winter – due to freeze ups was 41. All have been notified to turn water off.

Nancy:

- Reviewed various stimulus fund programs; WPPI and MEUW will assist with potential electric project funding. Worked with WDNR on the Safe Drinking Water fund program.
- Working with bank on foreclosure case involving several rental properties.
- Discussed deposit rules with PSC, relative to low-income status filing after deposit collection is complete.
- Monitoring Charter Communications Chapter 11 bankruptcy filing. Requested adequate assurance for future service.
- Discussed deduct meters, reconnect fees and subdivision extension rules with the PSC.
- Reviewed customer bankruptcy filing and deposit request. Working with landlord to obtain adequate assurance for future service.
- Updated joint trenching rates.
- Created a list of water meters due for testing.
- Reviewed and edited several policies, customer letters and forms.
- Dick and I met with property insurance representatives for onsite visits and re-evaluation of assets.
- Calculated electrical extension job estimate. Dick and I met with potential subdivision developer.

(OVER)

- Requested water rate case file from PSC.
- Calculated Tenor Pipeline meter damage claim totaling \$7,658.
- Updated North-side water main loop file for new customers. Recovered \$960 in deferred water assessments. Updated private well listing to reflect new customers and issued private well permit paperwork.
- Received \$281 Microsoft software claim voucher from Antitrust settlement.
- Recovered \$750 engineering fees from Verizon's water tower attachment. All legal fees were recouped in 2008.
- Requested additional custodial credit risk policy for deposits at bank (for coverage over the FDIC and State Guarantee Fund allowances).
- Attended 6th and Ohio streets preconstruction meeting with Dick.
- Participated in USDA project cost update and budget meeting with Foth.
- Present for loan pre-closing teleconference with Quarles and Brady bond counsel.
- Held USDA loan closing meeting with Quarles and Brady and USDA authorizing issuance of Water System Mortgage Revenue Bonds.
- Recorded 2009 USDA Bond liability, set up reserves, created amortization spreadsheet.
- Closed interim financing, calculated interest income and credited to work order.
- Attended FEMA board meeting and update low income assistance list.
- Scheduled meeting with City and AT&T for contract update. The Utility will save over \$3,000 per year on phone services with the new State Centrix contract.
- Coordinated school field trip to Utility. ESR and General Manager did electric presentations.
- National Theatre for Children held energy conservation performances at Algoma schools the week of May 11th.

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