



March 1, 2019

TO ALL UTILITY COMMISSION MEMBERS:

GERRY WARNER
BOB MULLEN
DAN CASEY
PAT BECKER
MIKE KASTENS

This is to inform you that there will be a Utility Commission Meeting on **Wednesday, March 6, 2019** at **8:00 a.m.** in the EDC Lab at the Civic Center.

AMENDED AGENDA

1. Call to order
2. Adoption of agenda
3. Approval of previous commission meeting minutes (January 9, 2019)
4. Approval of bills and disbursements – January 2019 and February 2019
5. Public Comment
6. Investment Advisor Services
7. Water & Sewer Rate Study
8. WPPI Shared Meter Technician
9. Electric Operations Intern
10. Internet Access Pilot
11. Water Department Pickup Truck Bid
12. Biosolids Facility Department of Transportation Permit Issues ***
13. Staff Reports
14. Communications and miscellaneous correspondence
15. Adjourn

A handwritten signature in black ink, appearing to read "Mike Darrow".

Mike Darrow
Utility Manager

*** Agenda item added

A majority of the members of the New Richmond City Council may be present at the above meeting.

Pursuant to State ex rel. Badke v. Greendale Village Board, 173 Wis. 2d 553, 494 N.W. 2nd 408 (1993) such attendance may be considered a meeting of the City Council and must be noticed as such, although the Council will not take action at this meeting.

NEW RICHMOND UTILITY COMMISSION MINUTES
January 9, 2019

The regular meeting of the New Richmond Utility Commission was held on January 9, 2019 at 8:00 a.m. at the Civic Center.

Pat Becker called the meeting to order at 8:00 a.m.

Members Present: Bob Mullen, Mike Kastens, and Pat Becker. Dan Casey was present via telephone conference call.

A motion was made by Mike Kastens to approve the agenda, seconded by Bob Mullen, and carried.

A motion was made by Bob Mullen to approve the minutes of the November 7, 2018 & December 18, 2018 meetings, seconded by Mike Kastens, and carried.

A motion was made by Mike Kastens to approve November and December 2018 bills and disbursements, seconded by Bob Mullen, and carried.

Public Comment:

None

HydroCorp Contract:

New Richmond Utilities is tasked by the Wisconsin DNR with implementing a Cross-Connection Control Program. The majority of the program is run by Utility staff, but some of the more complex inspections require the assistance of an outside party. The Utility has contracted with HydroCorp for the last several years with providing inspection services for the facilities that are beyond the expertise of Utility staff.

Staff has once again requested a proposal from HydroCorp for the necessary inspections for 2019. Their proposal, which equates to approximately \$129 per inspection, is in line with what has been proposed in the past. Bob Mullen moved to approve the contract with HydroCorp, seconded by Mike Kastens, and carried.

3Q18 Financial Report:

Joel Enders presented the 3rd quarter financial reports and analysis for electric, water and sewer departments.

Water & Sewer Rate Study Update:

Rae Ann Ailts gave a brief update on the water and sewer rate study performed by Trilog Consulting, LLC. Rae Ann Ailts and Joel Enders met with Trilog Consulting on January 6, 2019. Trilog will be giving a full report during the March Utility Commission meeting.

Electric Rate Cost of Service Study:

Utility Commissioners received the Retail Electric Rates Benchmarking Report for 2018. Rae Ann gave a brief overview of the report, noting the last electric rate study was completed in 2013, with current rates in place since December of that year. Industry best practices suggest a cost of service study be completed every five years, or more frequently as determined by rate of return. Based on this information and benchmarking data, staff is recommending that New Richmond Utilities partner with WPPI Energy to complete a cost of service study during the 2019 calendar year. This process will ensure our rates are in alignment with current and future infrastructure needs and operating costs for our growing community. Some discussion took place concerning the study based on benchmarks in the report. It was decided to bring this discussion back during the next meeting.

Department Reports

Jeremiah Wendt, Director of Public Works:

January 29, 2019.

Steve Skinner, Lead Wastewater Treatment Plant Operator:

- Meetings continue with MSA on WWTP design.
- Some minor repairs were completed at the wastewater treatment plant.
- Pump repairs occurred in the digester building.
- Working on end of year reports for DNR and State of Wisconsin.
- Steve Skinner toured a dryer facility in Shakopee, MN.

Bob Meyer, Water Superintendent:

- Jetting and flushing continue, progress is being made.
- Supplied water to LWT to enable floating one of their dredges.
- Water disconnects are taking place due to nonpayment of utility bills.
- Meter change outs will take place throughout the winter.
- DNR report on well head monitoring needs to be completed by end of month.
- Congratulations to Josh Buhr on the birth of his new daughter, first baby of the year at the Amery Hospital.

Weston Arndt, Electric Superintendent:

- Still installing new residential services. We continue to get requests for permanent electric services for new dwelling units. We provide builders 3 options:
 - Thaw the ground for us and we will plow in service.
 - Excavate a trench so that we can lay electric in.
 - We would provide temporary electric, in close proximity to the transformer or pedestal.

The builders have preferred excavating a trench. This does require us to thaw ground at the meter socket and at the transformer or pedestal to make the connections. It is challenging to keep up with the frost getting deeper. We purchased a second thaw machine, which should help.

- Danger pole update:
 - This week we replaced a pole across from The Centre, and also finishing work on E Sixth.
 - The pole replacements in the alley behind, Wild Badger down to Guinn, Vinopal & Zdrahka that were contracted cost \$14,767 for Tjader & Highstrom labor and equipment.
 - The last pole that we requested they change out for us is on the corner of E 1st and Green Ave. Completed last week.
 - We are designing an underground upgrade in the Oak and E 7th neighborhood, this should address several of the remaining danger poles.
 - There are also a couple poles that will be addressed as part of the East First St work we are planning. Considering underground – developing a policy to direct us moving forward.
- Tree Trimming – Tree trimming postcards went out to about 60 homeowners and landlords on December 21. I've been addressing concerns and answering questions. We plan to begin tree trimming the week of January 7 or January 14.
- I met with the Elster (Honeywell) meter rep to gather some pricing for a Large Power Customer – Advanced Metering deployment. This would allow us to gather 15 minute interval data, allowing us to develop new rate options and better serve our largest customers.
- 140th street lighting update – All but two street lights on 140th are installed and energized. The two poles on the north side of the tracks will remain off until we can bore the railroad tracks. We had an application with Canadian Northern that was denied because our proposed route was within 15' of RR infrastructure. We resubmitted and are awaiting response. The

boring of the RR will also allow us to improve the circuit feeding Whispering Prairie and Fox Run.

- As part of extending service to the new Bakken Young facility, we completed system improvements behind Munson Plumbing, west of Knowles Ave to remove old overhead infrastructure.
- Mapping Updates – Continue to make updates to our electric system maps in our GIS.
- Beaver Way – Work continues this winter to terminate the new primary extension.
- MEUW Site Visit – Mark Zielsdorf with MEUW performed a job site inspection visit. It was nice to receive confirmation that our safety practices are satisfactory and that the guys are knowledgeable and do good work. District 1 had a Board of Directors' vacancy and I was asked to get involved. BOD meeting as part of the MEUW / WECA joint superintendents' conference next week. Also a WPPI Joint purchasing meeting.

2019 APPA Legislative Rally – February 25-27 – Schedules will not allow any attendees from New Richmond

Stacie Running, ESR:

- Update was given on Focus on Energy.
- WPPI customer survey results were presented.
- WPPI is boosting incentives for electric vehicle service (charging) equipment.
- Majority of PedalPower, PowerTOWN & Water/WasteWater education presentations are scheduled.
- National Theater for Children Performances are scheduled.
- Wes Arndt & Stacie Running continue to work with large businesses on incentives and grants.

Rae Ann Ailts, Finance Director:

- Disconnection process was changed in 2018, resulting in a decrease of actual completed disconnections.
- Morgan Stanley held a portion of investments for the Utility and City. Since they are moving out of municipal investments, a Request for Qualifications for a new investment firm to help guide those investments into the future was sent in December 2018, and is due January 15, 2019. The deadline to move the funds to a new broker is March 29, 2019. Interviews for a new broker will take place the week of January 21st. Rae Ann is looking for a couple of commissioners to be on the interview committee.
- Physical inventory for 2018 has been completed.
- Preparations are taking place for the annual audit. Full audit will begin March 18, 2019.
- PSC reports are due by April 1, 2019.

Mike Darrow, Utility Manager:

- Mike thanked Rae Ann Ailts and Joel Enders for working on the new recycling program.
- Brief update given on properties owned by the City. Looking for feedback on developing those properties.
- Doughnuts and discussion will take place in 2019, starting Thursday, January 17, 2019.
- Staff is working on improving communications with the different boards and commissions.

There being no further business, a motion made by Bob Mullen to adjourn, seconded by Mike Kastens, and carried. The meeting adjourned at 8:55 a.m.

New Richmond Utilities

JANUARY 2019

Check Register

Check #	Date	Amount	Vendor Name	Description
002268	1/4/2019	61,816.71	CITY OF NEW RICHMOND	PAYROLL 1-4-19
002269	1/7/2019	1,153.99	SUPER AMERICA	DEC FUEL BILL
002270	1/8/2019	13,607.12	US BANK CORPORATE PAYMENT SYSTEM	UTILITY OFFICE DEC PCARD INV
002271	1/18/2019	10,982.03	WI DEPT OF REVENUE	DEC SALES TAX
002272	1/18/2019	61,317.48	CITY OF NEW RICHMOND	PAYROLL 1-18-19
002273	1/18/2019	1,500.00	CITY OF NEW RICHMOND	WELLNESS CONTRIBUTION
002274	1/18/2019	24,769.68	CITY OF NEW RICHMOND	STORM WATER
002275	1/18/2019	5,964.70	CITY OF NEW RICHMOND	INSURANCE
002276	1/18/2019	5,000.00	CITY OF NEW RICHMOND	RENT
002277	1/18/2019	8,038.83	CITY OF NEW RICHMOND	RECYCLING
002278	1/18/2019	45,680.00	CITY OF NEW RICHMOND	TAX EQUIVALENT
002279	1/18/2019	20,025.75	CITY OF NEW RICHMOND	4TH QTR ADMINISTRATION
002280	1/18/2019	3,373.76	CITY OF NEW RICHMOND	D PUFALL 4TH QTR CONTR SVC
002281	1/18/2019	10,411.36	CITY OF NEW RICHMOND	MONTHLY BILL
002282	1/18/2019	126.40	DIGGERS HOTLINE, INC.	DECEMBER TICKETS
002283	1/18/2019	244.00	HYDRODESIGNS	CROSS CONNECT INSPECT & REPORT
002284	1/18/2019	2,118.63	INFOSEND, INC	NOV POSTAGE & BILLING
002285	1/18/2019	7,592.09	MUNICIPAL ELECTRIC UTIL OF WI	2019 MEMBERSHIP DUES
002286	1/18/2019	5,806.80	NEW RICHMOND UTILITIES	DEC CTOC COLLECTIONS
002287	1/18/2019	20,541.00	TJADER & HIGHSTROM	ID JOINT, POWER BOXES, PED, PR
002288	1/18/2019	25.00	WISCONSIN STATE LAB OF HYGIENE	FLUORIDE
002289	1/18/2019	2,521.42	CITY OF NEW RICHMOND	REIMB 4TH QTR B THOMPSON
002290	1/18/2019	19,290.98	CITY OF NEW RICHMOND	REIMB 4TH QTR J WENDT
002291	1/18/2019	8,288.56	CITY OF NEW RICHMOND	REIMB 4TH QTR KYLE WELLS
002292	1/18/2019	6,650.34	CITY OF NEW RICHMOND	REIMB 4TH 4TH QTR M BANNINK
002293	1/18/2019	19,373.27	CITY OF NEW RICHMOND	REIMB 4TH QTR M DARROW
002294	1/18/2019	16,031.78	CITY OF NEW RICHMOND	REIMB 4TH QTR R AILTS
002295	1/18/2019	11,638.45	CITY OF NEW RICHMOND	REIMB 4TH QTR S REESE
002296	1/23/2019	21,516.00	LOCAL GOVERNMENT INVESTMENT POOL	DEC18 IMPACT FEES & SAC COLLEC
002297	1/28/2019	578,132.11	WISCONSIN PUBLIC POWER INC	DEC PURCHASED POWER
002298	1/22/2019	88,420.00	LOCAL GOVERNMENT INVESTMENT POOL	JAN19 LGIP #7, 9, 11
002299	1/22/2019	51,125.00	LOCAL GOVERNMENT INVESTMENT POOL	JAN19 LGIP #5, 8, 10 INVESTMEN
002300	1/25/2019	66.46	SUPER AMERICA	DEC ADD'L FUEL BILL
036067	1/2/2019	580.00	XCEL ENERGY	ENERGY ASSIS PYMT ANNE WEBSTER
036068	1/7/2019	201.27	BALDWIN TELCOMM	DECEMBER PHONE BILL
036069	1/8/2019	204.21	VERIZON WIRELESS	DEC CELL PHONE BILL
036070	1/10/2019	1,513.69	WILLIAM & DENISE SCHEID	DEPOSIT REFUND 905900-20
036071	1/15/2019	191.21	NEW RICHMOND UTILITIES	DEPOSIT REF G HANDEL 417000-21
036072	1/18/2019	30.00	ADAM JACKSON	REIMBURSE ADD'L - SAFETY BOOTS
036073	1/18/2019	0.00	AMERIPRIDE LINEN & UNIFORM SERVICES	VOID - STUB CHECK
036074	1/18/2019	651.58	AMERIPRIDE LINEN & UNIFORM SERVICES	VVWTP DEC UNIFORMS
036075	1/18/2019	513.00	BAKER TILLY VIRCHOW KRAUSE LLP	FINANCIAL STATEMENT AUDIT
036076	1/18/2019	285.00	BORDER STATES ELECTRIC SUPPLY	CHAPMAN 405 WATTHOUR STD CERTI
036077	1/18/2019	14,864.88	CORE & MAIN LP	BALL CURB, CURB BOX, ROD
036078	1/18/2019	6,665.49	ELECTRIC PUMP, INC.	REPLACEMENT MIXER
036079	1/18/2019	6,965.00	EO JOHNSON CO.	CANON IMAGEPROGRAF PLOTTER
036080	1/18/2019	314.03	FRONTIER COMMUNICATIONS	DEC PHONE BILL
036081	1/18/2019	2,123.36	GENERAL REPAIR SERVICE	SUCTION ELBOW, DIAPHRAGM, PAD
036082	1/18/2019	155,002.68	HAAS SONS INC	PYMT #3 APPLICATION
036083	1/18/2019	223.12	HI-LINE UTILITY SUPPLY CO	ANCHOR 10"

036084	1/18/2019	1,153.13	STUART C IRBY CO	PEDESTAL - SECONDARY
036085	1/18/2019	200.00	JOSH BUHR	SAFETY BOOTS
036086	1/18/2019	886.19	KWIK TRIP	DEC GAS BILL & GAS CARDS
036087	1/18/2019	96.00	MY RECEPTIONIST, INC	ANS SVC JAN 9 - FEB 5
036088	1/18/2019	4,937.32	SHORT ELLIOTT HENDRICKSON INC	ANTENNA PROJECTS
036089	1/18/2019	17.87	SPEE-DEE DELIVERY SERVICE INC	ONCALL SHIPMENT
036090	1/18/2019	5,170.00	TRILOGY CONSULTING, LLC	WATER & SEWER RATE STUDY
036091	1/18/2019	24,343.10	WEST CENTRAL WIS BIOSOLIDS FAC	BIOSOLIDS
036092	1/18/2019	300.00	WISCONSIN CENTRAL LTD	WIRE CROSSING RENT
036093	1/28/2019	100.00	WWOA	REGISTRATION G HERMANSEN

Total **\$ 1,360,681.83**
Checks & Wires

New Richmond Utilities

FEBRUARY 2019

Check Register

Check #	Date	Amount	Vendor Name	Description
002301	2/1/2019	60,786.31	CITY OF NEW RICHMOND	PAYROLL 2-1-19
002302	2/1/2019	41.94	CITY OF NEW RICHMOND	LIFE INSURANCE
002303	2/1/2019	424.73	CITY OF NEW RICHMOND	LONG TERM DISABILITY INS
002304	2/1/2019	358.64	CITY OF NEW RICHMOND	SHORT TERM DISABILITY INS
002305	2/1/2019	90.25	CITY OF NEW RICHMOND	BENEFIT EXTRAS MO FSA, HRA ADM
002306	2/1/2019	21,333.17	CITY OF NEW RICHMOND	HEALTH INS
002307	2/1/2019	666.96	CITY OF NEW RICHMOND	EMPLOYER HSA CONTRIBUTION
002308	2/1/2019	4,520.00	DAKOTA SUPPLY GROUP INC	SWITCHGEAR - 15 KV 1 PHASE URD
002309	2/1/2019	2,120.96	INFOSEND, INC	DEC BILLING & POSTAGE
002310	2/6/2019	13,588.97	US BANK CORPORATE PAYMENT SYSTEM	VWTP JAN PCARD INVOICES
002311	2/12/2019	882.83	SPEEDWAY	JAN FUEL
002312	2/19/2019	11,474.21	WI DEPT OF REVENUE	JAN19 SALES TAX
002313	2/15/2019	60,807.42	CITY OF NEW RICHMOND	PAYROLL 2-15-19
002314	2/19/2019	11,736.00	LOCAL GOVERNMENT INVESTMENT POOL	JAN19 WATER IMPACT & SAC FEES
002315	2/15/2019	2,395.05	CITY OF NEW RICHMOND	DEC18 ADDITIONAL MONTHLY BILLS
002316	2/15/2019	9,314.96	CITY OF NEW RICHMOND	JAN MONTHLY INVOICES
002317	2/15/2019	5,964.70	CITY OF NEW RICHMOND	INSURANCE
002318	2/15/2019	8,040.18	CITY OF NEW RICHMOND	RECYCLING
002319	2/15/2019	5,000.00	CITY OF NEW RICHMOND	RENT
002320	2/15/2019	24,746.82	CITY OF NEW RICHMOND	STORM WATER
002321	2/15/2019	209.00	COMMERCIAL TESTING LABORATORY	COLIFORM BACT
002322	2/15/2019	1,180.00	DAKOTA SUPPLY GROUP INC	SWITCHGEAR
002323	2/15/2019	1,912.00	DIGGERS HOTLINE, INC.	1ST PREPAYMENT
002324	2/15/2019	622.00	HYDRODESIGNS	CROSS CONNECT INSPECT & REPORT
002325	2/15/2019	317.49	MAILFINANCE	STUFFER MAINTENANCE
002326	2/15/2019	2,826.77	MUNICIPAL ELECTRIC UTIL OF WI	2019 ELEC SAFETY & TRAIN FEES
002327	2/15/2019	5,994.14	NEW RICHMOND UTILITIES	JAN CTOC COLLECTIONS
002328	2/15/2019	231.20	PAT HOWELL	REPAIR TIE ROD
002329	2/15/2019	11,670.00	TJADER & HIGHSTROM	DEAD END POLE REPLACEMENT
002330	2/28/2019	579,904.48	WISCONSIN PUBLIC POWER INC	JAN PURCHASED POWER
002331	2/18/2019	88,420.00	LOCAL GOVERNMENT INVESTMENT POOL	LGIP #7, 9,& 11 FEB INVESTMENT
002332	2/20/2019	51,125.00	LOCAL GOVERNMENT INVESTMENT POOL	LGIP#5,8 & 10 FEB INVESTMENT
002333	2/22/2019	106.25	CITY OF NEW RICHMOND	BENEFIT EXTRAS MO FSA, HRA, AD
002334	2/22/2019	666.96	CITY OF NEW RICHMOND	EMPLOYER HSA CONTRIBUTION
002335	2/22/2019	21,333.17	CITY OF NEW RICHMOND	HEALTH INSURANCE
002336	2/22/2019	41.94	CITY OF NEW RICHMOND	LIFE INSURANCE
002337	2/22/2019	424.73	CITY OF NEW RICHMOND	LONG TERM DISABILITY INSURANCE
002338	2/22/2019	358.64	CITY OF NEW RICHMOND	SHORT TERM DISABILITY INS
002339	2/22/2019	45,675.00	CITY OF NEW RICHMOND	TAX EQUIVALENT
002340	2/22/2019	292.50	COMMERCIAL TESTING LABORATORY	COLIFORM BACT
002341	2/22/2019	231.19	TOTAL TOOL SUPPLY, INC.	CRIMPER
002342	2/22/2019	26.00	WISCONSIN STATE LAB OF HYGIENE	FLOURIDE
036094	2/1/2019	3,555.00	B & B TRANSFORMER, INC	TRANSFORMERS
036095	2/1/2019	3.57	CAROL E MEADE	CR REF ACCT# 802000-26
036096	2/1/2019	221.03	CEMSTONE READY MIX INC	SAND 1397 MALLARD LN
036097	2/1/2019	72.72	CHASE T SEIBEL	CR REF ACCT# 105300-25
036098	2/1/2019	260.26	C & J BUILDERS	CR REF ACCT# 1840700-24
036099	2/1/2019	80.12	COLONIAL APARTMENT PARTNERSHIP	CR REF ACCT# 1485600-30
036100	2/1/2019	30.00	CORE & MAIN LP	RUBBER MTR WASHER
036101	2/1/2019	3,782.00	CURT'S ELECTRIC LLC	SOUTH TOWER SERVICE

036102	2/1/2019	148.24	DEREK CARLSON	CR REF ACCT# 1088200-21
036103	2/1/2019	96.71	DORIS KRUMM ESTATE	CR REF ACCT# 415500-20
036104	2/1/2019	19,692.00	FRESCO INC	STREET LIGHT ORNAMENTAL POLE
036105	2/1/2019	62.24	GAIL WINSHIP & LARRY BARFKNECHT	CR REF ACCT# 1504700-20
036106	2/1/2019	187.05	GEORGE & DONNA HOEPPNER	CR REF ACCT# 590700-24
036107	2/1/2019	29.41	HEATHER HUSTON & BARRY CAMPBELL	CR REF ACCT# 207100-23
036108	2/1/2019	1,279.14	STUART C IRBY CO	GLOVE TESTING
036109	2/1/2019	72.27	JOHN & STEPHANIE COOKE	CR REF ACCT# 629400-20
036110	2/1/2019	133.22	JOSHUA J SVEJCAR	CR REF ACCT# 717700-22
036111	2/1/2019	99.83	KEVIN VIEBROCK	CR REF ACCT# 911700-21
036112	2/1/2019	63.41	LISA S SIZEMORE	CR REF ACCT# 1407700-27
036113	2/1/2019	41.33	LOUIS W NEAL	CR REF ACCT # 416300-22
036114	2/1/2019	28.62	MACKLYN HOMES LLC	CR REF ACCT# 1086000-20
036115	2/1/2019	6.94	MECK PROPERTIES	CR REF ACCT# 1334200-22
036116	2/1/2019	86.47	MICHAEL HABISCH	CR REF ACCT# 411500-34
036117	2/1/2019	4,495.00	MSA PROFESSIONAL SERVICES INC	WWTF UPGRADE DESIGN
036118	2/1/2019	21.40	RANDY MCCANN	CR REF ACCT# 1117700-20
036119	2/1/2019	52.52	SARA SOMMERFELD	CR REF ACCT# 1311500-21
036120	2/1/2019	331.48	STEPHEN A TORNIO	CR REF ACCT# 1122700-22
036121	2/1/2019	3,300.00	TRILOGY CONSULTING, LLC	UTILITY RATE STUDY
036122	2/1/2019	127.23	WITTSTOCK BUILDERS LLC	CR REF ACCT# 1912300-20
036123	2/1/2019	2,140.45	XCEL ENERGY	DECEMBER GAS BILL
036124	2/4/2019	150.00	XCEL ENERGY	POLE ATTACHMENT RENTAL 2019
036125	2/6/2019	201.90	BALDWIN TELCOMM	JANUARY PHONE BILL
036126	2/8/2019	85.00	ECM PUBLISHERS INC	NEW RICHMOND CHAMBER DIRECTORY
036127	2/8/2019	205.00	WISCONSIN EMERGENCY MGMT	TIER II FEE - CHEMICALS
036128	2/13/2019	196.59	VERIZON WIRELESS	JAN PHONE BILL
036129	2/15/2019	1,792.50	BAKER TILLY VIRCHOW KRAUSE LLP	FINANCIAL STATEMENT AUDIT
036130	2/15/2019	598.50	BORDER STATES ELECTRIC SUPPLY	UNIV FUSE LINK, AUTO SPLICE
036131	2/15/2019	906.08	CORE & MAIN LP	CADWELD CHARGE, COUPLINGS, BAL
036132	2/15/2019	5,760.48	DERRICK CONSTRUCTION COMPANY	DEPOSIT OVERPYMT RICH PRAIRIE
036133	2/15/2019	314.39	FRONTIER COMMUNICATIONS	JANUARY PHONE BILL
036134	2/15/2019	11,151.10	GMTZ	DEPOSIT OVERPYMT BEAVERWAY
036135	2/15/2019	892.53	STUART C IRBY CO	SALCO CLEANER
036136	2/15/2019	489.35	J.H. LARSON COMPANY	TAPE, RUBER SPLICE, WINGNUT
036137	2/15/2019	4,340.00	J & S GENERAL CONTRACTING	REPAIR WATER MAIN SHARRON AVE
036138	2/15/2019	122.50	KRAUSE POWER ENGINEERING, LLC	FAULT CALCULATION
036139	2/15/2019	510.74	KWIK TRIP	JAN FUEL
036140	2/15/2019	2,634.29	METERING & TECHNOLOGY SOLUTIONS	100W ERT ENCODER
036141	2/15/2019	106.39	MY RECEPTIONIST, INC	ANS SERVICE FEB 6 - MAR 5
036142	2/22/2019	0.00	STUB CK AMERIPRIDE	STUB CK
036143	2/22/2019	1,394.54	AMERIPRIDE LINEN & UNIFORM SERVICES	ELEC JAN UNIFORM SERVICE
036144	2/22/2019	4.13	BASS LAKE INC	CR REF ACCT# 1524900-20
036145	2/22/2019	229.66	BORDER STATES ELECTRIC SUPPLY	LOCK
036146	2/22/2019	247.61	ERIN & DAVID KOCH	CR REF ACCT# 1630400-29
036147	2/22/2019	312.68	INDUSTRIAL SAFETY, INC.	TRIMLINE REFLECTIVE CONE, HEAD
036148	2/22/2019	1,471.80	STUART C IRBY CO	CUTOOTS, CONNECTORS, CLAMPS
036149	2/22/2019	105.50	JEFFREY DERRICK	CR REF ACCT# 1020400-21
036150	2/22/2019	44.61	LAWREN J HESTER	CR REF ACCT# 617500-30
036151	2/22/2019	290.75	L W ALLEN LLC	MICORN FILTER
036152	2/22/2019	4.06	MARY S ATWOOD	CR REF ACCT# 1415000-24
036153	2/22/2019	406.00	MIKE STREY	REIMBURSE SAFETY GLASSES
036154	2/22/2019	4,495.00	MSA PROFESSIONAL SERVICES INC	WWTF UPGRADE DESIGN
036155	2/22/2019	280.04	PAULINE & DAVID PARKER	CR REF ACCT# 405300-26
036156	2/22/2019	1,742.64	SHORT ELLIOTT HENDRICKSON INC	2019 ANTENNA PROJECTS
036157	2/22/2019	352.75	SKOGLUND OIL CO. INC.	DRUM MAG00468

036158	2/26/2019	0.00	TRUCK UTILITIES & MFG INC	CHEVRON AIRCRAFT HYD OIL-GAL
036159	2/22/2019	109.66	WASTE MANAGEMENT OF WI-MIN	ELECTRIC DEPT GARBAGE SVC
036160	2/22/2019	2,940.37	XCEL ENERGY	JAN GAS BILL
036161	2/26/2019	<u>0.00</u>	VOID CK TRUCK UTILITIES & MFG INC	CHEVRON AIRCRAFT HYD OIL-GAL

Total **\$1,143,251.36**
Total Checks & Wires



TO: Utilities Commission
FROM: Rae Ann Ailts, Finance Director
DATE: March 6, 2019
RE: Investment Advisor Services

Background

Morgan Stanley has served as the City’s primary investment consultant since 2014 in overseeing a portion of the City’s and Utilities’ financial assets such as; bond proceeds and impact fees. As of March 29, 2019, Morgan Stanley will no longer service certain government entity accounts, including those of the City and Utility. Morgan Stanley has noted that serving the investment needs of clients within the governmental sector is highly specialized and complex leading to their decision to withdraw from this market segment. Withdrawal from the municipal market has been a trend the City has seen over the last several years, with Edward Jones withdrawing from the market in 2014.

In response to Morgan Stanley’s pending withdrawal, staff drafted a request for qualification for investment services, which was approved for publication on December 11, 2018. The RFQ emphasized the need to partner with an advisor who would work with the City to develop a portfolio that would meet the financial needs of the City today, tomorrow and into the future. Responses outlining firm qualifications were due by 1:00 pm CST on January 15, 2019. The City received six responses to the RFQ by the due date and one response after the due date.

Investment Firm	Minimum Qualifications	General Requirements	Cost of Service	Additional Comment
Dana Investment Advisors	YES	YES	15 bps = 0.15% (basis points)	Exceeded minimum qualification & general requirements
Ehler’s Investment Services	YES	YES	12 bps = 0.12% (basis points)	Exceeded minimum qualification & general requirements
Prudent Man Advisors, Inc.	YES	YES	12 bps = 0.12% (basis points)	Exceeded minimum qualification & general requirements
Bremer Wealth Management	YES	YES	25 bps = 0.25% (onetime fee)	
Moreton Capital Markets	YES	YES	1 bps of portfolio value Other fee based upon investment type	
RBC Wealth Management	NO	NO	Rate included in purchase of instrument	

An interview committee consisting of staff, council and utility commission members evaluated firm proposals based upon the following minimum qualifications of:

1. Advisor shall be a Registered Investment Advisor as defined and regulated by the Securities and Exchange Commission and shall be registered in the State of Wisconsin.
2. Advisor shall be familiar with all applicable Wisconsin statutes regarding qualified investments for public entities.
3. Advisor shall disclose any relationship with any financial institution or securities brokerage firm, as well as any potential or actual conflict(s) of interest.
4. Advisor shall have a minimum of five years of experience in managing government operating and bond funds.

The proposals were also evaluated based upon the firm meeting the following general requirements:

1. Capabilities and experience.
2. Philosophy and methodology of your investment selections.
3. Experience working with similar municipal organizations in the past five years.
4. Legal qualifications in the State of Wisconsin.
5. Qualifications of the portfolio manager and key personnel on the advisory service team.
6. Current municipal clients and associated fees.

The committee invited three firms to interview: Dana Investment Advisors, Ehler's Investment Services and Prudent Man Advisor's Inc. The objective of the interviews were to gain a better understanding of the firm's investment philosophy to ensure the safety, liquidity and yield of investments, service level, communication style and relationship development.

The interview committee was impressed with the qualification of all three firms. However, based upon qualifications, investment philosophy, experience, communication, reference responses and reduction from 15 to 12 basis points for the cost of service the interview committee recommends Dana Investment Advisors to serve as the City's and Utilities' Investment Advisor.

Additionally, a custodial agent is required to facilitate sale or purchases of security, previously Morgan Stanley provided custodial services for the City as well. Dana has recommended TD Ameritrade or Charles Schwab. Staff is recommending Charles Schwab to serve as the custodian with the following fee schedule: \$25/wire transfer and \$15/trade.

Recommendations

Staff recommend approval of Dana Investment Advisors to serve as the Utilities' investment advisor.

Staff further recommend approval to establish an account with Charles Schwab to serve as the custodian for investments managed by Dana Investment Advisors.



DANA | Investment
Advisors
THE WISE CHOICE

January 4, 2019

Rae Ann Ailts
City of New Richmond
156 E. 1st Street
New Richmond, WI 54017

Dear Ms. Ailts,

Thank you for the opportunity to provide a proposal to the City of New Richmond ("the City") for investment advisory services. Since our founding in 1980, Dana Investment Advisors, Inc. has specialized in providing quality investment advisory services for public clients. We are proud of our Wisconsin heritage with our office headquartered in Brookfield, Wisconsin and are 100% employee owned. As of September 30, 2018, we manage \$7.5 billion in total assets, which includes 100 public clients representing counties, cities, and townships.

We are confident our experienced and professional staff would be a supportive partner with the City in providing investment advisory services that protect the principal invested in the City's investment portfolio, maximize investment returns, and maintain sufficient liquidity to meet cash flow needs. Our portfolio management team specializes in managing high-quality portfolios that comply with Wisconsin State Statute 66.0603(1m) and has provided exceptional investment advisory services for many Wisconsin municipalities with similar investment parameters as the City of New Richmond, such as the City of Brookfield, Dodge County, and Waukesha County. Our prudent and conservative public sector investment strategy has been validated over the past 30 years by never experiencing a negative total return in a calendar year.

Our services extend well beyond investment management. Dana provides clients with assistance in developing investment policies, establishing appropriate investment benchmarks, and forecasting cash flows. Additionally, we generate comprehensive accounting reports, investment performance reports, and risk management compliance. Dana representatives are available to attend City and Committee meetings to discuss investment performance, compliance, and strategy. On a daily basis, Dana works directly with the City staff to implement investment policy, discuss portfolio management, and review financial accounting.

We appreciate your consideration of our proposal for investment advisory services for the City of New Richmond and welcome the opportunity to discuss our services in further detail. Should you have any questions in the interim, please contact Dave Mazza by phone at 262-780-6086 or by email at davem@danainvestment.com.

Sincerely,

Dave Mazza
Vice President – Director of Fixed Income Sales and Marketing
davem@danainvestment.com
262-780-6086



DANA | Investment
Advisors
THE WISE CHOICE

20700 Swenson Drive, Suite 400
Waukesha, WI 53186
P. O. Box 1067
Brookfield, WI 53008-1067

CITY OF NEW RICHMOND

REQUEST FOR PROPOSAL
FOR
INVESTMENT MANAGEMENT
SERVICES

Contact Information

Dana Investment Advisors, Inc.

P.O. Box 1067

Brookfield, WI 53008-1067

Contact Person: Dave Mazza

Response Date: January 4, 2019



Dave Mazza
Vice President
Davem@DanaInvestment.com
(262) 780-6086

1. Describe the firm's capabilities and experience.

Dana Investment Advisors, Inc. has been providing investment management services to public funds, governmental entities and nonprofit corporations since the early 1980s. Dana's prudent and conservative investment strategy has been validated by never experiencing a negative total return over a calendar year through many different and trying market environments over the last 27 years! Currently, we manage assets for nearly 100 municipal organizations across the country with a majority of those clients right here in Wisconsin. Our long history of exceptional fixed income management for public funds and governmental entities provides us with a comprehensive understanding and appreciation for the distinct investment and financial functions of each of these entities. Dana takes pride in developing a strong professional relationship with all of our clients and managing an investment portfolio that preserves principal, provides for liquidity needs, and generates a superior income stream. Our long history also gives us the experience necessary to review and suggest changes to the investment policy and objectives as the City continues to grow and prosper. This review of current investment policies and portfolio management guidelines includes:

- Investment Scope and Objectives
- Purpose of Investment Policy Statement
- Assignment and Delegation of Authority & Responsibilities
- Cash Flow Requirements
- Permitted Investments
- Performance Standards and Reporting
- Diversification and Risk Requirements
- Policy Review and Update

Additionally, via our investment accounting systems, Dana provides a full suite of accounting information: accounting accruals, cash flow forecasting, income and expense reporting, as well as compliance and regulatory reporting. Equally as important, our accounting systems are integrated with your custodian bank, thereby allowing Dana to reconcile all accounting transactions and investment positions on a daily basis. We understand that timely and accurate accounting information is essential for proper planning and budgeting purposes, and our integrated systems provide confidence that business reporting and development plans move forward effectively and efficiently.

2. Briefly describe the philosophy and methodology of your investment selections. Explain your views on passive versus active management. What is your recommended allocation between active and passive management?

Dana's investment philosophy is centered on the investment advisory service needs of our clients, and many are public sector entities with similar investment parameters as the City of New Richmond. Our relative-value investment approach is conservative in nature and focuses on building a portfolio with higher yield and a lower level of risk than the comparable benchmark. We proactively engage with our clients to understand their financial situation, investment goals, and risk tolerance. This critical first step allows us to gain a deep appreciation of the investment objectives surrounding the portfolio and allows us to prudently construct an investment portfolio that maintains the following characteristics: preservation of principal, liquidity management, and higher yield.

Preservation of Principal: Our investment philosophy focuses first and foremost on preservation of principal. To achieve preservation of principal, Dana focuses on constructing an investment portfolio comprised of securities possessing high quality (safety), high levels of liquidity, and short maturity characteristics. Therefore, we concentrate on investments such as U.S. Treasuries and U.S. Government Agency investments that comply with State Statutes and protect principal through maturity management. Additionally, Dana employs a robust risk management system in which we model and simulate how various investments will perform individually and collectively within the investment portfolio to ensure compliance with the City's specific risk tolerance and investment objectives. Markets can be volatile, and we understand how important safety is to our public clients.

Liquidity Management: Working with Wisconsin public sector clients since 1980, we have a deep understanding and respect for the importance of investing in highly liquid securities. We understand that unforeseen events may occur and cash disbursements are needed to meet unplanned obligations. Therefore, we design and construct highly liquid portfolios to meet planned and unplanned cash flow obligations. Dana achieves a highly liquid investment portfolio by investing in fixed income sectors encompassing the characteristics of high liquidity: depth of market and breadth of market. We concentrate on investing in U.S. Treasuries and U.S. Government Agency investments that meet and comply with Wisconsin State Statute 66.0603(1m).

Yield: Our portfolio management team possesses expert knowledge of the fixed income market, as well as an extensive trading network. Dana generates higher yield for our client's investment portfolios by analyzing cash flow streams generated by numerous investments and understanding how cash flow streams may change under various economic and interest rate environments.

We focus on important factors such as yield curve positioning, cross-sector spread analysis, and forward rate curve analysis to determine optimal security selection for generating superior income. Additionally, we demonstrate our expertise by working with our trading network and governmental agencies to create customized securities in order to deliver superior income for our client's investment portfolios.

Dana's investment approach is 100% active management. Dana combines this active management with quantitative risk controls to provide the highest amount of return for a given level of risk. We believe that intensive analysis of specific securities within and across sectors to actively structure portfolios within a risk-controlled environment will deliver consistent value-added returns over the index.

Consequently, especially in this volatile, rising-rate market, Dana believes a full allocation to professional active management will better protect the City's investment portfolio.

3. List the firm's experience working with similar municipal organizations in the past five years.

Dana Investment Advisors, Inc. has been providing investment management services to public funds and governmental entities since the early 1980s. We are headquartered in Brookfield, Wisconsin and are 100% employee owned with \$7.5 billion in total assets as of September 30, 2018. We are proud of our Wisconsin heritage and manage assets for Wisconsin municipal clients such as:

- City of Baraboo
- City of Beaver Dam
- City of Brookfield
- City of Neenah
- City of New Berlin
- City of Oak Creek
- City of Oconomowoc
- City of Racine
- City of Verona
- City of Waukesha
- Dodge County
- Door County
- Jefferson County
- Kenosha County
- La Crosse County

- Madison Metropolitan Sewerage District
- Milwaukee County
- Milwaukee Metropolitan Sewerage District
- Outagamie County
- Ozaukee County
- Racine County
- Vilas County
- Waukesha County
- Winnebago County

Our long history of exceptional fixed income management for public funds and governmental entities provides us with a comprehensive understanding and appreciation for their distinct investment and financial functions, including:

- Matching investment maturities to expected cash flows, such as payroll or debt expense payment dates
- Investing in high-quality investments in order to meet an unforeseen event of an unexpected cash withdrawal
- Facilitating cash additions and disbursements between the City of New Richmond, investment manager, and custodian bank.

Additionally, as mentioned in question 1, Dana provides a full suite of accounting information to the City and our accounting systems are integrated with your custodian bank, thereby allowing Dana to reconcile all accounting transactions and investment positions on a daily basis. Please refer to question 1 for further details.

4. Describe how the firm is legally qualified in the State of Wisconsin to perform the work requested.

Dana is registered as a domestic corporation that is domiciled in the State of Wisconsin. Dana's primary business is providing investment management services to institutional clients located throughout the country. Therefore, Dana is federally registered as an investment advisor with the Securities and Exchange Commission. In addition, Dana maintains a notice filing registration with the State of Wisconsin-Department of Financial Institutions, thereby allowing Dana to act as a registered investment advisor (RIA) firm within the State of Wisconsin.

5. List the qualifications of the portfolio manager and key personnel on the advisory service team. Include a description of the relevant education and training, certificates and licenses, professional background, and years of experience with work relevant to the scope of this RFQ.

Matt Slowinski will be responsible for managing the separate account portfolio(s) awarded to Dana. He will also be responsible for investment performance and ensuring Dana's proposed strategy meets the City's investment objectives and conforms to its investment guidelines and Wisconsin State Statute 66.0603(1m).

MATTHEW R. SLOWINSKI, CFA, Senior Vice President, Portfolio Manager

Years of Experience: 7 years

Matt joined Dana Investment Advisors in March 2008 and is currently a Senior Vice President, Portfolio Manager. Matt graduated from the University of Wisconsin-Milwaukee with a BBA in Finance in 2003 and earned an MBA from The Pennsylvania State University in 2009. Matt has been in the investment industry since 2003. Prior to joining Dana, he worked for Wells Fargo Funds Management Group and Wells Capital Management. Matt is a CFA® charterholder and a member of the CFA Institute and the CFA Society of Milwaukee.

Joe Veranth and Rob Leuty will support Matt Slowinski and serve as key members of the City of New Richmond portfolio management team.

J. JOSEPH VERANTH, CFA, Chief Investment Officer and Portfolio Manager

Years of Experience: 33years

Joe joined Dana Investment Advisors in December 1994 and is currently the Chief Investment Officer and a Portfolio Manager. Joe graduated from Northwestern University with a BA in Humanities in 1984. He earned an MBA in Finance and International Business from the Stern School of Business at New York University in 1991. Joe is a CFA® charterholder and a member of the CFA Institute and the CFA Society of Milwaukee.

ROBERT LEUTY, CFA, Director of Fixed Income and Portfolio Manager

Years of Experience: 26years

Rob joined Dana Investment Advisors in October 2002 and is currently the Director of Fixed Income and a Portfolio Manager. Rob graduated from the University of Wisconsin-Madison with a BBA in Accounting in 1988. He earned an MBA in Finance from the University of St. Thomas in 1994. Rob is a CFA® charterholder and a member of the CFA Institute and the CFA Society of Milwaukee.

Dave Mazza will serve as the primary contact for the City of New Richmond and be responsible for the timely response to all the City's inquiries and requests for information. Dave will also work closely with his/her colleagues to open the account, facilitate performance review meetings, and ensure the City has full access to the resources and services Dana offers.

DAVE MAZZA, Vice President, Director of Fixed Income Sales and Marketing

Years of Experience: 18 years

Dave Mazza joined Dana in February 2016 and is currently a Vice President, Director of Fixed Income Sales and Marketing. Dave graduated with honors from Xavier University in 1993 with a BSBA in Finance and Accounting. He has been in the investment industry since 1999 and has worked in multiple roles including Senior National Account Manager at Calvert Investments and National Marketing Director at Summit Investment Partners.

6. Provide a list of current municipal clients, including a contact person (name, title, phone, and email address) for each.

Robert W. Scott, Dir of Fin/Treasurer
City of Brookfield
2000 N. Calhoun Road
Brookfield, WI 53005
(262)782-9650
scott@ci.brookfield.wi.us

Michelle Voskuil, Finance Director/CFO
CVMIC (Cities & Villages Mutual Ins. Co)
9898 W Bluemound Road
Wauwatosa, WI 53226-4319
(414)831-5998
MJV@cvmic.com

Patti Hilker, Treasurer
Dodge County
Dodge County Courthouse
127 E. Oak Street
Juneau, WI 53039
(920)386-3783
philker@co.dodge.wi.us

Jean Nachtman, Finance Director
City of Dubuque
City Hall
13th & Central Avenue
Dubuque, IA 532001
jnachtman@cityofdubuque.org

Norm Cummings, Administration Director
Finance Dept.
Waukesha County
Administration Center
515 W. Moreland Blvd., Suite 310
Waukesha, WI 53188
(262)548-7028
ncummings@waukeshacounty.gov

7. Provide a proposed fee structure.

Based on the proposed account size of \$3.9 million:

15 basis points

All out of pocket expenses incurred by Dana are covered in the proposed fees. Any applicable custodian fees and trading-related costs are not included in the fee schedule above.



156 EAST FIRST STREET
NEW RICHMOND, WI 54017
715-246-4268
WWW.NEWRICHMONDWI.GOV

MEMORANDUM

TO: Utility Commission
FROM: Rae Ann Ailts, Finance Director
DATE: February 25, 2019
SUBJECT: Water & Sewer Rate Study

BACKGROUND

The City's water and wastewater rate consultant, Trilogy, will present preliminary rate study findings and analysis. Staff will review next steps and discuss public outreach, education, and communication plans.

RECOMMENDATIONS

No formal action is requested at this time.



MEMORANDUM

TO: Utility Commission
FROM: Weston Arndt, Electric Superintendent
DATE: February 11, 2019
SUBJECT: WPPI Shared Meter Tech Service

Background

In 2014, WPPI Energy rolled out a Shared Meter Technician service, allowing members to subscribe to a share of a meter technician to perform local electric metering work and infrared services. The service provides fractional staff for smaller and mid-sized members who do not have the metering workload to support a full time meter technician. It also provides incremental man power and backup for larger members who already have a full time (or part time) meter technician on staff. Such members primarily utilize the program for the thermal imaging service and for testing of commercial and industrial meters. Members subscribe to the desired percentage of a meter technician in 2.5% FTE segments under a five year contract.

Update

WPPI Energy regularly evaluates member and WPPI metering needs and will maintain a pool of trained meter technicians capable of effectively meeting the combined member/WPPI need. The program is essentially fully subscribed at this time, with 5 staff serving the member workload. However, with a reallocation by another member, WPPI Energy is able to accommodate offering a 2.5% FTE to New Richmond in 2019.

In previous years, commercial and industrial meter testing has been performed by Chapman Metering. Over the past 3 years, we've averaged about \$9,400 in annual meter testing expenses paid to Chapman Metering. This has historically provided about two-week's worth of meter testing services. Thus, an apples-to-apples comparison of charges per week:

Chapman Metering:	\$4,700
WPPI Shared Meter Tech:	\$2,625

Additionally, infrared inspections can be performed by the shared meter technician. Contracted infrared inspections typically cost about \$1,000 per day. Based on the costs of comparable services, the WPPI Energy Shared Meter Tech Service is an economical option for meter testing and infrared inspections.

To assist in managing staffing and budget levels, WPPI Energy's program requires a 5 year commitment with a 3 year notice of termination. We expect additional FTE hours to become available in the future and will evaluate the need and availability if authorized to proceed with the 2.5% FTE.

Attached is a draft of the agreement for participation in the service.

Recommendation

Based on the cost savings and the limited availability of WPPI Energy Shared Meter Tech Service allotment, staff recommends entering into a 5-year agreement with WPPI Energy for a 2.5% FTE participation in the Shared Meter Tech Service. The agreement will be effective May 1, 2019. Staff will determine if increasing the allotment would be beneficial and communicate with WPPI Energy regarding additional FTE percentage availability.

**SUPPLEMENT NO. 1 TO MASTER AGREEMENT FOR PARTICIPATION
IN WPPI MEMBER SERVICES PROGRAMS TO INCORPORATE
SHARED METER TECHNICIAN SERVICE**

WPPI Energy (“WPPI”) and City of New Richmond (the “Member”) entered into an Amended and Restated Master Agreement for Participation in WPPI Member Services Programs as of October 1, 2014 (as the same may have been or may hereafter be amended or supplemented, the “Agreement”), governing the provision of all services by WPPI to Member. WPPI and the Member wish to supplement the Agreement to include the Member’s participation and/or the Member’s utility’s participation in WPPI’s Shared Meter Technician Service (the “Service”).

This Supplement No. 1 to the Agreement (“Supplement”), dated as of March 1, 2019, provides the terms by which the Member will participate in the Service. In the event the Member’s utility participates in the Service, the Member will cause the utility to comply with all of the terms of this Supplement.

In consideration of the mutual covenants contained herein, WPPI and the Member agree as follows:

1. Incorporation of Terms. This Supplement incorporates all of the terms, conditions and provisions of (a) the Agreement, and (b) the Official Service Document for the Service, a copy of which is attached to this Supplement as Exhibit A (as the same may be amended or modified from time to time by WPPI, the “OSD”).

2. Term. The Member’s participation in the Service pursuant to the terms and conditions set forth in this Supplement shall begin on May 1, 2019 (the “Start Date”) and may be terminated upon three (3) years prior written notice to WPPI, provided that in no event shall any such termination be effective prior to the fifth (5th) anniversary of the Start Date. Notwithstanding anything to the contrary herein, WPPI and the Member acknowledge that the Service may be discontinued by WPPI upon and subject to the terms set forth in the Agreement.

3. Participation Level. The Member elects an initial level of participation in the Service (“Participation Level”) equal to two and a half percent (2.5%) of one (1) full time equivalent (“FTE”) meter technician(s). The Member’s Participation Level may be modified over time on and subject to the terms set forth in the OSD. WPPI and the Member shall promptly confirm any modification of the Participation Level in writing.

4. Fees and Allocated Time.

(a) Fees for the Service. Fees for the Service shall be based on WPPI’s fully loaded costs incurred for the employees and equipment used to provide the Service. As of the Start Date, the applicable annual fees of the Service shall be \$2,625 per 2.5% FTE increment, meaning that the annual fees due from the Member at the Participation Level set forth above shall equal \$2,625. On January 1 of each year (each an “Escalation Date”), the annual fees shall escalate by a percentage determined by WPPI (the “Escalation Rate”) to cover its estimate of actual costs of providing the Service. WPPI shall notify the Member of the Escalation Rate reasonably in advance of the applicable Escalation Date. If an annual Escalation Rate exceeds twenty-five percent (25.0%), then, notwithstanding Section 2 above, Member shall have the

Supplement No. 1 to Master Agreement for Participation

right to terminate its participation in the Service upon one (1) year's written notice delivered to WPPI no later than thirty (30) days after the Member was notified of such Escalation Rate.

(b) Allocation of Time. Member's participation in the Service will entitle the Member to an approximate annual amount of hours of work performed by WPPI employees in connection with the Service, subject to the terms set forth in Section 5 below. WPPI will track hours of the Service used by the Member and, following request by the Member from time to time as reasonable, will provide the Member with an accounting of hours used. Hours deemed used by the Member will include nonproductive time such as travel, training, sick, vacation and holiday time of the applicable WPPI employees, which nonproductive time shall be allocated equitably (as reasonably determined by WPPI) among users of the Service. At the Participation Level set forth above, the Member shall have an annual entitlement of up to approximately 52 hours of the Service.

5. Scheduling. The Member will use best efforts to keep WPPI aware of the need for work to be performed in connection with the Service and shall schedule such work ahead of time, where possible. WPPI will use best efforts to keep the Member informed of WPPI's availability to perform requested work and to perform work under the Service in an efficient and equitable manner taking into account the needs of all WPPI members participating in the Service. WPPI and the Member acknowledge that there may be circumstances that require the delay and/or rescheduling of work requested by the Member, including, without limitation, emergency or other priority work requested by other WPPI members, WPPI employee sickness or other availability issues and adverse weather or travel conditions.

6. Limitation of Liability. The Member acknowledges that WPPI is providing the Service on a cost basis. Consequently, and notwithstanding anything set forth to the contrary herein, in the Agreement or in the OSD, neither WPPI, nor its officers, directors, members, employees, representatives or agents shall have any liability or indemnification, hold harmless or defense obligations with respect to damages, costs, claims, fees, penalties, judgments or losses of any sort incurred by or asserted against the Member and relating to or arising from the Service or this Supplement except to the extent due to WPPI's willful, material breach of the terms hereof.

7. WPPI and Member Responsibilities. To the extent not set forth herein, WPPI and the Member agree that for so long as the Member participates in the Service, they will each perform their respective responsibilities as described in the OSD.

Agreed to by WPPI and the Member as of the date first set forth above.

City of New Richmond

WPPI Energy

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

EXHIBIT A

OSD

[See attached]

DRAFT

WPPI Energy Services

Official Service Document

- Program:** 11f) Shared Meter Technician
- Purpose:** To provide each member with cost effective access to skilled meter technical resources in an amount that fits individual local needs.
- Overview:** Under the Shared Meter Technician service, members subscribe to a share of a meter technician to perform local electric metering work and infrared services. The service provides fractional staff for smaller and mid-sized members who do not have the metering workload to support a full time meter technician. It also provides incremental man power and backup for larger members who already have a full time (or part time) meter technician on staff. Members subscribe to the desired percentage of a meter technician under a five year contract. To the extent practical, WPPI consolidates member and WPPI's metering needs and arranges to meet the aggregate technical staffing need. WPPI meets this need by hiring and training a skilled, shared metering staff.
- Introduction:** WPPI will regularly communicate to members regarding the availability of this service and will maintain a list of interested members along with their desired level of participation and desired program start dates. It is anticipated that for some members, their individual need may occur at some point in the future when they anticipate experiencing turnover with their metering personal. WPPI will regularly evaluate the combined (current and projected) member and WPPI needs and will to the best of its ability, maintain a shared pool of skilled meter technicians to meet the aggregate need over time. To effectively accomplish this objective it is important that interested members make WPPI aware of their needs with as much notice as practical and that participating members commit to the service for a reasonable period of time.
- Although the service is designed primarily to address commercial/industrial metering needs, individual members may opt to use the service for whatever local metering needs they may have. The following guidelines may be a helpful starting point for members trying to evaluate the appropriate level of participation under the service.
- All metering needs – 7% to 10% of a meter tech per 1,000 system customers
 - C&I metering only – 2.5% of a meter tech per 1,000 system customers
- WPPI role:** WPPI will continue to make members aware of the service and will maintain a current list of: 1) members who are interested or potentially interested in participating in the service, 2) the level of participation that each potential member is interested in, and 3) the timing on when each member would be interested in starting to use the service.
- WPPI will regularly evaluate member and WPPI metering needs and will maintain a pool of trained meter technicians capable of effectively meeting the combined member/WPPI need.
- WPPI will work with interested members to address resource availability and timing issues. It is likely that flexibility will be needed from WPPI staff and interested members during program startup and ramp up.

WPPI will hire and train the metering staff.

WPPI will provide the metering staff with the tools and equipment needed to effectively perform their work.

WPPI will track staff hours to assure that each participating member is receiving the amount of work they have contracted for under the service.

WPPI will offer the service to participating members at cost (fully loaded; including truck and tools). Nonproductive time (vacation, holidays, sick, travel) will be tracked and allocated proportionately to all participating members. Productive time is estimated to be 40 hours per 2.5% increment.

WPPI will document the work that each participating member wants to have completed through the service and will manage the meter technician staff to assure that the work is completed.

WPPI employee will perform assigned responsibilities as directed by the member. This includes but is not limited to; meter testing, metering installation verifications, burden testing, new installations and repairs.

WPPI employees will follow all applicable member safety rules.

Member role:

Members will determine their desired level of participation and preferred start date and will make WPPI aware of their needs with as much advance notice as practical.

Members will document the work that they want to have provided under the service.

Members will pay for the meter technician services, including allocated nonproductive time, on a monthly basis through WPPI's standard services billing process.

Members will agree to participate in the service for a minimum of five years with three years notice required for termination.

Members may modify their participation level over time provided that WPPI is able to 1) accommodate the additional work load, in the case of increasing service participation, or 2) allocate a matching percentage to another member, in the case of decreasing participation. Participating members should understand that although participation level changes can all be accommodated over time, they may not be able to be accommodated promptly without significant disruption to the service and other participating members.

Members will provide a safe working environment for WPPI employees performing the service.

Members will enter into a service agreement specifying the key terms of the service.

- Non-Member Participation:** WPPI may offer the SMTS to non-member utilities based on the availability of staff. All existing services provided to members are available to the non-member utility.
- WPPI will price the service to non-members using weighted averages and margins that lower costs for participating members.
- WPPI will execute a Services Agreement and Statement of Work before providing the services. Non-members have the option of purchasing the SMTS by the day (8 hours), or by the week (40 hours) at a 10% discount with a 5 year commitment and 3 year cancellation provision.
- History:** This service was first approved and made available to the members in July, 2014.
- 2014 – DSAG recommended the service to the Executive Committee April 29th. Executive Committee approved the service July 24th.
- 2017 – Added infrared to services available and increased annual cost by 5% to align with the cost of delivering the service.
- 2018 – Added non-member services
- Advisory Group:** Distribution Services Advisory Group (DSAG)
- Responsible dept:** Distribution Services
- Assigned staff:** The Director of Distribution Services is responsible for managing the service. Metering work will be provided through WPPI’s meter technician pool.
- Travis Gatza 20%
- Tim Schmidt 25%
- Mike Dolinac 20%
- Jay Kirby 20%
- Trent Bettenhausen 10%
- Authority:** Any change to this program will require a DSAG recommendation and an EC approval.
- Cost/billing:** Members can participate in the service in 2.5% FTE increments at an annual cost set by WPPI to cover the actual costs of providing the service. The annual cost will be \$2,625/year for each 2.5% FTE increment. The service will be billed on a monthly basis through the standard services billing process.
- Non-member can participate by the day at a cost of \$1,014/day. Non-members can participate in the service in 2.5% FTE increments with a 5 year commitment and 3 year cancellation notice. The annual cost for 2.5% FTE is \$4,560.

Recommended for Executive Committee approval by DSAG on April 29, 2014.

Approved by the Executive Committee on October 26, 2017.



MEMORANDUM

TO: Utility Commission

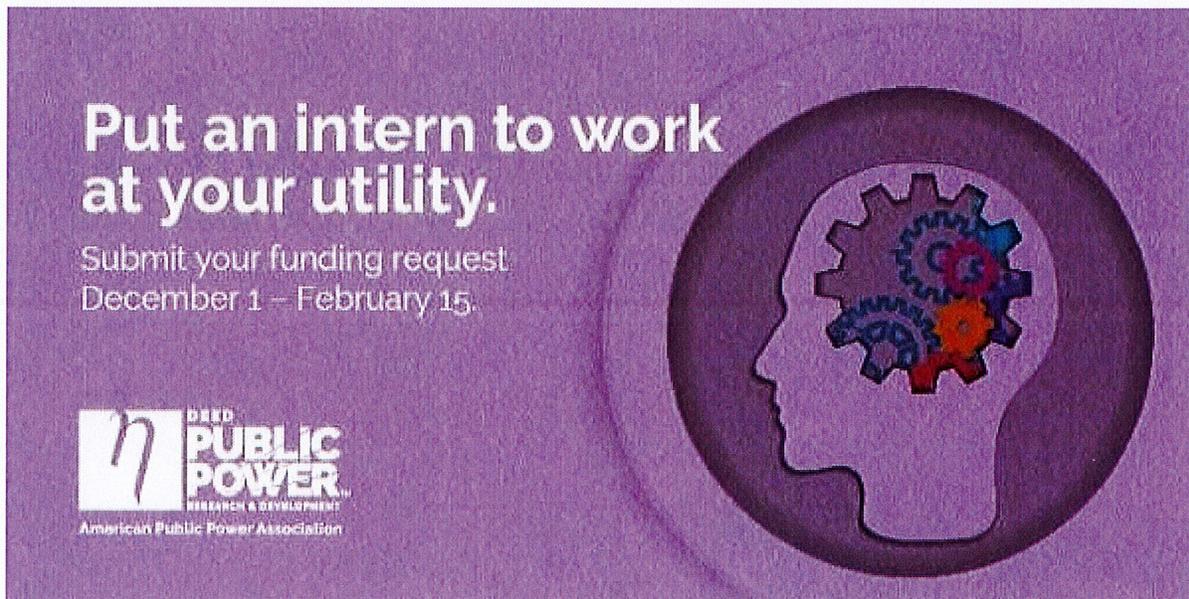
FROM: Weston Arndt, Electric Superintendent

DATE: March 6, 2019

SUBJECT: Electric Operations Intern – APPA DEED Grant Application

Background

The American Public Power Administration (APPA) offers its members scholarship, internship, and research grants through its Demonstration of Energy & Efficiency Developments (DEED) program. They offer two application periods, with due dates in October and February. The internship grants offer \$4,000 to fully-fund or to supplement a position, with no requirement for matching funds. APPA's goal for the internship is to provide a student valuable experience working with a public power utility, help attract new talent and enhance our profile in the community.



Update

An application was submitted by New Richmond Utilities to request internship funding from the APPA DEED program to support an Electric Operations Intern. The position is designed to expose a young student and hopefully future public power employee to the various facets of electric distribution system operations. With several projects planned for the summer of 2019, the intern would participate in and learn about multiple electric department functions. The individual would assist in making updates to GIS, assist in advanced metering infrastructure (AMI) implementation, work with crews on primary extensions, and assist with street light and service installations. The objective is to provide real-world experience to a student through a variety of functions, promote opportunities in public power, and to receive subsidized temporary summer help.

We would expect to be notified in mid-April regarding awards for the internship grants. The following are potential courses of action:

- Application Denial – No Internship Position.
- Application Denial – Post for Temporary Summer Help.
- Application Accepted – Limit term to 320 hours, thus no matching funds.
- Application Accepted – Contribute additional funds to extend internship hours.

If the application were denied, operating funds can be shifted to support approximately \$6,000 for an intern position. This would be accomplished utilizing the following budgeted line items:

- Maintenance of Meter Wages
- Meter Reading Wages
- Maintenance of Street Lights & Signals Wages

Utilizing temporary summer help with or without the support of the APPA DEED internship program will assist the electric department during another busy summer construction season. Additionally, we'd gain insight whether a temporary position should be sought in future years, or if we should pursue hiring an apprentice line worker.

Recommendation

Based on cost savings utilizing WPPI Energy for commercial and industrial meter testing and the ability to shift funds to support the position, staff recommends approval to post for a limited term Electric Operations Intern position in an amount not to exceed \$6,000

For use by utilities applying ONLY



DEED STUDENT

INTERNSHIP APPLICATION

Demonstration of Energy & Efficiency Developments (DEED) Program
AMERICAN PUBLIC POWER ASSOCIATION

SPONSORSHIP AGREEMENT

DEED members who sponsor student(s) for a DEED scholarship are intended to be a resource and mentor to the student(s) they sponsor. By signing below DEED members agree to:

1. Follow the scholarship requirements for a Student Internship.
2. Provide the scholarship recipient with more knowledge of career opportunities in public power the DEED member sponsor or mentor agrees to at least one of the following:
 - a. Provide an opportunity for the recipient to shadow an employee on staff.
 - b. Share information on the electric utility industry and career opportunities in public power with the recipient, such as by conducting a tour and briefing at the sponsor's utility.
 - c. Invite the recipient to assist and participate in special events the utility hosts such as programs during public power week or at local schools.
 - d. Provide a mentor to the recipient who can share information on appropriate public power career paths and be a resource to the student at least during the time frame of the DEED scholarship.

REQUIRED SIGNATURES

UTILITY AUTHORITY:

Name: Weston Arndt

Date: February 11, 2019

Signature: 

Phone: 715-243-0437

E-mail: warndt@newrichmondwi.gov

Once all authentic signatures have been acquired, please upload this form into your application.



156 East First Street
New Richmond, WI 54017
Ph 715-246-4268 Fax 715-246-7129
www.newrichmondwi.gov

MEMORANDUM

TO: Utility Commission

FROM: Jeremiah Wendt, Director of Public Works

DATE: February 27, 2019

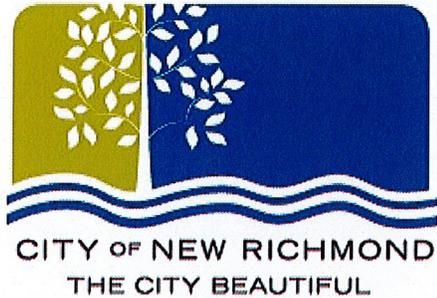
SUBJECT: Water Department Pickup Truck Bid

Background

One of the vehicles in the Water Department's fleet is a 2008 Ford F-250 that has been slated for replacement due to its age and condition. As such, \$35,000 was budgeted in the 2019 Capital Budget for acquisition of a new pickup truck. Staff is proposing to solicit quotes for a new vehicle from the three local dealerships, and is requesting authorization from the Utility Commission to do that. The results will be presented at the April Utility Commission Meeting.

Recommendation

Staff is requesting authorization to solicit bids for a ¾-ton pickup truck with standard cab and 8-foot bed.



156 East First Street
New Richmond, WI 54017
Ph 715-246-4268 Fax 715-246-7129
www.newrichmondwi.gov

MEMORANDUM

TO: Utility Commission

FROM: Jeremiah Wendt, Director of Public Works

DATE: February 28, 2019

SUBJECT: Biosolids Facility Department of Transportation Permit Issues

Background

In early 2019, one of the trucks that hauls biosolids and centrate to and from the West Central Wisconsin Biosolids Facility (WCWBF), of which the City is a founding member, was pulled over by the State Patrol. The State Patrol made the determination that the permit under which the WCWBF was hauling overweight loads was not valid. As a result, the WCWBF has been forced to haul 6,000 gallon loads instead of 8,000 gallon loads, which has a substantial effect on the cost to treat biosolids for the communities served.

As detailed in the attached memo from the WCWBF's attorney, the facility is pursuing multiple avenues to allow for the overweight loads to once again be permitted.

Recommendation

Staff is requesting the Utility Commission's recommendation to approve the attached resolution supporting legislative action to expressly allow the DOT to issue permits allowing trucks to transport biosolids on State highways in excess of statutory height and weight limits, and authorizing City representatives to assist in the efforts to bring about that legislative action. If recommended by the Utility Commission, this resolution would be brought to the Common Council at their March 11th meeting.

MEMORANDUM

TO: Randy Lindquist and Members of the WCWBS Board

FROM: Richard A. Heinemann

DATE: February 4, 2019

RE: Department of Transportation Permit Issues

I. Background

The West Central Wisconsin Biosolids Facility (“WCWBF” or “Facility”) was created in 1995 by eleven member communities as a regional solution for processing sludge from municipally-owned wastewater treatment plants. Located in Ellsworth, Wisconsin, the Facility currently serves 21 communities and one private business. The Facility is financed, operated and administered under a section 66.0603 intergovernmental agreement. Biosolids generated at member treatment plants are transported to the Facility by truck where they are dewatered to create a cake that is then mixed with lime and other materials to create a Class A fertilizer that can be administered to farm fields, as well as lawns and gardens. After dewatering, ferric chloride is added to the wastewater and the resulting centrate is transported again by truck from the Facility to member treatment facilities.

Since its inception, WCWBF has contracted for the transport of the sludge to and from the Facility. The total amount of load is 8,000 gallons. The truck and tank trailers have a gross weight of 97,000 pounds on average. The WCWBF was granted a permit from the Department of Transportation (“DOT”) for multi-trip transfers of the biosolids up to a maximum load of 100,000 pounds.¹ The permit was issued under s. 348.27(9r) and s. 348.27(12), Wis. Stats., which allow transport of garbage, refuse and recyclable scrap in excess of statutory weight and size limits.² Transport of the biosolids in these overweight amounts allows for fewer trips and lowers member costs. Such transports have occurred without incident throughout the life of the Facility.

¹ WCWBF has not been able to identify when the DOT permit was first issued, or by whom, but the permit has been utilized for oversized hauling for well over ten years.

² See also Ch. Trans. 269 and Ch. Trans 251.05, Wis. Admin. Code.

On January 7, 2019, a truck owned by a company with which WCWBF contracts for sludge transport was stopped by a state trooper. WCWBF was advised that the permit would be considered valid for hauling the sludge as “recyclable scrap” to the Facility, but not for hauling the centrate back from the Facility. To comply with DOT directives, WCWBF continued hauling full loads to the Facility, but reduced loads (6,000 gallons) of centrate from the Facility. More recently, WCWBF has been informed by DOT officials that there is “no statutory authority to issue an overweight permit for wastewater” and therefore that the legislature “would have to create a new permit” in order for the WCWBF to haul wastewater as it has been accustomed to doing. That means the permit is now considered invalid by the DOT for the transport of the sludge and centrate to and from the Facility in excess of 6,000 gallons.

II. WCWBF Options to Address DOT’s Permit Restrictions

To address the DOT’s stated position with respect to the issuance of a permit authorizing transport of biosolids, WCWBF has two alternatives: First, it can lobby legislative representatives to change applicable law and expressly provide for the issuance of a permit by the DOT that will allow transport of sludge/centrate to and from the Facility in excess of statutory weight and size limits. Second, it can seek an administrative ruling under Chapter 227 of the Wisconsin Statutes that would require DOT to modify its stated position and issue a permit under existing law. These alternatives are not mutually exclusive, and may be pursued simultaneously. They are described in more detail below.

A. The Legislative Solution

Changing the law by legislative action is a practical solution. Doing so requires lobbying member representatives in the State legislature. Lawrie Kobza, a partner at Boardman & Clark, who has worked with several WCWBF members on water utility issues, is a registered lobbyist and is familiar with the WCWBF. She would identify appropriate legislative contacts and, together with designated member and WCWBF representatives, arrange for direct discussions with such legislators and/or their legislative aids on adding a new subsection to Chapter 348.27 that would expressly authorize multi-trip permits in excess of statutory weight and size limits for the transport of wastewater materials on state highways.

To show community support for this effort, we recommend that member governing bodies pass the attached form resolution at the first available opportunity.

Because we are proposing modification of a state statute, as opposed to modification of administrative code, it is reasonable to expect that these lobbying efforts, if successful, could take effect in early fall, on or about the time the 2019-2021 biennial budget is expected to pass.

B. The Administrative Solution

Parallel to the lobbying efforts described above, WCWBF can attempt to modify DOT's stated position on permit issuance by invoking administrative procedure under Chapter 227 of the Wisconsin Statutes. Specifically, section 227.41(1), Wis. Stats., provides as follows:

[A]ny agency may, on petition by any interested person, issue a declaratory ruling with respect to the applicability to any person, property, or state of facts of any rule or statute enforced by it. Full opportunity for hearing shall be afforded to interested parties. A declaratory ruling shall bind the agency and all parties to the proceedings on the statement of facts alleged, unless it is altered or set aside by a court. A ruling shall be subject to review in the circuit court in the manner provided for the review of administrative decisions.

Under this statute, WCWBF can formally petition DOT to issue a permit under section 348.27 of the Wisconsin Statutes. From email correspondence with DOT officials, and from plain reading of the statutes, WCWBF would not request that the permit be issued under either subsection 348.27(9r) (transportation of scrap) or 348.27(12) (transportation of garbage or refuse). Rather, WCWBF would request permit issuance under subsection 348.27(2), which provides as follows:

(2) Annual and Consecutive Month Permits.

Except as otherwise restricted in this section, annual and consecutive month permits for oversize and overweight vehicles or loads may be issued by the department, regardless of the highways involved.

This statute provides that the DOT may issue annual and consecutive month permits for overweight vehicles unless "otherwise restricted by this section." There is no restriction applicable either to the sludge or the concentrate in section 348.27. Therefore it would appear that WCWBF can petition the DOT to issue a permit that allows sludge and

centrate to be hauled to and from the Facility up to the desired 100,000 lb level under this subsection of the statute.

Under s. 227.41, the DOT must, “within a reasonable time”, either deny the petition with stated reasons for the denial, or set the matter for hearing. If the petition is denied, WCWBF can appeal the decision under s. 227.42 and request a contested case hearing on the grounds that the adverse decision of the DOT injures a substantial interest.

If the WCWBF is granted a hearing, either with the DOT or with the Division of Hearings and Appeals, it will be able to make a case that the hauling of wastewater in excess of statutory limits is permissible and in the public interest.³ Additional research on the basis of such a case is required-- however, factors that we would expect to cite in support of our petition would include: the DOT’s prior practice in permitting the overweight transfer of sludge and centrate to and from the Facility; the negative impact of the DOT’s permit denial on the Facility’s financial outlook; the Facility’s pristine transport safety record; and the inconsistency of the DOT’s permit denial with the policies of other State agencies (such as the Department of Natural Resources under which the Facility is also permitted) that promote clean water and soil management.

Prior to petitioning for administrative review, it is recommended that we undertake additional discussion with DOT officials in order to (i) better understand the permit application process; (ii) explore the willingness of the department to issue a permit under 348.27(2); (iii) and confirm the basis of the department’s view that it does not have authority to issue an overweight permit to haul biosolids. Such discussions may themselves prove to be fruitful in avoiding the need for a more formal hearing. If they do not, an administrative challenge under chapter 227 can be initiated almost immediately and could be resolved within a couple of months without undermining our efforts on the legislative front.

III. Conclusion

The DOT’s decision to restrict the amount of material that can be hauled to and from the Facility creates substantial economic hardship for WCWBF and its members. To challenge the decision, WCWBF can pursue legislative change by lobbying member representatives in the State Capitol, while at the same time pursuing administrative remedies directly with the DOT, or if unsuccessful, the Division of Hearings and Appeals.

³ In email correspondence, DOT officials have referenced the restrictions in s. 348.15(3)(by), which limit hauling of “septage” to 80,000 pounds. The applicable statute (s. 281.49) defines “septage” to mean “the scum, liquid, sludge or other waste from a septic tank, soil absorption field, holding tank or privy”.

ATTACHMENT

**FORM MEMBER RESOLUTION APPROVING LEGISLATIVE ACTION TO EXPRESSLY
AUTHORIZE THE DEPARTMENT OF TRANSPORTATION TO ISSUE A PERMIT
THAT ALLOWS THE WEST CENTRAL WISCONSIN BIOSOLIDS FACILITY TO HAUL
BIOSOLIDS IN EXCESS OF STATUTORY LIMITS**

WHEREAS, [City/Village of _____] has joined more than a dozen other Wisconsin municipalities, pursuant to § 66.0603 of the Wisconsin Statutes, to construct, operate and maintain a regional facility, known as the West Central Wisconsin Biosolids Facility ("Facility"), that processes biosolids generated by publicly-owned wastewater treatment plants; and

WHEREAS, the Facility has operated since 1995, providing great financial and environmental benefit to [City/Village] and the other Facility members; and

WHEREAS, it is critical to the success of the Facility that members be able to transport biosolids in excess of statutory size and weight limits to and from the Facility, as has been permitted since the inception of the Facility;

WHEREAS, it has been determined by the Board of Commissioners of the Facility that legislative action is necessary to ensure that the Department of Transportation has express authority to permit such hauling of biosolids in excess of statutory limits;

NOW, THEREFORE, be it RESOLVED, that [City/Village] supports legislative action to modify section 348.27 of the Wisconsin Statutes to expressly allow the Department of Transportation to issue permits allowing trucks to transport biosolids on State highways in excess of statutory height and weight limits; and be it

FURTHER RESOLVED, that representatives of [City/Village] are hereby authorized to provide the Facility with whatever assistance may be required to aid in its efforts to effectuate legislative action as described above.

Introduced by _____

Moved by _____

Seconded by _____

Passed and approved by the Village Board on the _____ of _____, 2019.