

**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 3<sup>rd</sup> 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 Trilogy Consulting, LLC. Rae Ann Ailts and Joel Enders met with Trilogy Consulting on January 6, 2019. Trilogy 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:**

- Staff continues to work on WWTP Upgrade design. Although originally slated for 2019, more likely to occur in 2020.
- The Knowles Avenue Corridor Study is ongoing. Next meeting is scheduled for 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 1<sup>st</sup> and Green Ave. Completed last week.
  - We are designing an underground upgrade in the Oak and E 7<sup>th</sup> 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.
- 140<sup>th</sup> street lighting update – All but two street lights on 140<sup>th</sup> 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 21<sup>st</sup>. 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.

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Pat Becker, President

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Gerry Warner, Secretary