

**Minutes of a Regular Meeting of the
Waupun Utilities Commission
Monday, October 8, 2018**

The meeting was called to order by President Heeringa at 4:00 p.m.

Commissioners Gerritson, Heeringa, Homan, Kaczmarski, Mielke, Thurmer, and Westphal were present.

Motion made by Thurmer, seconded by Homan and unanimously carried, to approve the minutes from the September 10, 2018, regular meeting.

On motion by Gerritson seconded by Kaczmarski and unanimously carried, bills for the month of September 2018 were approved as presented.

General Manager Posthuma reported the electric crew is caught up on system and tree damage from the late August storm. Crew remains busy with installation of several new underground services, LED street lighting upgrades, and voltage conversion work.

Approval for the purchase of Area 3 infrastructure from Alliant Energy was completed by the Public Service Commission, on September 14, 2018. Thirty affected accounts were transferred from Alliant Energy to Waupun Utilities' service territory on October 2, 2018.

Water & Sewer Maint/Treatment Supervisor reported the wastewater plant is operating fine despite ongoing above average rainfall. Staff has completed installation and startup of a polymer tempering system. During pilot testing, polymer usage decreased 25-35%.

Finance Director Oosterhouse presented an overview of September 2018 year-to-date financial results. Electric operating income was \$352,600 or \$192,100 above budget on higher gross margins on electric sales and lower operating expenses. Water operating income was \$521,300 or \$23,300 above budget on higher operating revenues and lower expenses. Sewer operating income was \$266,700 or \$114,500 above budget on higher operating revenues. On motion by Kaczmarski, seconded by Mielke, the September 2018 year-to-date financial report was approved as presented.

Management presented a 2019 budget draft summary for review. The overall budget is forecasted to increase \$2,873,000 compared to 2018 budget amounts due to the water and sewer main replacement project scheduled for Madison Street in 2019. The total amount budgeted for Madison Street is \$2,510,000. The project would be funded with debt financing for the water utility and with cash reserves for the sewer utility. Significant capital additions and non-routine expenses include design engineering for the WWTP upgrade, WWTP equipment replacement, portable generator, and office interior maintenance. All other capital additions and expenses are routine in nature. The proposed overall budget would use \$669,400 in sewer cash reserves, \$12,900 in water cash reserves, and generate \$76,000 to apply to electric cash reserves. Staff will prepare the final budget in substantially the same form.

On motion by Kaczmarski, seconded by Thurmer and unanimously carried, the meeting was adjourned at 5:10 p.m.

The next commission meeting is scheduled on November 12, 2018, at 4:00 p.m.

Nancy Oosterhouse
Mapping/Admin Coordinator