

Meeting Minutes

Board of Water and Sewage Commissioners

Monday, May 12, 2003, 12:00 P.M. PRESENT: Paul Adamski, Eugene Tubbs, Dave Eckholm, and Ed Bancker.

ALSO PRESENT: Greg Disher, Kim Halverson, Eric Niffenegger, Jaime Zdroik and John Andres - Virchow Krause & Co.

EXCUSED ABSENCE: Ann Shannon

Index of these Minutes:

I. ADMINISTRATION

1. Approval of minutes of the April 14, 2003 meeting.

2. Notice from Sentry canceling billing contract.

II. ACCOUNTING

3. Consideration of claims for the Water and Sewage Treatment Utilities.

4. Consideration of Water & Wastewater Department's audits.

III. WATER OPERATIONS

5. Report on water distribution operations.

6. Report on water supply operations.

IV. SEWAGE TREATMENT OPERATIONS

7. Report on Whiting's cost effectiveness evaluation of abandoning their wastewater plant and discharging to the City's plant.

8. Report on sewage treatment operations.

V. ADJOURNMENT

I. ADMINISTRATION

1. Approval of minutes of the April 14, 2003 meeting.

Greg stated that a correction needs to be made to IV, Section 8, of the April 14, 2003 minutes. It should read as follows:

Report on Whiting's cost effectiveness evaluation of abandoning their wastewater plant and discharging to the City's plant.

Motion made by Eugene Tubbs, seconded by Ed Bancker to approve the amended minutes of the April 14, 2003 meeting.

Ayes all. Nays none. Motion carried.

2. Notice from Sentry canceling billing contract.

Sentry Insurance gave a twelve month written notice of intent to cancel the billing contract.

Kim provided an update to the Commissioners regarding the new billing software. Kim stated that a representative from the company we are looking at will be coming to the office on May 28th and 29th to evaluate our current billing system and procedures in order to see how their software would be implemented. After assessing our current billing system and procedures, they will then be sending us pricing and a contract for their software.

Paul would like to see the reasons why we have chosen this company compared to the company that would be our second choice.

Dave asked Greg and Kim if references were checked. Greg stated that they asked for references from dissatisfied and satisfied customers. Kim had called the dissatisfied customers that the company provided and their reasons for not choosing them were cost and incompatibility with other software they were using.

Paul would also like to see a report showing what we were paying Sentry for their billing program compared to the cost of implementing the new billing program.

II. ACCOUNTING

3. Consideration of claims for the Water and Sewage Treatment Utilities.

Paul Adamski presented the statement of claims for the Water Utility for April. The balance on hand after the April 14, 2003 meeting was \$1,039,850.45; the bank deposits since then were \$700,267.30. Checks issued since the April 14, 2003 meeting numbered 37322 through 37367 were in the amount of \$715,282.69. Checks numbered 37368 through 37397 for \$35,556.72 were presented for action on May 12, 2003. The net balance on hand May 12, 2003 was \$989,278.34.

Motion made by Ed Bancker, seconded by Dave Eckholm to approve the water utility claims for the month of April as audited and read.

Ayes all. Nays none. Motion carried.

Paul Adamski also presented the statement of claims for the Sewage Treatment Utility for April. The balance on hand after the April 14, 2003 meeting was \$1,368,028.08; the bank deposits since then were \$311,640.74. Checks issued since the April 14, 2003 meeting numbered 22952 through 23032 were in the amount of \$943,298.25. Checks numbered 23033 through 23052 for \$42,573.44 were presented for action on May 12, 2003. The net balance on hand May 12, 2003 was \$693,797.13.

Motion made by Dave Eckholm, seconded by Eugene Tubbs to approve the sewage utility claims for the month of April as audited and read.

Ayes all. Nays none. Motion carried.

4. Consideration of Water & Wastewater Department's audits.

John Andres from Virchow Krause & Co. presented the financial audits for the Water & Sewage Departments.

John presented the financials for the Water Department first. Key points covered were as follows: 2% growth in sales; Operation & Maintenance Expenses went down; Depreciation & Taxes went up; Investment Income - less than half than what it was last year; Rate of Return - down from last year's 4 ¾%; Contributions in aid of construction-explained PSC changes regarding depreciation; Cash & Investments - decreased; Deferred

assets - accumulated value for the Automated Meter Reading System; Liabilities; Accrued taxes; Debt - approximately 1.5 million; Equity, etc.

John also presented the financials for the Sewage Department. Key points covered were as follows:

Taxes; Revenues - 2 ½% growth; Operation & Maintenance - down \$30,000; Depreciation; Investment Income - down; Cash & investments - ¼ of annual revenues on hand; Redemption account; Plant in service - The staff and Virchow Krause are developing fixed asset records; Replacement account; Liabilities - to Water utility for sharing of costs; Equity - should start building up; Debt coverage needs to be in compliance; etc.

Internal Control Letter - Status report on prior year comments- Sentry Insurance billing; receivables are now reconciled monthly; sample of bills tested by staff; the issue with late payment penalties recorded as revenue when collected will be addressed with new billing system; Safeguarding Assets - better tracking of inventory; Information and Data Security; Consider instituting impact fees to cover infrastructure costs associated with new development; and Audit Communications.

John stated in closing that there are some challenges coming up in the wastewater utility. The water utility is very strong financially but there are major projects coming up that will change the financial structure. John also stated that the Water Department staff implements any suggestions they have and they appreciate their efforts in completing the audit process.

Kim informed the Commission that Water & Sewage Treatment rate reviews will be completed in August.

Motion made by Eugene Tubbs, seconded by Dave Eckholm to accept the audit reports completed by Virchow Krause & Co. for the Water & Wastewater Departments.

Ayes all. Nays none. Motion carried.

III. WATER OPERATIONS

5. Report on water distribution operations.

The report was distributed.

A total of 22 valves were operated in April 2003.

A total of 0 business properties have been checked for backflow preventors in April 2003 for a total of 1 in 2003.

6. Report on water supply operation.

Our pumpage in April was 180,192,000 gallons, a decrease of 45,682,000 gallons of water from April 2002.

IV. SEWAGE TREATMENT OPERATIONS

7. Report on Whiting's cost effectiveness evaluation of abandoning their wastewater plant and discharging to the City's plant.

No action taken.

8. Report on sewage treatment operations.

Eric stated the plant is running well.

B.O.D. (3.85 ppm), Phosphorus (0.697 ppm) and Suspended Solid (5.17 ppm), limits were met for the month of April 2003.

Next months meeting will be held on Tuesday, June 10, 2003 at 12:00 p.m.

V. ADJOURNMENT

Motion made by Ed Bancker, seconded Dave Eckholm to adjourn.

Ayes all. Nays none. Motion carried.

MEETING ADJOURNED, 1:00 pm
BOARD OF WATER AND SEWAGE COMMISSIONERS
EUGENE TUBBS, SECRETARY

The meeting minutes reproduced on this website are derived from the computer files used to produce the official minutes for the City of Stevens Point, but are unofficial. The minutes on this web site cannot be certified under s. 889.08, Wis. Stats., and cannot be considered prima facie evidence under s. 889.04, Wis. Stats. Certain tables, maps, and other documents that are a part of the official minutes are not included in the files reproduced on this website. Please consult the printed minutes, available in the City Clerk's Office, for the official text. The decisions made by City of Stevens Point boards, committees, and commissions (other than the Police & Fire Commission) are advisory only and are not binding on the city until affirmed at a meeting of the Common Council. Some of the minutes on this web site might not be approved by the Common Council as of today.

Bottom of Form