

MINUTES OF THE WATER COMMISSION MEETING – APRIL 19, 2011

Call to Order

Water Commission meeting was called to order at 6:00 P.M. by Kevin Coffey, Chair

Roll Call

PRESENT: Kevin Coffey, Chair
Mike Bevers
Tim Bevers
Larry Van Lankvelt
Tim Wegand
Village President Michael Vanden Berg

ALSO PRESENT: MCO Rep Jerry Verstegen, Director of Finance Dale Haug, Director of Public Works Roy Van Gheem, Village Administrator Charles Kell, Village Clerk Vicki Schneider

Public Appearance for Items Not on the Agenda

None

Approval of Minutes

Water Commission Minutes of March 15, 2011

Moved by Commissioner M. Bevers, seconded by Commissioner Wegand to approve the minutes of March 15, 2011 as presented.

All Ayes – Motion Carried

Progress Reports

MCO Operations Update

J. Verstegen reported that the SCADA communication problems have gone away and he also reported that two valves at Well #4 had been replaced. J. Verstegen commented on the length of time it took to clean the brine tanks at Well #4 this year and he believes it was due to the salt hauler's product and this will have an impact on this year's budget for cleaning the tanks. J. Verstegen reported that there was a water main break on Franklin St. on March 8 and there were also four service's that failed on Michigan Court and they were repaired and the hydrant on Michigan Ct. was also replaced. On March 30 there was a break at Hwy. 99 N and Greenfield Dr. On April 10 there was a large break on Main St. and yesterday there was one break on Taylor St. and last night four breaks on Franklin St and then this morning at 9:00 a.m. there was another break in the same section of Franklin St. so it was decided to replace 40 feet of water main. J. Verstegen reported on the meter changes and cross connection inspections that were conducted in March and he noted that there was an unfounded complaint logged from a resident on Lyle St. concerning chlorine. J. Verstegen gave an update on the Well #3 project and noted that the Well will be shut down for two weeks in May.

Director of Public Works

R. Van Gheem reported that on April 14th the bid opening for the utility projects on Moasis Dr., Kelbe Dr., and Holland Road was conducted and the bids came in under the estimates for the projects. Staff also updated the Commission on the status of the Open Range Communications construction aspect of the project and Open Range has indicated that they will be finishing up the project once the weather improves.

Finance Director

D. Haug provided handouts that showed a summary of the PSC report that was filed in March and the data on the handouts was reviewed with the Commissioners. D. Haug noted that the revenue virtually

remained flat from 2009 and the big change is the increase in operating expenses of close to \$80,000 and most of that is due to chemical costs for treatment to the system. The overall operating expenses are up approximately \$90,000 and the total operating income is down about the same amount and that is the primary feature for what is driving the results for the year. D. Haug stated that one of the key measures for the rate study is the rate of return and it is currently at 3.88% and the PSC authorizes the rate of return at 6.25%. D. Haug also reviewed the number of customers by sales volume by class and noted that also remains virtually flat and the metered sales are also virtually flat and there has been a shift with residential sales falling and industrial sales increasing and the hope is to attract additional commercial activity to the Village. D. Haug also noted that the number of people per household and the shift towards water conservation is a reason for the decrease in residential metered sales. Staff also commented on an issue with the census numbers showing a decrease of approximately 600 in population and the belief that a number of residents in the Village were not counted and the Community Development Director is working at appealing the census numbers. D. Haug commented that he had received correspondence from the PSC on the rate application concerning an error with a technical issue in the filing and he also noted that the Village has switched classes since the last full rate case in 2007 and both of those issues are resulting in the estimated 10% water rate increase likely being 2 – 3% higher and he will update the Commission on the status of the rate case study at next month's meeting.

Approval of Vouchers

Moved by Commissioner Van Lankvelt, seconded by Commissioner T. Bevers to approve and authorize payment of the vouchers from their respective funds as presented.

All Ayes – Motion Carried

Unfinished Business

C. Kell informed the Commissioners that he has made some contact with representatives from Open Range Communications on the issue of non-payment on their lease but he was not getting any satisfactory response back from them so he has asked the Village Attorney to send them a letter and he provided Commissioners with a copy of the letter. The letter informs them the Village will be terminating the lease if payment of \$16,500 is not received within 30 days of receipt of the letter.

C. Kell noted that Kimberly had their Attorney send this letter and they received their payment within a few days of receiving the letter. Discussion on the issues with Open Range took place. R. Van Gheem stated that during the private lateral replacement projects this summer, property owners will be offered the opportunity to replace their lead water laterals.

Items for Future Agenda

Update on Open Range Communications Project; Update on PSC Rate Case Study

Adjournment

Moved by Commissioner Coffey, seconded by Commissioner Wegand to adjourn the meeting at 6:47 p.m.

All Ayes - Motion Carried

VILLAGE OF LITTLE CHUTE

Attest: Vicki Schneider, Village Clerk

By: Kevin Coffey, Chair