

**UTILITY BOARD OF TRUSTEES
CITY HALL COUNCIL CHAMBERS
October 9th, 2019**

Present: Jan Kahler, Megan Andresen, and Todd Seifert via telephone
Absent: Andrea Jones and Aaron Eltrich

Chairperson Kahler called the meeting to order at 4:35 p.m.

Motion by Andresen and seconded by Seifert to approve the agenda. All Ayes

Motion by Seifert and seconded by Andresen to approve the minutes. All Ayes

Discussion on the cost to move MMEU facilities for Platt Street reconstruction project was held. Manager Krogman informed the board that during a recent meeting with the city and the engineers regarding the Platt Street reconstruction project, it was brought to MMEU's attention that 54 poles would need to be moved or changed.

Some rough estimate numbers to move/change the line could be around \$6,000 per pole for more complex poles and the smaller poles on the line, around \$1,500. These rough numbers do not include labor cost.

Manager Krogman discussed the options if extra costs for moving the line should be passed on to the City as part of the project. Board member Todd Seifert asked if the proposed budget for 2020 includes figures for this project. Manager Krogman stated the proposed budget for 2020 being discussed tonight did not include the cost for this project as the issue was just recently brought to the attention of MMEU and the reconstruction for Platt Street is still in the works for a couple years away.

After some more discussion, the board expressed that if the cost of moving/changing the line is not something MMEU would normally do, the cost should be passed on.

Review of the proposed Budget for the Calendar Year 2020 was held. Manager Krogman gave a comparison of the proposed Budget for 2020 to the 2019 Budget. In terms of the operating budget, overall revenues are going down \$149,983; this is due to expected lower wholesale costs from WPPI and no anticipation of load growth. For the operating expenditures, the proposed budget has a decrease of \$133,428 compared to last year's budget. For each department, some key changes in certain line items are:

Administration – Increasing City Hall Shared Services for tuck pointing that was done in 2019, and expected to pay in 2020.

- Transferring to Economic Development Fund to replenish withdrawal out of fund for accepted cost assistance for a downtown building upgrade
- Decreasing Engineering for removing budgeted telecom study
- Decreasing Community Relations as 2019 Budget was higher for 100 anniversary open house

Power Plant - Decreasing Purchase Power in relation to the expected lower revenue from energy sales.

Distribution - Decreasing Salaries since 2019 Budget included sick leave payout for retiring employees.

Manager Krogman also went over the expected big expenditures coming out of the other funds:

Purchase New Bucket Truck – Vehicle Reserve - \$250,000

Roof Replace at Power Plants 1 & 2 – Power Plant Maint. - \$150,000

Mapping Software – Systems Improvements - \$110,000

Downtown Building Upgrade – Economic Development - \$20,000

Manager Krogman stated that a change to the claims presented – claim #1043 to Triple M, LLC is being withdrawn from this month's claims and tabling to next month's claims for approval due to the number of unbiased voting board members present (*In board meeting it was stated claim to Triple M, LLC was number #1044, but it is actually #1043*) Motion by Seifert and seconded by Andresen to approve the claims with change being made to remove claim #1044 to Triple M, LLC. All Ayes by Roll Call.

Manager's Reports –Chris Krogman stated the 100 year celebration open house was a success. Chris will be attending the IAMU annual conference and the APPA conference later in the month of October.

Board Member's Reports – Jan Kahler noted the 100 year celebration open house was very good, and noted the Live Line Demo was very interesting.

Motion by Andresen and seconded by Seifert to adjourn the meeting at 5:06 p.m.

Jan Kahler, Chairperson

ATTEST:

Todd Seifert, Board Secretary