



TO: Waupun Utilities Commissioners  
FROM: Randy Posthuma, General Manager  
DATE: Nov. 7, 2013

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## **GENERAL INFORMATION**

### **Electric Crew Update:**

The electric crew completed a 450 ft. primary underground extension to provide service to the second set of Rain Forest apartments being built on Shaler Drive and Mayfair. The electric crew has also been working on several projects identified in our electric distribution system study. They include circuit load balancing, installation of capacitor banks and the installation of a tie line between the Main substation and Comtech substation.

We had no outages or problems to report on the electric system for the month of October.

### **AMI Update:**

Staff has completed the installation portion of our AMI project. Our billing department continues to work with WPPI staff to insure billing data is accurate. This has been a very slow process as we migrate from completing the billing process with the help of WPPI staff, to billing from our own access to the Meter Data Management System located at WPPI. We anticipate December billing being completed "live" from our own access to the MDMS.

### **Waste Water Treatment Plant Job Posting Update:**

Management recently conducted interviews for the waste water treatment plant, operator / maintenance position. We interviewed three candidates that all had some, but not all the experience we were seeking for this position. Staff unanimously chose to offer the position to Ben Russell. Ben previously worked as an equipment installer / maintenance technician for Dorner Company. Dorner is a manufacturer's representative specializing in equipment for water & wastewater treatment plants, power plants, industrial processing facilities and original equipment manufacturers. Ben comes to Waupun Utilities with extensive experience in installation, maintenance and trouble shooting for water and waste water equipment.

## **WPPI Orientation Scheduled**

Pete Kaczmarek and I attended the WPPI Energy orientation on Tuesday, October 22 at WPPI. The half-day program focused on an introduction to WPPI's, power supply, operations, electric rates, legislative and regulatory updates along with a tour of the system operations center.

## **2013 MEUW District Dinner Meeting**

MEUW hosts annual dinner meetings each fall to keep member utilities updated on current and upcoming issues. The 2013 agenda includes an update on where MEUW is at with personnel, safety programs, initiatives for 2014, and business planning. Legislative state and federal issues, along with Public Service Commission updates will also be addressed.

Our district dinner meeting will be held on Thursday, November 14, in Waunakee, beginning at 6:00 p.m. It is a great way to stay informed and gain information from the entity supporting municipal utilities in Wisconsin.

This concludes my report for October 2013. Please contact me at 324-1991 or [rposthuma@wppienergy.org](mailto:rposthuma@wppienergy.org) with any questions or concerns.

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TO: Waupun Utilities Commissioners  
FROM: Jared Oosterhouse, Business/Finance Manager  
DATE: November 11, 2013  
SUBJECT: September 2013 Financial Report

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The September 2013 financial report follows.

### **CONSTRUCTION AND PLANT ADDITIONS SUMMARY – 2013**

The attached construction and plant additions summary shows activity of \$38,627 in overhead line reconstruction located by Waupun Memorial Hospital, \$12,562 incurred for the water AMI project, and \$5,285 in replacing sewer lateral. Plant additions in September included a laptop computer.

### **MONTHLY METRICS – Year-to-date September 2013**

#### **Sales**

Electric sales were \$1,481 above budget for the month of September. Year-to-date sales were 2.50% below budget on weak residential and general service sales from June through the middle of August due to cooler than normal temperatures. Sales were .31% below 2012 levels.

Sewer sales were \$9,174 below budget for the month of September. Year-to-date sales were 12.32% below budget due to a reduction in high-strength waste surcharges to the correctional facilities. High-strength waste surcharges are down 55% from 2012 and are the primary cause for the reduction in sales compared to budget and 2012 sales. The 2013 rate reduction is also a contributing factor for the sales decrease. Sales were 13.81% below 2012 levels.

Water sales were \$3,459 above budget for the month of September. Year-to-date sales were 1.47% below budget on lower sales to residential, commercial, and public authority. Industrial class sales are the only sales class above budget. Sales were 1.55% below 2012 levels.

#### **Income Statement**

Electric operating income was \$98,800 above budget. Operating revenues were \$203,600 below budget. Operating expenses were \$302,400 below budget on lower purchased power, distribution, customer account expense, and administrative and general expenses. Net income was \$128,000 above budget on investment income that was \$10,900 below budget.

Sewer operating income was \$42,600 below budget. Operating revenues were \$217,000 below budget. Unit sales were strong; however, reduced high-strength waste surcharges to the correctional facilities continued to drive revenues below budget. Operating expenses were \$174,400 below budget on lower WWTP operation, maintenance, and administrative and general expenses. Net income was \$91,600 below budget on investment income that was 49,000 below budget.

Water operating income was \$97,100 above budget. Operating revenues were \$25,700 below budget on decreased sales to the residential, commercial, and public authority classes. Operating expenses were \$122,800 below budget on lower system maintenance expenses and lower administrative and general expenses. Net income was \$64,700 above budget on investment income that was \$21,200 below budget.

### **Balance Sheets**

The electric balance sheet decreased \$51,300 from August 2013. Accounts receivables decreased \$197,000 due to a large customer becoming current in September. Accounts payable decreased \$64,600 from lower purchased power cost. Retained earnings increased \$53,600 on strong monthly operating results.

The sewer balance sheet increased \$41,800 from August 2013. Total unrestricted and restricted cash increased \$123,600 on lower monthly expenses and monthly operating results. Retained earnings increased \$45,600 on strong monthly operating results.

The water balance sheet decreased \$107,500 from August 2013. Total unrestricted and restricted cash decreased \$67,600 due to a debt interest payment. Accordingly, interest accrued decreased \$134,300. Retained earnings increased \$40,200 on strong monthly operating results.

### **Cash and Investments**

The monthly metrics dashboard for cash and investments provide a monthly comparison of cash and investment balances, and graphs that present long-term investments by maturity, type, and rating.

Total cash and investments increased \$233,200 from August 2013. We received interest and distributions of \$3,600 and recorded an unrealized negative market adjustment of \$17,400; resulting in a net portfolio gain of \$21,000 for the month of September.

This concludes my report. Please do not hesitate to contact me at 324-7923 or [joosterhouse@wppienergy.org](mailto:joosterhouse@wppienergy.org) with any questions or comments.



TO: Waupun Utilities Commissioners  
FROM: Steve Schramm  
DATE: November 5, 2013  
SUBJECT: Monthly Operation Report

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### **Water Treatment Facility:**

The water treatment facility is performing well.

There are no call-ins to report this month.

Utility Service continues renovations on Tower 2. Sand blasting and coating of the interior wet is complete. The interior coating cure date is November 12<sup>th</sup>, at this time a “rub test” will be conducted by the inspectors. Following the inspection, disinfection by AWWA spray method 2 will be performed, and the tower will be filled with water. Two consecutive safe bacti results must be reported within 72 hours. Once the results are reported, the tower will be placed into operation.

Due to unfavorable weather conditions, the exterior renovation has had significant setbacks. After reviewing the coating process and specification, with Dixon Engineering and Tnemec Coatings, the exterior completion is not achievable. A decision was made to postpone renovations until next spring, once exterior primer coating is complete. The primer coating has a 300 day recoat window. This window will allow Utility Service ample time to return in spring and complete the renovations. Dixon and Tnemec have ensured the Utilities that tanks have been left in the primer phase before, and this process will achieve the best final product.

Municipal Well and Pump completed all maintenance repairs on Well 2. The well has returned to normal operation and rotation. No problems were incurred during the initial operational rotation.

### **Wastewater Treatment Facility:**

The wastewater treatment facility is performing well.

There are no call-ins to report this month.

Whole Effluent Toxicity (WET) testing has successfully been completed for 2013. Both acute and chronic toxicity tests were performed. WET testing is the measurement of potential effluent (discharge) toxicity to aquatic life in our receiving stream. This is a great evaluation of our facility, and how it is operated.

Tank maintenance has been completed for the year. The crew will begin seasonal operational adjustments to the facility for winter.

The Rock River Intermediate School has been having fifth and sixth grade classes tour the wastewater treatment facility. The STEM program has been learning about the water cycle and water and wastewater resource management.

### **Water/Sewer Crew:**

There are no call-ins to report this month.

Crew's focus has switched to preventative maintenance on the collection system, which is sectioned off into basins. Beginning with Basin A, the crew will begin televising sanitary sewers. This allows staff to see "inside" of the sanitary sewer. The camera measures the exact distance in a pipe, so repairs to cracks, joints, or removing obstructions can be done easily and precisely. The pipe condition is recorded as the camera moves through the pipe. The pipe condition and its location are then used to establish a pipe priority grade. A sanitary sewer priority grading system offers the Utilities a proactive approach to eliminating sanitary sewer overflows (SSOs). This allows staff to pinpoint areas within the gravity sanitary sewer pipes that need a more thorough investigation due to the critical nature of the location, physical attributes of a pipe section, the structural integrity of the pipe, and operation and maintenance needs of the pipe.

This concludes my report. Please do not hesitate to contact me with your questions or concerns at 324-7920 or [sschramm@wppienergy.org](mailto:sschramm@wppienergy.org).

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