

AGENDA

NEENAH WATER UTILITY WATER COMMISSION MEETING

Monday, October 20, 2014

4:30 P.M.

Council Chambers, City Hall

NOTICE IS HEREBY GIVEN, pursuant to the requirements of Wis. Stats. Sec. 19.84, that a majority of the Neenah Common Council may be present at this meeting. Common Council members may be present to gather information about a subject over which they have decision making responsibility. This constitutes a meeting of the Neenah Common Council and must be noticed as such. The Council will not take any formal action at this meeting.

- I. Approve the September 15, 2014 Regular Meeting Minutes (Attachment)
- II. Approve the Invoices for September 2014 (Attachment)
- III. Appearances
- IV. Old/New Business
 - A. Draft CIP (Attachment)
 - B. Draft Operating Budget (Attachment)
 - C. Employee Request for Vacation and Health Insurance Benefits
 - D. Succession Planning and Position Replacement Planning Discussion (Attachment)
 - E. Director's Report (Attachment)
 - F. Storm Water Citizen Advisory Board (Attachment)
 - G. Any Other Business That May Legally Come Before the Commission
 - H. Adjournment

Neenah City Hall is accessible to the physically disadvantaged. If special accommodations are needed, please contact the Neenah Water Utility Office at 886-6180 at least 24 hours in advance of the meeting.

MINUTES OF THE NEENAH WATER WORKS COMMISSION
September 15, 2014
Council Chambers, City Hall

Present: President Kaufert, Commissioners, Schmeichel, Smaby, Pollnow, and Director Taylor

Excused: Commissioner Hamblin

President Kaufert called the meeting to order at 4:35 p.m.

Minutes – M.S.C. Pollnow/Schmeichel to approve the August 18, 2014 Regular Meeting Minutes. All voting aye

Invoices August 2014– The Commission questioned invoices from JP Morgan Chase Bank, MCC Inc. American Overhead Door Inc. Ziebart Rhino Linings, and Meyer Services Inc. Director Taylor explained that the invoice from JP Morgan Chase Bank is for purchases made using the P Card system. Commissioner Pollnow directed Taylor to review the list of vendors that participate in the P Card System to ensure that the Utility is using the system to it's full potential. The payment to MCC Inc. is for hot-mix repair on Hazel Street associated with a water main break; the break abuts the construction limits of the S. Commercial Street construction project from 2013. The invoice from American Overhead Door was maintenance work done on a garage door at the water plant; the vendor has local roots with a showroom in Appleton, WI. A bed liner was purchased for one of the new fleet trucks through Ziebart Rhino Linings, and Meyer Services was hired to bore water services across Green Bay Road in association with the pavement work that was done at the intersection of Green Bay Road and Main Street.

The Commission requested that in the future, a line item be added to the "Water Utility Cash Activity" report that documents and identifies reserve balances. Commissioner Pollnow clarified that the "Cash Balance" for August 2014 does not take into consideration any of the reserve funds.

Following discussion, **M.S.C. Schmeichel/Pollnow to approve the Invoices for August 2014.** All voting aye

Appearances – None

Chemical Awards - Following discussion, **M.S.C. Smaby/Schmeichel** to approve the following chemical awards for 2015:

- **Sodium Hypochlorite: Hydrite Chemical for \$0.735/gallon**
- **Carbon Dioxide: Airgas for \$77.95/ton**
- **Powdered Activated Carbon: Cabot Norit Americas for \$1,700.00/ton**
- **Hydrofluosilicic Acid: Hawkins for \$2,608.70/dry ton**

It is noted that Standard Purification was the low bidder for Powdered Activated Carbon; however, their product was not prequalified prior to the bid submittal and therefore not accepted as the low bidder for The Neenah Water Utility. The Commission directed Taylor to continue to test chemicals to maximize savings. All voting aye

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Director's Report - Following are highlights from the report:

- The Water Utility distribution section "after hours" response position six-month update. The Utility will keep a running total of how many breaks are responded to by after hour's response personnel.
- The appeal from Wisconsin Emergency Management to FEMA Region V for federal assistance associated with the extreme weather conditions in parts of Wisconsin has been denied.
- The Water Utility Operating, Maintenance, and CIP Budget will be presented at the October Water Commission meeting.
- The main leak at the intersection of Henry Street and Winneconne Avenue was repaired Tuesday, September 09, 2014. Van Straten Construction Co. made the repairs.
- One of the filter plant operators has approached the Human Resources Department regarding "vacation payout". Mayor Kaufert directed Taylor to schedule a meeting to discuss the issue further.
- The distribution employee that has been on light duty has returned to work with no restrictions. The Commission desires to have a formal written policy developed regarding workman's compensation and light duty. Further discussion with the City Attorney and Human Resources will be scheduled.
- Granular Activated Carbon (GAC) samples have been sent to Cabot Norit Activated Carbon for testing. GAC filter media will need to be replaced starting in 2016. The ballpark estimate to remove and replace the filter media is approximately \$160,000.00 per filter bed. There are four GAC filter beds; the filter media removal and replacement will start in 2016.
- Non-billable water report. The present three-month percent non-billable dropped to 15.28% from 21.04%. Distribution employees continue to use the leak detector and leak correlator to find system leaks.
- Next Water Commission Meeting is scheduled for October 20, 2014.

Following discussion, **M.S.C. Smaby/Pollnow to accept the Director's Report for September 15, 2014 and place on file.** All voting aye

Storm Water Citizen's Advisory Report – Prepared by Public Works Director Kaiser.

1. Staff addressed several of the items that need evaluation prior to planning or dredging the Nature Trails L-shaped Pond.

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- a. Sediment testing requirements – Since the sediment is related to residential development, testing is not required.
 - b. Sediment disposal requirements – These requirements are being explored.
 - c. Sediment disposal sites
 - d. Sediment volume
 - e. Dredging logistics – site access, hauling, pond dewatering, sediment dewatering
 - f. Potential for other pond modifications during dredging work
2. Staff continues to evaluate the Neenah Foundry property located at Winneconne Avenue and Harrison Street for a potential detention pond site. Staff has had several meetings with Neenah Foundry representatives regarding site acquisition.

Following discussion, **M.S.C. Pollnow/Schmeichel to accept the Storm Water Citizen Advisory Board Report.** All voting aye

Any other business – None

Adjournment – **M.S.C. Smaby/Pollnow to adjourn at 6:00 p.m.** All voting aye

Respectfully submitted,

Kent Taylor, Director
Neenah Water Utility

WATER UTILITY CASH ACTIVITY
September 2014

Cash Balance September 1, 2014		\$330,614
Cash Receipts		
Water Collection Receipts	717,018	
Other Water Receipts	<u>35,142</u>	
		752,160
Cash Distributions		
Check Register	119,283	
Debt Service	253,274	
Reserves	30,250	
Disbursements to the City	<u>185,719</u>	
		<u>588,526</u>
Cash Balance September 30, 2014		<u><u>\$494,248</u></u>

SEP DISBURSEMENTS TO THE CITY

Payroll	\$83,604
Payroll Benefits	34,876
Vehicle Fuel & Fluids	1,895
Vehicle Maintenance	592
Postage	70
Water Bill	63
3rd Qtr Interest	8,069
3rd Qtr Rent	2,225
2nd Qtr Utility Billing Services	13,479
3rd Qtr Utility Billing Services	13,479
3rd Qtr Water Utility Services	24,688
3rd Qtr IS Services	1,705
3rd Qtr MBM Printcare	103
Aug Removal of Excavated Dirt-DPW chg	<u>871</u>
Total Sep Disbursements to the City	<u><u>\$185,719</u></u>

REPLACEMENT FUND RESERVES AS OF SEPTEMBER 2014

Sludge Lagoon	\$1,689,131
Vehicles	112,500
Painting Towers	156,750
Painting Hydrants	<u>15,000</u>
Total Replacement Fund Reserves	<u><u>\$1,973,381</u></u>

VENDOR NAME	CHECK #	CHECK DATE	TRANS INV#	CODE	ACCOUNT NUMBER	DESCRIPTION	TRANSACTION AMOUNT
JPMORGAN CHASE BANK NA	77	09/22/2014	00097993	AP	400-0401-770-6430	CROSS CONNECTION TEST DPS EPAY ISE	20.00
	77	09/22/2014	00097993	AP	400-0401-770-9270	AWWA MEMBERSHIP/TAYLOR	191.00
	77	09/22/2014	00097993	AP	400-0401-770-6430	SHIPPING 8/6-UPS STORE	31.49
	77	09/22/2014	00097993	AP	400-0401-770-6430	MAILING 8/20-USPS	5.62
	77	09/22/2014	00097993	AP	400-0402-770-6510	ROOF SEALER-ABC SUPPLY	127.99
	77	09/22/2014	00097993	AP	400-0401-770-6430	BATH TISSUE, PAPER TOWELS WALMART	31.10
	77	09/22/2014	00097993	AP	400-0401-770-9210	PRINTER-OFFICEMAX	89.99
	77	09/22/2014	00097993	AP	400-0401-770-6620	PENETRATING OIL-KANO LABORATORIES	275.60
						CHECK TOTAL -	772.79
AIRGAS USA LLC	80	09/22/2014	99196869	AP	400-0402-770-6520	OXYGEN	30.20
						CHECK TOTAL -	30.20
BUBRICK'S COMPLETE OFFICE	83	09/22/2014	932845	AP	400-0401-770-9210	TONER	77.39
	83	09/22/2014	932865	AP	400-0401-770-9210	BINDERS	28.30
	83	09/22/2014	935666	AP	400-0401-770-9210	BINDER, PENS	60.57
	83	09/22/2014	937079	AP	400-0401-770-9210	PENS	23.94
	83	09/22/2014	938992	AP	400-0401-770-9210	TONER	54.33
						CHECK TOTAL -	244.53
CINTAS CORPORATION #443	86	09/22/2014	44371268	AP	400-0401-770-6430	FLOOR MATS, MOPS	31.10
	86	09/22/2014	44371268	AP	400-0401-770-6650	FLOOR MATS, MOPS	31.11
						CHECK TOTAL -	62.21
GUENTHER SUPPLY INC	91	09/22/2014	708564	AP	400-0402-770-6520	CLAMPS	10.41
						CHECK TOTAL -	10.41
MORTON SAFETY	100	09/22/2014	898753	AP	400-0401-770-6430	BANDAIDS	20.68
						CHECK TOTAL -	20.68
SUPERIOR CHEMICAL CORPORATION	107	09/22/2014	67154	AP	400-0401-770-6430	AIR FRESHENER,HAND CLNR	160.45
						CHECK TOTAL -	160.45
U S CELLULAR	109	09/22/2014	46705979	AP	400-0401-770-6630	AIRTIME 6/22-7/21	22.38
	109	09/22/2014	46705979	AP	400-0401-770-6650	AIRTIME 6/22-7/21	22.36
						CHECK TOTAL -	44.74
AIRGAS USA LLC	116	09/22/2014	99204190	AP	400-0402-770-6520	OXYGEN	31.06
						CHECK TOTAL -	31.06

VENDOR NAME	CHECK #	CHECK DATE	TRANS INV#	CODE	ACCOUNT NUMBER	DESCRIPTION	TRANSACTION AMOUNT
FABCO EQUIPMENT INC	129	09/22/2014	C167948	AP	400-0402-770-6320	GENERATOR PART	58.64
						CHECK TOTAL -	58.64
PASTENAL COMPANY	130	09/22/2014	WINEE962	AP	400-0401-770-6620	SHOVEL, DRAIN SPADE	32.98
						CHECK TOTAL -	32.98
FERGUSON WATERWORKS	131	09/22/2014	156097	AP	400-0000-207-0326	TAPPING CHARGE	300.00
	131	09/22/2014	156101	AP	400-0000-207-0326	WATERMAIN MATERIALS	125.00
	131	09/22/2014	156102	AP	400-0000-207-0326	WATERMAIN MATERIALS	12,908.94
	131	09/22/2014	156103	AP	400-0000-207-0326	WATERMAIN MATERIALS	477.00
	131	09/22/2014	156104	AP	400-0000-207-0326	WATERMAIN MATERIALS	82.00
	131	09/22/2014	156105	AP	400-0000-207-0326	TAPPING CHARGE	300.00
	131	09/22/2014	156107	AP	400-0000-207-0326	TAPPING CHARGE	300.00
						CHECK TOTAL -	14,492.94
GUENTHER SUPPLY INC	136	09/22/2014	709156	AP	400-0402-770-6520	GASKETS	34.03
	136	09/22/2014	709311	AP	400-0402-770-6520	GASKETS	15.88
	136	09/22/2014	709293	AP	400-0402-770-6520	FITTINGS	44.89
						CHECK TOTAL -	94.80
MICHELS MATERIALS	34327	09/03/2014	284718	AP	400-0402-770-6750	GRAVEL	71.60
	34327	09/03/2014	284281	AP	400-0402-770-6730	GRAVEL	75.66
	34327	09/03/2014	284281	AP	400-0402-770-6750	GRAVEL	100.92
	34327	09/03/2014	283811	AP	400-0402-770-6730	GRAVEL	158.43
						CHECK TOTAL -	406.61
BRAZEE ACE HARDWARE	34342	09/10/2014	27434	AP	400-0402-770-6730	GRASS SEED	15.99
						CHECK TOTAL -	15.99
CHEMTRADE CHEMICALS US LLC	34346	09/10/2014	90666652	AP	400-0000-131-5405	FERRIC SULFATE	5,068.60
						CHECK TOTAL -	5,068.60
CIVIC SYSTEMS LLC	34348	09/10/2014	FRAZIER	AP	400-0401-770-9270	CIVIC SYMPOSIUM - FRAZIER 9/18	200.00
						CHECK TOTAL -	200.00
CLOVERLEAF LANDSCAPING &	34349	09/10/2014	7326	AP	400-0402-770-6750	BLACK DIRT	170.00
	34349	09/10/2014	7536	AP	400-0000-207-0326	BLACK DIRT	170.00
						CHECK TOTAL -	340.00
CRANE ENGINEERING SALES INC	34350	09/10/2014	28772600	AP	400-0402-770-6520	PUMP IMPELLERS	157.53
						CHECK TOTAL -	157.53

VENDOR NAME	CHECK #	CHECK DATE	TRANS INV#	CODE	ACCOUNT NUMBER	DESCRIPTION	TRANSACTION AMOUNT
CULLIGAN	34351	09/10/2014	724187	AP	400-0401-770-6420	DISTILLED WATER 8/1-8/31	41.50
						CHECK TOTAL -	41.50
DIVERSIFIED BENEFIT SERVICES I	34352	09/10/2014	187924	AP	400-0401-770-9260	AUG SERVICES FLEX SPENDING 2014	17.75
						CHECK TOTAL -	17.75
FEDEX	34355	09/10/2014	27624256	AP	400-0401-770-6630	METERS SHIPPING CHARGE 8/19	33.11
						CHECK TOTAL -	33.11
GOOD MEASURE LLC	34362	09/10/2014	52306	AP	400-0402-770-9320	AUG TECH SUPPORT	3,857.64
	34362	09/10/2014	52306	AP	400-0402-770-6520	AUG TECH SUPPORT	3,857.64
						CHECK TOTAL -	7,715.28
HAWKINS INC	34364	09/10/2014	3633787R	AP	400-0000-131-5405	SODIUM PERMANGANATE	1,890.29
	34364	09/10/2014	3635289R	AP	400-0000-131-5405	SODIUM PERMANGANATE	1,044.36
	34364	09/10/2014	3635289R	AP	400-0000-131-5405	AMMONIA	416.02
						CHECK TOTAL -	3,350.67
KITZ & PFEIL HARDWARE INC	34373	09/10/2014	72814002	AP	400-0401-770-6430	CLIPPERS	54.88
						CHECK TOTAL -	54.88
KRAMER, KEN	34375	09/10/2014	51314142	AP	400-0402-770-6750	SOCKETS	110.10
						CHECK TOTAL -	110.10
KRUEGER TRUE VALUE	34379	09/10/2014	24315	AP	400-0402-770-6520	SEALANT	6.29
	34379	09/10/2014	24372	AP	400-0401-770-6420	MURIATIC ACID	41.94
	34379	09/10/2014	24577	AP	400-0402-770-6520	MURIATIC ACID, GROUT/ SPONGE, FLOAT	79.56
	34379	09/10/2014	24854	AP	400-0401-770-9290	ARMORALL	13.49
	34379	09/10/2014	24858	AP	400-0402-770-6520	ROPE, TWINE	21.58
	34379	09/10/2014	24889	AP	400-0402-770-6520	CAULK, CONCRETE SEALANT	43.15
	34379	09/10/2014	24978	AP	400-0401-770-6650	CONNECTOR, BULBS	26.68
	34379	09/10/2014	24997	AP	400-0402-770-6520	PAINT, BRUSH	6.28
	34379	09/10/2014	25049	AP	400-0401-770-6430	GLUE	3.14
	34379	09/10/2014	25146	AP	400-0402-770-6520	PAINT TOOLS, PUTTY KNIFE, PAISLS	7.93
	34379	09/10/2014	25208	AP	400-0402-770-6750	GRASS SEED	12.59
	34379	09/10/2014	25248	AP	400-0401-770-6650	TARP COVER	14.39
	34379	09/10/2014	25283	AP	400-0402-770-6520	PAINT BRUSH	7.19
	34379	09/10/2014	25652	AP	400-0401-770-6630	TOOL BOX	22.49
	34379	09/10/2014	25682	AP	400-0401-770-6620	SOCKET ADAPTERS	6.82
	34379	09/10/2014	25713	AP	400-0401-770-6430	ROPE	8.99
						CHECK TOTAL -	322.51

VENDOR NAME	CHECK #	CHECK DATE	INV#	TRANS CODE	ACCOUNT NUMBER	DESCRIPTION	TRANSACTION AMOUNT
LEVENHAGEN OIL CORPORATION	34383	09/10/2014	53873AIN	AP	400-0402-770-6320	OIL TEST	79.28
	34383	09/10/2014	8495BIN	AP	400-0402-770-6320	COOLANT TEST	58.00
	34383	09/10/2014	85735	AP	400-0401-770-6230	DIESEL FUEL FOR GENERATOR	5,098.50
						CHECK TOTAL -	5,235.78
MICHELS MATERIALS	34390	09/10/2014	285144	AP	400-0402-770-6730	GRAVEL	82.39
	34390	09/10/2014	285144	AP	400-0402-770-6750	GRAVEL	47.54
	34390	09/10/2014	286069	AP	400-0402-770-6730	GRAVEL	154.53
						CHECK TOTAL -	284.46
MISSISSIPPI LIME COMPANY	34393	09/10/2014	1162570	AP	400-0000-131-5405	LIME	5,025.29
	34393	09/10/2014	1162570	AP	400-0401-770-6410	FUEL SURCHARGE	516.72
	34393	09/10/2014	1164956	AP	400-0000-131-5405	LIME	5,128.26
	34393	09/10/2014	1164956	AP	400-0401-770-6410	FUEL SURCHARGE	514.12
						CHECK TOTAL -	11,184.39
MULCAHY/SHAW WATER INC	34395	09/10/2014	319017	AP	400-0402-770-6520	UV PARTS	644.16
						CHECK TOTAL -	644.16
POLLARDWATER.COM	34411	09/10/2014	I388168I	AP	400-0401-770-6630	SEAL WIRE	165.25
						CHECK TOTAL -	165.25
RADIO SHACK	34413	09/10/2014	13291	AP	400-0401-770-9210	CALCULATOR	2.47
						CHECK TOTAL -	2.47
VANSTRATEN CONSTRUCTION CO INC	34427	09/10/2014	1431	AP	400-0000-207-0325	HYDRANT INSTALLATION GREEN BAY RD 07/28/2014	4,977.32
	34427	09/10/2014	1434	AP	400-0000-207-0325	HYDRANT ABANDONMENT GREEN BAY RD 07/29/2014	3,438.33
	34427	09/10/2014	1435	AP	400-0000-207-0326	MAIN ABANDONMENT GREEN BAY RD 07/29/2014	4,947.87
	34427	09/10/2014	1436	AP	400-0000-207-0326	MAIN ABANDONMENT-6" SVC GREEN BAY RD 7/30/2014	7,373.03
	34427	09/10/2014	1437	AP	400-0000-207-0326	MAIN ABANDONMENT-2" SVC GREEN BAY RD 7/31/2014	6,697.34
	34427	09/10/2014	1438	AP	400-0000-207-0326	SERVICE RECONNECTS GREEN BAY RD 8/04/2014	7,141.84
	34427	09/10/2014	1439	AP	400-0000-207-0326	MAIN ABANDONMENTS GREEN BAY RD 8/05/2014	7,256.36
						CHECK TOTAL -	41,832.09
WISCONSIN WATER ASSOCIATION	34442	09/10/2014	TAYLOR	AP	400-0401-770-9270	KENT TAYLOR - WWA ANNUAL MEETING 9/17-19	100.00
						CHECK TOTAL -	100.00

VENDOR NAME	CHECK #	CHECK DATE	TRANS INV#	CODE	ACCOUNT NUMBER	DESCRIPTION	TRANSACTION AMOUNT
CIVIC SYSTEMS LLC	34445	09/17/2014	1038	AP	400-0401-770-9270	ANNUAL SYMPOSIUM-FRAZIER 09/18	125.00
						CHECK TOTAL -	125.00
BONKOSKI, KENNETH & DIANE	34473	09/25/2014	REFUND/W	AP	400-0000-117-4201	REFUND 1334 HONEYSUCKLE 22-00110-00-04	77.03
						CHECK TOTAL -	77.03
BROOKS TRACTOR INC	34476	09/25/2014	D34554	AP	400-0401-770-9290	TRACTOR PARTS	360.41
						CHECK TOTAL -	360.41
DIGGERS HOTLINE INC	34485	09/25/2014	14082580	AP	400-0401-770-6620	AUG TICKETS - WATER DEPT	96.00
						CHECK TOTAL -	96.00
DIVERSIFIED BENEFIT SERVICES I	34486	09/25/2014	188695	AP	400-0401-770-9260	SEP SERVICES - HRA - 2014	65.45
						CHECK TOTAL -	65.45
FIRST TENNESSEE BANK	34491	09/25/2014	3810080	AP	400-0000-551-0100	SAFEKEEPING FEES-WATER 03/26-06/25	50.00
						CHECK TOTAL -	50.00
HACH COMPANY	34499	09/25/2014	9018587	AP	400-0401-770-6420	LAB REAGENTS	922.92
						CHECK TOTAL -	922.92
HAWKINS INC	34500	09/25/2014	3642310	AP	400-0000-131-5405	SODIUM PERMANGANATE	1,921.62
	34500	09/25/2014	3642310	AP	400-0000-131-5405	AMMONIA	436.82
	34500	09/25/2014	3639801R	AP	400-0000-131-5405	SODIUM PERMANGANATE	1,723.19
						CHECK TOTAL -	4,081.63
HD SUPPLY WATERWORKS LTD	34501	09/25/2014	C900461	AP	400-0402-770-6730	O-RINGS, VALVES, GASKETS	791.82
						CHECK TOTAL -	791.82
MICHELS MATERIALS	34516	09/25/2014	286570	AP	400-0402-770-6730	GRAVEL	346.77
						CHECK TOTAL -	346.77
MISSISSIPPI LIME COMPANY	34522	09/25/2014	1149877	AP	400-0000-131-5405	LIME	3,000.00
	34522	09/25/2014	1166463	AP	400-0000-131-5405	LIME	5,007.12
	34522	09/25/2014	1166463	AP	400-0401-770-6410	FUEL SURCHARGE	501.98
	34522	09/25/2014	1167901	AP	400-0000-131-5405	LIME	4,900.11
	34522	09/25/2014	1167901	AP	400-0401-770-6410	FUEL SURCHARGE	491.25
						CHECK TOTAL -	13,900.46

GMB008
DTLCHK_REG
PJF

Period Ending
Detail CHECK REGISTER- WATER DEPARTMENT

PAGE: 6
RUN DATE: 09/30/2014
RUN TIME: 14:56:45

VENDOR NAME	CHECK #	CHECK DATE	TRANS INV#	CODE	ACCOUNT NUMBER	DESCRIPTION	TRANSACTION AMOUNT
NATIONAL ELEVATOR INSPECTION	34525	09/25/2014	165722	AP	400-0402-770-6520	ELEVATOR INSPECTION WATER UTILITY	83.00
						CHECK TOTAL -	83.00
VANSTRATEN CONSTRUCTION CO INC	34565	09/25/2014	1445	AP	400-0402-770-6730	WATERMAIN REPAIR 09-09 HENRY ST	4,821.18
						CHECK TOTAL -	4,821.18
WERNER ELECTRIC SUPPLY COMPANY	34572	09/25/2014	S4276352	AP	400-0402-770-6520	LAMPS	146.36
						CHECK TOTAL -	146.36
WPELRA	34583	09/25/2014	TAYLOR	AP	400-0401-770-9270	TRAINING SESSION 10/23 TAYLOR	75.00
						GRAND TOTAL -	119,282.59

*** END OF REPORT ***



Memo

To: Neenah Water Commission
From: Kent Taylor
Date: 10/16/2014
Re: 2015 Operating Budget and Capital Improvement Program

The Draft Operating Budget for 2015 is attached along with the Draft Capital Improvement Program for 2015 – 2019. The operating Budget includes:

1. A decrease in operational expense from the 2014 budget
2. An increase in maintenance expense from the 2014 budget
3. A reduction in industrial, commercial, and residential revenues
4. A decrease in chemical expense

CITY OF NEENAH
 2015 CAPITAL IMPROVEMENTS PROGRAM BUDGET
 DETAIL PROJECT SCHEDULE

DRAFT

PROJECT DESCRIPTION AND PROGRAM COMMENTS	DEPARTMENT REQUEST	MAYOR RECOMMENDED	MAYOR'S COMMENTS
<u>2015 WATER UTILITY</u>			
<u>Distribution System-Replacements</u>			
All items are funded through Utility revenues unless otherwise noted.			
1. Bridgewood Drive (Cecil - Baldwin) 1,050' of 8" main at \$120/ft. + contingency. Replace existing 6" main. There are 29 lead services. There have been 22 main leaks and 19 service leaks.	\$138,600		
2. Franklin Avenue (Oak - Congress) 1,850' of 8" at \$120/ft. + contingency. There are 35 lead services; 6 main leaks and 16 service leaks.	\$244,000		
3. Elmwood Court 250' of 8" at \$120/ft. + contingency. There are 6 services that are lead. There have been 10 main leaks and 2 service leaks.	\$33,000		
4. Jean Street (John - Western) 500' of 8" at \$120/ft. + contingency. There are 14 lead services. There have been 13 main leaks and 6 service leaks.	\$66,000		
5. Green Street (Third - Fourth) 390' of 8" at \$120/ft. + contingency. There are 6 lead services. There have been 11 main leaks and 3 service leaks.	\$51,400		
6. Marathon Avenue (Bell - Byrd) 2,300' of 12" at \$100/ft. + contingency. There have been 17 main leaks and 3 service leaks. Existing copper services.	\$253,000		
7. Pavement repair - concrete and asphalt patches.	\$120,000		
<u>Subtotal 2015 Distribution System-Replacement</u>	<u>\$906,000</u>	<u>\$0</u>	
<u>Distribution System-New Mainline Extensions</u>	<u>\$0</u>	<u>\$0</u>	
<u>Distribution System-New Service Expansion</u>	<u>\$0</u>	<u>\$0</u>	
<u>Total 2015 Distribution Systems</u>	<u>\$906,000</u>	<u>\$0</u>	

CITY OF NEENAH
 2015 CAPITAL IMPROVEMENTS PROGRAM BUDGET
 DETAIL PROJECT SCHEDULE

PROJECT DESCRIPTION AND PROGRAM COMMENTS	DEPARTMENT REQUEST	MAYOR RECOMMENDED	MAYOR'S COMMENTS
<u>Plant, Metering and Equipment</u>			
All items are funded through Utility revenues unless otherwise noted.			
1. Meter replacement. Annual meter replacement program.	\$50,000		
2. Replace 2005 pickup truck with trade. Vehicles are on a 10-year replacement cycle.	\$25,000		
3. Miscellaneous tools and equipment.	\$16,000		
4. Miscellaneous consulting fees. Office construction at filtration plant. Chemical storage plan.	\$30,000		
5. Miscellaneous plant contingency.	\$15,000		
6. Technology upgrade. One computer replacement. Miscellaneous software upgrades.	\$10,000		
7. Telephone system	\$4,400		
8. Carlson Global Positioning System (GPS)	\$14,000		
9. New Office construction at filtration plant.	\$50,000		
10. Outdoor lighting replacement at filter plant.	\$12,800		
<u>Total 2015 Plant, Metering and Equipment</u>	<u>\$227,200</u>	<u>\$0</u>	
<u>TOTAL 2015 WATER UTILITY</u>	<u>\$1,133,200</u>	<u>\$0</u>	

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CITY OF NEENAH
 2015 CAPITAL IMPROVEMENTS PROGRAM BUDGET
 DETAIL PROJECT SCHEDULE

PROJECT DESCRIPTION AND PROGRAM COMMENTS	DEPARTMENT REQUEST	MAYOR RECOMMENDED	MAYOR'S COMMENTS
<u>2016 WATER UTILITY</u>			
<u>Distribution System-Replacements</u>			
All items are funded through Utility revenues unless otherwise noted.			
1. Oak Street (Division - Dieckhoff) 1,700' of 8" at \$120/ft. + contingency.	\$204,000		
2. Cecil Street (Oak - Henry) 2,100' of 16" at \$130/ft. + contingency. Coordinate with DPW street construction.	\$273,000		
3. Columbian Avenue (Oak - Elm) 750' of 8" at \$120/ft. + contingency.	\$99,000		
4. Andrew Avenue (Geiger - Main) 1,080' of 8" at \$120/ft. + contingency. Water main was installed in 1950. There are 30 lead services. There have been 4 main breaks and 11 service leaks.	\$142,000		
5. Richard Avenue (Geiger - Main) 1,080' of 8" at \$120/ft. + contingency. Water main was installed in 1950. There are 31 lead services. There have been 13 service leaks. Rusty (red) water from internal corrosion is frequent.	\$142,000		
6. Brooks Avenue (Middle - Joseph) 1,000' of 12" at \$120/ft. + contingency. Replace existing 10" cast iron main.	\$132,000		
7. Fifth Street (Clark - Lincoln) 900' of 8" at \$120/ft. + contingency. There are 2 lead services and there have been 2 service leaks.	\$104,000		
8. Pavement repair - concrete and asphalt patches.	\$100,000		
<u>Subtotal 2016 Distribution System-Replacement</u>	<u>\$1,196,000</u>	<u>\$0</u>	
<u>Distribution System-New Mainline Extensions</u>	<u>\$0</u>	<u>\$0</u>	
<u>Distribution System-New Service Expansion</u>	<u>\$0</u>	<u>\$0</u>	
Total <u>2016 Distribution Systems</u>	<u>\$1,196,000</u>	<u>\$0</u>	

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CITY OF NEENAH
 2015 CAPITAL IMPROVEMENTS PROGRAM BUDGET
 DETAIL PROJECT SCHEDULE

PROJECT DESCRIPTION AND PROGRAM COMMENTS	DEPARTMENT REQUEST	MAYOR RECOMMENDED	MAYOR'S COMMENTS
<u>Plant, Metering and Equipment</u>			
All items are funded through Utility revenues unless otherwise noted.			
1. Meter replacement. Annual meter replacement program.	\$50,000		DRAFT
2. Replace 2006 pickup truck with trade. Vehicles are on a 10-year replacement cycle.	\$25,000		
3. Miscellaneous tools and equipment.	\$20,000		
4. Miscellaneous consulting fees.	\$25,000		
5. Miscellaneous plant contingency.	\$10,000		
6. Technology upgrade. One computer replacement. Miscellaneous software upgrades.	\$8,000		
Total <u>2016 Plant, Metering and Equipment</u>	<u>\$138,000</u>	<u>\$0</u>	
TOTAL <u>2016 WATER UTILITY</u>	<u>\$1,334,000</u>	<u>\$0</u>	

CITY OF NEENAH
 2015 CAPITAL IMPROVEMENTS PROGRAM BUDGET
 DETAIL PROJECT SCHEDULE

PROJECT DESCRIPTION AND PROGRAM COMMENTS	DEPARTMENT REQUEST	MAYOR RECOMMENDED	MAYOR'S COMMENTS
<u>2017 WATER UTILITY</u>			
<u>Distribution System-Replacements</u>			
All items are funded through Utility revenues unless			
1. Stevens Street (Winnebago Heights - Laudan) 750' of 8" at \$120/ft. + contingency. This is to be coordinated with DPW street work. Water main was installed in 1940. There are 10 lead services. There have been 2 main breaks and 16 service leaks.	\$99,000		
2. Stevens Street (Congress Place - Doty) 700' of 8" at \$120/ft. + contingency. To be coordinated with DPW street work. Water main was installed in the 1950's. There are 17 lead services. There have been only 2 water main breaks, but 10 service leaks.	\$92,000		
3. Congress Street (Cecil - Doty) 3,725' of 8" at \$120/ft. + contingency. There are 82 lead services; 5 main leaks and 25 service leaks.	\$447,000		
4. Elm Street (Cecil - Division) 2700' of 8" at \$120/ft. + contingency.	\$372,000		
5. Higgins Avenue (Lauden - Division) 1200' of 8" at \$120/ft. + contingency.	\$165,000		
6. Edward Street (John to Western) 500' of 8" at \$120/ft. + contingency. There are 15 lead services. There have been 5 main leaks and 3 service leaks.	\$69,000		
7. Helen Street (John to Western) 500' of 8" at \$120/ft. + contingency. There are 13 lead services. There have been 4 main breaks and 3 service leaks.	\$69,000		
8. Pavement repair - concrete and asphalt patches.	\$100,000		
Subtotal <u>2017 Distribution System-Replacement</u>	<u>\$1,413,000</u>	<u>\$0</u>	
<u>Distribution System-New Mainline Extensions</u>			
All items are funded through Utility revenues unless otherwise noted.			
1. Miscellaneous. Definite project lengths unknown at this time. May be included in Public Works CIP. 50% to 80% assessable. May include some deferred assessment or oversized main.	\$100,000		
Subtotal <u>2017 Distribution System-New Mainline Extensions</u>	<u>\$100,000</u>	<u>\$0</u>	

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CITY OF NEENAH
 2015 CAPITAL IMPROVEMENTS PROGRAM BUDGET
 DETAIL PROJECT SCHEDULE

PROJECT DESCRIPTION AND PROGRAM COMMENTS	DEPARTMENT REQUEST	MAYOR RECOMMENDED	MAYOR'S COMMENTS
<u>Distribution System-New Service Expansion</u>			
1. Miscellaneous. Definite project lengths unknown at this time. Generally 100% assessable and included in Public Works budget. Funded through assessments only.	\$100,000		
<u>Subtotal 2017 Distribution System-New Service Expansion</u>	<u>\$100,000</u>	<u>\$0</u>	
<u>Total 2017 Distribution Systems</u>	<u>\$1,613,000</u>	<u>\$0</u>	
<u>Plant, Metering and Equipment</u>			
All items are funded through Utility revenues unless otherwise noted.			
1. Meter replacement. Annual meter replacement program.	\$50,000		
2. Replace 2008 Meter Van. Vehicles are on a 10-year replacement cycle.	\$25,000		
3. Replace chemical tanks and pumps. Existing tanks are at end of useful life. They were not replaced during plant construction.	\$250,000		
4. Sludge line replacement. The sludge line from the plant to the sludge lagoons is in poor condition and several sections need to be replaced. 4,150' of 10" at \$70/ft. + 8 manholes at \$5,000 each. Funded through Sludge Lagoon Fund.	\$330,500		
5. Modify Lake Winnebago intake to prevent ice blockage, as requested by DNR. Fox River intake is current backup, but capacity is declining due to zebra mussels.	\$200,000		
6. Miscellaneous tools and equipment.	\$20,000		
7. Miscellaneous consulting fees.	\$20,000		
8. Miscellaneous plant contingency.	\$10,000		
9. Technology upgrade. One computer replacement. Miscellaneous software upgrades.	\$8,000		
<u>Total 2017 Plant, Metering and Equipment</u>	<u>\$913,500</u>	<u>\$0</u>	
<u>TOTAL 2017 WATER UTILITY</u>	<u>\$2,526,500</u>	<u>\$0</u>	

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**CITY OF NEENAH
2015 CAPITAL IMPROVEMENTS PROGRAM BUDGET
DETAIL PROJECT SCHEDULE**

PROJECT DESCRIPTION AND PROGRAM COMMENTS	DEPARTMENT REQUEST	MAYOR RECOMMENDED	MAYOR'S COMMENTS
<u>2018 WATER UTILITY</u>			
<u>Distribution System-Replacements</u>			
All items are funded through Utility revenues unless otherwise noted.			
1. Fairview Avenue (Congress - S. Park) 1300' of 12" at \$130/ft. + contingency.	\$194,000		
2. Elm Street (Division - Wisconsin) 1650' of 8" at \$120/ft. + contingency.	\$227,000		
3. Meadow Lane (Frederick - Byrd) 2,200' of 8" at \$120/ft. + contingency. This is to be coordinated with DPW street work. The water main was installed in 1965. There have been 10 main breaks and 2 service leaks. Rusty (red) water from internal corrosion is frequent.	\$303,000		
4. Adams Street (RR - Isabella) 1,000' of 8" at \$100/ft. + contingency. Replace existing 6" main. Coordinate with DPW street construction.	\$124,000		
5. Thomas Court - 1,700' of 8" at \$90/ft. + contingency. This is to be coordinated with DPW street work. The water main was installed in 1967. While there have been only 2 main breaks and 1 service leak, experience shows that street reconstruction over pipe from this area will lead to more frequent breaks.	\$234,000		
<u>Subtotal 2018 Distribution System-Replacement</u>	<u>\$1,082,000</u>	<u>\$0</u>	
<u>Distribution System-New Mainline Extensions</u>			
All items are funded through Utility revenues unless otherwise noted.			
<u>Subtotal 2018 Distribution System-New Mainline Extensions</u>	<u>\$0</u>	<u>\$0</u>	
<u>Distribution System-New Service Expansion</u>			
<u>Subtotal 2018 Distribution System-New Service Expansion</u>	<u>\$0</u>	<u>\$0</u>	
<u>Total 2018 Distribution Systems</u>	<u>\$1,082,000</u>	<u>\$0</u>	

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CITY OF NEENAH
 2015 CAPITAL IMPROVEMENTS PROGRAM BUDGET
 DETAIL PROJECT SCHEDULE

PROJECT DESCRIPTION AND PROGRAM COMMENTS	DEPARTMENT REQUEST	MAYOR RECOMMENDED	MAYOR'S COMMENTS
<u>Plant, Metering and Equipment</u> All items are funded through Utility revenues unless otherwise noted.			DRAFT
1. Miscellaneous tools and equipment.	\$20,000		
2. Technology upgrade.	\$10,000		
3. Miscellaneous consulting fees.	\$20,000		
4. Miscellaneous plant contingency.	\$50,000		
Total <u>2018 Plant, Metering and Equipment</u>	<u>\$100,000</u>	<u>\$0</u>	
TOTAL <u>2018 WATER UTILITY</u>	<u>\$1,182,000</u>	<u>\$0</u>	

CITY OF NEENAH
 2015 CAPITAL IMPROVEMENTS PROGRAM BUDGET
 DETAIL PROJECT SCHEDULE

PROJECT DESCRIPTION AND PROGRAM COMMENTS	DEPARTMENT REQUEST	MAYOR RECOMMENDED	MAYOR'S COMMENTS
<u>2019 WATER UTILITY</u>			
<u>Distribution System-Replacements</u>			
All items are funded through Utility revenues unless otherwise noted.			
1. Meadowview Street - 825' of 8" at \$120/ft. + contingency.	\$99,000		
2. Hillcrest Place - 350' of 8" at \$120/ft. + contingency.	\$42,000		
3. contingency.	\$55,000		
4. Cedar Street (Winnebago Heights - Laudan) 550' of 8" at \$120/ft. + contingency and abandon 8" (Fairview to Congress Place).	\$81,000		
5. Belmont Court - 600' of 8" at \$120/ft. + contingency. There are 8 lead services; 2 main leaks and 0 service leaks.	\$82,000		
6. Stanley Street (Marathon - Commercial) 1,200' of 8" at \$90/ft. + contingency. There have been 7 main leaks and 2 service leaks.	\$165,000		
7. Sterling Avenue (Greenfield - Western and Western to Lake) 1,100' of 8" on Sterling Avenue and 200' of 8" on Greenfield Street at \$120/ft. + contingency.	\$132,000		
<u>Subtotal 2019 Distribution System-Replacement</u>	<u>\$656,000</u>	<u>\$0</u>	
<u>Distribution System-New Mainline Extensions</u>			
All items are funded through Utility revenues unless otherwise noted.			
<u>Subtotal 2019 Distribution System-New Mainline Extensions</u>	<u>\$0</u>	<u>\$0</u>	
<u>Distribution System-New Service Expansion</u>	<u>\$0</u>	<u>\$0</u>	
<u>Subtotal 2019 Distribution System-New Service Expansion</u>	<u>\$0</u>	<u>\$0</u>	
<u>Total 2019 Distribution Systems</u>	<u>\$656,000</u>	<u>\$0</u>	

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CITY OF NEENAH
 2015 CAPITAL IMPROVEMENTS PROGRAM BUDGET
 DETAIL PROJECT SCHEDULE

PROJECT DESCRIPTION AND PROGRAM COMMENTS	DEPARTMENT REQUEST	MAYOR RECOMMENDED	MAYOR'S COMMENTS
<p><u>Plant, Metering and Equipment</u> All items are funded through Utility revenues unless otherwise noted.</p> <ol style="list-style-type: none"> 1. Miscellaneous tools and equipment. 2. Technology upgrade. 3. Miscellaneous consulting fees. 4. Miscellaneous plant contingency. <p>Total <u>2019 Plant, Metering and Equipment</u></p> <p>TOTAL <u>2019 WATER UTILITY</u></p>	<p>\$20,000</p> <p>\$10,000</p> <p>\$20,000</p> <p>\$50,000</p> <p><u>\$100,000</u></p> <p><u>\$756,000</u></p>	<p>DRAFT</p> <p><u>\$0</u></p> <p><u>\$0</u></p>	

**CITY OF NEENAH
2015 OPERATING BUDGET REQUEST
PROGRAM COMMENTS**

Department/Office: Water	Budget: Water Utility
Program: Enterprise Funds	Submitted by: Kent Taylor

Water Utility
2015 Proposed Budget

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The purpose of the Water Utility Fund is to account separately for all revenues and expenditure activities necessary to provide water to Utility customers. Revenues include water user fees, public fire charges, private fire charges, interest income and special charges. Costs include treatment and distribution of water, billing and collection, debt service payments, capital investments, administrative charges and a payment in lieu of taxes (PILOT) to the City.

Major accomplishments in 2014 include water main replacement on Plummer Avenue, Gruenwald Avenue, and Chestnut Street. Approximately 220 fire hydrants were painted. New controllers were installed on the HVAC System at the water filtration plant. A water main leak correlator was purchased and successfully used in conjunction with leak detection equipment to reduce the amount of non-revenue water. The Utility replaced two pick-up trucks used by distribution crews. Extreme weather conditions challenged crews and winter operations--approximately 250 customers were authorized to "let the water run" to avoid underground pipes from freezing. The Utility lost it's largest industrial customer which accounted for 26% of industrial revenues.

Goals for 2015 include replacement of water mains on Bridgewood Drive, Franklin Avenue, Elmwood Court, Jean Street, Green Street and Marathon Avenue. One service truck will be replaced. Global Positioning System (GPS) hardware and software will be purchased to manage distribution assets in conjunction with the Geographical Information System (GIS). Plans and specification will be developed for future projects at the water filtration plant.

Revenues	2013 Actual	2014 Budget	2014 Estimate	2015 Request	2015 Proposed
Water Sales					
Unmetered Sales					
Sales to General Customers	\$28,121	\$27,540	\$10,000	\$10,000	\$10,000
Public Fire Protection	\$1,597,956	\$1,546,570	\$1,577,000	\$1,577,000	\$1,577,000
Private Fire Protection	\$115,362	\$112,630	\$115,000	\$115,000	\$115,000
Total Unmetered Sales	\$1,741,439	\$1,686,740	\$1,702,000	\$1,702,000	\$1,702,000
Metered Sales					
Residential	\$3,224,730	\$3,334,740	\$3,200,000	\$3,200,000	\$3,200,000
Commercial	\$1,122,085	\$1,151,270	\$1,100,000	\$1,100,000	\$1,100,000
Industrial	\$1,849,668	\$1,670,890	\$1,503,800	\$1,500,000	\$1,500,000
Public Authority	\$136,346	\$132,150	\$132,150	\$135,000	\$135,000
Total Metered Sales	\$6,332,829	\$6,289,050	\$5,935,950	\$5,935,000	\$5,935,000
Total Sales of Water	\$8,074,268	\$7,975,790	\$7,637,950	\$7,637,000	\$7,637,000

CITY OF NEENAH
2015 OPERATING BUDGET REQUEST
PROGRAM COMMENTS

Department/Office: Water	Budget: Water Utility
Program: Enterprise Funds	Submitted by: Kent Taylor

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Other Revenues	2013 Actual	2014 Budget	2014 Estimate	2015 Request	2015 Proposed
Other Operating Revenues					
Forfeited Discounts	\$83,449	\$88,194	\$88,190	\$85,500	\$85,500
Miscellaneous Service	\$22,600	\$21,324	\$22,530	\$22,200	\$22,200
Rentals	\$118,338	\$113,100	\$112,240	\$113,820	\$113,820
Other	\$63,382	\$54,425	\$47,600	\$59,800	\$59,800
Total Other Operating Revenues	\$287,769	\$277,043	\$270,560	\$281,320	\$281,320
Income					
Merchandising & Jobbing	\$3,607	\$5,004	\$10,500	\$6,500	\$6,500
Interest	-\$4,604	\$20,000	\$16,300	\$20,000	\$20,000
Amort. on Long-term Debt Discounts	\$9,524	\$8,640	\$19,340	\$19,340	\$19,340
Miscellaneous Non-Operating	\$0	\$0	\$0	\$0	\$0
Total Income	\$8,527	\$33,644	\$46,140	\$45,840	\$45,840
Total Other Revenues	\$296,296	\$310,687	\$316,700	\$327,160	\$327,160
Total Sales and Other Revenues	\$8,370,564	\$8,286,477	\$7,954,650	\$7,964,160	\$7,964,160

**CITY OF NEENAH
2015 OPERATING BUDGET REQUEST
PROGRAM COMMENTS**

Department/Office: Water	Budget: Water Utility
Program: Enterprise Funds	Submitted by: Kent Taylor

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Expenses	2013 Actual	2014 Budget	2014 Estimate	2015 Request	2015 Proposed
Maintenance Expenses					
Source of Supply					
Supervision and Engineering	\$706	\$700	\$700	\$700	\$700
Lake and River Intake	\$8,695	\$11,090	\$11,090	\$12,000	\$12,000
Total Source of Supply	<u>\$9,401</u>	<u>\$11,790</u>	<u>\$11,790</u>	<u>\$12,700</u>	<u>\$12,700</u>
Pumping Expenses					
Supervision and Engineering	\$12,641	\$11,420	\$11,420	\$12,640	\$12,640
Structures and Improvements	\$105	\$500	\$500	\$500	\$500
Power and Production Equipment	\$5,228	\$2,420	\$1,210	\$5,000	\$5,000
Pumping Equipment	\$12,481	\$15,000	\$5,000	\$15,000	\$15,000
Total Pumping Expense	<u>\$30,455</u>	<u>\$29,340</u>	<u>\$18,130</u>	<u>\$33,140</u>	<u>\$33,140</u>
Water Treatment Expenses					
Supervision and Engineering	\$29,219	\$27,520	\$27,520	\$27,520	\$27,520
Structures and Improvements	\$191,179	\$114,220	\$10,000	\$198,000	\$198,000
Water Treatment Equipment	\$226,186	\$242,950	\$242,950	\$250,000	\$250,000
Total Water Treatment Exp.	<u>\$446,584</u>	<u>\$384,690</u>	<u>\$280,470</u>	<u>\$475,520</u>	<u>\$475,520</u>
Distribution Expenses					
Supervision and Engineering	\$22,279	\$21,910	\$23,270	\$23,500	\$23,500
Structures and Improvements	\$0	\$0	\$1,000	\$5,000	\$5,000
Reservoir and Standpipes	\$0	\$92,000	\$10,000	\$17,800	\$17,800
Mains	\$256,089	\$230,000	\$230,000	\$240,000	\$240,000
Services	\$82,495	\$80,110	\$80,110	\$81,000	\$81,000
Meters	\$1,509	\$2,280	\$2,280	\$2,300	\$2,300
Hydrants	\$54,729	\$20,000	\$20,000	\$10,000	\$10,000
Miscellaneous Plant	\$1,122	\$1,290	\$4,000	\$3,000	\$3,000
Total Distribution Expenses	<u>\$418,223</u>	<u>\$447,590</u>	<u>\$370,660</u>	<u>\$382,600</u>	<u>\$382,600</u>
General Plant					
SCADA					
Total General Plant	<u>\$45,914</u>	<u>\$44,030</u>	<u>\$44,030</u>	<u>\$50,000</u>	<u>\$50,000</u>
Total Maintenance Expenses	<u>\$950,577</u>	<u>\$917,440</u>	<u>\$725,080</u>	<u>\$953,960</u>	<u>\$953,960</u>

**CITY OF NEENAH
2015 OPERATING BUDGET REQUEST
PROGRAM COMMENTS**

Department/Office: Water	Budget: Water Utility
Program: Enterprise Funds	Submitted by: Kent Taylor

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Expenses	2013 Actual	2014 Budget	2014 Estimate	2015 Request	2015 Proposed
Operations Expenses					
Source of Supply					
O & M Supervision	\$709	\$700	\$700	\$700	\$700
Labor & Other Expenses	\$0	\$1,000	\$0	\$500	\$500
Total Source of Supply	\$709	\$1,700	\$700	\$1,200	\$1,200
Pumping Expenses					
O & M Supervision	\$12,641	\$11,240	\$11,240	\$12,500	\$12,500
Fuel or Power for Pumping	\$165,301	\$173,870	\$173,870	\$170,000	\$170,000
Pumping Labor & Expenses	\$90,803	\$82,800	\$82,800	\$86,590	\$86,590
Miscellaneous Expenses	\$16,020	\$17,080	\$17,080	\$17,100	\$17,100
Total Pumping Expense	\$284,765	\$284,990	\$284,990	\$286,190	\$286,190
Water Treatment Expenses					
O & M Supervision	\$31,669	\$31,140	\$31,140	\$31,140	\$31,140
Chemicals	\$527,168	\$627,900	\$550,000	\$550,000	\$550,000
Treatment Labor & Expenses	\$337,510	\$330,390	\$330,390	\$330,390	\$330,390
Miscellaneous Expenses	\$85,114	\$81,130	\$81,130	\$81,130	\$81,130
Commercial Dumpster	\$489	\$400	\$400	\$400	\$400
Total Water Treatment Exp.	\$981,950	\$1,070,960	\$993,060	\$993,060	\$993,060
Distribution Expenses					
O & M Supervision	\$32,277	\$32,940	\$32,940	\$32,940	\$32,940
Storage Facility Expenses	\$11,252	\$9,010	\$9,010	\$9,500	\$9,500
Water Main Expenses	\$105,959	\$106,550	\$106,550	\$106,550	\$106,550
Meter Expenses	\$44,141	\$93,000	\$44,000	\$44,100	\$44,100
Customer Installation	\$37,674	\$40,500	\$30,000	\$35,000	\$35,000
Miscellaneous Expenses	\$58,499	\$63,360	\$63,360	\$67,860	\$67,860
Total Distribution Expenses	\$289,802	\$345,360	\$285,860	\$295,950	\$295,950
Customer Accounts Expenses					
Supervision	\$33,184	\$38,090	\$38,090	\$38,090	\$38,090
Meter Reading	\$12,410	\$16,190	\$16,190	\$14,000	\$14,000
Customer Records & Collection	\$76,632	\$70,000	\$70,000	\$74,000	\$74,000
Uncollectable Accounts	\$18,985	\$2,500	\$2,500	\$3,000	\$3,000
Total Customer Expenses	\$141,211	\$126,780	\$126,780	\$129,090	\$129,090
Total Operations Expenses	\$1,698,437	\$1,829,790	\$1,691,390	\$1,705,490	\$1,705,490

**CITY OF NEENAH
2015 OPERATING BUDGET REQUEST
PROGRAM COMMENTS**

Department/Office: Water	Budget: Water Utility
Program: Enterprise Funds	Submitted by: Kent Taylor

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Expenses	2013 Actual	2014 Budget	2014 Estimate	2015 Request	2015 Proposed
Admin & General Expenses					
Admin & General Salaries	\$144,277	\$143,000	\$143,000	\$143,000	\$143,000
Office Supplies & Expenses	\$3,362	\$4,350	\$4,350	\$4,200	\$4,200
Outside Services	\$1,127	\$500	\$690	\$1,000	\$1,000
Auditing Services	\$12,484	\$14,790	\$14,790	\$14,000	\$14,000
Property Insurance	\$16,871	\$17,720	\$18,720	\$20,600	\$20,600
Liability Insurance	\$38,126	\$36,440	\$36,440	\$42,150	\$42,150
Rent	\$8,650	\$8,650	\$8,900	\$9,200	\$9,200
Pensions & Benefits/OPEB	\$358,287	\$424,950	\$424,950	\$425,000	\$425,000
Miscellaneous Expenses	\$15,908	\$16,770	\$16,770	\$16,770	\$16,770
Regulatory Commission	\$0	\$5,600	\$5,600	\$5,600	\$5,600
Total Admin & Gen. Expenses	\$599,092	\$672,770	\$674,210	\$681,520	\$681,520
Total Maintenance Expenses	\$950,577	\$917,440	\$725,080	\$953,960	\$953,960
Total Operations Expenses	\$1,698,437	\$1,829,790	\$1,691,390	\$1,705,490	\$1,705,490
Depreciation	\$1,425,422	\$1,490,000	\$1,430,000	\$1,434,000	\$1,434,000
Tax Expense					
PILOT	\$1,093,330	\$1,134,500	\$1,079,720	\$1,092,930	\$1,092,930
PSC Remainder Assessment	\$8,931	\$10,000	\$9,000	\$10,000	\$10,000
Payroll Tax	\$59,405	\$65,000	\$60,000	\$61,000	\$61,000
DNR Lake Withdrawal Fees	\$7,664	\$7,600	\$7,010	\$7,100	\$7,100
Total Tax Expense	\$1,169,330	\$1,217,100	\$1,155,730	\$1,171,030	\$1,171,030
Total Operating Expenses	\$5,842,858	\$6,127,100	\$5,676,410	\$5,946,000	\$5,946,000
Non-Operating Expenses					
Amortization of Property Loss	\$129,059	\$129,060	\$129,060	\$129,060	\$129,060
Interest on Long-term Debt	\$713,949	\$658,390	\$600,660	\$536,360	\$536,360
Amortization on Long-term Debt	\$18,144	\$18,140	\$18,150	\$13,050	\$13,050
Dividend on City Paid in Capital	\$32,274	\$32,270	\$32,270	\$32,270	\$32,270
Other Income Deductions	\$133,206	\$140,000	\$135,000	\$136,000	\$136,000
Borrowing Expense (Refunding)	\$69,113	\$0	\$0	\$0	\$0
Revenue Bond Retirement	\$2,785,339	\$2,334,300	\$2,415,420	\$2,531,530	\$2,531,530
Total Non-Operating Expenses	\$3,881,084	\$3,312,160	\$3,330,560	\$3,378,270	\$3,378,270
Total Expenses	\$9,723,942	\$9,439,260	\$9,006,970	\$9,324,270	\$9,324,270

**CITY OF NEENAH
2015 OPERATING BUDGET REQUEST
PROGRAM COMMENTS**

Department/Office: Water	Budget: Water Utility
Program: Enterprise Funds	Submitted by: Kent Taylor

DRAFT

Neenah Water Utility Operating Budget Summary

Category	2013 Actual	2014 Budget	2014 Estimate	2015 Request	2015 Proposed
Total Sales of Water	\$8,074,268	\$7,975,790	\$7,637,950	\$7,637,000	\$7,637,000
Total Other Revenues	\$296,296	\$310,687	\$316,700	\$327,160	\$327,160
Borrowed For Operations	\$0	\$0	\$0	\$0	\$0
Total Sales and Other Revenues	\$8,370,564	\$8,286,477	\$7,954,650	\$7,964,160	\$7,964,160
Depreciation	\$1,425,422	\$1,490,000	\$1,430,000	\$1,434,000	\$1,434,000
Admin and General Expenses	\$599,092	\$672,770	\$674,198	\$681,520	\$681,520
Maintenance Expenses	\$950,577	\$917,440	\$725,080	\$953,960	\$953,960
Operation Expenses	\$1,698,437	\$1,829,790	\$1,691,390	\$1,705,490	\$1,705,490
Tax Expense	\$1,169,330	\$1,217,100	\$1,155,730	\$1,171,030	\$1,171,030
Total Operating Expenses	\$4,417,436	\$4,637,100	\$4,246,410	\$4,512,000	\$4,512,000
Total Non-Operating Expenses	\$3,881,084	\$3,312,160	\$3,330,560	\$3,378,270	\$3,378,280
Total Expenses	\$9,723,942	\$9,439,260	\$9,006,970	\$9,324,270	\$9,324,280
Other Funds Available					
Revenue Bond	\$0	\$0	\$0	\$0	\$0
Assessments	\$0	\$0	\$0	\$0	\$0
Total Other Funds Available	\$0	\$0	\$0	\$0	\$0
Other Expenses					
Utility Funded CIP Not Included Above	\$1,082,702	\$819,400	\$819,400	\$1,133,200	\$1,133,200
Assessable Projects	\$0	\$0	\$0	\$0	\$0
Projects Paid By Revenue Bond	\$0	\$0	\$0	\$0	\$0
Water Treatment Plant	\$0	\$0	\$0	\$0	\$0
Total Other Expenses	\$726,660	\$970,000	\$0	\$0	\$0



Memo

To: Neenah Water Commission

From: Kent Taylor

Date: 10/16/2014

Re: Succession Planning and/or Position Replacement Planning

Succession planning is a priority throughout the water industry. We need to be prepared for the upcoming changes rather than overwhelmed by them. As an organization we are on the verge of a sizeable employee turnover. The potential loss of institutional knowledge associated with the anticipated employee turnover is major.

The drivers of the problem include, the potential for future increased regulatory compliance issues, the inability to quickly and effectively respond to changes and emergencies, the permanent loss of critical operational knowledge, and the fact that we already incorporate a lean management and labor pool.

I would like to discuss the need to develop a succession plan, and/or position replacement plan for our key positions. There are many outlines and models available to enhance this process. I will look to the professional water organizations American Water Works Association (AWWA), and Wisconsin Water Association (WWA), both have valuable information on this subject matter.

Presently, we are updating job descriptions in conjunction with the City of Neenah Performance Management Plan. This is one of the first steps to undertake towards succession planning. From there we need to utilize technology to automate and document all of our processes, then train those employees that are interested in development, and/or then look outside the organization as needed. This is a general overview at best; we will need to work with the City Human Resource Department to formulate a plan that is specific for our organization.

**Directors Report
October 20, 2014**

1. Leak detection and leak correlation results. Since April 2014, Utility distribution employees have surveyed the entire distribution system and continue to search for leaks.

Distribution employees have found eight water main leaks, eight fire hydrant related leaks, and two water service leaks. The estimated “lost water” associated with the aforementioned leaks is approximately 60 – 65 million gallons.

2. Contractors are still working on repairing the fencing at the water filtration plant. The North gate is being hardened in the security sense, that work is presently being done also.
3. Mike Urban by DHI distribution system modeling training update.
4. Non-billable water report.
5. The Towerview Drive water tower will be drained starting October 19th. Dixon Engineering will be doing a “dry inspection” of the tank. The water tower may be offline until October 24th.
6. The next Water Commission Meeting is scheduled for November 17, 2014.

**NEENAH WATER UTILITY
PRODUCTION/UNBILLED WATER REPORT**

**THREE MONTH TOTALS
(1000 GALLONS)**

USAGE PERIOD	RAW WATER	FINISHED WATER	BILLED WATER	UNBILLED ACCOUNTED	% UNBILLED
CURRENT THREE MONTHS (June, July, August)	327,530	315,470	239,506	47,990	10.46%
MOST RECENT THREE MONTHS (May, June, July)	329,890	316,870	234,980	39,499	15.28%
1 YEAR AGO (June, July, August)	390,860	371,300	263,046	50,231	18.07%

**DAILY AVERAGE
(MGD)**

USAGE PERIOD	RAW WATER	FINISHED WATER
September-14	3.21	3.09
August-14	3.53	3.39
September-13	3.92	3.75

Storm Water Citizen's Advisory Board
Monthly Report
October 15, 2014

1. At their October 1 meeting, Nick Vande Hey from McMahon presented to the Neenah Common Council an update on the city's storm water management plan. The discussion with Council highlighted several areas that need additional work, including public education. Staff is viewing the City website updates that are in process as an opportunity to provide this information.
2. Staff continues to evaluate the Neenah Foundry property located at Winneconne Avenue and Harrison Street for a potential detention pond site. Staff has had several meetings with Neenah Foundry representatives regarding site acquisition. Staff is preparing information for a future Finance & Personnel Committee meeting about this issue.