

## **REGULAR MEETING OF THE KIMBERLY WATER COMMISSION**

**JUNE 30, 2009**

Chairman Price called the meeting to order at 4:30 p.m. Members present for roll call were Commissioner Johnson, Stienen, Strick and Chairman Price. Also present was Lee Stumpf of Erickson & Associates.

Commissioner Strick moved, Johnson seconded the motion to approve the minutes of the May 26<sup>th</sup> Meeting as prepared. The motion carried by unanimous vote of the Commission.

Commissioner Strick moved, Johnson seconded the motion to approve the Request for Payment Number Two from Don Hietpas and Sons for the 2009 Kimberly Avenue Watermain Project in the amount of 54,463.80. It was noted that the project is completed. There is still about \$7,000 left on the contract and about \$4,000 in retainage remaining on the contract. The motion carried by unanimous vote of the Commission.

Lee Stumpf of Erickson & Associates reviewed the 2008 Audited Financial Statements with the Commission. We have received a clean report, with no issues regarding accounting or management of the utility. The balance sheet and income statement were reviewed in detail, noting that the profit was reduced in 2008 due to lost revenue from the mill shut down, and a reduction in sales to Combined Locks and Darboy (it was noted that the Combined Locks Mill also reduced production in 2008, reducing our water sold to Combined Locks). A simplified rate case has been submitted for 2009, and has been approved to be effective July 1, 2009. Water lost was below 3%, which is very good for any water utility. Return on investment was .86%, down significantly from 2007. However, the drop in sales for wholesale should recover this year and industrial will be in flux until a new operator for the Kimberly Mill is found.

Commissioner Strick moved, Stienen seconded the motion to approve the 2008 Audited Financial Statements as presented. The motion carried by unanimous vote of the Commission.

The Commission reviewed the Sanitary Survey by the Wisconsin DNR. The major issues are backflow preventers in homes, and the backflow preventer on bulk water sold at hydrants. The later is easily fixed by establishing a vending point at the Street Department site. The residential inspection issue is being suggested to coincide with meter changes every eight (8) years. We will be responding to Amy Kubly with that recommendation. It was suggested that we discuss how best to address the back flow prevention in homes, with Commissioner Stienen suggesting a backflow preventer at the meter. Some utilities are using back flow prevention at each threaded spicket.

The Commission reviewed the correspondence from the Fox Cities Groundwater Partnership. As a method of water conservation, their main focus is encouraging utilities to work towards progressive rates (increase with usage) as opposed to the current system of regressive rates

(decrease with usage). It is felt that by penalizing for high usage, we will encourage conservation of this precious resource. The Commission took no action at this time, and will consider this option for future reference.

The flow sites still in use will be investigated when Gary Rosenbeck returns from Michigan.

Commissioner Strick moved, Stienen seconded the motion to approve the bills and claims for the month of June as presented. The motion carried by unanimous vote of the Commission.

Commissioner Johnson moved, Stienen seconded the motion to approve the financial statements for the month of June as presented. The motion carried by unanimous vote of the Commission.

Commissioner Johnson moved, Strick seconded the motion to adjourn into Closed Session per the attached agenda. The motion carried by unanimous vote of the commission.

Commissioner Stienen moved, Stienen seconded the motion to reconvene into open session per the posted Agenda. The motion carried by unanimous vote of the Board.

Commissioner Stienen moved, Strick seconded the motion to grant mid-year salary adjustments for both operators as recommended. The motion carried by unanimous vote of the Commission.

Commissioner Johnson moved, Strick seconded the motion to accept the resignation of Superintendent Klein. The motion carried by unanimous vote of the Commission.

Commissioner Johnson moved, Strick seconded the motion to adjourn. The motion carried by unanimous vote of the Board.

Rick J. Hermus  
Secretary