

REGULAR MEETING OF THE JEFFERSON UTILITIES COMMISSION, HELD APRIL 9, 2018

On call of the roll, commissioners present were: Tinberg, Ristow, Adams, Beyer and Oppermann. Also present: Utility Manager Adler and Office Manager Statz. Absent were: Brandel and Michaelis. The meeting began at 5:31 p.m.

PUBLIC PARTICIPATION

None

MINUTES

The approval of the March 12, 2018 minutes was postponed until the next meeting until more members were present from that meeting.

It was moved by Comm. Ristow and seconded by Comm. Oppermann to approve the closed session minutes from the February 12, 2018 meeting. Motion carried on a voice vote. Comm. Tinberg abstained due to his absence.

EXPENDITURES

It was moved by Comm. Ristow and seconded by Comm. Beyer to approve the payment of March's bills totaling \$1,040,257.03. On call of the roll, motion carried. (Oppermann – Aye, Beyer – Aye, Ristow – Aye, Adams – Aye, Tinberg – Aye)

APPROVAL OF ELECTRIC CONTRACT WITH JEFFERSON CURRENT ELECTRIC FOR WORK IN FIREHOUSE ALLEY - \$81,991.65 MAXIMUM CONTRACT AMOUNTS

Utility Manager Adler presented the bids for work in Firehouse Alley. He stated that the utility will open the trench ourselves, which will reduce the bid considerably. He was recommending that the utility contract with Jefferson Current Electric for the work. With the utility subcontracting ourselves for the open trench work, Utility Manager Adler estimated that the cost for the project would be reduced to about \$40,000 to \$50,000.

Comm. Ristow asked about the timeline of the project.

Utility Manager Adler stated that the utility needed to be in and out by July 1, 2018.

Comm. Ristow questioned if the subcontractor work would be more than \$25,000, if so a public notice would be required.

Utility Manager Adler stated that it would not be more than \$25,000 for the subcontractor.

Comm. Ristow requested to have the minutes reflect that the project cost will be reduced by work done in house or by a subcontractor. The estimate for Jefferson Current Electric's final cost is about \$50,000.

It was moved by Comm. Tinberg and seconded by Comm. Oppermann to approve a contract with Jefferson Current Electric for work in Firehouse Alley. On call of the roll, motion carried unanimously. (Beyer – Aye, Ristow – Aye, Oppermann – Aye, Tinberg – Aye, Adams - Aye)

DISCUSSION AND UPDATE ON CREDIT CARD PROCESSOR

Office Manager Statz gave an update on the changeover from Paymentus to Payment Service Network. She stated that it has been a smooth transition and so far staff is very pleased with the new services. She stated that the office staff has been marketing the new processor on Facebook and will have a bill insert for customer in the April bills. In addition to more payment options, the processing fee has been reduced to \$2.99 per \$300.00 transaction.

DISCUSSION AND APPROVAL OF DEPOSIT REQUIREMENTS FOR DELINQUENT ACCOUNTS

Office Manager Statz stated that within the last couple of years, the topic of requiring deposits has come up a few times. Currently, the utility does not enforce the right to require deposits from customers.

Office Manager Statz questioned if the commission would like staff to move in that direction. She stated that she has seen other utilities require deposits after a customer has been disconnected, not paid a balance during the winter moratorium and/or after a bankruptcy.

Comm. Tinberg asked how many customers would be affected by requiring a deposit.

Office Manager Statz stated that it would depend on how the utility decided to enforce it. She stated that during a typical month, the utility disconnects about 30 customers. In addition, she would expect about 100-150 customers would be required to provide a deposit coming out of the winter moratorium.

Comm. Ristow asked how much money would be required for a deposit.

Office Manager Statz stated that we could only charge up to the highest two months of past bills. So even if a customer did not pay all winter long, the maximum we could charge would not come close to cover their balance if they didn't pay for many months. Some customers have balances between \$1,000 and \$1,500.

Comm. Ristow questioned how much staff time would be required to take this on.

Office Manager Statz stated that it would take significant time to track and enforce these deposits.

Comm. Ristow stated that he wasn't sure if the staff time involved would be worth the benefit. He stated that he recalled the commission wanting to pursue deposits for commercial customers, as those bills are inherently much larger.

Comm. Tinberg agreed with Comm. Ristow's statements. He stated that in his experience he has typically seen deposits for commercial customers more so than for residential. In addition, he felt that if we were to pursue deposits for residential customers, he would see that policy being set up in a way that a residential customer would have to continually be disconnected before a deposit would be required.

Comm. Oppermann asked how many deposits have been required in the past and what occurred to initiate that process.

Office Manager Statz stated that during her time at the utility, she has not required any deposits. However, when she started, there were about five on the books. It was her belief that those deposits were pursued because of non-payment.

Comm. Beyer questioned if those deposits helped the utility financially.

Office Manager Statz stated that the accounts that were required to put down a deposit did not have better payment practices. In fact, she received phone calls from some of those customers asking to use the deposit as payment of a past due amount. She didn't believe that the deposits helped the utility necessarily, other than holding on to the customer's funds.

Comm. Beyer asked if the utility offered a budget plan for customers.

Office Manager Statz stated that the utility does offer a budget program, but in order to participate customers need to start with a zero balance and have to make each budget payment in full and on time every month. If they miss a payment they are kicked off, as they are not charged late fees. She was not sure that customers we would be requiring deposits from would be eligible for the budget program.

Comm. Beyer questioned how other utilities are using deposits.

Office Manager Statz stated that she reached out to other utilities and did not receive any responses back other than that they follow the Public Service Commission's guidelines.

Comm. Ristow asked if we could reach out to Alliant and WE Energies to see how they deal with deposits.

Office Manager Statz asked the commission if they wished to continue the discussion of deposits for residential and commercial customers.

Comm. Tinberg stated that he felt those were two different discussions and would not be solved in one meeting. It was his position that the commission begins discussions on commercial deposits, as those tend to be a higher risk to the utility in the event of a bankruptcy.

It was moved by Comm. Ristow and seconded by Comm. Tinberg to table the discussion of deposits until more information can be gathered. Motion carried on a voice vote.

DISCUSSION AND APPROVAL OF POSTING FOR OFFICE VACANCY – CUSTOMER ACCOUNTS CLERK POSITION

Utility Manager Adler stated that with the resignation of Liz Nitardy, there is now a vacancy in the office. He was requesting authorization to post for the position.

Comm. Oppermann stated that he would like to wait 90 days before posting for the open position, so other possible efficiencies can be explored.

Comm. Tinberg felt that 90 days was too long to wait, as hiring a new individual would take time and once they started it would take additional time to train them.

It was moved by Comm. Oppermann, seconded by Comm. Adams to post the open position in 60 days. The motion failed on a voice vote.

Comm. Beyer asked what the position was responsible for.

Office Manager Statz stated that the position was the first point of contact for customers, including payments and phone calls. In addition the position was responsible for coordinating the cross connection program, the state debt collection program and disconnections. The second Customer Accounts Clerk position has taken on the lead service replacement program in addition to assisting customers. Both positions act as support for the Office Manager and Utility Manager. Their main focus however, is customer service.

Comm. Ristow questioned if a temporary worker would be helpful.

Comm. Beyer questioned if we would be short-handed if we waited to advertise.

Office Manager Statz stated that the utility would be short-handed. As it sits right now, she and Utility Manager Adler were unsure how all of the meter reading was going to be completed. She and Utility Manager Adler spoke with the part-time meter reader to see if he could take on more hours. He is unable to do so. In addition to the normal work load, disconnections will begin soon, which will create more customer interactions and will take away from any meter reading time available by the Meter Technician.

Office Manager Statz asked Comm. Oppermann what efficiencies he is looking to explore within the 90 window he first suggested.

Comm. Oppermann stated that he would like that time to have a joint meeting with the Common Council and Utilities Commission to discuss some of the suggestions in the efficiency study.

Comm. Tinberg suggested that we wait until next month's meeting to see how things are going and decide from there what to do.

It was moved by Comm. Tinberg and seconded by Comm. Ristow to table this discussion until next month's meeting. Motion carried on a voice vote.

COMMUNITY CONTRIBUTIONS – JEFFERSON PUBLIC LIBRARY SUMMER READING PROGRAM

It was moved by Comm. Beyer and seconded by Comm. Tinberg to approve a \$500.00 donation to the Jefferson Public Library Summer Reading Program. On call of the roll, motion carried. (Beyer – Aye, Ristow – Aye, Oppermann – Aye, Tinberg – Aye, Adams - Abstained)

It was moved by Comm. Ristow, seconded by Comm. Tinberg to adjourn. Motion carried on a voice vote. The meeting was adjourned at 6:16 p.m.

PRESIDENT

SECRETARY