

WATER AND LIGHT COMMISSION MINUTES

REGULAR MEETING

NOVEMBER 21, 2011

The regular meeting of the Water and Light Commission was called to order in the Worthington Public Utilities Conference Room at 7:00 A.M., CST, by President Robert J. Demuth with the following members present: Randy Thompson and Gary Hoffmann. Absent were James Elsing (unexcused) and Ron Wood (excused).

Staff members present were Scott Hain, General Manager; Deb Scheidt, Secretary to the Commission

Others present: None

AGENDA ADDITIONS/CLOSURE

A motion was made by Commissioner Hoffmann, seconded by Commissioner Thompson and unanimously carried to close the agenda as presented.

WATER AND LIGHT COMMISSION MINUTES

A motion was made by Commissioner Hoffmann, seconded by Commissioner Thompson and unanimously carried to approve the Water and Light Commission minutes of the regular meeting held November 7, 2011.

FINANCIAL STATEMENTS AND STAFF REPORTS

A motion was made by Commissioner Hoffmann, seconded by Commissioner Thompson and unanimously carried to accept the financial statements and the staff reports for October 2011.

WASTEWATER DEPARTMENT 2012 STRATEGIC FINANCIAL PLAN

Scott Hain, General Manager, presented the 2012 Wastewater Department Strategic Financial Plan to the Commission. The plan included the Worthington Public Utilities purchasing policy, the Wastewater Department budget, five-year operation and maintenance expense summary, five-year capital improvement program, equipment and vehicle revolving schedule, five-year flow of funds summary, water rate schedule and typical bills and the reserve account policy.

Mr. Hain reported that the total proposed 2012 operation and maintenance (O&M) budget showed a \$13,388 (1.0%) increase over the 2011 O&M budget with a significant portion of the increase attributable to increased costs for chemical, electricity and outside laboratory services. The proposed 2012 capital improvement budget included a \$25,480 (6.3%) increase in "new money" expenditures over the 2011 capital improvement budget. In order to generate adequate revenue to fund expenditures contained in the 2012 budget, it was proposed that the monthly connection charge increase from \$14.87 to \$15.16 and that the usage rate increase from \$3.004 to \$3.010 per 1,000 gallons. The net effect of

the proposed rate change to an average residential customer would be an approximate \$0.33 (1.0%) increase in their monthly sewer bill.

After discussion, a motion was made by Commissioner Hoffmann, seconded by Commissioner Thompson and unanimously carried to approve the 2012 Wastewater Department Strategic Financial Plan as presented.

2012 SEWER SERVICE CHARGE SYSTEM

Pursuant to City Ordinance, the City Council must formally adopt changes to the Sewer Service Charge System at least thirty days prior to any adjustments becoming effective. A copy of the Sewer Service Charge System was provided to Commission members for their review which included the proposed 2012 sewer rates as presented in the 2012 Wastewater Department budget.

After a brief review, a motion was made by Commissioner Thompson, seconded by Commissioner Hoffmann and unanimously carried to make a formal recommendation to the City Council that they adopt the 2012 Sewer Service Charge System.

SUBSTATION TIE TRANSMISSION PROJECT UPDATE

Scott Hain, General Manager, provided the Commission with an update on the substation tie transmission project.

STREET LIGHTING COST RECOVERY

Scott Hain, General Manager, discussed with the Commission with a proposed revised methodology for recovering the costs associated with providing street lighting throughout the community beginning in 2012. Mr. Hain indicated that he had discussed the proposed methodology with City staff and they were receptive to the concept. The Commission expressed their support for pursuing the revised method of street lighting cost recovery.

UTILITY BILLS PAYABLE

A motion was made by Commissioner Thompson, seconded by Commissioner Hoffmann and unanimously carried to approve the utility bills payable totaling \$119,263.28 for November 11 and November 18, 2011.

ADJOURNMENT

A motion was made by Commissioner Hoffmann, seconded by Commissioner Thompson and unanimously carried to adjourn the meeting at 7:59 A.M., CST. President Demuth declared the meeting adjourned.

Secretary to the Commission