

**Regular Lake Geneva Utility Commission Meeting  
Thursday, October 15, 2015 - 4:00 PM  
Utility Commission Office - 361 W Main Street**

**Minutes**

**Call Meeting to Order by Pres. Brellenthin at 4:00P.M.**

**Roll Call - Members Present:**

Pres. Brellenthin, Dennis Lyon, Ann Esarco, Mike Kocourek, Mayor Connors Ald. Jeff Wall & Ald. Rich Hedlund. Guests in attendance were Chris Schultz of the Lake Geneva Regional News, City Administrator Blaine Oborn, Billing Clerk Wendy Novak, Bookkeeper Marilyn Kolb, Greg Kolb, Maureen Winkler, Office Manager Cindy Borkhuis, Floyd Borkhuis, Water Superintendent Kent Wiedenhoeft and Wastewater Superintendent Scott Tesmer.

**Comments from the Public as allowed by Wis. Stats. § 19.84(2), Limited to items on this agenda, except for public hearing items. Comments will be limited to 5 minutes.**

**Wendy Novak** –Billing Clerk at the Water Department: Collects water payments inside and at the drive up window. The drive up is very convenient for the elderly, handicapped, and customers with small children. There is also a drop box for payments as well. The three office staff rotate lunches so there is always coverage. There are 20 thousand bills that go out each year. Many of the customers pay in person. The equipment that is needed to do meter reading and move outs is located in this building. The employees at the Utility do not come and go. We come, provide years of dedicated service and retire. That says a lot.

**Cindy Borkhuis** –Office Manager and has worked here for 25 years. We are conscience of our spending, we always get the best prices for our needs and not our wants. The Utility sees itself as part of the community. Our new addition cost \$300,000. If the office is moved or closed what will happen to that? What will happen to customer support? The office is a very busy place as it is. \$2,000,000 per year is billed and collected, we provide many customer services, contractors needs and right-of-way permits of all kinds are issued here. All three office staff are necessary to run the office. The Director's office is within ear shot of all of the activity and can step in as necessary if problems should occur in the front office. We have very few customer complaints. Co-ordination between contractors, the utility and the customer works well under one roof. All maps and files are stored and maintained here and shared by all. We work as a fine oiled machine.

**Marilyn Kolb** –Bookkeeper. We serve many customers. Many need the drive up window. We stagger lunches and always put our customers first. Digger's Hot Line emergency tickets are handed out immediately. There are 1,200 venders and 4,500 invoices were handled in 2014. \$46,000 is the cost to merge with the City software. Where is the efficiency? She has worked here for 18 years and seen a lot of changes at City Hall. Dozens of employees, Alderman and Committee members have come and gone. We are presently on our 3<sup>rd</sup> City Administrator, 5<sup>th</sup> Comptroller and 6<sup>th</sup> City Clerk. While here at the Utility Department we come and stay. This creates continuity and harmony of duties and responsibilities.

**Greg Kolb** –Lifelong resident and tax payer. Why change, why rush? Why have this decided at the next Council meeting? Is this happening over something as small as different employee manuals? The Commission has worked this way for 70 years. Mayor and Alderman on the Commission look carefully at everything. Transparency of the change is requested to inform the Citizens. Change to taxpayers cost, what will the effect be to employees? Make the change within one month, why? After 70 years?!

**Kent Wiedenhoeft** –Water Superintendent. He is concerned about the continuity and the safety of the Water Department continued compliance. We were voted 2010 best water utility of the year. It is still great. We have had two perfect sanitary survey comprehensive facility inspections by the DNR which is unheard of. Why change what is running well and jeopardize that efficiency. Suggested to make the Mayor the President of the Commission if there is a feeling that the City is not aware of the Commission’s activities. His main concern is safety and compliance.

**Scott Tesmer** – Wastewater Superintendent. Came in 2000 with 12 years of experience from a place that had the same commission setup as ours is now. When he got here he was surprised on the deplorable condition the City Council overseen wastewater treatment plant was in. Because of the broken equipment in head works, a problem was created in the ditch. If left could have created DNR violations. After the Commission took over, the problem was corrected. We now have a top-notch operation. We work more efficiently, we went from five full time employees to three as part of the Commission governance.

**Sarah Hill – Alderman.** The 2010 award speaks to the Utility and service provided. From operations- does not expect the operation to change. There would be no moving the office or files. Just looking at changing how it’s administrated.

### **Approve Minutes of the Previous Meeting**

Motion by Mike Kocourek to approve the minutes of the previous meeting as presented, 2<sup>nd</sup> by Ald. Hedlund. Passed 7-0.

### **Acknowledgement of Correspondence: - None**

### **Agenda Items**

#### Continued Discussion-City Administrator Recommendation on Reorganization Including Utility Commission and Utility Staff Response on Impacts Including Recommendations.

Director Winkler spoke about the personnel meeting of September 24<sup>th</sup>, and ultimately the Council will make a decision. There are three recommendations to present.

Directors recommendations:

#1 Hire a consultant to review cost for consolidating the servers and have software at hand to be able to cost change. Cost to change physical location would cost more to review. Can look at independently, possible organizational structures, and provide costs with the pros and cons.

#2 Items A – H: Items C/D/E are all either in the process or ok. Item F is ok but we would seek lowest bid. Item G not a problem to be decided. Item H is not a problem.

#3 Memo dated 10/15/15 Leave the Commission form of Governance in place and appoint the City Administrator to the Utility Commission.

The Council has had the power to make the change for 70 years. Why pull the trigger without sitting at the table. Include the City Administer. A Baker-Tilly consultant could have a proposal ready for November’s meeting. We would fully understand the options and costs of a merger. They manage our operating software and can calculate all cost changes. Moving to City Hall would be very expensive. Sarah Hill and Jeff Wall never have had any intention of considering the Utility Office moving to City Hall. Rich Hedlund said he has lived here for 30 years and this Utility runs as best as any. He is concerned why isn’t this a committee of the council, but isn’t considering any move of the operation from where it currently runs. Elected officials should have more say in how the money of the Utility is spent. He wants more oversight. He never expected people to move or the facility to move. There was no talk about merge of moving or replacing people, just the Commission should be a committee. Budget should be reviewed and managed by the Council.

Burly stated we already have mayor and two council members on the Commission. We are operating as a business. Dennis Lyon stated he was in corporate operations management. Be very cautious about this move and take the time to think through it very carefully. They provide 24 hour a day, 7 days a week, can't have cost over-run. Water and sewer must run. Maybe some administrative improvements can be achieved or tweaked. Oversight levels of local authority post audit. Mayor Connors / Rich Hedlund who would be on the new committee. Comments - in favor of similar structure and add the City Administer. Adopt City handbook, establish budget, roll audit into City audit. Burly gave background on why the Utility has a separate audit. Commission wanted it done by April or May and the City was getting the audit more than a year out.

Mayor Connors stated the City audit is now more timely. Rate increase will be the first in 25 years. Public Service Commission recommended a 6% return. Commission went with 2%. Just to keep rate increase at 33%. Work toward best practice. Eliminate stipend. Eliminate dinner or we can pay own way. Ald. Wall spoke about the Christmas dinner and stipend. No one should get it. Blaine needs some control of works comp. Work on the handbook. Talked about the compensation study and the Utility not participating. Dan stated that we were asked if we wanted to participate. For the Utility our own analysis of other utilities is more valuable to the Commission and more cost effective than hiring somebody to obtain the same information. That is why we declined the offer. When it comes to raises the Utility tries to mirror the City. Mayor Connors stated the compensation study should include the entire City. Mayor Connors asked Blaine if anything was missing. Blaine appreciates review of issues. Oversight is needed. He likes the consideration of putting the administrator on the Commission.

Motion by Mayor Connors to include items D – H on November's Utility agenda and to implement actionable items. Handbook, budget, audit, stipend/dinner, refrain from spending outside water and sewer, 2<sup>nd</sup> Ald. Wall. Passed 7-0.  
Item C is done. Items A & B the Council to decide.

Motion by Mayor Connors to have City Administrator on the Utility Commission in place of an alderman, 2<sup>nd</sup> Ald. Wall. Passed 7-0.

**Director's Report:**

Financials Update

Water

EOM Cash Position	\$ 1,066,000
Project Commitments	\$ 28,000
Upcoming Projects	\$ -TBD-

Sewer

EOM Cash Position	\$2,370,000
Project Commitments	\$1,519,000
Upcoming Projects	\$ -TBD-

Motion by Ald. Wall to approve the financials as presented, 2<sup>nd</sup> by Ald. Hedlund. Passed 7-0.

**Review and Payment of Bills:**

Motion by Dennis Lyon to approve the bills as presented, 2<sup>nd</sup> by Mike Kocourek. Passed 7-0.

Next meeting is scheduled for November 12, 2015, at 4:00 P.M.

**Adjournment:**

Motion by Ald. Hedlund to adjourn the meeting, 2<sup>nd</sup> by Ald. Wall. Passed 7-0.

Meeting adjourned at 5:06 P.M.



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Secretary

CLB 10/16/15