

**PUBLIC UTILITIES COMMISSION MEETING
CITY OF HUDSON, WISCONSIN
TUESDAY, JULY 14, 2020**

Chairperson Andy Hassan presiding. Meeting called to order by Hassan at 6:00 p.m.

PRESENT: Andy Hassan, Chairperson; Suzy Korum, Vice Chairperson; Joyce Hall, Pat Nolan, and Kurt TeWinkel, Commissioners; Mary Wekkin, North Hudson Liaison.

ABSENT: Dave Prissel, Commissioner.

ALSO PRESENT: Kip Peters and Jace Holzemer, Hudson Public Utilities; Mike Johnson, City Community Development Director; Jonathan Sherwood, CPA, CLA; Lawrie Kobza, Boardman & Clark LLP; Nate Skoog, River Channel – Hudson Community Access TV.

APPROVAL OF JUNE 9, 2020 MEETING MINUTES: Wekkin asked that the discussion on whether the North Hudson representative to the Commission can vote be included in the June 9 meeting minutes.

Discussion followed on whether the North Hudson representative to the Commission can vote. It was the consensus of the Commission to direct Peters to contact the City's Attorney for an opinion on the issue and to record Wekkin's vote until an opinion can be obtained.

Motion by Hall, second by Nolan to approve the minutes of the June 9, 2020 Public Utilities Commission meeting with the noted addition. **MOTION CARRIED.**

DISCUSSION AND POSSIBLE ACTION ON 2019 PUBLIC SERVICE COMMISSION (PSC) REPORT: Jonathan Sherwood, CPA, CLA presented a summary of the Utility's 2019 Public Service Commission (PSC) Report. It included explanations of the Utility's revenue and expense statements, balance sheet, and rate of return. Wekkin asked why irrigation meters are not counted separately in the audit. Sherwood said irrigation meters are included in the other classifications listed in the table. Wekkin also asked why 3" and 4" meters were not tested in 2019 as noted in the report. Peters said he believes larger meters need to be tested every 2 - 4 years and that Utility personnel have been heavily involved with the meter replacement/cross connection inspection project.

Motion by Hall, second by Korum to approve and place on file the Utility's 2019 PSC Report. **MOTION CARRIED.**

DISCUSSION AND POSSIBLE ACTION ON MEMO REGARDING CONTINUED WATER SERVICE TO NORTH HUDSON: Peters said at an ad-hoc meeting held on June 30, Village of North Hudson representatives stated the village was not interested in consolidation of water distribution systems and wanted to renegotiate the 1983 water service agreement between the City of Hudson and Village of North Hudson. He then said because the Village was not interested in consolidation, the alternative would be for the Village to become a wholesale water customer. Peters then presented a memorandum from Attorney Lawrie Kobza, Boardman & Clark, regarding the water service agreement and what would need to be done by the City and Village so the Village to become a wholesale water customer. Kobza reviewed her memorandum. Discussion followed on the water service options between the City and Village and water quality responsibility questions.

Peters said if the Commission recommends the City renegotiate or terminate the 1983 water service agreement with the Village, it should forward Kobza's memorandum and its recommendation to the Common Council.

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Motion by Hall, second by Korum to forward Kobza's memorandum and recommend that the Common Council terminate the 1983 water service agreement between the City of Hudson the Village of North Hudson by October 1, 2020. Roll call vote. 5 ayes. Wekkin voting no. **MOTION CARRIED.**

DISCUSSION AND POSSIBLE ACTION ON ISSUANCE OF CREDIT ON PUBLIC FIRE PROTECTION FOR IRRIGATION ACCOUNTS: Peters presented an issue sheet regarding the issuance of credit on public fire protection charges for irrigation accounts. He said during the 2020 rate case audit the Utility discovered it has been inadvertently charging public fire protection for irrigation accounts. He said credit will be issued for ten (10) quarters from the 4th quarter of 2017 through the 1st quarter of 2020 including accrued interest to the affected accounts. A total of approximately 275 accounts were affected with an amount of approximately \$135,420.00 credited. Peters also presented a spreadsheet listing the affected accounts and letters to be sent Utility customers whose accounts were affected.

Motion by Hall, second by Korum to authorize the Utility Director and City Finance Director to issue credit on public fire protection for irrigation accounts. **MOTION CARRIED.**

DISCUSSION AND POSSIBLE ACTION ON THE WASTEWATER TREATMENT PLANT IMPROVEMENT PROJECT – MAGNEY CONSTRUCTION, INC PAY REQUEST #1: Peters presented Magney Construction's pay request #1 for the Wastewater Treatment Plant Improvement Project. He said the project is progressing as scheduled.

Motion by Hall, second by Nolan to approve Magney Construction's pay request #1, as recommended by SEH, in the amount of \$263,976.50 for the Wastewater Treatment Plant Improvement Project. **MOTION CARRIED.**

PROJECT UPDATES/PROJECT STATUS REPORT: Peters reviewed the report.

OTHER BUSINESS FOR INFORMATION PURPOSES ONLY OR FOR UPCOMING AGENDA: Peters said information on the vehicle storage building will be presented at the August meeting.

WATER AND WASTEWATER UTILITY'S CASH REPORTS: The water and wastewater utility's monthly cash reports were presented for the Commission's review.

DISCUSSION AND POSSIBLE ACTION ON THE CLAIMS: Wekkin had questions about two claims. Peters answered the questions. Motion by Hall, second by TeWinkel to approve claims as reviewed by Commissioners. **MOTION CARRIED.**

ADJOURNMENT: Motion by Hall, second by Korum to adjourn. **MOTION CARRIED.** – 7:15 p.m.

Jace Holzemer,
Recording Secretary