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September 3, 2013

A Working Session of the Municipal Service Commission of the City of Wyandotte, Michigan, was held at the office of the Commission On Tuesday, September 3, 2013 at 4:00 P.M.

ROLL CALL: Present: Commissioner - James S. Figurski
Michael Sadowski
Gerald P. Cole
Frederick C. DeLisle
Leslie G. Lupo

General Manager
& Secretary - Rod Lesko

Also Present - Paul LaManes
Bill Weirich
Valerie Hall
Mike Pente

Paul LaManes, Assistant General Manager giving overview of highlights of Water Budget for 2013/2014.

Labor Negotiations

We are in preparation for Labor Negotiations.

Wages

Adjustments have been budgeted for Salaried Exempt and Non Exempt Employees, actual adjustment will be contingent on performance review.

Assistant Superintendent Water Department

This position has not been budgeted due to attrition.

IT Department

Dave Fuller, has requested a full time person for the IT Department, it has not been determined if Municipal Service Employee or City of Wyandotte Employee currently budgeted as WMS employee.

Insurance

Healthcare Premiums continue to increase, impacted additionally in FY14 due to health care reform.

Defined Benefit-Employer Contribution

Continue to increase. As of October 1, 2013, the employer will pay 28.9% of applicable payroll.

AS400/Sungard to BS&A

We are looking to replace our software with a targeted effective March 1, 2014. Annual payment for the new BS&A software and corresponding implementation will be no more than what is paid currently to Sungard. subsequent to payback of BS&A cost over a period of 4 years, annual maintenance fees will decline significantly. Customization of the delivered software for Water is not anticipated.

Statement of Income - Summary

\$147,000.00 net income for year forecasted on an accrual accounting basis. Utility meter charge expense no longer applicable and has been removed from the budget.

Assistant Superintendent excluded from 2014 Budget due to attrition.

Revenue Requirement

Equivalent to previous year.

Budget includes a proposed rate adjustment from \$1.35 to \$1.40 per 1,000 gallons for the Water Charge.

Meter Charge Increase

5/8" Meter charge Old Rate \$11.40, New Rate \$11.80 an adjustment of 40 cents/mo, as example. Other meter charge adjustments as well. This is the first increase we have had on meter charges in 6 years. Necessary to match fixed cost primarily for capital. Mike Pente giving overview on how we forecasted Water rates. Finished water totals have dropped as follows:
2009/2010 1.6 Billion Gallons
2011/2012 1.5 Billion Gallons

We have forecasted 1.45 Billion Gallons for Fiscal Year 2013/2014 Water Budget.

Bill Weirich, giving review on Water Rate increases to neighboring Communities by DWSD of approximately 4%.
Grosse Ile, \$3.10 per 1,000 Gallons for Water only does not include cost after delivery to City Gate.
Trenton \$4.00 per 1,000 Gallons for Water only does not include cost after delivery to City Gate.
Riverview \$3.54 per 1,000 Gallons for Water only does not include Cost after delivery to City Gate.

Rod Lesko, General Manager, we are still communicating with City of Riverview on Wyandotte providing water to the City of Riverview.

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Statement of Income Summary

Bill Weirich, giving overview on Capital Projects for the Water Department.

We will spend \$150,000.00 from 2013 Water Main Replacement capital in FY14 and we have 3 years to extend contracts. Within the next 2 years we will spend \$500,000.00 on Water Mains.

Paul LaManes, giving overview on IT Budget and PC Replacement, Dave Fuller will attend the next workshop.

Bill Weirich, giving overview on Filter Plant Roof Replacement.

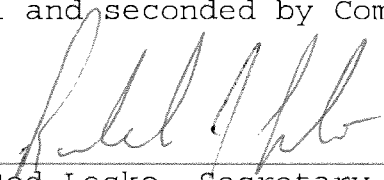
Paul LaManes, Cable Budget working session on Tuesday, September 10, 2013 @ 4:00.

Valerie Hall, giving overview on On Line Payments and Visa payments for Utility Bills.

Leslie Lupo, Commissioner asking question on 90 day notice for Union Employees after contract has expired.

Paul LaManes, the Union Employees can give a 90 day notice after the Contract is settled regarding retirement.

MOTION by Commissioner Sadowski and seconded by Commissioner DeLisle to now adjourn. 4:50 P.M.



Rod Lesko, Secretary