

Deming, Amy

From: Heikkinen, Thomas
Sent: Wednesday, November 22, 2017 2:22 PM
To: Ahrens, David; Bruce Mayer (bruce.mayer@wegnercpas.com); 'Gene McLinn'; Hausbeck, John; 'Lauren Cnare'; Madeline Gotkowitz (mbgotkow@wisc.edu); Martin, Arvina; Patrick Delmore (pdelmore@edgwood.edu); Voegeli, Doug
Cc: Deming, Amy; Crawley, Katie; Barrilleaux, Amy; Wiederhoeft, Adam; Piper, Robin; Schwenn, Kathryn
Subject: Next week's WUB meeting - two items

Members of the WUB,

We are making good progress on the Water Conservation House architect selection process, but we won't have a firm selected to recommend to you by next week's meeting. The selection committee met on Monday, and we decided to request a best and final offer from both proposers. I will be discussing with President Cnare the possibility of scheduling a special meeting sometime in December for the sole purpose of voting on our recommendation. We will not be having a bond sale in December this year.

Regarding the Affordability Policy, I would like to discuss an idea I have for a low income assistance program for the Municipal Services Bill. Here is an outline of the program:

- Customers will have an opportunity to sign up -- on a voluntary basis -- to have their monthly bill rounded up to the nearest dollar
- We will segregate the revenue generated in a separate account
- A non-profit social service agency -- selected by the City through an RFP process -- will administer and disperse the funds to qualified recipients. I believe this is how the State's energy assistance program works (only it is not voluntary).
- The agency's management fee will be paid out of program revenue
- Quarterly reports will be submitted and reviewed by the city to ensure contract compliance and program effectiveness

I don't think that a program structured in this way will require PSC approval, since 1) it is voluntary; 2) the revenues and expenses are outside of rates; and 3) it covers the entire Municipal Services Bill, only one (Water) of whose 4 major services are regulated by the PSC.

If we are able to convince one-quarter of our customers to sign up, I calculate that this program will generate \$8500 per month in revenue.

May you all have a wonderful Thanksgiving holiday,
Tom

Tom Heikkinen
General Manager
Madison Water Utility
Office: (608) 266-4652
Cell: (608) 213-4302