

CEDARBURG LIGHT & WATER COMMISSION

April 15, 2019

The regular monthly meeting of the Light & Water Commission was held on Monday, April 15, 2019 at 6:00 p.m. at the Cedarburg Light & Water Utility Building, N30W5926 Lincoln Blvd, Cedarburg, WI 53012.

Call to order by President Blaine Hilgendorf

Roll Call: Present – Jim Coutts, Joseph Dorr, Blaine Hilgendorf, Tim Larson, David Pagel,
and City Council Member Patricia Thome
Excused – Andy Moss
Also Present – General Manager Dale Lythjohan

STATEMENT OF PUBLIC NOTICE

The Statement of Public Notice was read, and it was acknowledged that the agenda for this meeting was posted and distributed in compliance with the Wisconsin Open Meetings Law.

APPROVAL OF MINUTES

The minutes of the Regular Meeting held on March 18, 2019 were read and approved on a motion by Pat Thome, seconded by Joe Dorr. Motion carried.

VOUCHER SUMMARY FOR MAR

Accounts Payable	\$ 595,112.15
ACH & Wire Transfers	649,478.52
Payroll	<u>112,556.63</u>
Total Vouchers	\$1,357,147.30

BANK BALANCE FOR MAR

3/1/19 Balance Available	\$ 302,039.38
+ Deposits	1,449,069.07
- Checks and Other Debits	<u>1,660,235.30</u>
3/31/19 Available Balance	\$ 90,873.15

REVENUE ITEMS FOR MAR

Light & Power Sold – 8,641,637 kWh	\$ 838,610.04
Street Lighting Revenue 63,262 kWh	21,874.77
Water Sold 24,598,724 Gallons	114,018.67
Water Pumped 37,099,950 Gallons; Power Used 98,749 kWh	<u>8,095.29</u>
	\$ 982,598.77

NEW BUSINESS

PRESENTATION OF THE 2018 AUDIT REPORT BY BAKER TILLY

The Management Report and 2018 Audit Report were presented by Jodi Dobson of Baker Tilly. Both reports were distributed to the commission in advance of the meeting. Ms. Dobson focused primarily on the Management Report, summarizing key findings and financial information from the 2018 audit.

The utility as a whole remains financially sound with 2018 regulatory rates of return of 4.41% for the electric utility and 3.87% for the water utility. The PSCW authorized rate of return for electric was 5.0% and for water was 5.5%, so actual earnings were lower for both electric and water in 2018. Adequate cash flow and reserves, along with current financials with zero long-term debt provide for some financial flexibility for the utility.

The full audit report and management report can be reviewed in the electronic commission packet.

REVIEW OF THE 2018 BUDGET TO ACTUAL REPORT

The 2018 Budget to Actual Report was provided to commissioners in advance of the meeting. The report summarizes how actual costs compared to budgeted costs for 2018. When costs differed substantially from budget to actual, notations were made on the report identifying the reasons.

In addition, projects during the year that were to exceed the budget were explained in more detail through the department reports.

The full budget to actual report can be reviewed in the electronic commission packet.

CONSIDER CHANGE TO OFFICE HOURS; AND ACTION THEREON

Over the past several months, utility staff has been researching and considering a change in the hours that the office would be open for business to the public. Office hours are currently 8:30a-5:00p M-F (42.5 hours/week). Management would like to consider a change going forward that would continue to serve the community well, along with allowing for some flexibility for management and office staff.

Management is proposing a change to public office hours to be 8:30a to 4:30p, M-F. This change will allow 40 hours of access directly with customers, while continuing to allow customers use of the 24-hour drop box, as well as expanded online capabilities.

Staff did customer usage surveys over several months, and tracked customer interactions by phone, drive-up, and lobby during the periods of 4:00p-5:00p. This information was provided to the commission. In addition, staff reviewed office hours of WPPI members, and found that office hours ranged from 30-47.5 hours/week.

The commission asked several follow up and clarifying questions. The manager stated that this decision could be revisited in the future if the need arises.

A motion was made by David Pagel, seconded by Tim Larson, to change the utility public office hours to be 8:30a to 4:30p, beginning June 3rd. Motion carried.

CONSIDER DONATION REQUEST FROM CEDARBURG BOOSTER CLUB; AND ACTION THERON

The utility was approached by the Cedarburg Booster Club & Athletic Department for consideration of a donation for the new proposed artificial turf field at the high school. This field upgrade will allow for a more diverse use for most months out of the year compared to the traditional grass field.

The manager provided some donation history that CL&W has made over the last 10 years, and information on how requests are evaluated. Requests are traditionally evaluated based on the depth and breadth of the community interest and appeal, with the total annual community donations in a range of \$7,500 to \$15,000 per year and in some cases include or are supplemented with donated labor and/or equipment.

A motion was made by Jim Coutts, seconded by Tim Larson, to approve a one-time \$10,000 donation to the Cedarburg Booster Club to be used for the artificial turf field project. Motion carried.

CITY COUNCIL UPDATE, GENERAL MANAGER, AND DEPARTMENT REPORTS

The following are highlights of the Manager & Department Reports that were provided in writing to the commissioners in advance of the meeting. Any specific discussions are noted.

Electric service outages totals:

- 2019 Year to date: 5
- 2018 Year end total: 11
- 2017 Year end total: 21
- 2016 Year end total: 18
- 2015 Year end total: 13

Applications are being received for the open lineworker position(s), and the evaluation process will begin after May 19. Tom Barelmann has given his notice that he will be retiring in August.

Total water pumpage for the month of March:

- 2019 = 37,099,950
- 2018 = 34,937,400
- 2017 = 32,760,630

The unaccountable water research continues. The well house flow meters were tested in March, and all tested accurate. The next steps involve testing meters of larger customers, and

performing leak detection on all new subdivisions and existing PVC water main with copper services.

The new computer network equipment was installed March 26, and the server replacement installation is scheduled for April 11.

Collections Quarterly Report: (Customer Accounts Receivable)

- Current \$1,013,675 94%
- 30 Days \$ 52,779 5%
- 60 Days \$ 11,024 1%
- 90+ Days \$ 6,542 .6%

During Quarter 1, 613 past due notices were mailed, 361 10-day disconnect notices were mailed, two electric services were disconnected for non-payment, and two water meters were disconnected for non-payment. Note: The winter moratorium ends on April 15.

The 2019 Community Appliance and Electronics Recycling events have been set for May 18, August 17, and October 26. CL&W will be partnering with Refrigerant Depot and United Milwaukee Scrap to help customers recycle unwanted items.

APPROVAL OF BILLS

The bills, as listed on the attached Check Register, were audited and a motion was made by Joe Dorr, seconded by Tim Larson, to approve the bills for payment. Motion carried.

ADJOURN

A motion was made by Joe Dorr, seconded by David Pagel, to adjourn at 7:48. Motion carried.