

CEDARBURG LIGHT & WATER COMMISSION

December 16, 2019

The regular monthly meeting of the Light & Water Commission was held on Monday, December 16, 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, Andy Moss, David Pagel, and City Council Member Patricia Thome
Also Present – General Manager Dale Lythjohan and Administrative Manager Mari Lauer

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 November 18, 2019 were read and approved on a motion by Joe Dorr, seconded by Patricia Thome. Motion carried.

VOUCHER SUMMARY FOR NOV

Accounts Payable	\$ 522,938.81
ACH & Wire Transfers	598,836.85
Payroll	<u>72,208.10</u>
Total Vouchers	\$1,193,983.76

BANK BALANCE FOR NOV

11/1/19 Balance Available	\$ 284,372.99
+ Deposits	1,304,273.01
- Checks and Other Debits	<u>1,508,681.25</u>
11/30/19 Available Balance	\$ 79,964.75

REVENUE ITEMS FOR NOV

Light & Power Sold – 8,334,269 kWh	\$ 774,982.56
Street Lighting Revenue 61,474.33 kWh	21,286.33
Water Sold 27,009,674 Gallons	122,261.52
Water Pumped 34,838,140 Gallons; Power Used 93,206 kWh	<u>7,571.64</u>
	\$ 926,102.05

NEW BUSINESS

PRESENTATION OF PEAK DEMAND REDUCTION STUDY

The manager presented the results of the peak demand study completed by GDS out of Atlanta. GDS studied the last several years of monthly system peaks to identify the size and capacity of a battery system that would be used to reduce the system peak and thus reduce demand charges from WPPI. During the study, Cedarburg realized that the power supply contract with WPPI would not allow a battery system to be used in this way because it is considered a generation resource. This measurably reduced the economics of a battery system and would require it to be installed on the customer side of the utility meter. The net result was that the payback time was nearly that of the expected useful life of the battery system.

Battery system costs have dropped significantly over the last several years, and the expectation is that they will continue to drop in the near term. The manager stated that the utility will continue to watch the costs, and revisit the economics in the future.

CITY COUNCIL UPDATE, GENERAL MANAGER, AND DEPARTMENT REPORTS

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

The 2020 WPPI Energy budget and rates were approved at the December 12 board meeting. The rates will now include additional pricing periods where there will be “super-on” and “super-off” peak billing periods. The 2020 rates will result in approx. a 1% increase in wholesale costs compared to 2019 actual costs. The near term forecast for wholesale costs are for stable to slight increases for costs over the next 3-4 years.

Electric service outage totals:

- 2019 Year to date: 19
- 2018 Year-end total: 11
- 2017 Year-end total: 21
- 2016 Year-end total: 18
- 2015 Year-end total: 13

November water pumpage:

- 2019 = 34,838,140
- 2018 = 32,399,920
- 2017 = 32,807,550

The Cedarburg Economic Development contact was provided information on CL&W programs and services that can be included in economic development customer packets.

CL&W has been encouraging customers to replace CFLs with energy saving LED lamps for many years. For the past several years, Beyer's True Value has provided a convenient location for customers to drop off CFLs for recycling. CL&W pays to ship and recycle the

CFLs. There has been a decline in the number of CFLs collected which is sign that LED lighting has made a gain in the marketplace.

2019 energy efficiency final results will be available in January. As of November 1, 2019, Focus on Energy has provided over \$72,000 in customer incentives to CL&W customers for a savings of over 847,000 kilowatt hours annually. All customers of the utility contribute just over \$50,000 into the program.

APPROVAL OF BILLS

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

ADJOURN TO CLOSED SESSION

A motion was made by Tim Larson, seconded by Patricia Thome to adjourn to closed session at 6:56 p.m., Pursuant to Wis. Stats. 19.85 (1) (c) to consider employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility; specifically to discuss 2020 compensation for Staff, and performance review for General Manager. Motion carried.

RECONVENE TO OPEN SESSION

A motion was made by David Pagel, seconded by Tim Larson to reconvene to open session at 7:52 p.m. Motion carried.

CONSIDER CLOSED SESSIONS, AND ACTION THEREON

A motion was made by Joe Dorr, seconded by Patricia Thome to accept 2020 employee compensation as outlined by the general manager:

- Authorize a base wage increase of 2.75% for employees meeting expectations.
- Authorize a 1.25% pot of 2019 straight time payroll to provide additional compensation increases for merit, performance, or competitive reasons at the discretion of the manager.
- Authorize a 2.75% adjustment to the base wage scales.
- All other benefits & programs stay the same for 2020.

Motion carried.

A motion was made by Joe Dorr, seconded by Pat Thome, to approve a base wage increase of 2.75% for the General Manager effective 1/1/20, Motion carried.

A motion was made by Joe Dorr, seconded by Tim Larson, to approve a one-time performance bonus for the General Manager for 2019 performance of 2.50%. Motion carried.

ADJOURN

A motion was made by David Pagel, seconded by Patricia Thome to adjourn at 7:56 p.m. Motion carried.