

CEDARBURG LIGHT & WATER COMMISSION

November 16, 2020

The regular monthly meeting of the Light & Water Commission was held on Monday, November 16, 2020 at 6:00 p.m. at the utility office and also utilizing the Zoom App.

Call to order by President Blaine Hilgendorf

Roll Call: Present – Jim Coutts, Joseph Dorr, Blaine Hilgendorf, Andy Moss, David Pagel, City Council Member Patricia Thome

Excused – Tim Larson

Also Present – General Manager Dale Lythjohan, Administrative Manager Mari Lauer, Financial Manager Lynda Lalley, Accountant Keri Shumway, and Associate Accountant Jessica Cotter

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 October 19, 2020 were read and approved on a motion by Joe Dorr, seconded by Jim Coutts. Motion carried.

VOUCHER SUMMARY FOR OCT

Accounts Payable	\$ 744,547.72
ACH & Wire Transfers	764,271.33
Payroll	<u>65,462.02</u>
Total Vouchers	\$1,574,281.07

BANK BALANCE FOR OCT

10/1/20 Balance Available	\$ 214,990.08
+ Deposits	1,494,748.58
- Checks and Other Debits	<u>1,575,948.70</u>
10/31/20 Available Balance	\$ 133,789.96

REVENUE ITEMS FOR OCT

kWh Sold – 8,637,250	\$ 930,159.04
Water Sold 31,078,099 Gallons	<u>136,572.34</u>
	\$1,066,731.38

Water Pumped 36,101,510 Gallons
Power Purchased – 8,465,304 kWh

NEW BUSINESS

PRESENTATION AND CONSIDERATION OF THE ELECTRIC & WATER 2021 PRELIMINARY CAPITAL AND EXTRAORDINARY O&M BUDGETS; AND ACTION THEREON

The Preliminary 2021 Electric and Water Capital, and Extraordinary O&M Budgets were provided to the Commission prior to the meeting. *The complete preliminary budget can be viewed electronically.*

Electric Department

Capital

The 2021 Electric Capital Budget is proposed at \$1,822,600. The budget includes costs associated with the Business Park, development of Fairway Village, conversion of LED streetlights, and replacement of the station battery and fence posts at Cedarburg South.

O&M Expenses

The 2021 projected O&M Expenses for the electric utility are \$1,484,300. Staff included a mid-year hire of an additional lineman. Additionally, there is a projected 23.5% health premium increase for 2021.

Water Department

Capital

The 2021 Water Capital Budget is proposed at \$1,265,600. The new water tower is the large portion of the budget, along with Well #3 rehab.

O&M Expenses

The 2021 projected O&M Expenses for the water utility are \$1,025,800.

A motion to approve the 2021 Preliminary Electric and Water Capital and Extraordinary O&M Budgets as presented was made by Joe Dorr, seconded by David Pagel. Motion carried.

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 2021 WPPI budget is projecting a slight decrease in power costs for Cedarburg. This is mainly due to a reduction in demand related costs in the market.

WILO had their ground breaking ceremony on November 12th in the new business park. Electric and water departments are finalizing designs and requirements to serve WILO and the entire business park. Construction of the utilities will begin as early as February 2021.

2020 Electric Service Outages to date: 11

- 2019 Year end total: 20
- 2018 Year end total: 11
- 2017 Year end total: 21
- 2016 Year end total: 18

Updates on the High Level Pressure Zone Water Tower:

- Bypass water main installation onsite is complete
- Concrete ring wall foundation is complete
- Concrete tower walls are complete
- Riser pipe installation inside the tower is complete
- Cell phone company conduits stubbed inside tower walls are complete

October Water Pumpage:

- 2020 = 36,101,510
- 2019 = 35,729,830
- 2018 = 35,910,590

Water rate case costs are approximately \$6,000 over budget and outside services are expected to be approximately \$8,000 over budget due to additional time needed by PSC, legal counsel, and internal staff to research and respond to use of impact fee funds during the water rate case. When budgeting for PSC costs associated with rate cases, staff looks at history and assumes costs will be similar. With the change-over at the PSC and unexpected questions related to impact fees, staff did not include enough dollars for these things.

The water rate hearing is scheduled for November 17. Staff is requesting a January 1, 2021 effective date for the proposed water rate increase.

The PSC voted in October to extend the moratorium on utility residential customer disconnections and refusal of service for nonpayment until April 15, 2021. The utility is required to file a disconnection plan in February 2021 in order to disconnect residential service after April 15. There are no restrictions on commercial disconnections. CL&W will continue to waive late fees until December 31, 2020.

A draft of the compensation study is complete and under review. Management will be sharing results once the final draft is complete.

CL&W continues to offer the Smart Thermostat incentive for 2020. Residential and General Service customers can receive up to a \$75 bill credit for purchasing and installing a new smart thermostat, in addition to the \$50 rebate offered by Focus on Energy. CL&W has issued \$2,375.19 in bill credits to customers so far this year.

During Public Power Week, Cedarburg customers donated more than 150 non-perishable food items to benefit Ozaukee County Family Sharing.

APPROVAL OF BILLS

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

ADJOURN

A motion was made by Joe Dorr, seconded by David Pagel, to adjourn at 6:56 p.m. Motion carried.