

CEDARBURG LIGHT & WATER COMMISSION

October 19, 2020

The regular monthly meeting of the Light & Water Commission was held on Monday, October 19, 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, Tim Larson, Andy Moss, David Pagel, City Council Member Patricia Thome

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

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 September 21, 2020 were read. Two corrections were made to the bank balance and revenue summaries. On a motion by Patricia Thome, seconded by Joe Dorr, the minutes were approved as corrected. Motion carried.

VOUCHER SUMMARY FOR SEP

Accounts Payable	\$ 968,438.10
ACH & Wire Transfers	941,729.07
Payroll	<u>70,592.43</u>
Total Vouchers	\$1,980,759.60

BANK BALANCE FOR SEP

9/1/20 Balance Available	\$ 313,450.59
+ Deposits	1,759,817.16
- Checks and Other Debits	<u>1,858,277.67</u>
9/30/20 Available Balance	\$ 214,990.08

REVENUE ITEMS FOR SEP

Light & Power Sold – 9,062,700 kWh	\$1,067,885.81
Street Lighting Revenue 44,937.29 kWh	21,600.55
Water Sold 33,207,687 Gallons	142,942.96
Water Pumped 37,556,580 Gallons; Power Used 83,304 kWh	<u>8,923.32</u>
	\$1,241,352.64

NEW BUSINESS

COMMISSION ORGANIZATIONAL MEETING; AND ACTION THEREON

On motion of Joe Dorr, seconded by Patricia Thome, Blaine Hilgendorf was elected President for the year beginning October 19, 2020 and ending October 18, 2021. Motion carried.

On motion of Joe Dorr, seconded by Jim Coutts, Andy Moss was elected Vice President for the year beginning October 19, 2020 and ending October 18, 2021. Motion carried.

On motion of Joe Dorr, seconded by Patricia Thome, Jim Coutts was elected Secretary for the year beginning October 19, 2020 and ending October 18, 2021. Motion carried.

On motion of Joe Dorr, seconded by Tim Larson, Baker Tilly Virchow Krause, LLP was appointed as the auditor for the year October 19, 2020 and ending October 18, 2021. Motion carried.

On motion of Joe Dorr, seconded by David Pagel, BMO-Harris Bank, Commerce State Bank, Port Washington State Bank, Chase Bank, Cornerstone Community Bank, Wells Fargo, Bank First, American Depository Management Company, and State of Wisconsin Investment Pool were named depositories for the ensuing year. Motion carried.

On motion of Jim Coutts, seconded by Patricia Thome, Dale Lythjohan was appointed Manager of Public Utilities for the year October 19, 2020 and ending October 18, 2021. Motion carried.

On motion of Joe Dorr, seconded by David Pagel, Andy Moss was appointed as Alternate Representative to the Board of Wisconsin Public Power Incorporated. Motion carried. The General Manager is automatically designated as the Primary Representative.

On motion of Joe Dorr, seconded by David Pagel, the News Graphic was approved as the official newspaper for the Cedarburg Light & Water Commission for the ensuing year. Motion carried.

CONSIDER PROPOSED HVAC IMPROVEMENTS; AND ACTION THEREON

The manager discussed the proposed installation of an ionization system into the current HVAC system. This system is intended to help improve the indoor air quality, and to help minimize bacteria and viruses in the indoor environment. The cost is estimated at \$4,080. The commission discussed the proposals, and agreed with the benefits of the upgrades.

A motion was made by David Pagel, seconded by Tim Larson, to approve the HVAC ionization system upgrade with Total Mechanical for the sum of \$4,080. Motion carried.

CONSIDER STAFF RECOMMENDATION ON CHANGE IN COLLECTION PRACTICES; AND ACTION THEREON

In 2020, the PSC ruled that disconnection of service is not allowed for any residential customer for non-payment. In addition, some customers have outstanding balances from the 2019-2020 winter moratorium.

The manager gave an overview of the current tax roll process, which includes rolling over “finalled customers” to the tax roll.

Staff has met to discuss any modifications to the 2020 tax roll, and proposes a few changes. The manager shared with the commissioners that staff suggests adding active homeowner accounts with past due balances of at least \$200, and at least two months in arrears.

A motion was made by Joe Dorr, seconded by Jim Coutts, to approve a change in the tax roll procedures for 2020 tax roll process only to include both finalled accounts as well as property owners with a past due balance over \$200 and two or more months in arrears. 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 City and CL&W are still waiting for the 2021 health insurance renewal quote from WPS, and it is expected soon. Insurance experience for 2020 was considerably higher than past years, so a measurable increase is expected.

Staff has been working through the appropriate accounting entries for the currently under construction water tower and the soon to be built booster station. Staff has discussed with the auditors and legal personnel what the percentage of each of these items can and/or should be paid for by impact fees. Staff intends to pursue a possible review of the impact fee ordinance to identify if any conditions have changed regarding the number of “residential equivalents” in the planning area as well as the fee adequacy. This review may become a 2021 budget item for the water utility.

2020 Electric Service Outages to date: 10

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

Water Tower Update

Wondra Construction has started installing the new 12” PVC water main loop around the new water tower site. This new artery should be in service the week of October 19. Advanced Tank has been on site preparing for the foundation pour. They will begin excavation after the water main installation is complete. The initial concrete pad will be

poured ten feet below grade during the week of Oct 19, and should be completed by mid-November.

Larosa Landscaping has been working at the office planting spruce trees along the alley on the northwest side of the property.

September Water Pumpage:

- 2020 = 37,556,580
- 2019 = 38,096,880
- 2018 = 35,676,830

The water rate hearing is scheduled of November 17 at 2:00 p.m. Notification of the hearing will go out to customers as a bill insert around November 9.

During the PSC September 17, 2020 meeting, the PSC voted to continue the moratorium on utility residential customer disconnections and refusal of service for nonpayment until Nov. 1, 2020. The decision effectively means that utilities will not be allowed to disconnect residential customers until April 15, 2021, because the cold-weather disconnect moratorium will go into effect as usual on Nov. 1. There are no restrictions on the disconnection of commercial customer accounts.

In accordance with city ordinance, tax roll notices are being sent to various customer groups for amounts past due as of October 15th. If not paid by November 16th, the arrears will become a tax lien on the property.

Late fees will continue to be waived until December 31, 2020.

CL&W is celebrating of Public Power Week. Customers can stop by with non-perishable food items and enter into a drawing for prizes including a smart home starter kit, Chamber of Commerce gift check or a bill credit. Donated food items will benefit the Ozaukee County Family Sharing.

The September recycling event had an unusually large number of cars, nearly double the regular number – 750 cars came through, recycling 376 appliances and 32,123 lbs. of TVs and e-scrap. The recycler said that these numbers are along the lines of what they see from county-wide events.

APPROVAL OF BILLS

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

ADJOURN TO CLOSED SESSION

The Commission adjourned to closed session pursuant to State Statute 19.85 (1)(g) to confer with legal counsel for the Commission who is rendering oral or written advice concerning

strategy to be adopted with respect to litigation in which it is or is likely to become involved, specifically regarding (1) the liability claim for George Abraham.

A motion was made by Joe Dorr, seconded by Pat Thome, to adjourn to closed session at 6:30 pm. Motion carried.

RECONVENE TO OPEN SESSION

A motion was made by Joe Dorr, seconded by Pat Thome, to reconvene to open session at 6:47 pm. Motion carried.

ACTION ON CLOSED SESSION ITEMS

A motion was made by Pat Thome, seconded by Jim Coutts, to deny the payment of the liability claim submitted by George Abraham. Motion carried.

ADJOURN

A motion was made by Pat Thome, seconded by Jim Coutts, to adjourn at 6:48 p.m. Motion carried.