

CEDARBURG LIGHT & WATER COMMISSION

November 21, 2022

The regular monthly meeting of the Light & Water Commission was held on Monday, November 21, 2022 at 6:00 p.m. at the utility office.

Call to order by President Blaine Hilgendorf

Roll Call: Present – Joseph Dorr, Blaine Hilgendorf, Tim Larson, Andy Moss, David Pagel, Paul Radtke, City Council Member Patricia Thome

Also Present – General Manager Ben Collins, Administrative Manager Mari Lauer, Electric Utility Superintendent Karsten Huse, Water Utility Superintendent Tim Martin, Staff Accountant Keri Shumway, Associate Accountant Jessica Cotter, Consultant to the Commission 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 October 17, 2022 were read and approved on a motion by Patricia Thome, seconded by Joe Dorr. Motion carried.

VOUCHER SUMMARY FOR OCTOBER

Accounts Payable, ACH, & Wire Transfers	\$2,128,366.00
Payroll	<u>104,255.00</u>
Total Vouchers	\$ 2,232,621.00

BANK BALANCE FOR OCTOBER

10/1/22 Balance Available	\$ 494,755.26
+ Deposits	1,826,759.87
- Checks and Other Debits	<u>1,410,550.96</u>
10/31/22 Available Balance	\$ 910,964.17

REVENUE ITEMS FOR OCTOBER

kWh Sold 7,996,683	\$ 907,944.10
Water Sold 29,168,582 Gallons	<u>142,223.09</u>
	\$ 1,050,167.19

Water Pumped 35,939,720 Gallons
Power Purchased – 8,234,481 kWh

NEW BUSINESS

REVIEW AND CONSIDER 2023 ELECTRIC AND WATER CAPITAL, AND EXTRAORDINARY O&M BUDGETS; AND ACTION THEREON

The Preliminary 2023 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 2023 Electric Capital Budget is proposed at \$2,231,800. The budget includes increased costs of transformers and meters due to supply chain issues and lead times, rebuild and conversion in Willowbrooke (pending transformer delivery), and Fox Run URD utility work.

O&M Expenses

The 2023 projected O&M Expenses for the electric utility are \$1,654,000.

Water Department

Capital

The 2023 Water Capital Budget is proposed at \$809,400. The budget includes increased costs of meters due to supply chain issues, removal of the old water tower on Western Road, Well 1 inspection and rehab, and purchase of a new small pick-up truck.

O&M Expenses

The 2022 projected O&M Expenses for the water utility are \$1,184,000.

A motion was made by David Pagel, seconded by Tim Larson, to approve the 2023 preliminary electric and water capital and extraordinary O&M budgets as presented. Motion carried.

CITY COUNCIL, MANAGER AND DEPARTMENT REPORTS

The Manager & Department Reports were provided to the commissioners in advance of the meeting. *The full reports can be reviewed in the electronic commission packet.*

Manager Update:

- The DNR is planning to do additional testing around the Prochnow Landfill site.
- IT Update:
 - KCI Account representative change
 - Mitel licensing (phone software) \$909

- Meraki licensing \$10,543.00 (three-year cost)
- Staff is currently soliciting bids for various investment options and rates

Electric Update:

- Installations
 - 2022 Installations to date: 47
 - 2022 Pending Installations: 74
- Outages
 - 2022 Electric Service Outages to date: 15
 - 2021 year-end total → 14
 - 2020 year-end total → 12
 - 2019 year-end total → 20
 - 2018 year-end total → 11
- Projects in Progress or Complete:
 - Willowbrooke Subdivision, 1/3 of this rebuild and voltage conversion are complete. The project will proceed as weather permits pulling in electric cables throughout this subdivision over the next several weeks
 - Georgetown Subdivision, conduit installations are in progress
 - Washington Ave and Mill Street, primary extension for the new restaurant is in progress.
 - Portland Rd and Hilbert Ave, primary extension for new residential lot is in progress
 - Edgewater Drive and Sarah Ln, URD rebuild is complete
 - Cedarburg South Substation, fence replacement is complete
 - Washington Ave (two blocks north of Sheboygan Rd), URD rebuild and voltage conversion is complete

Water Update:

- The crew has removed water meters from all the parks and buildings that are not heated throughout the city. The County Fairgrounds has also been winterized.
- The Fairway Village subdivision continues to develop. Water meters are being installed at a much faster pace than expected.
- Water and sewer infrastructure inside the new Fox Run development will be installed over the next few months. Hanover Ave will extend from Western Rd, south to Jackson St.
- Phase two of the Lead Water Service Replacement Program is complete. 44 services were replaced over a two month period. Tim Martin is currently working through two situations: a sanitary sewer lateral that backed up after the contractor completed the water service replacement, and a broken water softener fitting that resulted in a flooded basement after the contractor reconnected the interior plumbing. Both issues are ongoing.
- Management is working through the most recent version of the rules and regulations as it relates to accessing Safe Drinking Water Loan Funds in order to continue replacing lead services going forward.

- October Water Pumpage Gallons
 - 2022 = 35,939,720
 - 2021 = 37,299,120
 - 2020 = 36,101,510

Office Update:

- The utility remains under a PSC billing audit. The PSC has not requested any additional information.
- Open enrollment for the new State health insurance plan for employees has ended.
 - Four employees opted out of medical insurance; however, two of the four employees did take dental and/or vision insurance.
 - Of the 15 employees who did take the insurance offering, 13 selected the Tier 1 offering (lowest priced option), 2 selected a Tier 3 offering.
 - Ten employees elected to participate in the Flexible Spending Account (FSA) offering.

Energy Services Manager Update:

- Cedarburg School Board: Cedarburg Light & Water, and Focus on Energy attended the October 23rd meeting of the Cedarburg School Board. Buildings and Grounds Manager John Koster spoke to the board about our partnership in helping them complete the district-wide LED conversion project.
- Mike Gentry will be retiring from WPPI Energy at the end of 2022. Brett Backhaus is the new ESM representing Cedarburg, Hartford, Hustisford, and Slinger.

ADJOURN TO CLOSED SESSION

A motion was made by Patricia Thome, seconded by Tim Larson, to adjourn to closed session at 6:38 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 staff compensation.

The Commission and Manager discussed overall staff compensation including:

- BLS Inflation and Job vacancy Data
- Total Compensation Data including comparisons to other regional utilities
- We Energies union contract renewal is scheduled for June 2023

RECONVENE TO OPEN SESSION; AND ACTION THEREON

A motion was made by Patricia Thome, seconded by Paul Radtke, to reconvene to open session at 7:11 p.m. Motion carried.

STAFF COMPENSATION RECOMMENDATIONS; AND ACTION THEREON

A motion was made by Joe Dorr, seconded by Andy Moss, to approve management recommendations as follows:

1. Authorize a one-time payment to be included on the December 2, 2022 payroll to employees whose current hourly wage is less than the hourly wage calculated by the MRA Index.
2. Authorize a one-time hourly wage rate adjustment with an effective date of November 28, 2022, increasing the hourly wage to the MRA wage index for those employees whose current hourly wage is less than the hourly wage calculated using the MRA Index.
3. Authorize a 4% base wage increase for employees meeting expectations and up to a 1% discretionary allocation made by the General Manager to provide additional compensation increases for merit, wage stratification, and/or competitive reasons. Motion carried.

APPROVAL OF BILLS

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

ADJOURN

A motion was made by Tim Larson, seconded by Patricia Thome, to adjourn at 7:15 p.m. Motion carried.