

## CEDARBURG LIGHT & WATER COMMISSION

January 16, 2023

The regular monthly meeting of the Light & Water Commission was held on Monday, January 16, 2023 at 6:00 p.m. at the utility office.

Call to order by Andy Moss

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

Excused – Blaine Hilgendorf, David Pagel

Also Present – General Manager Ben Collins, Administrative Manager Mari Lauer, Water Utility Supervisor Tim Martin, Staff Accountant Keri Guidinger, 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 December 19, 2022 were read and a motion was made by Patricia Thome, seconded by Tim Larson to approve the minutes with a correction to move the closed session summary to separate closed session minutes. Motion carried.

The minutes of the Special Meeting held on December 26, 2022 were read and a motion was made by Patricia Thome, seconded by Tim Larson to approve the minutes with a correction to move the closed session summary to separate closed session minutes. Motion carried.

### VOUCHER SUMMARY FOR DECEMBER

Accounts Payable, ACH, & Wire Transfers	\$ 1,722,801.00
Payroll	<u>180,023.00</u>
Total Vouchers	\$ 1,902,824.00

### BANK BALANCE FOR DECEMBER

12/1/22 Balance Available	\$ 352,774.05
+ Deposits	1,525,999.89
- Checks and Other Debits	<u>1,218,148.66</u>
12/31/22 Available Balance	\$ 660,625.28

#### REVENUE ITEMS FOR DECEMBER

kWh Sold 9,380,647	\$ 1,027,273.45
Water Sold 27,362,096 Gallons	<u>137,822.23</u>
	\$ 1,165,095.68
Water Pumped 34,141,300 Gallons	
Power Purchased – 9,670,042 kWh	

#### NEW BUSINESS

#### PRESENTATION OF THE WATER UTILITY ANNUAL REPORT

Water Superintendent Tim Martin provided the annual water department presentation. The presentation was intended to review key activities from the last year, the present, and the outlook for the water department. The full presentation is available electronically.

Tim discussed the lead water service replacement program. 166 total services were successfully replaced in 2022. CL&W spent \$70,000 in labor (after the \$500 homeowner costs collected). Potential ARPA funding required was \$48,000.

The Highland Drive water main was replaced in 2022 between Portland Rd and Columbia Rd. 3,000 feet of main and 14 lead services were replaced. The water main that crossed under Cedar Creek was abandoned to eliminate any potential leak or break.

Other areas of discussion included: water main and service breaks, cross connection control program, water tower on Western Rd demo, Well #1 rehab, water operator hiring, future construction plans, and supply chain/cost challenges.

#### WATER RATE CASE UPDATE AND RATE OF RETURN DISCUSSION; AND ACTION THEREON

CL&W submitted a water rate application to the PSC, requesting a 4.5% ROR, which would result in a 13.35% water rate increase. The benchmark ROR that the PSC is currently using is a 6.5% which in their opinion is the current cost of municipal capital.

The PSC encourages CL&W to implement a 5.5% ROR which would result in an 18.75% rate increase. Staff updated the cash flow model, and staff suggests that a 5.5% ROR would generate revenues that would support the needs of the utility for at least three years.

A motion was made by Joe Dorr, seconded by Patricia Thome, to approve the PSC recommendation of a 5.5% Water ROR. 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.

City Council Member Patricia Thome shared that the Cedarburg Fire Department will remain an independent entity for now. Two paramedics will be hired in 2023, with funding from the County.

Ben Collins discussed the current supply chain issues, logistics, and increase in labor costs. Electric and water meters continue to experience long lead times.

## APPROVAL OF BILLS

The bills, as listed on the 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

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