

CEDARBURG LIGHT & WATER COMMISSION

June 21, 2021

The regular monthly meeting of the Light & Water Commission was held on Monday, June 21, 2021 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, and Paul Radtke

Excused - City Council Member Patricia Thome

Also Present – General Manager Dale Lythjohan, Electric Superintendent Karsten Huse, Financial Manager Lynda Lalley, 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 May 17, 2021 were read and approved on a motion by Paul Radtke, seconded by Joe Dorr. Motion carried.

VOUCHER SUMMARY FOR MAY

| | |
|----------------------|------------------|
| Accounts Payable | \$ 593,792.40 |
| ACH & Wire Transfers | 600,034.03 |
| Payroll | <u>70,243.33</u> |
| Total Vouchers | \$1,264,069.76 |

BANK BALANCE FOR MAY

| | |
|---------------------------|---------------------|
| 5/1/21 Balance Available | \$ 316,373.34 |
| + Deposits | 1,260,727.76 |
| - Checks and Other Debits | <u>1,222,791.25</u> |
| 5/31/21 Available Balance | \$ 354,309.85 |

REVENUE ITEMS FOR MAY

| | |
|-------------------------------|-------------------|
| kWh Sold – 8,150,855 | \$ 871,449.79 |
| Water Sold 30,602,928 Gallons | <u>147,756.62</u> |
| | \$1,019,206.41 |

Water Pumped 41,455,140 Gallons
Power Purchased – 8,380,752 kWh

NEW BUSINESS

INTRODUCTION OF CL&W/WPPI SCHOLARSHIP RECIPIENT, BEN HILDEBRAND

General Manager Lythjohan introduced this year's scholarship recipient, Ben Hildebrand. Each year, Cedarburg Light & Water along with WPPI Energy, offers a \$1,000 college scholarship to a graduate of Cedarburg High School.

The scholarships are administered by the Cedarburg Community Scholarship Fund and the Cedarburg High School Scholarship Program. Ben plans to study Business at the University of Wisconsin Whitewater.

CONSIDER APPROVAL OF ADDITIONAL LINEMAN POSITION; AND ACTION THEREON

The General Manager explained that staff had the opportunity to talk to two experienced linemen. Both linemen came to the utility to job shadow, and both work in the municipal arena. Management believes this is an opportunity to staff the utility for the future, and management recommends pursuing both candidates.

A motion was made by Joe Dorr, seconded by Tim Larson, to approve hiring one or two experienced linemen. Motion carried.

PRESENTATION AND REVIEW OF THE LONG-TERM CASH FLOW MODEL, RATE ADEQUACY

The Manager and Financial Manager presented the updated cash-flow model information.

Management recommends no water rate change for 2022, but expects to recommend to file for new water rates in 2023 as part of the annual review in 2022. Water utility days of cash show reasonable recovery after the large capital outlays in 2020 and 2021, so once the water tower and booster station accounting occurs later this year, there should be a clearer picture of the water utility finances in mid-2022.

The last electric utility rate case was in 2016. The electric utility continues to invest back into the system, and is keeping up with all needed expenses. The days of cash position for the electric utility continue to grow during the planning period, but the anticipated ROR continues to decline. There are several administrative type actions that management is recommending as part of a 2022 rate case. After further discussion, management will review the details of additional research on ROR, and depreciation with the Financial Adhoc Committee before the next Commission meeting in August, so the Commission can consider a rate filing.

No action was taken by the commission.

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.

The General Manager met with the City Clerk to discuss the schedule for seeking approval and implementing the new proposed water impact fees. A presentation will be conducted at an August City Council meeting. Then there will be a public hearing in September before the City can formally adopt the new water impact fee schedule.

The Administrative Manager assisted City staff in researching the State Health Plan options available to municipalities. The City Personnel Committee reviewed the options and recommended that the City stay with WPS for 2022, with a 2-tier plan option (one with a premium contribution and one with a higher deductible without a contribution). The intent is to move towards the State Health Plan for 2023. The research on the State Plan identified several long-term benefits to the City and employees, but the timing was not ideal to move forward in 2022.

Electric Updates:

2021 Electric Service Outages to date: 6

- 2020 Year-end total: 12
- 2019 Year end total: 20
- 2018 Year end total: 11
- 2017 Year end total: 21

Water Updates:

The EPA mandated Risk & Resiliency Assessment for the water utility has been completed and certified. The Water Superintendent will update and certify the utility emergency response plan over the next few months.

May Water Pumpage:

- 2021 = 41,455,140
- 2020 = 40,051,630
- 2019 = 38,508,570

Energy Services Update:

Customer Incentive Program:

- Home Energy Assessment, 2 customers participating, \$400 incentive total.
- Smart Thermostat, 51 customers participating, \$2,927.68 incentive total.

The electric vehicle charging pilot program continues to evolve. The utility is looking for customers to participate in the program. Customers with full electric vehicles are eligible. The goal is to track the higher amperage charging with all electric vehicles charging via the MyAccount program. There are currently 3-4 interested participants for the program that is scheduled to begin July 1.

APPROVAL OF BILLS

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

ADJOURN

A motion was made by Joe Dorr, seconded by Tim Larson, to adjourn at 7:35 p.m. Motion carried.