

## CEDARBURG LIGHT & WATER COMMISSION

February 19, 2018

The regular monthly meeting of the Light & Water Commission was held on Monday, February 19, 2018 at 7:00 p.m. at the Cedarburg Light & Water Utility Building, N30W5926 Lincoln Blvd, Cedarburg, WI 53012.

Call to order by Vice President Andy Moss

Roll Call: Present – Jim Coutts, Joseph Dorr, Blaine Hilgendorf (joined the meeting at approx. 7:10), Tim Larson, Andy Moss, David Pagel, and City Council Member Patricia Thome  
Also Present – General Manager Dale Lythjohan, Citizen in Attendance – Ryan Hammetter

### 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 January 15, 2018 were read and approved on a motion by Pat Thome, seconded by Joe Dorr. Motion carried.

### VOUCHER SUMMARY FOR JAN

Accounts Payable	\$ 477,683.96
ACH & Wire Transfers	719,932.03
Payroll	<u>76,694.46</u>
Total Vouchers	\$1,274,310.45

### BANK BALANCE FOR JAN

1/1/18 Balance Available	\$ 382,392.42
+ Deposits	1,512,821.77
- Checks and Other Debits	<u>1,543,399.76</u>
1/31/18 Available Balance	\$ 351,814.43

### REVENUE ITEMS FOR JAN

Light & Power Sold – 9,424,185kWh	\$1,023,067.86
Street Lighting Revenue 109,624 kWh	25,340.77
Water Sold – 28,370,402 Gallons	124,490.48
Water Pumped 36,377,110 Gallons; Power Used 109,920 kWh	<u>10,486.60</u>
	\$1,183,385.71

## NEW BUSINESS

### PRESENTATION AND REQUEST FROM AMERICAN LEGION PETER WOLLNER POST 288; AND ACTION THEREON

The American Legion Peter Wollner Post 288 has embarked on a fund raising campaign to upgrade facilities at the current location in Cedarburg. Legion members presented a short summary of the remodeling/expansion plans along with fundraising efforts to achieve the monetary goals needed for the project.

The proposed modifications to the current facility is estimated to cost between \$400,000 and \$425,000 and will increase capacity for meetings, events and hall rentals. The greatest need is to make accessible approved ADA (Americans with Disabilities Act) bathrooms and a storage area.

The utility has had a longstanding history of supporting community projects that have a broad appeal across the customer base, and CLW has historically contributed to a community program on an annual basis. The manager mentioned that community donations like these are taken out of retained earnings, and are not recovered through future electric or water rates.

A motion was made by Joe Dorr, seconded by Jim Coutts, to approve a one-time donation of \$10,000 to the American Legion Post 288 for their renovation project. Motion carried.

### REVIEW AND CONSIDER RECOMMENDATIONS OF THE EMPLOYEE BENEFITS COMMITTEE; AND ACTION THEREON

The manager outlined the findings from the recent employee benefits committee, and possible recommendations.

#### A: EMPLOYEE RECOGNITION PROGRAM

This proposed employee service recognition program is similar to the City of Cedarburg program. The service recognition would be based on years of service, with a monetary award in the form of a gift card. The manager recommends looking back five years, resulting in anyone who has been an employee for at least five years receiving a service recognition award in 2018, and then the program cadence will go forward based on each employee's years of service.

	Gift Card Amount	Approx Net
• 5 years of continuous service	\$35	\$25
• 10 years -	\$65	\$50
• 15 years -	\$95	\$75
• 20 years -	\$125	\$100
• 25 years -	\$190	\$150
• 30 years -	\$250	\$200
• 35 years -	\$310	\$250

The manager noted that the award totals shown that will be given as gift cards are “grossed up” by approx. 25% from an assumed “net” payment to the employee to estimate the taxes associated with each award that will be deducted through the payroll process.

A motion was made by David Pagel, seconded by Tim Larson, to approve the recognition proposal as outlined, along with the 5-year look-back provision. Motion carried.

#### B: MODIFICATION TO PROBATION POLICY

This proposed modification to the probation policy for new employees would allow for limited access to vacation and sick leave during the second 3-month period of probation. The concept is that during the last three months of an employee’s 6-month probationary period, they would be allowed to take any accrued vacation or sick leave, but in the event of termination/separation for any reason, the employee would be responsible to reimburse the utility for the time taken. 3-4 policies will need to be modified if this change is approved by the commission, and there would be no additional cost to the utility.

A motion was made by Jim Coutts, seconded by Andy Moss, to approve the proposed concept outlined by management, and direct staff to draft appropriate policy changes for ratification at a future meeting. Motion carried.

#### C: LONG-TERM DISABILITY OPTIONS

Long-term disability is not currently offered to employees. Employees currently can save up to a maximum of 120-days of sick leave. After the 120-days is reached, any days accumulated are “lost.” The benefits committee has requested the ability for an employee to save sick leave that exceeds the 120-day cap to be used in the event the employee has a serious long-term situation that would require extra sick leave. This additional time would be saved in a “ghost” account.

The Manager and Administrative Manager looked into this “ghost” account concept and they also engaged the benefits consultant AFBG to seek quotes on a long-term disability policy with a 120-day wait period.

The information that was gathered from the consultant was presented to the commission, and they discussed options. The commissioners generally supported a plan to provide a commercial long-term disability product versus the “ghost account” option. The commission also directed staff to continue to explore a long-term disability plan that could be considered at a future meeting.

#### APPROVE 2017 ELECTRIC & WATER PHYSICAL INVENTORY ADJUSTMENTS; AND ACTION THEREON

The Financial Manager discussed the need for the commission to approve the annual adjustments to physical inventory as part of the annual audit prep. The requested adjustments continue to track similarly to previous years, and staff were praised for their efforts throughout the year to track and account for inventory materials.

Each year the utility takes a physical count of inventory products. These counts are compared to the count in the computerized inventory system. Differences are reviewed each year by the Electric Superintendent, Water Superintendent, and General Manager. Any variances that have a large quantity and/or dollar difference or that may have a material effect on the utility's property record units are researched to determine if errors made during the year are identifiable, and such errors are corrected. If errors in procedure are identified, they are discussed with the employees, and corrections are made.

A motion was made by Joe Dorr, seconded by Andy Moss, to approve annual adjustments to balance the value of physical inventory in stock with the accounting records in the amount of \$3,229 for the electric utility and <\$457> for the water utility. Motion carried.

### CITY COUNCIL UPDATE, GENERAL MANAGER, AND DEPARTMENT REPORTS

*The following are highlights of the Manager & Department Reports that were provided in writing to the commissioners in advance of the meeting. Any specific discussions are noted.*

The Manager and Water Superintendent went before the City Planning Commission on Feb 6<sup>th</sup> and received approval to build the HLPZ water tower. The Planning Commission also waived the normal 1-year time horizon for the approval due to the water utility's need for a longer range plan.

Commissioners Hilgendorf and Moss, along with City Council President Mike O'Keefe will be attending the APPA Legislative Rally in Washington DC.

The water department crew and our contractor Randy Bentley from Primus Marketing continue to install AMI meters and modules. Between the two crews, they have installed almost 900 meters and modules this year.

Total water pumpage for the month of January:

- 2017 = 36,377,110
- 2016 = 33,537,170
- 2015 = 32,408,640

Electric AMI meters exchanges are almost complete. There are approximately 15 meters that will require work to be done by the homeowner in order for the crew to access the meter.

All employees and spouses at CL&W completed the HRA process in February. Aurora is compiling the results.

Wendy Mueller will be adding Active Collections to her responsibilities beginning in March, and she will be transferring Inactive Collections to the new Collections/Work Order Processor. The new job description has been created, and advertising has started. The selection process should take about two months with a target start date of mid-May.

The Rivoli Theater ads with the CHS business students are complete. The ads are movie themed and cover a range of topics such as energy conservation, water quality and bulb recycling. Ads will run

monthly before the main feature. The cost of the ads will be reimbursed by WPPI through the Value of Public Power fund.

#### APPROVAL OF BILLS

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

#### ADJOURN

On a motion by Pat Thome, seconded by Andy Moss, the meeting adjourned at 8:31 p.m. Motion Carried.