CEDARBURG LIGHT & WATER COMMISSION

February 15, 2021

The regular monthly meeting of the Light & Water Commission was held on Monday, February 15, 2021 at 6:00 p.m. utilizing the Zoom App.

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 Dale Lythjohan, Electric Superintendent Karsten Huse, Financial Manager Lynda Lalley, and 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 January 18, 2021 were read and approved on a motion by Pat Thome, seconded by Paul Radtke. Motion carried.

VOUCHER SUMMARY FOR JAN

Accounts Payable	$ 633,704.53
ACH & Wire Transfers	732,370.41
Payroll	69,333.98
Total Vouchers	$1,435,408.92

BANK BALANCE FOR JAN

1/1/21 Balance Available	$ 239,936.56
+ Deposits	1,467,536.11
- Checks and Other Debits	1,530,117.72
1/31/21 Available Balance	$ 177,354.95

REVENUE ITEMS FOR JAN

kWh Sold – 9,513,817	$ 896,329.68
Water Sold 27,421,795 Gallons	136,005.08
	$1,032,334.76

Water Pumped 35,713,690 Gallons
Power Purchased – 9,422,640 kWh

NEW BUSINESS

PRESENTATION OF THE ELECTRIC UTILITY ANNUAL REPORT

Electric Superintendent Karsten Huse provided the annual Electric Department presentation. Karsten's presentation was intended to review key activities from the last year or so, the present, and the future outlook for the electric department. The presentation is available electronically.

APPROVE 2020 ELECTRIC AND 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. Once again, inventory for both utilities went smoothly for 2020.

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 Tim Larson, to approve annual adjustments to balance the value of physical inventory in stock with the accounting records in the amount of $6,123 for the electric utility and $173 for the water utility. Motion carried.

CONSIDER OPTIONAL ELECTRIC TARIFF FOR BILL TOTALIZATION; AND ACTION THEREON

Staff has been working with WILO to determine what electric service will be required and what rate class their new facility will be classified. The current utility plan is to provide two secondary services to WILO, but they are looking to install 400KW of rooftop solar that will add complexity to how WILO will install the solar across the two services. Staff recently became aware of a supplemental tariff that could potentially be filed at the PSC by CL&W to allow customers with multiple services to have their usage "totalized" as if they had one service. The manager explained that as staff has had a preliminary chance to understand the tariff, they have questions on whether or not the optional tariff should be offered. This item was on the agenda in case WILO formally requested consideration of the optional tariff from the Commission. As of the time of the meeting, there has not been a request, so the manager recommends no action at this time.

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.

Ruekert & Mielke has completed the first draft of the impact fee study. CL&W staff have reviewed the study and will get clarification on a few fundamental points before the study is finalized. The final draft will possibly be presented at the March commission meeting for consideration.

The CL&W Personnel Committee met in early February and reviewed additional general manager survey results, and they discussed timelines and use of a search firm. The consensus is to have 1-2 firms make a short presentation at a future CL&W Commission meeting about the process.

WPPI Energy coordinates periodic invites for members to participate in Executive Committee meetings. Cedarburg's invite is for February 25, and the meeting will be virtual.

2021 Electric Service Outages to date: 2

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

The electric department is rolling out new crew field maps to be used on iPads. This will allow the crews to visually see the system map as well as query the data tied to the attributes. This includes property records, customer contacts, install dates, etc.

Electric utility designs and layouts are almost complete for the business park along STH 60.

Inventory procurements will be challenging this year with extremely long lead times and cost increases. This will have an impact on servicing customers and managing work flows in 2021.

The construction of the High Level Pressure Zone water tower continues. The base cone has been completed and the two 20-foot pieces for the stem column are on site for installation.

Recently there was a cyber-security breech at a Florida water treatment plant where a hacker was able to adjust chemicals through the utility's SCADA system. The SCADA system at CL&W is different in that the SCADA system does not have the ability to change any chemical feed rates. Chemical feeds at CL&W can only be made manually at each well house. Cyber security is taken very seriously at CL&W, and steps continue to be made to prevent any such threats.

January Water Pumpage:

- 2021 = 35,713,690
- 2020 = 36,812,060
- 2019 = 33,491,510

As directed by the PSC, staff has been following our Arrears Management Plan, which was submitted on January 15, 2021. Collections staff has ramped up customer outreach efforts, and has contacted tenants, landlords, and homeowners with larger past due balances ahead of the end of the winter moratorium on April 15.

CL&W's disconnection plan was submitted to the PSC on February 15, 2021 and includes the amount(s) past due that will trigger the issuance of a disconnect notice. We reported on deferred payment agreement requirements, the amounts required to be paid to avoid disconnection of service, and an estimate of the number of customers that may to subject to disconnection under this plan.

Late charges will resume being assessed on past due bills beginning with usage after December 31, 2020.

APPROVAL OF BILLS

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

ADJOURN

A motion was made by Pat Thome, seconded by Tim Larson, to adjourn at 7:30 p.m. Motion carried.