

Cumberland, Wisconsin  
June 20, 2022

The monthly meeting of the Cumberland Municipal Utility Commission was called to order on Monday, June 20, 2022, at 4:00 p.m. in the Utility Conference Room located at 1265 2<sup>nd</sup> Avenue, Cumberland, Wisconsin, by Utility Commission President Craig Turcott. The following commissioners were present: Craig Turcott, Gerald Thon, Tom Goldsmith, John Anderson and Louis E. Muench via phone. Also in attendance was General Manager, Dean Bergstrom, Office Manager, Lori Nyhus, Utility Billing Clerk, Amanda Cook, Chris Mlejnick and Jennifer Kopacz from Northwest Builders and Bob Sworski and Chad Oster from CBS<sup>2</sup>.

During public comment, presentations were given by Northwest Builders and CBS<sup>2</sup> for possibly hiring one of them for building design and construction manager of the new Utility/City shop. Informational presentations were made by both companies and no action was taken. There were no other public comments.

Commissioners reviewed the meeting minutes from the May 16, 2022 meeting that were provided in advance of the meeting. After discussion, a motion was made by Goldsmith and seconded by Thon to approve the set of minutes from May 16, 2022 as presented; motion carried.

Next, the commissioners reviewed the special meeting minutes from June 14, 2022. After discussion, a motion was made by Anderson and seconded by Goldsmith, to approve the set of minutes from the June 14, 2022 special meeting as presented; motion carried.

The commissioners reviewed the voucher listing for approval that had been provided in advance. With no questions on the vouchers, a motion was made by Goldsmith and seconded by Thon, to approve payment of said vouchers numbered 12848 through 12956, with 10 automatic payment transactions, for a total dollar amount of \$369,284.81. Also noted, there was a transfer to General Funds for the sewer membranes of \$100,000.00 that came from the Collection System Replacement Fund. Motion carried; vouchers approved.

Mrs. Nyhus then reviewed the financial position of the Utility with the commissioners on paper materials that were provided in advance and by overhead projection via PowerPoint. Overall, the kilowatt sales were up for the month of May in all categories except for Large Power. The revenues were also up overall compared to last year at this time. The only difference was that the PCAC was a -.0073 last year and this year it was .0014. Power supply expenses were up and total non-labor expenses were also up, leading to a negative income for the month of approximately \$10,000.00, which was about \$8,000.00 more of a deficit than last year. Seneca will be starting testing this week and canning the following week, so things will look better for the Electric Department next month. In the Water Department, water was down slightly over 5% total for all categories, which means we are up \$300.00 in revenues compared to last year. Operation maintenance expenses were up about \$5,000.00 higher than last year, which puts us at a loss of about \$9,500.00 compared to last year at about \$3,600.00 loss. Again, Seneca will be using a lot more water in the next week and the Water Utility will start to gain on the deficit for the year. In the Sewer Department, sales were down about 6% on metered gallons and RECs were up slightly. Metered sales were down on the operation and maintenance revenues approximately \$4,000.00 compared to last year at this time, but our net income with operation and maintenance is a positive \$12,000.00, whereas last year we were almost a negative \$4,000.00. Overall for the year to date, we are up about \$90,665.00. Last year we were only at \$57,960.00. The REC income is a positive \$2,649.00, whereas last year we were approximately negative \$14,000.00. Year to date, we are at a positive \$180,000.00 where last year we were only at \$128,000.00. We made some debt payments in May, the largest being the USDA Loan for \$36,851.87. We also transferred \$100,000.00 from the Sewer Collection System account to the Utility General Fund for paying for a portion of the membranes. All in all, cash on hand is looking excellent for the Utility, so the Utility is once again in very good financial position. A motion was made by Muench and seconded by Goldsmith to approve the financial statements and reports as presented; motion carried.

Next was the consideration and approval of changes to the Utility Capitalization Policy. The Utility has been capitalizing general plan items that were purchased of \$1,000.00 or more. With how prices have increased on tools, copiers, desks and such things that are purchased from time-to-time, this will give us more leeway on what has to be recorded from here forward. The PSC and Baker Tilly have approved the upper limit of \$5,000.00 for items that can be expensed. After some discussion, a motion was made by Goldsmith and seconded by Thon, to approve the upper limit of \$5,000.00 for items that can be expensed. Motion carried.

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Next was discussion about proceeding with a full water rate case through the PSC. After much discussion about future projects for the Water Department including a new well and building a new facility, there will be a need for an increase in rates. A motion was made by Thon and seconded by Anderson, to approve moving forward with the PSC full water rate case. Motion carried.

The General Manager then presented the Wastewater CMAR Report which is a compliance maintenance annual report. All grades from the DNR are "A" in every category. A motion was made by Thon and seconded by Goldsmith, to approve the CMAR report. Motion carried.

Next the General Manager informed the commissioners that the hospital project with the sewer and water has started and everything looks to be on schedule for completion even though there was a month delay in starting as they were waiting on permits from the DNR and PSC approval. There are basements going in at the development property behind Synergy for two twin homes. Building should begin soon on that project. Staab Construction is busy working at the Sewer Plant to replace the screens. They pulled out the first screen and were placing the first new one in and are preparing to retrofit all piping. The plan is to complete the first screen replacement this week and then return next week to replace the second unit. They will come back and do any finishing work and make sure everything continues to work as projected. All three watermain break patches are now fixed with blacktop by Monarch Paving. Unfortunately, the big bucket truck broke down and needs repair in Cameron, so that will be towed there soon. Seneca will be starting their canning the week of June 27<sup>th</sup>, but they are starting their testing this week in preparation for the 2022 canning season.

Commissioner Goldsmith stated that we had a meeting with the hospital and Nilssen's Foods on possible property sale and Mr. Goldsmith said they are working to help Nilssen's move forward on the property they are looking at in hopes of building a new store.

The commissioners then discussed a next special meeting which will be this Friday, June 24<sup>th</sup>, 2022 at 9:00am in the Utility Conference Room. It was noted that the next regular commission meeting date will be Monday, July 18, 2022 at 4:00 p.m. in the Utility Conference Room.

There being no further business, a motion to adjourn the meeting was made by Goldsmith and seconded by Thon. Motion carried; meeting adjourned.

Respectfully submitted,



Gerald Thon, Secretary