

**CITY OF SHEBOYGAN**  
**BOARD OF WATERWORKS COMMISSIONERS MINUTES**  
**Monday, July 17, 2023**

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**OPENING OF MEETING**

President Van De Kreeke opened the meeting at 3:30 PM. Present included Secretary Howe, Member Dale, and Superintendent Trueblood. Ms. Jodi Dobson of Baker-Tilly joined the meeting by Teams at 4:00 PM.

1. Pledge of Allegiance

All present honored the flag of the United States of America.

**MINUTES**

2. Approve minutes of June 26, 2023 Board meeting

Commissioner Dale made a motion, seconded by Commissioner Howe, to approve the minutes of the June 26, 2023 meeting. Motion passed unanimously.

**REPORTS**

3. Financial reports and approval of vouchers

Commissioner Van De Kreeke made a motion, seconded by Commissioner Dale, to approve the financial reports as presented including general vouchers of \$1,617,765.12 and gross payroll of \$199,525.48. Motion carried unanimously.

4. Superintendent's report including operations, construction-maintenance, and customer relations/fiscal, and Raw Water Improvements project

Commissioner Dale made a motion, seconded by Commissioner Howe, to approve the Superintendent's report as presented. Motion passed unanimously.

**ITEMS FOR DISCUSSION AND POSSIBLE ACTION**

5. Review preliminary rate study by Baker Tilly

Superintendent introduced Jodi Dobson of Baker Tilly and she joined the meeting remotely via Teams. Superintendent noted that Baker Tilly had completed their rate study. Ms. Dobson summarized the study and indicated the major driving forces were related to the raw water improvements project, which will have major impacts on operating costs, depreciation, debt service, and PILOT. Ms. Dobson noted that the rate study indicated a need to increase revenues by 34% to offset the new costs and maintain cash flow at a 5.0% rate of return. ARPA funds and other grants generated by the Utility helped reduce the revenue increase. Superintendent reminded the Board of internal estimates presented earlier that showed a revenue increase of 32% over the next two years. The Commissioners recognized the need for the revenue increase but preferred to spread it over two phases. The Commissioners also preferred a 5.0% rate of return rather than the current average of 6.0%. Commissioner Van De Kreeke made a motion, seconded by Commissioner Howe, directing Baker-Tilly to submit the rate study to WI PSC along with a letter requesting a phased increase over 2024 and 2025 along with the 5.0% rate of return. Motion passed unanimously.

6. Approve R.O. submitting second quarter report to Council

Commissioner Van De Kreeke made a motion, seconded by Commissioner Dale, to approve and submit the second quarter report by R.O. to Council. Motion passed unanimously.

#### **PERSONNEL**

#### **NEXT MEETING**

7. Next meeting will take place on: August 21, 2023

#### **ADJOURN**

8. Motion to Adjourn

At 4:27 PM, Commissioner Dale made a motion, seconded by Commissioner Howe, to adjourn. Motion passed unanimously.