

STOUGHTON UTILITIES COMMITTEE SPECIAL MEETING MINUTES

Monday, September 30, 2019 – 5:30 p.m.

Stoughton, WI

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Location: Edmund T. Malinowski Board Room
Stoughton Utilities Administration Office
600 South Fourth Street
Stoughton, Wisconsin, 53589

Members Present: Citizen Member David Erdman (Chair), Alderperson Ben Heili, Alderperson Regina Hirsch, Alderperson Greg Jenson, Mayor Tim Swadley (Vice-Chair)

Excused: Citizen Member John Kallas

Absent: None

Others Present: Stoughton Director of Finance & Comptroller Jamin Friedl, Stoughton Director of Human Resources & Risk Management Amy Jo Gillingham, Stoughton Utilities Assistant Director Brian Hoops, Stoughton Utilities Director Jill Weiss

Call to Order: Utilities Committee Chairperson David Erdman called the regular Stoughton Utilities Committee Meeting to order at 5:33 p.m.

Amending Section 2-526 of the Stoughton Municipal Code related to the composition of the Stoughton Utilities Committee: Stoughton Utilities staff informed the committee that as announced at the September 16, 2019 meeting of the Stoughton Utilities Committee, Citizen Member Kym Ackerman has submitted her resignation from the committee. It was recognized that the current vacancy provided the committee with an opportunity to review the ordinance related to the composition of the committee to determine if there were any potential opportunities to better represent all Stoughton Utilities customers and ratepayers.

Staff further informed the committee that more than 26% of Stoughton Utilities rate payers (2,376 accounts) receive service outside the city limits in five neighboring townships, and that four other City of Stoughton boards or commissions either require or allow for members that reside outside of the city boundaries. Discussion followed.

Motion by Heili, the motion seconded by Hirsch, to amend Section 2-256 to related to the composition of the Utilities Committee to read:

The utilities committee shall consist of the mayor, three at large members of the common council appointed annually by the mayor and confirmed by the council, and ~~three~~ two city residents and one resident from within the service area of the public electric, water or wastewater utilities appointed by the mayor and confirmed by the council for three-year staggered terms, one for one year, one for two years, one for three years, and thereafter for three-year terms. The committee will elect an alderperson to be the liaison and an alternate liaison with the city council annually at its first regularly scheduled meeting after the council reorganization meeting. Citizen members shall serve with such compensation as determined by the city council by resolution from time to time.

and recommend approval of said amendment to the Stoughton Common Council. The motion carried unanimously 5 to 0.

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Employee Compensation Analysis for 2020: *** May move to closed session per State Statute 19.85(1)(c) considering employment, promotion, compensation, or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility. ***

Stoughton Utilities staff presented and discussed a proposed market and inflationary wage adjustment for Stoughton Utilities staff. Staff informed the committee that during a regulatory rate review, the Wisconsin Public Service Commission (PSC) reviews employee wages and compensation very closely, and if the PSC determines that an increase in wages is significant and exceeds increases seen for that year at other utilities, a portion of wages may be excluded and not allowed to be recovered in utility rates. Staff explained that as more time passes between market wage adjustments and employees fall further behind comparable positions elsewhere, the resulting wage adjustments increase, which increases the potential for the PSC to exclude a portion of employee wages from recovery through utility rates. Staff informed the committee that at this time, the compensation for numerous positions require adjustment to remain competitive with regional competition, and that not addressing these issues on a timely basis make cause issues with future PSC rate reviews. Discussion followed.

Stoughton Utilities staff informed the committee that wage adjustments are only provided to employees in good standing that are meeting performance and behavior expectations and not undergoing disciplinary action. Employee's behavior and discipline records are reviewed annually and employees have the opportunity to have their good standing restored. Discussion followed.

City of Stoughton staff explained the history of the Springsted compensation analysis methodology and explained that the proposed market and inflationary wage adjustment preserved the approach previously approved by the Stoughton Personnel Committee and Stoughton Common Council. Staff confirmed that funding for the proposed adjustments, if approved, would be included in the 2020 operating budget and included in the regulatory rate reviewed scheduled to be filed by the end of the year. Discussion followed.

Motion by Hirsch, the motion seconded by Heili, to close the meeting pursuant to State Statute 19.85 (1)(c) for the purpose of considering employment, promotion, compensation, or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility. The motion carried unanimously 5 to 0. The Stoughton Utilities Committee convened in closed session at 6:02 p.m.

Motion by Heili, the motion seconded by Jenson, to reconvene in open session. The motion carried unanimously 5 to 0. The Stoughton Utilities Committee reconvened in open session at 6:24 p.m.

Motion by Heili, the motion seconded by Hirsch, to approve the market and inflationary wage adjustment, estimated to have an impact of \$47,324 on the 2020 Utilities Operating Budget, and recommend approval to the City of Stoughton Personnel Committee, City of Stoughton Finance Committee, and Stoughton Common Council. The motion carried unanimously 5 to 0.

Adjournment: There being no further business before the committee, motion by Hirsch, the motion seconded by Heili, to adjourn the special Stoughton Utilities Committee Meeting at 6:25 p.m. The motion carried unanimously 5 to 0.

Respectfully submitted

Brian R. Hoops

Stoughton Utilities Assistant Director