

STOUGHTON UTILITIES COMMITTEE REGULAR MEETING MINUTES

Monday, May 18, 2020 – 5:30 p.m.

Stoughton, WI

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Location: Online Attendance: GoToMeeting ID 346-296-565.

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

Excused: None

Absent: None

Others Present: Ms. Megan Cahill of Baker Tilly Virchow Krause, LLP, Stoughton Director of Finance & Comptroller Jamin Friedl, Stoughton Utilities Assistant Director Brian Hoops, Stoughton Utilities Water System Supervisor Kent Thompson, Stoughton Utilities Director Jill Weiss

Call to Order: Stoughton Utilities Director Jill Weiss called the regular Stoughton Utilities Committee Meeting to order at 5:30 p.m.

Utilities Committee Consent Agenda: Stoughton Utilities staff presented and discussed the Stoughton Utilities Committee consent agenda items.

Motion by Erdman, the motion seconded by Heili, to approve the following consent agenda items as presented:

- a. Draft Minutes of the April 13, 2020 Regular Utilities Committee Meeting
- b. Draft Minutes of the April 27, 2020 Special Utilities Committee Meeting
- c. Draft Minutes of the May 11, 2020 Special Utilities Committee Meeting
- d. Stoughton Utilities April Payments Due List Report
- e. Stoughton Utilities February Financial Summary
- f. Stoughton Utilities March Financial Summary
- g. Stoughton Utilities March Statistical Report
- h. Stoughton Utilities March Activities Report
- i. Stoughton Utilities April Activities Report
- j. Communications

The motion carried unanimously 7 to 0.

Election of the Utilities Committee Chairperson and Vice-Chairperson: Motion by Jenson to nominate Citizen Member David Erdman to the position of Stoughton Utilities Committee Chairperson, the motion seconded by Kallas. Discussion followed. The motion carried unanimously 7 to 0.

Motion by Jenson to nominate Alderperson Ben Heili to the position of Stoughton Utilities Committee Vice-Chairperson, the motion seconded by Hirsch. Discussion followed. The motion carried unanimously 7 to 0.

Election of the Utilities Committee Liaison and Alternate Liaison to the Stoughton Common Council: Motion by Hirsch to nominate Alderperson Greg Jenson to the position of Utilities Committee Liaison to the Stoughton Common Council, the motion seconded by Heili. Discussion followed. The motion carried unanimously 7 to 0.

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Motion by Jenson to nominate Alderperson Regina Hirsch to the position of Alternate Liaison to the Stoughton Common Council, the motion seconded by Heili. Discussion followed. The motion carried unanimously 7 to 0.

Selection of the Utilities Committee Date and Time: Motion by Erdman, the motion seconded by Jenson, to designate the monthly meeting date to remain the Monday after the first regularly scheduled meeting of the Stoughton Common Council, and the meeting time to be set as 5:30 p.m.

Status of the Utilities Committee recommendation(s) to the Stoughton Common Council: Stoughton Utilities staff presented and discussed the following items from the Stoughton Utilities Committee that were approved and/or placed on file by the Stoughton Common Council:

Consent Agenda:

1. Draft Minutes of the February 17, 2020 Regular Utilities Committee Meeting
2. Stoughton Utilities February Payments Due List Report
3. Stoughton Utilities March Payments Due List Report
4. Stoughton Utilities January Financial Summary
5. Stoughton Utilities January Statistical Report
6. Stoughton Utilities February Statistical Report

Business:

1. Bid Award of 2020 Street and Utility Construction Contract 1-2020 to Parisi Construction Co., Inc.
2. Recommendation to Rebid 1-2020 Alternate Bid No. 1 for Sanitary Sewer Work as a Separate Contract
3. Approval of a Communication Cabinet Easement Located at Stoughton Utilities Well No. 4 at 921 North Van Buren Street
4. Authorizing and directing the proper City official(s) to enter into an agreement with Globe Contractors, Inc. for the 2020 Sanitary Sewer Replacement Construction Contract 4-2020

Discussion followed.

Stoughton Utilities 2019 Audit Reports and Management Letter: City of Stoughton staff introduced Ms. Megan Cahill from Baker Tilly Virchow Krause, LLP, who presented the Stoughton Utilities 2019 Audit Reports and Management Letter. Discussion followed.

Motion by Jenson, the motion seconded by Hirsch, to acknowledge receipt of the Stoughton Utilities 2019 audit reports and management letter and recommend the Stoughton Common Council accept receipt of the audit reports and management letter, and adopt the accompanying resolution at their May 26, 2020 meeting. The motion carried 7 to 0.

Stoughton Electric Utility Annual Report filed with the Public Service Commission of Wisconsin: Stoughton Utilities and City of Stoughton staff presented and discussed the Stoughton Electric Utility Annual Report filed with the Public Service Commission of Wisconsin. Discussion followed.

Stoughton Water Utility Annual Report filed with the Public Service Commission of Wisconsin: Stoughton Utilities and City of Stoughton staff presented and discussed the Stoughton Water Utility Annual Report filed with the Public Service Commission of Wisconsin. Discussion followed.

Stoughton Wastewater Utility 2020 Rate Adjustment: Stoughton Utilities and City of Stoughton staff presented and discussed a proposed rate adjustment affecting customers of the wastewater utility. The last

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wastewater rate adjustment occurred on December 31, 2014. The proposed rate adjustment amounts to an average increase of retail rates by 4.78%, bringing the total wastewater bill for an average residential customer to \$28.59 per month, a monthly increase of \$1.55. The proposed adjustment date is effective for consumption on or after June 1, 2020. Discussion followed.

Wastewater rates are solely governed by the Stoughton Common Council and changes in rates require a revision to Section 74 of the Stoughton Municipal Code of Ordinances.

Motion by Hirsch, the motion seconded by Heili, to approve the Wastewater Utility 2020 rate adjustment and adopt modification to Subsections 74-112 and 74-113 of the City of Stoughton Municipal Code of Ordinances, and recommend approval rate adjustment and adoption of the ordinance revisions to the Stoughton Common Council at their May 26, 2020 meeting. The motion carried unanimously 7 to 0.

Waiver of Additional Committee Approval of Payables Greater Than \$5,000: Stoughton Utilities and City of Stoughton staff presented and discussed the historical practice of providing the Utilities Committee with a monthly packet of all payables in excess of \$5,000 that were generated during the prior month, and the review and approval by two members of the Utilities Committee.

This review is conducted in addition to the committee's review and approval of the monthly Payments Due List Report included in the meeting consent agenda. Staff is unable to find any documented policy requirement for this procedure, and this appears to be a process that began prior to the electronic presentation of the Payments Due List Report. There is no known City of Stoughton governance requirement for this practice, and Stoughton Utilities is the only city department that has maintained this process following the move to electronic packet presentation. Discussion followed.

Motion by Kallas, the motion seconded by Hirsch, to discontinue the practice of receiving a packet of payables greater than \$5,000 for physical signature. The motion carried unanimously 7 to 0.

Ordinance to Create Section 74-17 of the City of Stoughton Code of Ordinances, Relating to Replacement of Lead Water Service Lines: Stoughton Utilities staff presented and discussed a draft ordinance that declares lead service lines as a public nuisance and specifies a procedure for the mandatory removal of all lead service lines connected to the public water system. Discussion followed.

Motion by Heili, the motion seconded by Jensen, to approve the creation of Section 74-17 of the City of Stoughton Code of Ordinances, relating to replacement of lead water service lines, and recommend approval of the adopting ordinance to the Stoughton Common Council. The motion carried unanimously 7 to 0.

Customer Collections Status Report: Stoughton Utilities staff presented and discussed the current status of customer collections during the COVID-19 public health crisis, and the status of current customer delinquencies.

Although it is too early at this time to draw any firm conclusions on the impact of the COVID-19 public health crisis on customer delinquencies, the payment history data available at this time appears to indicate that although customer balances are increasing, these balances are being accrued by the same customers that also do not make payment whenever collection efforts are suspended, including annually during the winter cold-weather disconnection moratorium. Discussion followed.

At the committee's request, staff will provide continuing updates on customer delinquencies and cash flow on a quarterly basis.

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Utilities Committee Future Agenda Items: Staff informed the committee that upcoming meeting topics include quarterly updates on customer collections, the annual drinking water consumer confidence report (CCR), the annual wastewater collection system maintenance annual report (CMAR), and updates on the lead service line replacement program. Discussion followed.

Adjournment: Being no further business before the committee, the Chair adjourned the regular Stoughton Utilities Committee Meeting at 6:52 p.m.

Respectfully submitted

Brian R. Hoops

Stoughton Utilities Assistant Director