

STOUGHTON UTILITIES COMMITTEE REGULAR MEETING MINUTES

Monday, August 16, 2021 – 5:30 p.m.

Stoughton, WI

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Location: Online Attendance: GoToMeeting ID 701-318-493

Members Present: Citizen Member David Erdman (Chair), Alderperson Ben Heili, Alderperson Regina Hirsch, Citizen Member John Kallas (Vice-Chair), Mayor Tim Swadley, Alderperson Rachel Venegas

Excused: Citizen Member Dustin Thoren

Absent: None

Others Present: Director of Finance & Comptroller Jamin Friedl, Stoughton Utilities Assistant Director Brian Hoops, WPPI Energy Services Manager Amy Wanek, Stoughton Utilities Director Jill Weiss

Call to Order: Chairperson Erdman 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.

Staff highlighted the updates to the Stoughton Utilities Choose Renewable program and informed the committee that Stoughton Utilities recently accepted a ceremonial award from Municipal Electric Utilities of Wisconsin (MEUW) for achieving electric workplace safety excellence in 2019.

Motion by Kallas, the motion seconded by Hirsch, to approve the following consent agenda items as presented:

- a. Draft Minutes of the July 26, 2021 Regular Utilities Committee Meeting
- b. Stoughton Utilities July Payments Due List Report
- c. Stoughton Utilities June Financial Summary
- d. Stoughton Utilities June Statistical Report
- e. Stoughton Utilities July Activities Report
- f. Communications

The motion carried unanimously 6 to 0.

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 June 14, 2021 Regular Utilities Committee Meeting
2. Stoughton Utilities June Payments Due List Report
3. Stoughton Utilities May Financial Summary
4. Stoughton Utilities May Statistical Report

Business:

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1. Amendment of a Platted Sanitary Sewer Easement (From an Unstated Width to 12') on Lot 2 of Mrs. Sarah E. Turner's Addition (219 E. Taft St.)
2. Utilities Financial Management Restructuring and Creation of a Utilities Finance Director Position

An update was provided on the recruitment efforts associated with the Utilities Finance Director position.

Discussion followed.

Status Update: Lead Service Line Replacement Program: Stoughton Utilities staff presented and discussed recent efforts that have occurred as part of the ongoing 2021 citywide lead service line replacement project of public and privately-owned lead service lines. Staff informed the committee that lead service lines have been replaced at approximately 395 addresses at this time, with an approximate 300 addresses remaining. Discussion followed.

Citizen Member Erdman questioned if the recent water main break on West Main Street was associated with the lead service line replacement project, and staff informed the committee that it was not associated and was instead due to the age of the main and ground conditions. Alderperson Hirsch discussed her experience with the contractor when her lead service line was replaced, and told the committee that her experience was very positive.

Updates regarding the ongoing construction project will be posted to stoughtonutilities.com/lead and stoughtonutilities.com/construction as they are made available by the contractor

Use of American Rescue Plan Act Funds Received by the City of Stoughton to Fund the Replacement of Privately-Owned Lead Service Lines: Stoughton Utilities staff presented to the committee a request to use American Rescue Plan Act (ARPA) funds to fund the replacement of privately-owned lead service lines at nine properties that do not have a residential component. These properties are not eligible for the grant funding provided by the Wisconsin Department of Natural Resources (DNR), and Stoughton Utilities is prohibited from using water utility rates to fund work performed on privately-owned service lines.

Utility staff explained that as part of the current replacement project, residential private-side replacement costs have averaged \$5,227, and unless a source of municipal funding other than utility ratepayer funds is approved, the costs associated with these non-residential service line replacements must be borne by the property owner.

Staff also explained that some additional costs associated with privately-owned lead service line replacements would not be reimbursed by the DNR grant, and recommended the use of ARPA funding to cover those expenses as well. These expenses include some service lateral locating, project engineering, and more.

Staff explained that the ARPA provided local municipalities with local fiscal recovery funds in response to COVID-19. Included in the list of allowed purposes for these funds is to support public health expenditures and to invest in water infrastructure. Staff feels that using a small portion of the ARPA funds allocated to Stoughton to fund the replacement of the nine privately-owned lead service lines servicing properties that do not have a residential component is a responsible use of the funding, and helps the community overcome one of the last hurdles before making Stoughton's public water system lead-free by the end of 2021. Discussion followed.

Motion by Heili, the motion seconded by Kallas, to approve of the use of American Rescue Plan Act funds received by the City of Stoughton to fund the replacement of the nine currently known privately-owned lead service lines at properties that do not have a residential component, as well as all other costs associated with private-side lead service line replacements that are not being reimbursed by the DNR grant, and recommend

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approval to the Stoughton Committee of the Whole and Stoughton Common Council. The motion carried unanimously 6 to 0.

Amendment to the 2021 Water Capital Improvement Project Funding to Relocate the Existing Water Main Crossing Wisconsin Highway 138: Stoughton Utilities staff presented and discussed the previously approved five-year CIP for the Stoughton Water Utility for 2021-2025. Not included in the approved CIP was a project to relocate and lower the existing water main that crosses Wisconsin Highway 138 (WI-138). This project is necessary to accommodate a new roundabout project being completed at the intersection of U.S. Highway 51 and WI-138 by the Wisconsin Department of Transportation (WDOT). Staff has estimated the cost of this project to be approximately \$74,340. A portion of the costs for this project will be reimbursed by WDOT because the existing water main lies in an existing utility easement and not the public right of way. We are estimating this reimbursement to be approximately 46% of the final project cost.

Motion by Hirsch, the motion seconded by Heili, to approve an amendment to the Stoughton Utilities Five Year (2021-2025) Capital Improvement Plan in the amount of \$74,340 to relocate the existing water main crossing Wisconsin Highway 138, and recommend approval of the CIP amendment to the Stoughton Finance Committee and Stoughton Common Council. The motion carried unanimously 6 to 0.

Filing for Regulatory Review of Water Utility Rates: Stoughton Utilities and City of Stoughton staff presented and discussed the regulatory review of water utility rates that had been presented and approved as part of the 2021 budget approval process. Staff has conducted a thorough review of our current water utility rates and has determined that the water utility retail rates have fallen below adequate levels. As a result, it necessary to prepare an application to the Public Service Commission of Wisconsin (PSC) for authority to increase water rates by 8.64%. This amount may change following PSC review and final determination. Discussion followed.

Invitation to Attend the WPPI Energy Annual Meeting: Stoughton Utilities staff invited members of the Stoughton Utilities Committee to WPPI Energy's Annual Meeting, to be held in Pewaukee Wisconsin on Thursday, September 16, 2021. If a quorum of the Utilities Committee may be present, the appropriate public notice will be posted as required by law. Discussion followed.

Presentation of the Charlie Bradburn Pillar of Public Power Award to Citizen Members David Erdman and John Kallas: Stoughton Utilities staff congratulated Stoughton Utilities Committee Citizen Members David Erdman and John Kallas on their achievement of being awarded the Municipal Electric Utilities of Wisconsin (MEUW) Charlie Bradburn Pillar of Public Power Award. This award is presented to individuals who have served a specified period of time as a member of a public power governing board, and both Erdman and Kallas received the bronze category award for 10 to 19 years of service.

Since this was his first year receiving the award, Utilities Director Jill Weiss presented a ceremonial award to Kallas. These ceremonial awards are presented at milestone years. Members of the committee congratulated Erdman and Kallas.

Utilities Committee Future Agenda Items: Staff informed the committee that upcoming meeting topics include updates on the status of the lead service line replacement program in September, and the 2022 budget and 2022-26 Capital Improvement Plan (CIP) in October. Discussion followed.

Adjournment: Being no further business before the committee, the Chair adjourned the regular Stoughton Utilities Committee Meeting at 6:14 p.m.

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Respectfully submitted

Brian R. Hoops

Stoughton Utilities Assistant Director