

# STOUGHTON UTILITIES COMMITTEE REGULAR MEETING MINUTES

Monday, April 18, 2022 – 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  
Optional Virtual Participation: GoToMeeting ID 722-628-781

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

**Excused:** Alderperson Rachel Venegas

**Absent:** None

**Others Present:** Stoughton Utilities Assistant Director Brian Hoops, Alderperson Tom Majewski, Stoughton Utilities Finance Manager Shannon Statz, Stoughton Utilities Director Jill Weiss

**Call to Order:** Chairperson Erdman called the regular Stoughton Utilities Committee Meeting to order at 5:30 p.m. with a quorum present. Erdman, Hirsch, Kallas, Swadley, and Thoren were present in person, and Heili was present by webinar.

**Public Comments:** There were no public comments.

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

Staff discussed the cause of a recent outage and provided updates to the ongoing discussions with the regional transmission power provider's overhead transmission line that was affected by the March windstorm, informing the committee that it appears the provider does not have any plans to upgrade the poles in the near future.

Mayor Swadley discussed the upcoming common council reorganization and informed the committee that Alders Heili and Venegas would be receiving new committee assignments. Committee members thanked Heili for his time served on the Stoughton Utilities Committee

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

- a. Draft Minutes of the March 14, 2022 Regular Utilities Committee Meeting
- b. Stoughton Utilities March Payments Due List Report
- c. Stoughton Utilities January Financial Summary
- d. Stoughton Utilities February Financial Summary
- e. Stoughton Utilities Statistical Report
- f. Stoughton Utilities Activities Report
- g. Communications

The motion carried unanimously 6 to 0.

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**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 14, 2022 Regular Utilities Committee Meeting
2. Draft Minutes of the February 21, 2022 Special Utilities Committee Meeting
3. Stoughton Utilities February Payments Due List Report
4. Stoughton Utilities December Financial Summary
5. Stoughton Utilities Statistical Report
6. 2021 – Year in Review

Business:

None

Discussion followed.

**Agreement to Deposit Excess Fill Materials at West Substation Land Located at 3201 McComb Rd:**

Stoughton Utilities staff informed the committee that the contractor that had been seeking to use the site had withdrawn their request, and therefore an agreement was no longer needed. Discussion followed.

Motion by Thoren, the motion seconded by Kallas, to table any consideration of an agreement to deposit excess fill materials at West Substation land located at 3201 McComb Rd. The motion carried unanimously 6 to 0.

**Presentation: Overhead to Underground Electric Distribution System Conversion Projects:** During the presentation of the Stoughton Utilities operating budget to the Stoughton Common Council, it was requested that staff review the regulatory and financial impacts associated with additional overhead to underground electric system conversion projects. Stoughton Utilities staff provided an educational presentation on such projects, including benefits and challenges associated with underground distribution systems, regulatory considerations, and the potential costs and rate impacts associated with an overhead to underground electric system conversion within the City of Stoughton.

Aldersperson Majewski joined the meeting by webinar at 5:45 p.m. shortly after the presentation had begun.

Highlights of the presentation included:

- Stoughton Utilities currently has over 150 miles overhead lines and over 115 miles of underground lines, with 53% of lines located in the rural townships and 47% in the city
- Regulatory considerations, including Wisconsin Public Service Commission PSC 130.03 prohibiting municipal regulations requiring ratepayer-funded underground facilities for aesthetic reasons
- An analysis of outage causes and reliability per circuit
- A construction-only estimate (2018) of \$131,000,000 for a conversion of the system within the City of Stoughton, which does not include engineering, legal, and obtaining easements, and excludes the entire rural distribution system
- A potential rate impact estimate (2018) of a 27% increase within the first ten years, with continued annual increases of approximately 3% for the following 30 years
- Existing overhead communications lines would remain overhead on existing poles unless funding was provided to the communications providers to relocate underground

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- The rate impact on rural customers, who constitute 27% of Stoughton Utilities customer base yet are excluded from the project scope, may result in a special rate which would increase the percentage increases provided above

Staff explained that the utility's conclusion was that economic justification for underground conversion does not exist. Discussion followed. Additional items of discussion included communications attachments to SU poles, including agreement terms and revenues, differences between electric and water extension cost recovery and developer credits, public and employee safety comparisons between overhead and underground, details on reliability statistics, and property owner costs to upgrade existing services.

Alderperson Majewski left the meeting at approximately 7:00 p.m. shortly before the presentation had concluded.

Staff will review severability clauses in existing pole attachment agreements, provide an approximate cost to convert the downtown area to underground, and provide a list of previously completed and planned overhead to underground conversion projects.

**American Public Power Association Electric Reliability Annual Benchmarking Report:** Stoughton Utilities staff presented and discussed a report containing the utility's 2021 electric reliability metrics, including information about how the utility's reliability compares to other utilities across the country, sorted by size and region. The average Stoughton Utilities customer experienced 0.41 electric service interruptions, with average electric service availability of 99.993%. Discussion followed.

**Utilities Committee Future Agenda Items:** Stoughton Utilities staff informed the committee that upcoming meeting topics include the annual committee reorganization items in May and the presentation of the annual financial audit report and public service commission annual reports in June. Kallas requested a discussion on cyber security and Heili requested a tour of the wastewater treatment facility since prior tours were cancelled and not rescheduled due to COVID.

**Adjournment:** Being no further business before the committee, motion by Thoren, the motion seconded by Kallas, to adjourn the regular Stoughton Utilities Committee Meeting at 7:16 p.m. The motion carried unanimously 6 to 0.

Respectfully submitted,

Brian R. Hoops

Stoughton Utilities Assistant Director