

STOUGHTON UTILITIES COMMITTEE REGULAR MEETING MINUTES

Monday, May 20, 2024 – 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 640-121-533

Members Present: Citizen Member Carl Chenoweth, Citizen Member David Erdman (Chair), Alderperson Regina Hirsch, Alderperson Greg Jensen, Alderperson Daniel Payton, Mayor Tim Swadley, Citizen Member Dustin Thoren (Vice-Chair)

Excused: None

Absent: None

Others Present: Stoughton Utilities Assistant Director Brian Hoops, Stoughton Utilities & WPPI Energy Service Manager Darren Jacobson (virtual), Stoughton Utilities Finance Manager Shannon Statz, Stoughton Utilities Director Jill Weiss

Call to Order: Director Weiss called the regular Stoughton Utilities Committee Meeting to order at 5:30 p.m. Chenoweth, Erdman, Hirsch, Payton, and Thoren were present in person. No members attended virtually.

Verification of Quorum: Weiss verified that a quorum of the committee membership was present.

Certification of Compliance with Open Meetings Law: Weiss certified that the meeting had been properly noticed in compliance with open meetings law.

Public Comments: There were no public comments.

Election of the Utilities Committee Chairperson and Vice-Chairperson: Motion by Chenoweth to nominate Erdman to the position of Stoughton Utilities Committee Chairperson. There were no additional nominations. The nomination carried unanimously 5 to 0.

Motion by Hirsch to nominate Thoren to the position of Stoughton Utilities Committee Vice-Chairperson. There were no additional nominations. The nomination carried unanimously 5 to 0.

Election of the Utilities Committee Liaison and Alternate Liaison to the Stoughton Common Council: Motion by Hirsch to nominate Payton to the position of Utilities Committee Liaison to the Stoughton Common Council. There were no additional nominations. The nomination carried unanimously 5 to 0.

Motion by Payton to nominate Jensen to the position of Alternate Liaison to the Stoughton Common Council. There were no additional nominations. The nominations carried unanimously 5 to 0.

Selection of the Utilities Committee Date and Time: Motion by Erdman, seconded by Chenoweth, to designate the monthly meeting date to remain the third Monday of the month, and the meeting time to be set as 5:30 p.m. Discussion followed. The motion carried unanimously 5 to 0.

Swadley joined the meeting at 5:33 p.m.

Jenson joined the meeting at 5:34 p.m.

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Utilities Committee Consent Agenda: Stoughton Utilities staff presented and discussed the Stoughton Utilities Committee consent agenda items. Motion by Chenoweth, the motion seconded by Jenson, to approve the following consent agenda items as presented:

- a. Draft Minutes of the April 15, 2024 Regular Utilities Committee Meeting
- b. Stoughton Utilities Payments Due List Report
- c. Stoughton Utilities Financial Summary
- d. Stoughton Utilities Statistical Report
- e. Stoughton Utilities Activities Report
- f. Communications

The motion carried unanimously 7 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 recently approved and/or placed on file by the Stoughton Common Council:

Consent Agenda:

1. Minutes of the February 19, 2024 Regular Utilities Committee Meeting
2. Minutes of the March 25, 2024 Regular Utilities Committee Meeting
3. Stoughton Utilities Payments Due List Report
4. Stoughton Utilities Quarter 1 2024 Investment Summary
5. Stoughton Utilities Statistical Report

Business:

1. Bid Award for Contract No. 2-2024: 2024 West South Street Reconstruction

Discussion followed.

Declaration of Official Intent 2024-1: Stoughton Utilities staff presented and discussed the declaration of official intent to reimburse an expenditure with proceeds of a borrowing or borrowings authorized by the issuer. This is the first declaration for the year 2024 and preserves the ability to borrow funds up to \$1,367,000.00 for 2024 East South Street, (Fourth Street to Seventh Street), Fourth Street (E Main Street to Yahara River Bridge) and Fifth Street (Jefferson Street to E South Street) Reconstruction Contract 1-2024, including but not limited to engineering, legal, and construction associated with the reconstruction of 2,570 feet of water main and 1,620 feet of sanitary sewer main, including associated structures, abandonments, and service connections. Discussion followed.

Motion by Chenoweth, the motion seconded by Payton, to approve the Declaration of Official Intent No. 2024-1. The motion carried unanimously 7 to 0.

Declaration of Official Intent 2024-2: Stoughton Utilities staff presented and discussed the declaration of official intent to reimburse an expenditure with proceeds of a borrowing or borrowings authorized by the issuer. This is the second declaration for the year 2024 and preserves the ability to borrow funds up to \$782,000.00 for 2024 West South Street (Van Buren Street to Page Street) Reconstruction Contract 2-2024, including but not limited to engineering, legal, and construction associated with the reconstruction of approximately 240 feet of

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water main and 1,760 feet of sanitary sewer, including all associated structures, abandonments and service connections. Discussion followed.

Motion by Chenoweth, the motion seconded by Payton, to approve the Declaration of Official Intent No. 2024-2. The motion carried unanimously 7 to 0.

Declaration of Official Intent 2024-3: Stoughton Utilities staff presented and discussed the declaration of official intent to reimburse an expenditure with proceeds of a borrowing or borrowings authorized by the issuer. This is the third declaration for the year 2024 and preserves the ability to borrow funds up to \$854,000.00 for 2024 Mandt Park Reconstruction Contract 4-2024, including but not limited to engineering, legal, and construction associated with the reconstruction of approximately 1,650 feet of water main and 730 feet of sanitary sewer main including associated structures, abandonments, and service connections. Discussion followed.

Motion by Hirsch, the motion seconded by Chenoweth, to approve the Declaration of Official Intent No. 2024-3. The motion carried unanimously 7 to 0.

Declaration of Official Intent 2024-4: Stoughton Utilities staff presented and discussed the declaration of official intent to reimburse an expenditure with proceeds of a borrowing or borrowings authorized by the issuer. This is the fourth declaration for the year 2024 and preserves the ability to borrow funds up to \$949,000.00 for 2025 Fourth Street (Milwaukee Street to Isham Street) Reconstruction Contract, including but not limited to engineering, legal, and construction associated with the reconstruction of approximately 1,550 feet of water main and 1,100 feet of sanitary sewer main including associated structures, abandonments, and service connections. Discussion followed.

Motion by Payton, the motion seconded by Hirsch, to approve the Declaration of Official Intent No. 2024-4. The motion carried unanimously 7 to 0.

Declaration of Official Intent 2024-5: Stoughton Utilities staff presented and discussed the declaration of official intent to reimburse an expenditure with proceeds of a borrowing or borrowings authorized by the issuer. This is the fifth declaration for the year 2024 and preserves the ability to borrow funds up to \$274,000.00 for 2025 Hwy 51 (Fifth Street to Chalet Drive) Street Reconstruction (State Project Number 5845-16-79), including but not limited to engineering, legal, and construction associated with the reconstruction of approximately 40 feet of water main and 300 feet of sanitary sewer main including all associated structures, abandonments and service connections. Discussion followed.

Motion by Thoren, the motion seconded by Payton, to approve the Declaration of Official Intent No. 2024-5. The motion carried unanimously 7 to 0.

Stoughton Utilities 2024 Annual Water Consumer Confidence Report: Staff presented and discussed the annual Consumer Confidence Report (CCR). The CCR provides information about Stoughton's drinking water quality and any detected contaminants during the previous monitoring year (2023). Staff discussed the report format, crediting Brandi Yungen, education & outreach coordinator, for her creativity in its development. This report will be distributed to customers during the months of May and June, and will also be distributed to and posted in various public locations. Discussion followed.

Stoughton Utilities Typical Bill Rate Comparison Summary: Stoughton Utilities staff presented and discussed a report comparing the utility's current electric rates to comparable rates of the investor-owned utilities (IOUs) in Wisconsin. SU's rates for standard usage of residential, general service, and large power/industrial

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customers were compared to the five IOUs, and it was pointed out by staff that the IOUs current and proposed future rates were significantly higher than SU's rates, particularly in the residential and small commercial classifications. The report included the rate increases that were approved in 2023 and 2024 for the IOUs, as well as the rate increases applied for to take effect in 2025 and 2026, and it was noted that they were significantly higher than the rate increases that SU has in its five-year budget projections.

The report also compared three of SU's largest electric customers, and compared their monthly and annual bills to what they would be under the IOUs' 2024 rates. The committee noted the significant savings that SU's customers realize by locating in Stoughton. Discussion followed.

Stoughton Utilities Facilities Needs Assessment: Stoughton Utilities staff informed the committee that the utility will be participating in a City Facilities Master Plan Study being conducted by the City of Stoughton. Funds for this participation were included in the 2024 operating budget, and the utility's involvement in the city's study will be limited to a space needs analysis. Following receipt of the analysis results, SU will consider short- and long-term operational needs at the administration office and wastewater treatment facility, and develop a preliminary plan for future building needs. Staff explained the Public Service Commission of Wisconsin's role in approving plans for facilities through their Certificate of Authority (CA) approval process prior to the utility beginning to accrue significant costs associated with a facilities project. The committee and staff discussed potential uses of the land adjacent to the west substation, with one option being the site of a new utility administration building. Discussion followed.

Utilities Committee Future Agenda Items: Stoughton Utilities staff informed the committee that the 2023 financial audit report will be presented at the June meeting, as well as the Public Service Commission annual reports for electric and wastewater, the Department of Natural Resources' Wastewater Compliance Maintenance Annual Report (CMAR), and the potential for a partial easement release. Staff informed the committee that tours of SU facilities are available upon request, and SU staff will work with the members' individual schedules to coordinate times.

Adjournment: Being no further business before the committee, motion by Jenson, seconded by Chenoweth, to adjourn the meeting at 6:31 p.m. The motion carried unanimously 7 to 0.

Respectfully submitted,

Brian R. Hoops

Stoughton Utilities Assistant Director