

STOUGHTON UTILITIES COMMITTEE REGULAR MEETING MINUTES

Monday, May 19, 2025 – 5:30 p.m.

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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 326-695-085

Members Present: Citizen Member David Erdman (Chair), Alderperson Regina Hirsch, Alderperson Greg Jenson, Mayor Tim Swadley, Citizen Member Dustin Thoren (Vice-Chair), Alderperson Jordan Tilleson

Excused: Citizen Member Carl Chenoweth

Absent: None

Others Present: Megan Cahill from Baker Tilly US, LLP, City of Stoughton Director of Human Resources & Risk Management Amy Jo Gillingham, Stoughton Utilities Assistant Director Brian Hoops, Stoughton Utilities Finance Manager Shannon Statz, Stoughton Utilities Education & Outreach Coordinator Brandi Yungen, Stoughton Utilities Director Jill Weiss

Call to Order: Vice-Chair Thoren called the regular Stoughton Utilities Committee Meeting to order at 5:30 p.m. Erdman, Hirsch, Jenson, Swadley, Thoren, and Tilleson were present in person. No members attended virtually.

Verification of Quorum: Thoren 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: Motion by Thoren to nominate Erdman to the position of Stoughton Utilities Committee Chairperson. There were no additional nominations. The nomination carried unanimously 6 to 0.

Election of the Utilities Committee Liaison and Alternate Liaison to the Stoughton Common Council: Motion by Jenson to nominate Hirsch to the position of Utilities Committee Liaison to the Stoughton Common Council. There were no additional nominations. The nomination carried unanimously 6 to 0.

Motion by Jenson to nominate Tilleson to the position of Alternate Liaison to the Stoughton Common Council. There were no additional nominations. The nominations carried unanimously 6 to 0.

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

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

- a. Minutes of the April 21, 2025 Regular Utilities Committee Meeting
- b. Stoughton Utilities Payments Due List Report

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- c. Stoughton Utilities Financial Reports
- d. Stoughton Utilities Statistical Report
- e. Stoughton Utilities 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 informed the committee that no items from the Stoughton Utilities Committee were recently approved and/or placed on file by the Stoughton Common Council.

Update: PSCW Water Rate Application: Stoughton Utilities staff provided an update on the status of the ongoing water rate application that was submitted to the Public Service Commission of Wisconsin (PSCW) in 2024. A public hearing is scheduled for Wednesday, May 21, 2025, and all customers were notified via an insert in their monthly billing statements.

Update: WisDOT 2025 Reconstruction Projects: Stoughton Utilities staff provided an update on the ongoing street reconstruction projects where utilities are being adjusted or reconstructed, including those being let by the City of Stoughton as well as those being led by the Wisconsin Department of Transportation. Staff continues to monitor project design updates and will notify the committee of any budgetary impacts. Discussion followed.

Release of Easement Rights to a Platted Utility Easement on Lots 32-43, 77-88, and 97-104: Stoughton Utilities staff presented a request from the developer of the Magnolia Springs Subdivision to release the utility's rights to a platted utility easement that was established during the creation of the certified survey map due to conflicts with an overlapping stormwater easement. Staff explained that a new utility easement is being created as part of the same process, and that there are no concerns with the easement release. Discussion followed.

Motion by Thoren, the motion seconded by Tilleson, to approve the release of easement rights to the platted utility easement on Lots 32-43, 77-88, and 97-104 of Magnolia Springs, and recommend approval of the release of easement rights to the Stoughton Common Council. The motion carried unanimously 6 to 0.

Stoughton Utilities 2024 Audit Reports and Management Letter: Erdman informed the committee that he would abstain from any discussion and vote, and left the meeting at 5:39 p.m. Staff introduced Ms. Megan Cahill from Baker Tilly US, LLP, who presented the Stoughton Utilities 2024 Audit Reports and Management Letter. Discussion followed.

Motion by Hirsch, seconded by Tilleson, to acknowledge receipt of the Stoughton Utilities 2024 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. The motion carried 5 to 0, with Erdman abstaining.

Erdman returned to the meeting at 5:59.

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

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

Stoughton Utilities Compensation Plan: Staff introduced City of Stoughton Director of Human Resources & Risk Management Amy Jo Gillingham who presented a proposed compensation policy for Stoughton Utilities that was recently approved by the City of Stoughton Personnel Committee at their May 2025 meeting. Gillingham provided a brief history of the Stoughton Utilities Compensation Plan since it was first approved by the Stoughton Utilities Committee and Common Council in August 2022.

Details and history were provided that emphasized the importance that established market-based compensation plan be implemented annually to ensure a timely response to market conditions and avoid over or underpaying employees. Also discussed were differences between the City of Stoughton and Stoughton Utilities and the rationale behind the compensation plan, including concerns with a desire for parity between the city and utility and the problems that can cause, an explanation of wage funding sources, history of position openings at the utilities and recruitment efforts, and more.

The proposed compensation plan includes annual updates to the previously developed and approved pay matrix using a variety of sources, including Municipal Electric Utilities of Wisconsin and American Water Association. Comparable wages would be gathered at the end of the year after comparable budgets have been approved and reviewed by human resources for an annual February 1 effective date.

Discussion followed.

Weiss left the room, and a discussion was led by Gillingham about market compensation for the Utilities Director position. It was explained that this position is currently being compensated below midpoint and is not competitive. The committee expressed interest in correcting this prior to the annual process. Gillingham will review budgetary impacts and come back to the committee at a later date with more information for approval. Weiss returned following discussion.

Motion by Jenson, seconded by Hirsch, to approve the Stoughton Utilities Compensation Plan and recommend the approval and adoption of the compensation plan to the Stoughton Common Council. The motion carried unanimously 6 to 0.

Gillingham informed the committee that funds had been budgeted in 2025 to have a consultant review the previously approved compensation study, and requested input from the committee as to whether they would like to proceed with a one-time consultant review to verify the analysis results. The policy has been previously reviewed. Discussion followed.

Motion by Hirsch, seconded by Thoren, to use an outside consultant to review the compensation plan matrix in 2025 and every three years thereafter to ensure that the methodology to be used in the upcoming year remains correct and the market comparable results remain accurate and competitive. The motion carried unanimously 6 to 0

Swadley left the meeting at 6:33 p.m.

Wastewater 2024 Compliance Maintenance Annual Report (CMAR): Stoughton Utilities staff presented and discussed the 2024 CMAR. Staff informed the committee that annual submittal of an electronic CMAR form

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(eCMAR) is required to be completed no later than June 30. Staff further informed the committee that there were no concerns noted in the CMAR. Discussion followed.

Motion by Tilleson, seconded by Jenson, to approve the 2024 Compliance Maintenance Annual Report and recommend the approval and adoption of the corresponding resolution to the Stoughton Common Council. The motion carried unanimously 5 to 0.

Revision #2 to Wisconsin Department of Transportation State/Municipal Financial Agreement: Stoughton Utilities staff presented and discussed a revised cost sharing agreement between the City of Stoughton and the Wisconsin Department of Transportation (WisDOT) related to the reconstruction of US Highway 51 / West Main Street between Harrison Street and Roby Road. Stoughton Utilities will be replacing the water main and sanitary sewer, including completing the project design and engineering, and funding associated construction costs, mobilization, and project oversight. The proposed revision to the previously approved revised financial agreement defines the project scope and state vs. utility financial obligations. Staff requested that the committee's review and approval of the agreement focus on the utility-related aspects of the agreement, and other committees will be reviewing the other aspects of the agreement unrelated to utilities. Discussion followed.

Motion by Thoren, the motion seconded by Tilleson, to accept the utility-related aspects of Revision #1 to Wisconsin Department of Transportation State/Municipal Financial Agreement, and recommend acceptance of the revised agreement to the Stoughton Common Council. The motion carried unanimously 5 to 0.

2025-2029 Utility Rate Projections Communication Plan: Stoughton Utilities staff presented and discussed an informational pamphlet that was prepared in early 2024 at the committee's request to inform and educate customers on upcoming rate projections. This pamphlet was updated following approval of the current year's budget. Staff provided a presentation that outlined education and outreach efforts to distribute information about current and project rates, and discussed the objectives, key and supplemental messages, and the goals and metrics of the communications plan. Also presented were outreach efforts and sample materials completed to date, and a schedule for upcoming efforts. Discussion followed.

Stoughton Utilities 2025 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 (2024). 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.

Utilities Committee Future Agenda Items: Stoughton Utilities staff informed the committee that future agenda items will be light over the summer months, and include policies on RoundUP and community donations, a review of easement release procedures, WPPI Energy regional dinners and the annual meeting, and approval of any budgetary impacts resulting from prior discussions. Discussion followed.

Adjournment: Being no further business before the committee, the chair adjourned the meeting at 7:06 p.m.

Respectfully submitted,

Brian R. Hoops

Assistant Stoughton Utilities Director