

STOUGHTON UTILITIES COMMITTEE REGULAR MEETING MINUTES

Monday, May 14, 2018 – 5:00 p.m.

Stoughton, WI

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Location: Edmund T. Malinowski Board Room
Stoughton Utilities Administration Office
600 South Fourth Street
Stoughton, Wisconsin, 53589

Members Present: Citizen Member Kym Ackerman, Citizen Member David Erdman, Citizen Member John Kallas, Alderperson Pat O'Connor, Mayor Tim Swadley, Alderperson Nicole Wiessinger

Excused: Alderperson Regina Hirsch

Absent: None

Others Present: Stoughton Utilities Finance Manager Jamin Friedl, CPA, Stoughton Utilities Assistant Director Brian Hoops, Stoughton Utilities Director Robert Kardasz, P.E., Stoughton Utilities Operations Specialist Martin Seffens

Call to Order: Stoughton Utilities Director Robert Kardasz called the regular Stoughton Utilities Committee Meeting to order at 5:00 p.m.

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

Motion by Alderperson Pat O'Connor, the motion seconded by Citizen Member John Kallas, to approve the following consent agenda items as presented: Stoughton Utilities Payments Due List Report, Draft Minutes of the April 16, 2018 Regular Utilities Committee Meeting, Stoughton Utilities March 2018 Financial Summary, Stoughton Utilities March 2018 Statistical Report, Stoughton Utilities April 2018 Activities Report, Utilities Committee Annual Calendar, Communications. The motion carried unanimously 6 to 0.

Election of the Utilities Committee Chairperson and Vice-Chairperson: Motion by Alderperson Pat O'Connor to nominate Citizen Member David Erdman to the position of Stoughton Utilities Committee Chairperson. Discussion followed. The motion carried unanimously 6 to 0.

Motion by Alderperson Pat O'Connor to nominate Citizen Member John Kallas to the position of Stoughton Utilities Committee Vice-Chairperson. Discussion followed. The motion carried unanimously 6 to 0.

Election of the Utilities Committee Liaison and Alternate Liaison to the Stoughton Common Council: Motion by Alderperson Pat O'Connor to nominate Alderperson Regina Hirsch to the position of Utilities Committee Liaison to the Stoughton Common Council. Discussion followed. The motion carried unanimously 6 to 0.

Motion by Alderperson Nicole Wiessinger to nominate Alderperson Pat O'Connor to the position of Alternate Liaison to the Stoughton Common Council. Discussion followed. The motion carried unanimously 6 to 0.

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Selection of the Utilities Committee date and time: Motion by Citizen Member David Erdman, the motion seconded by Citizen Member John Kallas, to designate the monthly meeting date to remain as the Monday after the first regularly scheduled meeting of the Stoughton Common Council at 5:00 p.m. Discussion followed. 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:

- Stoughton Utilities Payments Due List Report
- Stoughton Utilities Committee March 19, 2018 Meeting Minutes
- Stoughton Utilities February 2018 Financial Summary
- Stoughton Utilities February 2018 Statistical Report

Proposed Electric and Water Tax Stabilization Dividends: Stoughton Utilities staff presented and discussed proposed electric and water tax stabilization dividends of \$27,975 and \$6,261 respectively. Discussion followed. Motion by Alderperson Pat O'Connor, the motion seconded by Alderperson Nicole Wiessinger, to approve the electric and water tax-stabilization dividends as presented, and to present them to the Stoughton Common Council. The motion carried 5 to 1, with Citizen Member John Kallas voting noe.

Anticipated 2017 Fund Transfers to the City of Stoughton: Stoughton Utilities staff presented and discussed the following anticipated transfers to the City of Stoughton in 2018:

Payment in lieu of taxes	\$814,931
Tax-Stabilization Dividends	\$34,235
Rent: Stoughton Utilities Administration Building	\$97,415
Administration Charges	\$64,000
Police Department Emergency Contact Service	\$9,000
Stormwater Management Fee	\$7,567
Economic Development Contribution	\$1,000
Total:	\$1,028,148

Staff informed the committee that these transfers do not include fees for construction related permits, street opening permits, Project RoundUP donations, Commitment to Community donations, renewable energy project grants, or other applicable fees and charges. It was further explained that Stoughton Utilities pays all employment wages and overhead, insurance costs, and legal expenses, and does not receive any taxpayer funding. Discussion followed.

Stoughton Utilities goals status report: Stoughton Utilities staff presented and discussed the Stoughton Utilities goals status report. It was explained that these goals are presented to the Utilities Committee annually, and staff continues to review and revise these goals, noting both

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organizational accomplishments, as well as designating new areas for growth. Discussion followed.

Customer collections status report and disconnection timeline: Stoughton Utilities staff presented and discussed a number of items related to Stoughton Utilities' collection efforts. Topics discussed included:

- The amount of current delinquencies 30 or more days past due, a comparison of these amounts to past years, and a discussion of delinquency trends and patterns;
- Historical collection practices prior to 2008;
- Collection practices put into place since 2008, including policies passed by the Utilities Committee and Common Council regarding deferred payment agreements and customer deposits, adherence to the Wisconsin Public Service Commission (PSC) administrative rules, policies regarding notification of delinquencies, partnership with the Wisconsin Department of Revenue, PSC rule tariffs regarding tenant customers, and the utilization of the property tax roll;
- The typical disconnected account has three bills outstanding, and has received service without payment for approximately 115 days;
- A summary of April's disconnection activity, including a timeline of all customer notifications provided prior to disconnection;
- A theoretical timeline for a new customer taking service on January 1 who may have been subject to disconnection in April;
- A sampling of actual anonymized payment histories for customers recently disconnected.

Discussion followed.

Commitment to Community program funding and customer return: Stoughton Utilities staff presented and discussed Stoughton Utilities' Commitment to Community program funding, including the separate funds for both energy conservation and low-income assistance. A brief history of the program and how each fund has been managed was presented.

Stoughton Utilities currently partners with the State of Wisconsin Focus on Energy Program for energy conservation funding, while also maintaining funding for locally administered energy conservation programs unique to Stoughton Utilities. Historical data from 2016, 2017, and 2018 YTD was provided showing the program's return to customers.

Stoughton Utilities currently partners with the State of Wisconsin Home Energy Assistance Program for low income assistance funding. Historical data from the past four heating seasons was provided showing the program's return to customers, and a comparison was provided to the last four heating seasons that Stoughton Utilities maintained a self-administered program.

Discussion followed.

West Substation construction status update: Stoughton Utilities staff presented and discussed the status of the ongoing construction of the new West Substation, including work done by SU's construction contractor to construct the substation structure and outbound underground distribution

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lines, as well as work recently completed by American Transmission Company (ATC) to construct the incoming transmission line. Plans and construction photos were shared. Discussion followed.

Cost analysis of an overhead to underground electric system conversion: Motion by Citizen Member David Erdman, the motion seconded by Alderperson Pat O'Connor, to table this item until a future meeting when all members are present. The motion carried unanimously 6 to 0.

Invitation to attend an Orientation to WPPI Energy: Stoughton Utilities staff presented and discussed an upcoming half-day educational program about WPPI Energy and the benefits of joint action. This orientation is open to utility staff and governing officials. If a quorum of the Utilities Committee may be present, the appropriate public notice will be posted as required by law. Discussion followed.

Utilities Committee future agenda items: Cost analysis of an overhead to underground electric system conversion, annual wastewater Compliance Maintenance Annual report (CMAR).

Adjournment: Motion by Citizen Member John Kallas, the motion seconded by Alderperson Nicole Wiessinger, to adjourn the regular Stoughton Utilities Committee Meeting at 5:50 p.m. The motion carried unanimously 6 to 0.

Respectfully submitted

Brian R. Hoops
Stoughton Utilities Assistant Director