

STOUGHTON UTILITIES COMMITTEE REGULAR MEETING MINUTES

Monday, March 14, 2022 – 5:00 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 476-866-173

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

Excused: Mayor Tim Swadley, Alderperson Rachel Venegas

Absent: None

Others Present: John Gray, Stoughton Utilities Assistant Director Brian Hoops, Alderperson Greg Jenson, Stoughton Utilities Operations Specialist Marty Seffens, 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 5:00 p.m. with a quorum present. Erdman and Kallas were present in person, and Heili, Hirsch, and Thoren were present by webinar.

Public Comments: John Gray, a resident of Stoughton living on Markens Gate Road, spoke regarding the recent storm outage, specifically regarding the existing overhead transmission power lines owned by the regional transmission power provider along Milwaukee Street. Gray stated he understood moving the lines underground wasn't a realistic consideration but, given that the lines had now been severely damaged by high winds twice in the past three years, inquired as to whether there are other options regarding the construction of the line to make it stronger and able to withstand severe weather, such as reinforced or steel poles. Staff discussed the ownership of the poles, acknowledged his concerns, and discussed their own concerns over the same topic. Staff responded that the regional transmission power provider has indicated that they are considering possible upgrade options for the line, however no timeframe has been provided by the provider at this time.

John Gray left the meeting at 5:12 p.m.

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

Staff highlighted the new water utility rates that were recently approved by the Public Service Commission of Wisconsin, the recent storm event and resulting outage restoration, and the 2021 Year in Review report.

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

- a. Draft Minutes of the February 14, 2022 Regular Utilities Committee Meeting
- b. Draft Minutes of the February 21, 2022 Special Utilities Committee Meeting
- c. Stoughton Utilities February Payments Due List Report
- d. Stoughton Utilities December Financial Summary
- e. Stoughton Utilities Statistical Report

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- f. Stoughton Utilities Activities Report
- g. Communications
- h. 2021 – Year in Review

The motion carried unanimously 5 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 December 20, 2021 Regular Utilities Committee Meeting
- 2. Stoughton Utilities December Payments Due List Report
- 3. Stoughton Utilities January Payments Due List Report
- 4. Stoughton Utilities November Financial Summary
- 5. Stoughton Utilities Statistical Report

Business:

- 1. Bad Debt Account Write-Offs through December 31, 2021
- 2. Stoughton Utilities Development Plan Review Cost Reimbursement Agreement
- 3. Stoughton Utilities Easement Release Cost Reimbursement Agreement
- 4. Wisconsin Department of Transportation State/Municipal Financial Agreement
- 5. Consideration and possible action authorizing City staff to petition the Town of Rutland, pursuant to Wis. Stat. sec. 195.58, to install a water main in Oak Opening Drive

Discussion followed.

Aldersperson Greg Jenson joined the meeting by webinar at 5:19 p.m.

Funding of Private Lead Service Line Replacements Completed by Property Owners Prior to 2020:

Stoughton Utilities staff informed the committee that a request had been raised at the September 1, 2021 meeting of the Stoughton Committee of the Whole to have the Stoughton Utilities Committee explore the possibility of reimbursing property owners who replaced their privately-owned lead service line prior to 2020 and paid for the replacement out of pocket. This topic was discussed at the September 21, 2021 meeting of the Stoughton Utilities Committee, and it was the consensus of the committee at that time that Stoughton Utilities and the City of Stoughton should not fund the costs of lead service lines replacements that occurred prior to 2020.

Staff reminded the committee that the section of the water service lateral from the curb stop valve located in the public right of way to the water meter located inside the dwelling is privately-owned, and the individual property owners are responsible for the costs associated with installation and maintenance. Staff also reminded the committee that as a regulated public utility, Stoughton Utilities is currently prohibited by the Wisconsin Public Service Commission from using funds collected through utility rates to perform work on private property.

Staff further explained that the funding grant awarded by the Wisconsin Department of Natural Resources does not allow for the reimbursement of costs associated with private service line replacements that occurred prior to 2020.

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Staff stated that prior to summer of 2020 when the grant application process had begun, no customers were told there could be potential cost reimbursement options for the replacement of private service lines. Staff also stated that prior to the 2021 passage of the ordinance declaring lead service lines to be a public nuisance, no customers were mandated or required by Stoughton Utilities to replacement their private service lines due to those lines being lead.

Discussion followed. Alderperson Jenson clarified that the intent of the request was to use American Recovery Plan Act funding to provide customer reimbursement. Various funding scenarios were discussed, including the timeframe in which eligible replacements would have occurred (anywhere from one to four years), process of application for reimbursement, process of using city permits to locate eligible customers that had replaced their service lines, and potential maximum reimbursement amounts. It was discussed that the request would be taken back to the Committee of the Whole as a potential use of ARPA funds, with no further action being taken at the Utilities Committee.

Alderperson Jenson left the meeting at 5:32 p.m.

State of the Utility: Stoughton Utilities staff presented and discussed the current state of Stoughton Utilities, focusing on past year's highlights, utility strengths, current structure and areas of responsibility, unexpected challenges, future goals and opportunities, and the utility's short- and long-term vision. Discussion followed.

Depositing Excess Fill Materials at West Substation Land Located at 3201 McComb Rd: Stoughton Utilities staff presented and discussed a request received by the contractor that was awarded the bid for the Wisconsin Department of Transportation construction of three roundabouts along U.S. Highway 51 to utilize the vacant undeveloped land adjacent to Stoughton Utilities West Substation as a site to deposit approximately 20,000 cubic yards of granular fill material that will be removed during the roundabout construction earthwork. Discussion followed.

Motion by Heili, the motion seconded by Hirsch, to direct staff to proceed with the creation of an agreement authorizing the use of the vacant West Substation land located at 3201 McComb Rd. for the deposit of approximately 20,000 cubic yards of granular fill material. The motion carried unanimously 5 to 0.

Stoughton Utilities Strategic Alignment and Position Description Updates: Stoughton Utilities staff presented and discussed recent strategic planning and personnel alignment efforts, looking at retention and recruitment strategies, organization structure, position descriptions, and staffing needs moving forward. Discussion followed.

Motion by Kallas, the motion seconded by Heili, to close the meeting pursuant to State Statute 19.85 (1)(c) for the purpose of considering employment, promotion, compensation, or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility. The motion carried unanimously 5 to 0.

Marty Seffens left the meeting at 5:46 p.m.

The Stoughton Utilities Committee convened in closed session at 5:46 p.m.

Motion by Heili, the motion seconded by Kallas, to reconvene in open session. The motion carried unanimously 5 to 0. The Stoughton Utilities Committee reconvened in open session at 6:19 p.m.

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Motion by Kallas, the motion seconded by Hirsch, to approve the proposed Stoughton Utilities personnel organization structure and position descriptions and recommend approval to the Stoughton Personnel Committee and Stoughton Common Council, with such changes as are acceptable to and recommended by the City of Stoughton Director of Human Resources. The motion carried unanimously 5 to 0.

Marty Seffens rejoined the meeting by webinar at 6:20 p.m.

Lead Service Line Replacement Program Final Costs: Stoughton Utilities staff presented and discussed the final costs associated with the 2021 lead service line replacement project. Actual total project costs were under budget at \$5,317,394 for the full project, with \$1,695,346 allocated to public replacement funding from ratepayers, and \$3,622,048 allocated to private funding sources including the American Recovery Plan Act funds and a grant from the Wisconsin Department of Natural Resources. Discussion followed.

NR-809 Drinking Water Standards Rulemaking Update Relating to Certain PFAS: Stoughton Utilities staff presented and discussed recent actions taken by the Wisconsin Department of Natural Resources (DNR) Natural Resources Board (NRB) at its February 23, 2022 meeting, including the passage of an amended update to the NR 809 Drinking Water Standards administrative rules. Discussion followed.

Utilities Committee Future Agenda Items: Stoughton Utilities staff informed the committee that upcoming meeting topics include a presentation on the impacts and considerations associated with overhead to underground conversion projects in April, and the annual financial audit presentation in May.

Adjournment: Being no further business before the committee, motion by Heili, the motion seconded by Kallas, to adjourn the regular Stoughton Utilities Committee Meeting at 6:36 p.m. The motion carried unanimously 5 to 0.

Respectfully submitted,

Brian R. Hoops

Stoughton Utilities Assistant Director