

STOUGHTON UTILITIES COMMITTEE REGULAR MEETING MINUTES

Monday, April 15, 2019 – 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, Alderperson Regina Hirsch, Citizen Member John Kallas, Alderperson Pat O'Connor, Mayor Tim Swadley

Excused: Alderperson Matt Bartlett

Absent: None

Others Present: Stoughton Director of Finance & Comptroller Jamin Friedl, CPA, Stoughton Utilities Assistant Director Brian Hoops, Stoughton Utilities Director Jill Weiss

Call to Order: Utilities Committee Chairperson David Erdman 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. A status update was provided on customer collections and the end of the cold weather electric disconnection moratorium. Discussion followed.

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

- a. Draft Minutes of the March 26, 2019 Regular Utilities Committee Meeting
- b. Stoughton Utilities March Payments Due List Report
- c. Stoughton Utilities February Financial Summary
- d. Stoughton Utilities February Statistical Report
- e. Stoughton Utilities March 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 presented and discussed the following items from the Stoughton Utilities Committee that were approved and/or placed on file by the Stoughton Common Council:

Business:

1. Licensing Agreement for Communications Attachments to Utility Poles Between City of Stoughton and MCImetro Access Transmission Services Corp.
2. Approval of the 2019 Water Infrastructure Reconstruction Project
3. Approval of the 2019 Sanitary Sewer Infrastructure Reconstruction Project
4. Appointment of Jill M. Weiss, P.E. as Director to the WPPI Energy Board of Directors

Consent Agenda:

1. Minutes of the February 18, 2019 Regular Utilities Committee Meeting

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2. Stoughton Utilities February Payments Due List Report
3. Stoughton Utilities January Financial Summary
4. Stoughton Utilities January Statistical Report

Stoughton Utilities Proposed Electric and Water Tax Stabilization Dividends: Stoughton Utilities and City of Stoughton staff presented and discussed the annual tax stabilization dividends. The history of the annual dividends was discussed, as well as the calculation methodology. Staff informed the committee that the recommendation of the Finance Department and Stoughton Utilities is to approve an electric utility tax stabilization dividend of \$27,902, and to not approve a water utility tax stabilization dividend due to insufficient utility earnings and cash flow. Discussion followed.

Motion by Erdman, the motion seconded by Kallas, to approve the electric tax-stabilization dividend of \$27,902, to present the dividend to the Stoughton Common Council, and to direct staff to discontinue the practice of issuing dividends in future years.

Motion by Swadley, the motion seconded by O'Connor, to amend the original motion to remove the direction to discontinue the practice of issuing dividends in future years. The motion failed on a tie 3 to 3, with Ackerman, Erdman, and Kallas voting no.

The motion as originally read carried 4 to 2, with Hirsch and O'Connor voting no.

Stoughton Electric Utility Annual Report filed with the Public Service Commission of Wisconsin:

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

Stoughton Water Utility Annual Report filed with the Public Service Commission of Wisconsin:

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

Utilities Committee future agenda items: Staff informed the committee that upcoming topics include the presentation of the 2018 financial audit report and management letter by Baker Tilly Virchow Krause, LLP; and discussions regarding funding assistance programs for the replacement of privately-owned lead water services, including a future ordinance mandating such replacement; and the resumption of periodic tours of utility facilities as weather allows. Swadley thanked O'Connor for his time serving on the Utilities Committee, and discussed his planned appointments to the Committee and the committee's reorganization at the May meeting. Hirsch requested a future discussion on changes occurring in the electric industry relating to renewables, storage, and distributed generation, and how Stoughton Utilities will adapt to such changes.

Adjournment: Motion by O'Connor, the motion seconded by Kallas, to adjourn the regular Stoughton Utilities Committee Meeting at 5:45 p.m. The motion carried unanimously 6 to 0.

Respectfully submitted

Brian R. Hoops
Stoughton Utilities Assistant Director