CITY OF STOUGHTON, 207 S Forrest Street, Stoughton, WI 53589

ORDINANCE OF THE COMMON COUNCIL			
To adopt modification to Subsections 74-112 and 74-113 of the City of Stoughton Municipal Code of Ordinances.			
Committee Action:	Utilities Committee recommended Common Council approval by a vote of 6 - 0.		
Fiscal Impact:	N/A		
File Number:	O-01-2024	**First Reading:** **Second Reading:**	January 23, 2024 February 13, 2024

RECITALS

WHEREAS, included in the 2024 wastewater utility budget that was presented to and approved by the Stoughton Utilities Committee and Stoughton Common Council was a review of wastewater utility retail rates and an across-the-board rate adjustment of 8%, and

WHEREAS, an adjustment is necessary to recover costs of capital infrastructure improvements, including replacement of underground mains and associated street repairs/reconstruction, and

WHEREAS, the last wastewater rate adjustment occurred on July 1, 2022, and

WHEREAS, staff has conducted a thorough review of our current wastewater utility rates and has determined that the wastewater utility retail rates have fallen below adequate levels, making it necessary to implement an overall increase to wastewater retail rates of 8.00%, and

WHEREAS, this adjustment will bring the total wastewater bill for an average residential customer to $32.92 per month, a monthly increase of $2.42, and

WHEREAS, wastewater utility rates are solely governed by the Stoughton Common Council and changes in rates require a revision to Section 74 of the Stoughton Municipal Code of Ordinances, and

WHEREAS, staff has reviewed the wastewater utility rates and drafted modifications to Subsections 74-112 and 74-113 of the City of Stoughton Municipal Code of Ordinances, and

WHEREAS, on December 18, 2023 the Stoughton Utilities Committee unanimously approved and recommended Common Council approval of the wastewater utility rates and prepared modifications to Subsections 74-112 and 74-113 of the City of Stoughton Municipal Code of Ordinances as follows,

ORDINANCE

NOW THEREFORE, The City Council of the City of Stoughton, Dane County, Wisconsin, ordains as follows:

1. Chapter 74 of the City of Stoughton Code of Ordinances is amended as provided below to amend Section 74-112 and 74-113 of the City of Stoughton Municipal Code of Ordinances:

DIVISION 3. FEES AND CHARGES

Sec. 74-112. – Minimum monthly wastewater service charge
The minimum monthly wastewater service charge shall be based on the size water meter in service, as per the following schedule effective February 1, 2024:

Meter Size	OM&R	Debt	Total
5/8" & ¾"	$ 3.34	$ 7.79	$11.12
1"	5.29	11.78	17.07
1¼"	7.30	15.50	22.80
1½"	8.63	18.34	26.97
2"	12.82	26.04	38.86
3"	21.97	44.60	66.57
4"	36.09	70.07	106.16
6"	75.62	146.78	222.40

Sec. 74-113. Volume.

In addition to the minimum monthly charge based on meter size, there shall be a charge for all flow based on water usage as determined by the water utility, at the rate of $5.45 per 1,000 gals, effective February 1, 2024.

2. This ordinance shall take effect upon passage and publication pursuant to law.

The foregoing ordinance was adopted by the Common Council of the City of Stoughton at a meeting held on January 23, 2024.

Dates

Council Adopted: _____

Mayor Approved: _____ Tim Swadley, Mayor

Published: _____

Attest: _____ Candee Christen, City Clerk

Motion by Thoren, the motion seconded by Peyton, to approve the Second Amendment to the Water Tower License Agreement between the City of Stoughton, Wisconsin and the County of Dane, Wisconsin, and authorize the Stoughton Utilities Director to sign on behalf of Stoughton Utilities, and recommend approval of the Second Amendment to License Agreement and authorization to sign to the Stoughton Common Council at a future meeting. The motion carried 6 to 0

Stoughton Wastewater Utility 2024 Rate Adjustment: Staff presented and discussed a proposed rate adjustment affecting customers of the wastewater utility. The last wastewater rate adjustment occurred on July 1, 2022. The proposed rate adjustment is an across-the-board increase to retail rates of 8%, bringing the total wastewater bill for an average residential customer to $32.92 per month, a monthly increase of $2.42. The proposed adjustment date is effective for consumption on or after February 1, 2024.

Staff informed the committee that this proposed rate increase was included in the 2024 wastewater utility operating budget that was approved by the committee in October 2023, and the common council in November 2023. Staff further informed the committee that wastewater utility rates are solely governed by the Stoughton Common Council and changes in rates require a revision to Section 74 of the Stoughton Municipal Code of Ordinances.

Discussion followed.

Motion by Chenoweth, the motion seconded by Thoren, to approve the Wastewater Utility 2024 rate adjustment and adopt modifications to Subsections 74-112 and 74-113 of the City of Stoughton Municipal Code of Ordinances, and recommend approval of the rate adjustment and adoption of the ordinance revisions to the Stoughton Common Council at their January 9, 2024 meeting. The motion carried 6 to 0.

2023 Q4 Stoughton Utilities Investment Update: Stoughton Utilities staff provided the committee with a list of Stoughton Utilities' investments by individual utility for review. Staff also informed the committee of recent and planned upcoming reinvestments, and the criteria used when considering whether to invest funds or maintain cash deposits. Discussion followed.

Utilities Committee Future Agenda Items: Stoughton Utilities staff informed the committee that a request to release a utility easement as well as the annual disbursement of the 2023 RoundUp funds for July through December will be presented at the next committee meeting. Routine February items will include the annual delinquent account write off list and presentation of the annual year in review report, as well as presentation of a publication to customers focused on rate education and transparency. A spring tour of the electric, water and wastewater infrastructure will be discussed in the future. In addition, Swadley recommended a quarterly update from Utilities Director Weiss about ongoing utility projects.

Discussion followed.

Adjournment: Being no further business before the committee, the chair adjourned the meeting at 6:26 p.m.

Respectfully submitted,

Shannon M. Statz
Stoughton Utilities Finance Manager

DRAFT

Stoughton Utilities

600 South Fourth Street
P.O. Box 383
Stoughton, WI 53589-0383

Serving Electric, Water & Wastewater Since 1886

Date: December 14, 2023

To: Stoughton Utilities Committee

From: Shannon M. Statz
Stoughton Utilities Finance Manager

Jill M. Weiss, P.E.
Stoughton Utilities Director

Subject: Stoughton Wastewater Utility 2024 Rate Adjustment

Included in the 2024 wastewater utility operating budget that was presented to and approved by the Stoughton Utilities Committee in October 2023 and Stoughton Common Council in November 2023 was an across-the-board rate adjustment of 8%. The adjustment is necessary to recover costs of capital infrastructure improvements both today and in the future. The proposed rate adjustment will bring the total wastewater utility bill for an average residential customer to $32.92 per month, a monthly increase of $2.42.

The 2024 operating budget was calculated with this proposed wastewater rate adjustment having an effective date of February 1, 2024. The last wastewater rate adjustment occurred on July 1, 2022.

Also included in the 2024 budget presentation was a plan to implement a flat adjustment of 8% every other year, with a full rate analysis on the years in between.

Wastewater rates are solely governed by the Stoughton Common Council and changes in rates require a revision to Section 74 of the Stoughton Municipal Code of Ordinances. A copy of the proposed ordinance amendment is enclosed.

If approved with a February 1, 2024 effective date, a notice to all customers will be published in the Stoughton Courier Hub during the month of February and on the customer billing statements issued on February 8, 2024. Customers will see the effect of the rate adjustment on the billing statements dated March 8, 2024, for wastewater service provided during the month of February.

We are requesting that the Stoughton Utilities Committee approve the Stoughton Wastewater Utility 2024 rate adjustment, and recommend approval of the rate adjustment to the Stoughton Common Council at their January 9, 2024 meeting.

Sewer Rate Comparison Dec 2023
Within 15 Miles of Stoughton

Community	Oregon	Fitchburg	Stoughton CURRENT	Stoughton PROPOSED	Madison	Monona	McFarland	Edgerton	Cottage Grove	Evansville	Deerfield
Effective Date	12/28/11	01/01/23	7/1/2022	2/1/2024	06/01/23	01/01/21	01/11/23	01/01/21	2023	01/01/22	01/01/22
Population	11,179	30,032	13,146	13,146	258,366	8,141	8,845	5,613	7,086	5,374	2,553
Meter Size											
5/8"	$ 6.98	$ 14.33	$ 10.30	$ 11.12	$ 15.23	$ 17.48	$ 16.50	$ 13.99	$ 17.51	$ 15.00	$ 27.50
3/4"	$ 6.98	$ 14.33	$ 10.30	$ 11.12	$ 15.23	$ 17.48	$ 16.50	$ 13.99	$ 17.51	$ 15.00	$ 27.50
1"	$ 17.45	$ 18.77	$ 15.81	$ 17.07	$ 30.68	$ 25.49	$ 23.95	$ 19.39	$ 28.53	$ 37.50	$ 61.50
1 1/4"	$ 24.43	$ -	$ 21.11	$ 22.80	$ -	$ -	$ 28.89	$ 23.08	$ -	$ 52.50	$ -
1 1/2"	$ 24.43	$ 29.77	$ 24.97	$ 26.97	$ 56.43	$ 39.34	$ 35.89	$ 28.61	$ 47.29	$ 75.00	$ 118.00
2"	$ 34.90	$ 43.13	$ 35.98	$ 38.86	$ 87.33	$ 54.66	$ 50.66	$ 39.69	$ 70.17	$ 120.00	$ 185.50
3"	$ 55.84	$ 74.17	$ 61.64	$ 66.57	$ 159.43	$ 99.08	$ 84.11	$ 65.68	$ 122.53	$ 225.00	$ -
4"	$ 174.50	$ 117.93	$ 98.30	$ 106.16	$ 262.43	$ 142.76	$ 132.23	$ 139.81	$ 197.91	$ 375.00	$ 569.50
6"	$ 349.00	$ 228.37	$ 205.93	$ 222.40	$ 519.93	$ -	$ 253.23	$ 195.19	$ -	$ 750.00	$ -
Volume Charge											
Per 1,000 Gallons	$ 4.66	$ 3.15	$ 5.05	$ 5.45	$ 4.75	$ 5.21	$ 5.50	$ 7.67	$ 7.93	$ 9.63	$ 9.50
Per 100 Cubic Feet										$ 7.20	
Average Residential Customer Monthly Cost ***(Assuming 4,000 gallons per month)***	**$ 25.62**	**$ 26.93**	**$ 30.50**	**$ 32.92**	**$ 34.23**	**$ 38.32**	**$ 38.50**	**$ 44.67**	**$ 49.23**	**$ 53.52**	**$ 65.50**
2024 Estimated	**$ 28.69**			**$ 32.92**							
2025 Estimated	**$ 38.74**			**$ 35.57**							
2026 Estimated	**$ 48.42**			**$ 38.41**							
2027 Estimated	**$ 51.33**			**$ 41.49**							
2028 Estimated	**$ 54.41**			**$ 44.81**							
Notes:		Quarterly					Bi-Monthly	Quarterly	Quarterly	Adjusted	
		Adjusted for					Adjusted for	Adjusted for	Adjusted for	Volume	
		Monthly					Monthly	Monthly	Monthly	Charge	
										for 1,000	
										Gallons	

City of Stoughton, 207 S Forrest Street, Stoughton WI 53589

RESOLUTION FROM THE UTILTIES COMMITTEE TO THE STOUGHTON COMMON COUNCIL			
Authorizing and directing the proper City official(s) to adopt modification to Subsections 74-112 and 74-113 of the City of Stoughton Municipal Code of Ordinances.			
Committee Action:	Utilities Committee recommended Common Council approval 6 - 0		
Fiscal Impact:	$176,134		
File Number:	R-06-2024	**Date Introduced:**	January 9, 2024

The City of Stoughton, Wisconsin, Common Council does proclaim as follows:

WHEREAS, included in the 2024 wastewater utility budget that was presented to and approved by the Stoughton Utilities Committee and Stoughton Common Council was a review of wastewater utility retail rates and an across-the-board rate adjustment of 8%, and

WHEREAS, an adjustment is necessary to recover costs of capital infrastructure improvements, including replacement of underground mains and associated street repairs/reconstruction, and

WHEREAS, the last wastewater rate adjustment occurred on July 1, 2022.

WHEREAS, the budgeted increase to wastewater retail rates of 8% will bring the total wastewater bill for an average residential customer to $32.92 per month, a monthly increase of $2.42, and

WHEREAS, Wastewater rates are solely governed by the Stoughton Common Council and changes in rates require a revision to Section 74 of the Stoughton Municipal Code of Ordinances, and

WHEREAS, your Stoughton Utilities staff reviewed the wastewater utility rates and prepared modifications to Subsections 74-112 and 74-113 of the City of Stoughton Municipal Code of Ordinances as follows:

DIVSION 3. FEES AND CHARGES

Sec. 74-112. – Minimum monthly wastewater service charge
The minimum monthly wastewater service charge shall be based on the size water meter in service, as per the following schedule effective February 1, 2024:

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Meter Size	OM&R	Debt	Total
4"	36.09	70.07	106.16
6"	75.62	146.78	222.40

Sec. 74-113. Volume.

In addition to the minimum monthly charge based on meter size, there shall be a charge for all flow based on water usage as determined by the water utility, at the rate of $5.45 per 1,000 gals, effective February 1, 2024.

NOW THEREFORE BE IT RESOLVED by the Common Council of the City of Stoughton that the proper city official(s) be hereby authorized and directed to adopt the modifications to Subsections 74-112 and 74-113.

Council Action: ☑ **Adopted** ☐ **Failed** **Vote:** 10-0

Mayoral Action: ☑ **Accept** ☐ **Veto**

Tim Swadley
Mayor Timothy Swadley

Jan. 9, 2024
Date

Council Action: _____ ☐ **Override** **Vote:** _____