

**Lanesboro Public Utilities
Regular Meeting
Tuesday, September 20, 2022 10:00 a.m.
Lanesboro Community Center Meeting Room and Zoom**

Present: Jon Pieper and Brian Roelofs

Absent: Elliot Riggott

Staff/Council Present: Deputy Clerk Darla Taylor and Supervisor Jerod Wagner

Visitors: Bonita Underbakke

Regular Meeting:

Commissioner Pieper called the regular meeting to order at 10:00 a.m.

- A. Public Comments:** No comments were shared
- B. Agenda:** Member Pieper motioned to approve the agenda as submitted. Member Roelofs seconded the motion. Motion carried with all in favor.
- C. Consent Agenda:** Member Pieper motioned to approve the Consent agenda as presented. Member Roelofs seconded the motion. Motion carried with all in favor.
 - Minutes of the Regular Meeting, August, 16, 2022
 - Accounts Payable
- D. Wastewater Treatment Facility Update:** Supervisor Wagner noted that some equipment has been tested. Approximately 45,000 gallons of wastewater was transferred from the old plant to the new plant due to capacity concerns at the existing facility. Final approval to excavate the trail to make the connection is still pending. Administrator Peterson met with Engineer Brian Malm and DNR representatives last Friday, to go through questions, to hopefully expedite the review process. Construction on the trail is currently set for next week.
- E. Street & Utility Improvement Project Update:** Progress continues, several valve replacements as well as new installations have been completed. There will be additional work on the valves in Kirkwood Street next year. The updates will allow for more isolation when there are water shut-offs. The only unusual items in the project has been the need to support utility poles, due to their proximity to the ground being disturbed.
- F. Staff Update:** Supervisor Wagner shared the following information shared during the Dairyland Municipal Appreciation Day held last week:
 - By the year 2040 they have set a goal to reduce coal consumption to 30%, currently they are at 78%
 - An electric car study found that 80 % of charging is happening in homes. Additionally, with the creation of electric trucks, consideration should be given to the creation of drive through charging stations. Drive through charging stations would accommodate a truck and trailer, where the current pull-in sites would not as easily. Consideration is also being given to the creation of a charging tax, which would be similar to the current tax on gas.

- MISO is also considering seasonal capacity to determine forced outage rates. A list of penalties from the June 10, 2021 event were shared for communities that were not up and running in the specified time, Lanesboro was not one of those communities.
- A comment was shared that if there are concerns with cO2, then there must be acceptance of nuclear or darkness.

Members questioned the cost of a solar array, compared to the cost of natural gas energy. It was noted that our generator does have the capacity to be dual fuel, however it would take updates to do so.

G. City Council Update: No updates were noted.

Regular Business

- A. Electric Meter Replacement:** Electric Meters in town are now 10 years old, which is the standard useful life for electric meters. We are working with MiEnergy to test the possibility of utilizing RF meters, the same as the system that MiEnergy currently uses. Several test meters will be deployed this fall to determine if this system will work for Lanesboro. The questions of load control was brought forward, it was noted that at this time we do not have the capability of providing load control to our customers. It was also noted that we do not have the resources to bill for peak periods of time.
- B. NOVA Power Portal:** The NOVA Power Portal is used for applications of solar installations. Currently we are working with MiEnergy in order to complete this process. It was suggested that Lanesboro could have their own portal, however the cost was \$2,000 per year. STAR Energy is currently considering another pricing option, however at this time the recommendation is to continue the partnership with MiEnergy until another option is available.
- C. MMUA Safety Training:** City and LPU staff currently received the required OSHA training through MMUA. MMUA recently restructured their rates, which gave Lanesboro a \$6,000 rate increase per year. The rate was at \$5,000, and increased to \$11,000. Due to the concern for the increase Administrator Peterson and Supervisor Wagner are researching other potential training options for staff members. Discussion to be continued.
- D. Continued Business:**
 - a. 2023 Budget:** Members reviewed the proposed budget for 2023. Items of note were a 2% rate increase for both water and electric, with additional increases for sewer based on calculations for financing of the new plant. Actual cost figures for electric will be available at the end of the month, at that time staff will review if the proposed budget will be adequate or if changes will need to be made. Members suggested an increase in vehicle replacement costs, questioned changes in Capital outlay for electric from last year, and would like to see revenue information for rate classes from old water rates to current rates.
 - b. Housing Incentives:** Discussion was had regarding actual costs to connect to water and sewer infrastructure. No action was taken.
 - c. Reduce electric usage in public facilities:** No new information was shared, item can be removed from the agenda in the future.
 - d. Capital Projects:**
 - i. Carbon Neutrality:** Member Pieper noted he has been talking with legislators when available to begin the conversation regarding funding.
 - ii. Drip Lines Investigations:** No updates were available.
 - iii. Storm Sewer Investigations:** No new updates were available.

- iv. **Land Acquisition:** Supervisor Wagner shared his concern with finding a place to land apply biosolids prior to fall of 2023. Given the soil testing that needs to be completed prior to finalizing a contract, priority should be given to this discussion. Administrator Peterson will send out the letter previously sent to land owners to board members for review. Supervisor Wagner will reach out to a few different real estate agents to inquire as well. Members discussed two options, first, to purchase 20 acres and lease the land back to the farmer at no cost. Or, second, to lease the land from the farmer for an agreed upon per acre amount annually. Discussion to be continued.

Next Meeting: Tuesday, October 18, 2022 at 10:00 a.m.

Adjourn Regular Meeting: Motion was made by Commissioner Pieper to adjourn the regular meeting of the Public Utilities Commission at 11:14 a.m. Motion was seconded by Commissioner Roelofs. Motion carried with all in favor.

Respectfully Submitted,

Michele Peterson
City Administrator/Clerk